

Section 8 of the bill requires that the Governor each year take suitable public notice of October 15 as White Cane Safety Day, directs that he issue a proclamation to that effect and describes the content to be contained in that proclamation. There are numerous special observance days each year which I as Governor acknowledge by statements supporting the objectives of groups sponsoring those observance days. However, none of these days are mandated by statute. In addition, gubernatorial proclamations are limited and defined by statute. The use of a gubernatorial proclamation for the purpose described in section 8 is not appropriate. Therefore I have vetoed section 8 of the bill. The remainder of the bill is approved."

CHAPTER 142

[Engrossed Senate Bill No. 618]
LOCAL GOVERNMENT--INDEBTEDNESS

AN ACT Relating to local government; permitting certain indebtedness for taxing districts, political subdivisions or municipal corporations; amending section 1, page 324, Laws of 1909, as last amended by section 1, chapter 163, Laws of 1953, and RCW 28.51-.010; amending section 28A.51.010, chapter ..., Laws of 1969 (HB 58) and RCW 28A.51.010; amending section 1, chapter 143, Laws of 1917, as last amended by section 4, chapter 107, Laws of 1967, and RCW 39.36.020; amending section 36.67.020, chapter 4, Laws of 1963 as amended by section 2, chapter 107, Laws of 1967 and RCW 36.67.020; amending section 36.67.040, chapter 4, Laws of 1963 as amended by section 3, chapter 107, Laws of 1967 and RCW 36.67.040; adding a new section to chapter 39.36 RCW; providing sections to effect the correlative and pari materia construction of this act with the provisions of Title 28 RCW, or of Title 28A if such title is enacted; and declaring an emergency.

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

Section 1. Section 1, page 324, Laws of 1909, as last amended by section 1, chapter 163, Laws of 1953, and RCW 28.51.010 are each amended to read as follows:

The board of directors of any school district may borrow money

and issue negotiable coupon bonds therefor for the purpose of:

(1) Funding outstanding indebtedness or bonds theretofore issued; or

(2) For the purchase of ~~((schoolhouse))~~ sites for all buildings ~~((or))~~, playgrounds, physical education and athletic facilities and structures authorized by law or necessary or proper to carry out the functions of a school district; or

(3) For erecting all buildings authorized by law, including but not limited to those mentioned in subparagraph (2) immediately above or necessary or proper to carry out the functions of a school district, and providing the necessary furniture, apparatus, or equipment therefor; or

(4) For any or all of these purposes.

Neither the amount of money borrowed nor bonds issued therefor shall exceed five percent of the ~~((assessed-valuation))~~ value of the taxable property in such district, as ~~((shown))~~ ascertained by the last assessment roll for county and state purposes previous to the incurring of such indebtedness, except that in cities incorporated under special charter the ~~((valuation))~~ ascertainment shall be ~~((taken))~~ made from the last assessment for city purposes: PROVIDED, That any school district may become indebted to a larger amount but not exceeding an additional five percent ~~((additional))~~ of actual value, determined as herein provided for capital outlays.

Bonds may be issued only when authorized by the vote of the qualified electors of the district as provided by law.

The bonds so issued shall ~~((bear-a-rate-of-interest-not-to-exceed-six-percent-per-annum,-interest-payable-annually-or-semiannually, payable-and-redeemable-at-such-time-as-may-be-designated-in-the-bonds. All-school-district-bonds-shall-be-payable-within-a-period-of-not-to-exceed-twenty-three-years-from-date,-except-when-issued-by-districts of-the-first-class-for-the-purpose-of-acquiring-buildings-or-play-ground-sites,-or-for-erecting-buildings-of-a-permanent-character,-in which-case-they-shall-be-made-payable-in-semiannual-or-annual-install-~~

~~ments, beginning the third year over any period not exceeding forty years from date:--AND PROVIDED FURTHER, That from and after July 1, 1919, all bonds issued by any school district shall be issued in serial form))~~ be in such form, for such terms, bear such interest, be sold in such manner, and be payable and redeemable, as the board of directors shall determine in accordance with this chapter and chapter 39.44 RCW.

Sec. 2. Section 28A.51.010, chapter . . ., Laws of 1969 (HB 58) and RCW 28A.51.010 are each amended to read as follows:

The board of directors of any school district may borrow money and issue negotiable coupon bonds therefor for the purpose of:

(1) Funding outstanding indebtedness or bonds theretofore issued; or

(2) For the purchase of ~~((schoolhouse))~~ sites for all buildings ~~((or))~~ playgrounds, physical education and athletic facilities and structures authorized by law or necessary or proper to carry out the functions of a school district; or

(3) For erecting all buildings authorized by law, including but not limited to those mentioned in subparagraph (2) immediately above or necessary or proper to carry out the functions of a school district, and providing the necessary furniture, apparatus, or equipment therefor; or

(4) For any or all of these purposes.

Neither the amount of money borrowed nor bonds issued therefor shall exceed five percent of the ~~((assessed-valuation))~~ value of the taxable property in such district as ~~((shown))~~ ascertained by the last assessment roll for county and state purposes previous to the incurring of such indebtedness, except that in cities incorporated under special charter the ~~((valuation))~~ ascertainment shall be ~~((taken))~~ made from the last assessment for city purposes: PROVIDED, That any school district may become indebted to a larger amount but not exceeding an additional five percent ~~((additional))~~ of actual value, determined as herein provided for capital outlays.

