

SB 5144 - S AMD 388
By Senator Oke

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 28A.535.020 and 1996 c 48 s 2 are each amended to
4 read as follows:

5 Whenever the board of directors of any school district shall deem
6 it advisable to validate and ratify the indebtedness mentioned in RCW
7 28A.535.010, they shall provide therefor by resolution, which shall be
8 entered on the records of such school district, which resolution shall
9 provide for the holding of an election for the purpose of submitting
10 the question of validating and ratifying the indebtedness so incurred
11 to the voters of such school district for approval or disapproval, and
12 if at such election three-fifths of the voters in such school district
13 voting at such election shall vote in favor of the validation and
14 ratification of such indebtedness, then such indebtedness so validated
15 and ratified and every part thereof existing at the time of the
16 adoption of said resolution shall thereby become and is hereby declared
17 to be validated and ratified and a binding obligation upon such school
18 district: PROVIDED, That if the proposal is submitted at a November
19 regular election, then only a majority of the voters voting on the
20 proposition is required to validate and ratify such indebtedness.

21 **Sec. 2.** RCW 28A.535.050 and 1984 c 186 s 14 are each amended to
22 read as follows:

23 If the indebtedness of such school district is validated and
24 ratified, as provided in this chapter, (~~by three-fifths of the voters~~
25 ~~voting at such election,~~) the board of directors of such school
26 district, without any further vote, may borrow money and issue and sell
27 negotiable bonds therefor in accordance with chapter 39.46 RCW.

1 **Sec. 3.** RCW 84.52.053 and 1997 c 260 s 1 are each amended to read
2 as follows:

3 The limitations imposed by RCW 84.52.050 through 84.52.056, and
4 84.52.043 shall not prevent the levy of taxes by school districts, when
5 authorized so to do by the voters of such school district in the manner
6 and for the purposes and number of years allowable under Article VII,
7 section 2(a) of the Constitution of this state. Elections for such
8 taxes shall be held in the year in which the levy is made or, in the
9 case of propositions authorizing two-year through four-year levies for
10 maintenance and operation support of a school district, authorizing
11 two-year levies for transportation vehicle funds established in RCW
12 28A.160.130, or authorizing two-year through six-year levies to support
13 the construction, modernization, or remodeling of school facilities, in
14 the year in which the first annual levy is made: PROVIDED, That once
15 additional tax levies have been authorized for maintenance and
16 operation support of a school district for a two-year through four-year
17 period, no further additional tax levies for maintenance and operation
18 support of the district for that period may be authorized.

19 A special election may be called and the time therefor fixed by the
20 board of school directors, by giving notice thereof by publication in
21 the manner provided by law for giving notices of general elections, at
22 which special election the proposition authorizing such excess levy
23 shall be submitted in such form as to enable the voters favoring the
24 proposition to vote "yes" and those opposed thereto to vote "no".

25 Except for the November regular election, no levy to support the
26 construction, modernization, or remodeling of school facilities may be
27 made unless specifically authorized to do so by a majority of at least
28 three-fifths of the voters of the taxing district voting on the
29 proposition to levy such additional tax, either at a special election
30 or at the regular election of such taxing district, at which election
31 the number of voters voting "yes" on the proposition shall constitute
32 three-fifths of a number equal to forty percent of the total number of
33 voters voting in such taxing district at the last preceding general
34 election when the number of voters voting on the proposition does not
35 exceed forty percent of the total number of voters voting in such
36 taxing district in the last preceding general election; or by a
37 majority of at least three-fifths of the voters of the taxing district

1 voting on the proposition to levy when the number of voters voting on
2 the proposition exceeds forty percent of the number of voters voting in
3 such taxing district in the last preceding general election.

