
SENATE BILL 5068

State of Washington

54th Legislature

1995 Regular Session

By Senators Sheldon and Haugen

Read first time 01/09/95. Referred to Committee on Government Operations.

1 AN ACT Relating to limits on executory conditional sales contracts
2 entered into by local governments; amending RCW 39.30.010, 35A.64.010,
3 and 39.44.210; and adding a new section to chapter 39.30 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 39.30.010 and 1970 ex.s. c 42 s 26 are each amended to
6 read as follows:

7 Any (~~city or town or~~) metropolitan park district or (~~county or~~)
8 library district may execute an executory conditional sales contract
9 with a county or counties, the state or any of its political
10 subdivisions, the government of the United States, or any private party
11 for the purchase of any real or personal property, or property rights
12 in connection with the exercise of any powers or duties which they now
13 or hereafter are authorized to exercise, if the entire amount of the
14 purchase price specified in such contract does not result in a total
15 indebtedness in excess of three-fourths of one percent of the value of
16 the taxable property in such (~~city or town or~~) metropolitan park
17 district or (~~county or~~) library district: PROVIDED, That if such a
18 proposed contract would result in a total indebtedness in excess of
19 three-fourths of one percent of the value of the taxable property of

1 such ((~~city or town or~~)) metropolitan park district or ((~~county or~~))
2 library district, as the case may be, a proposition in regard to
3 whether or not such a contract may be executed shall be submitted to
4 the voters for approval or rejection in the same manner that bond
5 issues for capital purposes are submitted to the voters: PROVIDED
6 FURTHER, That any ((~~city or town or~~)) metropolitan park district or
7 ((~~county or~~)) library district may jointly execute contracts authorized
8 by this section, if the entire amount of the purchase price does not
9 result in a joint total indebtedness in excess of three-fourths of one
10 percent of the value of the taxable property in such ((~~city or town~~
11 ~~or~~)) metropolitan park district or ((~~county or~~)) library district. The
12 term "value of the taxable property" shall have the meaning set forth
13 in RCW 39.36.015.

14 NEW SECTION. **Sec. 2.** A new section is added to chapter 39.30 RCW
15 to read as follows:

16 Any city, town, or county may execute an executory conditional
17 sales contract with a county or counties, the state or any of its
18 political subdivisions, the government of the United States, or any
19 private party for the purchase of any real or personal property, or
20 property rights in connection with the exercise of any powers or duties
21 which they now or hereafter are authorized to exercise, if the entire
22 amount of the purchase price specified in such contract does not result
23 in a total indebtedness in excess of one and one-half percent of the
24 value of the taxable property in such city, town, or county: PROVIDED,
25 That if such a proposed contract would result in a total indebtedness
26 in excess of one and one-half percent of the value of the taxable
27 property of such city, town, or county, as the case may be, a
28 proposition in regard to whether or not such a contract may be executed
29 shall be submitted to the voters for approval or rejection in the same
30 manner that bond issues for capital purposes are submitted to the
31 voters: PROVIDED FURTHER, That any city, town, or county may jointly
32 execute contracts authorized by this section, if the entire amount of
33 the purchase price does not result in a joint total indebtedness in
34 excess of one and one-half percent of the value of the taxable property
35 in such city, town, or county. The term "value of the taxable
36 property" shall have the meaning set forth in RCW 39.36.015.

1 **Sec. 3.** RCW 35A.64.010 and 1967 ex.s. c 119 s 35A.64.010 are each
2 amended to read as follows:

3 A code city may exercise the powers relating to acquisition of real
4 or personal property under executory conditional sales contracts as
5 authorized by ((~~RCW 39.30.010~~)) section 2 of this act.

6 **Sec. 4.** RCW 39.44.210 and 1990 c 220 s 2 are each amended to read
7 as follows:

8 For each state or local government bond issued, the underwriter of
9 the issue shall supply the department of community, trade, and economic
10 development with information on the bond issue within twenty days of
11 its issuance. In cases where the issuer of the bond makes a direct or
12 private sale to a purchaser without benefit of an underwriter, the
13 issuer shall supply the required information. The bond issue
14 information shall be provided on a form prescribed by the department of
15 community, trade, and economic development and shall include but is not
16 limited to: (1) The par value of the bond issue; (2) the effective
17 interest rates; (3) a schedule of maturities; (4) the purposes of the
18 bond issue; (5) cost of issuance information; and (6) the type of bonds
19 that are issued. A copy of the bond covenants shall be supplied with
20 this information.

21 For each state or local government bond issued, the issuer's bond
22 counsel promptly shall provide to the underwriter or to the department
23 of community, trade, and economic development information on the amount
24 of any fees charged for services rendered with regard to the bond
25 issue.

26 Each local government that issues any type of bond shall make a
27 report annually to the department of community, trade, and economic
28 development that includes a summary of all the outstanding bonds of the
29 local government as of the first day of January in that year. Such
30 report shall distinguish the outstanding bond issues on the basis of
31 the type of bond, as defined in RCW 39.44.200, and shall report the
32 local government's outstanding indebtedness compared to any applicable
33 limitations on indebtedness, including RCW 35.42.200, 39.30.010,
34 section 2 of this act, and 39.36.020.

--- END ---