

ESHB 1619 - S COMM AMD
By Committee on Ways & Means

ADOPTED 04/16/2009

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

3 "Sec. 1. RCW 28A.320.330 and 2007 c 503 s 2 and 2007 c 129 s 2 are
4 each reenacted and amended to read as follows:

5 School districts shall establish the following funds in addition to
6 those provided elsewhere by law:

7 (1) A general fund for maintenance and operation of the school
8 district to account for all financial operations of the school district
9 except those required to be accounted for in another fund.

10 (2) A capital projects fund shall be established for major capital
11 purposes. All statutory references to a "building fund" shall mean the
12 capital projects fund so established. Money to be deposited into the
13 capital projects fund shall include, but not be limited to, bond
14 proceeds, proceeds from excess levies authorized by RCW 84.52.053,
15 state apportionment proceeds as authorized by RCW 28A.150.270, earnings
16 from capital projects fund investments as authorized by RCW 28A.320.310
17 and 28A.320.320, and state forest revenues transferred pursuant to
18 subsection (3) of this section.

19 Money derived from the sale of bonds, including interest earnings
20 thereof, may only be used for those purposes described in RCW
21 28A.530.010, except that accrued interest paid for bonds shall be
22 deposited in the debt service fund.

23 Money to be deposited into the capital projects fund shall include
24 but not be limited to rental and lease proceeds as authorized by RCW
25 28A.335.060, and proceeds from the sale of real property as authorized
26 by RCW 28A.335.130.

27 Money legally deposited into the capital projects fund from other
28 sources may be used for the purposes described in RCW 28A.530.010, and
29 for the purposes of:

1 (a) Major renovation(~~(, including the)~~) and replacement of
2 facilities and systems where periodical repairs are no longer
3 economical or extend the useful life of the facility or system beyond
4 its original planned useful life. (~~Major~~) Such renovation and
5 replacement shall include, but shall not be limited to, major repairs,
6 exterior painting of facilities, replacement and refurbishment of
7 roofing, exterior walls, windows, heating and ventilating systems,
8 floor covering in classrooms and public or common areas, and electrical
9 and plumbing systems.

10 (b) Renovation and rehabilitation of playfields, athletic fields,
11 and other district real property.

12 (c) The conduct of preliminary energy audits and energy audits of
13 school district buildings. For the purpose of this section:

14 (i) "Preliminary energy audits" means a determination of the energy
15 consumption characteristics of a building, including the size, type,
16 rate of energy consumption, and major energy using systems of the
17 building.

18 (ii) "Energy audit" means a survey of a building or complex which
19 identifies the type, size, energy use level, and major energy using
20 systems; which determines appropriate energy conservation maintenance
21 or operating procedures and assesses any need for the acquisition and
22 installation of energy conservation measures, including solar energy
23 and renewable resource measures.

24 (iii) "Energy capital improvement" means the installation, or
25 modification of the installation, of energy conservation measures in a
26 building which measures are primarily intended to reduce energy
27 consumption or allow the use of an alternative energy source.

28 (d) Those energy capital improvements which are identified as being
29 cost-effective in the audits authorized by this section.

30 (e) Purchase or installation of additional major items of equipment
31 and furniture: PROVIDED, That vehicles shall not be purchased with
32 capital projects fund money.

33 (f)(i) Costs associated with implementing technology systems,
34 facilities, and projects, including acquiring hardware, licensing
35 software, and online applications and training related to the
36 installation of the foregoing. However, the software or applications
37 must be an integral part of the district's technology systems,
38 facilities, or projects.

1 (ii) Costs associated with the application and modernization of
2 technology systems for operations and instruction including, but not
3 limited to, the ongoing fees for online applications, subscriptions, or
4 software licenses, including upgrades and incidental services, and
5 ongoing training related to the installation and integration of these
6 products and services. However, to the extent the funds are used for
7 the purpose under this subsection (2)(f)(ii), the school district shall
8 transfer to the district's general fund the portion of the capital
9 projects fund used for this purpose. The office of the superintendent
10 of public instruction shall develop accounting guidelines for these
11 transfers in accordance with internal revenue service regulations.

12 (g) Major equipment repair, painting of facilities, and other major
13 preventative maintenance purposes. Funds used for this purpose may not
14 supplant routine annual preventive maintenance expenditures made from
15 the district's general fund. However, to the extent the funds are used
16 for the purpose under this subsection (2)(g), the school district shall
17 transfer to the district's general fund the portion of the capital
18 projects fund used for this purpose. The office of the superintendent
19 of public instruction shall develop accounting guidelines for these
20 transfers in accordance with internal revenue service regulations.

21 (3) A debt service fund to provide for tax proceeds, other
22 revenues, and disbursements as authorized in chapter 39.44 RCW. State
23 forest land revenues that are deposited in a school district's debt
24 service fund pursuant to RCW 79.64.110 and to the extent not necessary
25 for payment of debt service on school district bonds may be transferred
26 by the school district into the district's capital projects fund.

27 (4) An associated student body fund as authorized by RCW
28 28A.325.030.

29 (5) Advance refunding bond funds and refunded bond funds to provide
30 for the proceeds and disbursements as authorized in chapter 39.53 RCW.

31 **Sec. 2.** RCW 84.52.053 and 2007 c 129 s 3 are each amended to read
32 as follows:

33 (1) The limitations imposed by RCW 84.52.050 through 84.52.056, and
34 84.52.043 shall not prevent the levy of taxes by school districts, when
35 authorized so to do by the voters of such school district in the manner
36 and for the purposes and number of years allowable under Article VII,
37 section 2(a) of the Constitution of this state. Elections for such

1 taxes shall be held in the year in which the levy is made or, in the
2 case of propositions authorizing two-year through four-year levies for
3 maintenance and operation support of a school district, authorizing
4 two-year levies for transportation vehicle funds established in RCW
5 28A.160.130, or authorizing two-year through six-year levies to support
6 the construction, modernization, or remodeling of school facilities,
7 which includes the purposes of RCW 28A.320.330(2) (f) and (g), in the
8 year in which the first annual levy is made.

9 (2) Once additional tax levies have been authorized for maintenance
10 and operation support of a school district for a two-year through four-
11 year period as provided under subsection (1) of this section, no
12 further additional tax levies for maintenance and operation support of
13 the district for that period may be authorized. For the purpose of
14 applying the limitation of this subsection, a two-year through six-year
15 levy to support the construction, modernization, or remodeling of
16 school facilities shall not be deemed to be a tax levy for maintenance
17 and operation support of a school district.

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

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24 On page 1, line 2 of the title, after "districts;" strike the
25 remainder of the title and insert "amending RCW 84.52.053; and
26 reenacting and amending RCW 28A.320.330."

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