4 **Sec. 4.** RCW 84.52.056 and 1973 1st ex.s. c 195 s 104 are each
5 amended to read as follows:

6 Any municipal corporation otherwise authorized by law to issue
7 general obligation bonds for capital purposes may, at an election duly
8 held after giving notice thereof as required by law, authorize the
9 issuance of general obligation bonds for capital purposes only, which
10 shall not include the replacement of equipment, and provide for the
11 payment of the principal and interest of such bonds by annual levies in
12 excess of the tax limitations contained in RCW 84.52.050 to 84.52.056,
13 inclusive and RCW 84.52.043. Such an election shall not be held
14 oftener than twice a calendar year, and the proposition to issue any
15 such bonds and to exceed said tax limitation must receive the
16 affirmative vote of a three-fifths majority of those voting on the
17 proposition and the total number of (~~persons~~) voters voting at such
18 election must constitute not less than forty percent of the voters in
19 said municipal corporation who voted at the last preceding general
20 state election, except that a proposition by a school district to issue
21 such bonds and to pay the principal and interest on the bonds by annual
22 tax levies shall be authorized by receiving the affirmative vote of a
23 majority of the voters voting on the proposition if the proposition is
24 submitted at the November regular election.

25 Any taxing district shall have the right by vote of its governing
26 body to refund any general obligation bonds of said district issued for
27 capital purposes only, and to provide for the interest thereon and
28 amortization thereof by annual levies in excess of the tax limitations
29 provided for in RCW 84.52.050 to 84.52.056, inclusive and RCW
30 84.52.043.

31 **Sec. 5.** RCW 39.36.020 and 2000 c 156 s 1 are each amended to read
32 as follows:

33 (1) Except as otherwise expressly provided by law or in subsections
34 (2), (3) and (4) of this section, no taxing district shall for any
35 purpose become indebted in any manner to an amount exceeding
36 three-eighths of one percent of the value of the taxable property in

1 such taxing district without the assent of three-fifths of the voters
2 therein voting at an election to be held for that purpose, nor in cases
3 requiring such assent shall the total indebtedness incurred at any time
4 exceed one and one-fourth percent on the value of the taxable property
5 therein.

6 (2)(a)(i) Public hospital districts are limited to an indebtedness
7 amount not exceeding three-fourths of one percent of the value of the
8 taxable property in such public hospital districts without the assent
9 of three-fifths of the voters therein voting at an election held for
10 that purpose.

11 (ii) Counties, cities, and towns are limited to an indebtedness
12 amount not exceeding one and one-half percent of the value of the
13 taxable property in such counties, cities, or towns without the assent
14 of three-fifths of the voters therein voting at an election held for
15 that purpose.

16 (b) In cases requiring such assent counties, cities, towns, and
17 public hospital districts are limited to a total indebtedness of two
18 and one-half percent of the value of the taxable property therein.
19 However, any county that has assumed the rights, powers, functions, and
20 obligations of a metropolitan municipal corporation under chapter 36.56
21 RCW may become indebted to a larger amount for its authorized
22 metropolitan functions, as provided under chapter 35.58 RCW, but not
23 exceeding an additional three-fourths of one percent of the value of
24 the taxable property in the county without the assent of three-fifths
25 of the voters therein voting at an election held for that purpose, and
26 in cases requiring such assent not exceeding an additional two and one-
27 half percent of the value of the taxable property in the county.

28 (3) School districts are limited to an indebtedness amount not
29 exceeding three-eighths of one percent of the value of the taxable
30 property in such district without the assent of three-fifths of the
31 voters therein voting at an election held for that purpose: PROVIDED,
32 That if the proposal is submitted at a November regular election, then
33 only a majority of the voters voting on the proposition is required.
34 In cases requiring such assent school districts are limited to a total
35 indebtedness of two and one-half percent of the value of the taxable
36 property therein.

37 (4) No part of the indebtedness allowed in this chapter shall be
38 incurred for any purpose other than strictly county, city, town, school

1 district, township, port district, metropolitan park district, or other
2 municipal purposes: PROVIDED, That a city or town, with such assent,
3 may become indebted to a larger amount, but not exceeding two and one-
4 half percent additional, determined as herein provided, for supplying
5 such city or town with water, artificial light, and sewers, when the
6 works for supplying such water, light, and sewers shall be owned and
7 controlled by the city or town; and a city or town, with such assent,
8 may become indebted to a larger amount, but not exceeding two and one-
9 half percent additional for acquiring or developing open space, park
10 facilities, and capital facilities associated with economic
11 development: PROVIDED FURTHER, That any school district may become
12 indebted to a larger amount but not exceeding two and one-half percent
13 additional for capital outlays.

14 (5) Such indebtedness may be authorized in any total amount in one
15 or more propositions and the amount of such authorization may exceed
16 the amount of indebtedness which could then lawfully be incurred. Such
17 indebtedness may be incurred in one or more series of bonds from time
18 to time out of such authorization but at no time shall the total
19 general indebtedness of any taxing district exceed the above
20 limitation.

21 The term "value of the taxable property" as used in this section
22 shall have the meaning set forth in RCW 39.36.015.

23 **Sec. 6.** RCW 28A.530.020 and 1996 c 48 s 1 are each amended to read
24 as follows:

25 ~~((1) The question whether the bonds shall be issued, as provided~~
26 ~~in RCW 28A.530.010, shall be determined at an election to be held~~
27 ~~pursuant to RCW 39.36.050. If a majority of the votes cast at such~~
28 ~~election favor the issuance of such bonds, the board of directors must~~
29 ~~issue such bonds: PROVIDED, That if the amount of bonds to be issued,~~
30 ~~together with any outstanding indebtedness of the district that only~~
31 ~~needs a simple majority voter approval, exceeds three eighths of one~~
32 ~~percent of the value of the taxable property in said district, as the~~
33 ~~term "value of the taxable property" is defined in RCW 39.36.015, then~~
34 ~~three fifths of the votes cast at such election must be in favor of the~~
35 ~~issuance of such bonds, before the board of directors is authorized to~~
36 ~~issue said bonds.~~

1 ~~(2))~~) The resolution adopted by the board of directors calling
2 ~~((the))~~ an election ~~((in subsection (1) of this section))~~ shall specify
3 the purposes of the debt financing measure, including the specific
4 buildings to be constructed or remodeled and any additional specific
5 purposes as authorized by RCW 28A.530.010. If the debt financing
6 measure anticipates the receipt of state financing assistance under
7 chapter 28A.525 RCW, the board resolution also shall describe the
8 specific anticipated purpose of the state assistance. If the school
9 board subsequently determines that state or local circumstances should
10 cause any alteration to the specific expenditures from the debt
11 financing or of the state assistance, the board shall first conduct a
12 public hearing to consider those circumstances and to receive public
13 testimony. If the board then determines that any such alterations are
14 in the best interests of the district, it may adopt a new resolution or
15 amend the original resolution at a public meeting held subsequent to
16 the meeting at which public testimony was received.

17 NEW SECTION. **Sec. 7.** If any provision of this act or its
18 application to any person or circumstance is held invalid, the
19 remainder of the act or the application of the provision to other
20 persons or circumstances is not affected.

21 NEW SECTION. **Sec. 8.** This act takes effect if the proposed
22 amendment to Article VII, section 2 and Article VIII, section 6 of the
23 state Constitution providing for a simple majority of voters voting to
24 authorize school district levies and bonds is validly submitted to and
25 is approved and ratified by the voters at the next general election and
26 certified by the secretary of state. If the proposed amendment is not
27 approved, ratified, and certified, this act is void in its entirety."

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28 On page 1, line 1 of the title, after "elections;" strike the

1 remainder of the title and insert "amending RCW 28A.535.020,
2 28A.535.050, 84.52.053, 84.52.056, 39.36.020, and 28A.530.020; and
3 providing a contingent effective date."

EFFECT: When a school levy is approved during a general election, a simple majority of voters voting can approve the levy. When the election is held at a different time, the levy must receive 60 percent approval and be validated by an amount that equals 40 percent of the voters in the previous general election. Allows simple majority only for November regular elections.

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