Bonds may be issued only when authorized by the vote of the qualified electors of the district as provided by law.

The bonds so issued shall be in such form, for such terms, bear such interest, be sold in such manner, and be payable and redeemable, as the board of directors shall determine in accordance with this chapter and chapter 39.44 RCW.

Sec. 3. Section 1, chapter 143, Laws of 1917 as last amended by section 4, chapter 107, Laws of 1967 and RCW 39.36.020 are each amended to read as follows:

(1) No taxing district (~~((except-counties;-cities-and-towns))~~) shall for any purpose become indebted in any manner to an amount exceeding one and one-half percent of the (~~((last-assessed-valuation))~~) value of the taxable property in such taxing district to be ascertained as set forth in this subsection (1), without the assent of three-fifths of the voters therein voting at an election to be held for that purpose, nor in cases requiring such assent shall the total indebtedness incurred at any time exceed five percent ((of-the-last-assessed-valuation-of-the-taxable-property-in-such-taxing-district)) on the value of the taxable property therein as ascertained by the last assessment for state and county purposes previous to the incurring of such indebtedness except that in incorporated cities the assessment shall be taken from the last assessment for city purposes.

~~((2))--Counties;-cities-and-towns-are-limited-to-an-indebtedness-amount-not-exceeding-one-and-one-half-percent-of-the-last-assessed-valuation-of-the-taxable-property-in-such-counties;-cities-or-towns-without-the-assent-of-three-fifths-of-the-voters-therein-voting-at-an-election-to-be-held-for-that-purpose.--In-cases-requiring-such-assent-counties;-cities-and-towns-are-limited-to-five-percent-on-the-value-of-the-taxable-property-therein-(being-twice-the-assessed-valuation)-as-ascertained-by-the-last-completed-and-balanced-tax-rolls-of-such-counties;-cities-or-towns-for-county;-city-or-town-purposes-~~

~~(3))~~ (2) No part of the indebtedness allowed in this chapter shall be incurred for any purpose other than strictly county, city,

town, school district, township, port district, metropolitan park district, or other municipal purposes: PROVIDED, That a city or town, with such assent, may become indebted to a larger amount, but not exceeding five percent additional, determined as herein provided, for supplying such city or town with water, artificial light, and sewers, when the works for supplying such water, light, and sewers shall be owned and controlled by the city or town: PROVIDED FURTHER, That any school district may become indebted to a larger amount but not exceeding five percent additional for capital outlays.

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

Sec. 4. Section 36.67.020, chapter 4, Laws of 1963, as amended by section 2, chapter 107, Laws of 1967, and RCW 36.67.020 are each amended to read as follows:

A county may contract indebtedness for strictly county purposes in excess of the amount named in RCW 36.67.010, but not exceeding in amount, together with the existing indebtedness, five percent on the value of the taxable property therein (~~{being twice the assessed valuation}~~), to be ascertained as provided in RCW 36.67.010, whenever three-fifths of the voters of the county assent thereto, at an election to be held for that purpose, consistent with the general election laws, which election may be either a special or general election.

Sec. 5. Section 36.67.040, chapter 4, Laws of 1963, as amended by section 3, chapter 107, Laws of 1967, and RCW 36.67.040 are each amended to read as follows:

The bonds, shall bear the date of issue, shall be made payable to the bearer and bear interest at a rate of not exceeding (~~seven~~)

eight percent per year, payable ((~~annually~~)) semiannually, with coupons attached for each interest payment. Except as otherwise provided in RCW 39.44.100, the bonds and each coupon shall be signed by the chairman of the board of county commissioners, or in counties having an elected executive, the elected executive officer, and shall be attested by the clerk of the board, and the seal of such board shall be affixed to each bond, but not to the coupon. Each bond shall be printed, engraved, or lithographed on good bond paper.

NEW SECTION. Sec. 6. There is added to chapter 39.36 RCW a new section to read as follows:

All bonds heretofore issued, or heretofore voted and which may have been or may hereafter be issued, by any taxing district pursuant to any of the foregoing sections as amended or for any of the purposes authorized by any of said sections are hereby validated.

NEW SECTION. Sec. 7. The forty-first legislature has before it a bill proposing a complete revision of the education laws of this state (1969 HB 58). The provisions of section 1 of the instant bill seek to change existing law. The provisions of section 2 seek to change a correlative provision of the proposed 1969 education code if such code becomes law. It is the intent of the legislature that the provisions of section 1 shall be effective only until the date upon which the 1969 education code shall take effect, upon which date the provisions of section 1 shall expire and the provisions of section 2 shall concomitantly become effective. It is the further intent of the legislature that section 2 of the instant bill shall not take effect unless the proposed 1969 education code is adopted at this legislature, but if such event occurs then the amendatory provisions of section 2 of this bill shall be construed as amending the correlative section of the 1969 education code.

NEW SECTION. Sec. 8. This act is necessary for the immediate preservation of the public peace, health and safety, the support of the state government and its existing public institutions, and shall take effect as follows:

- (1) Section 1, 3, 4, 5, 6, and 7 shall take effect immediately;
- (2) Section 2 shall take effect immediately if the 1969 education code (1969 HB 58) became effective prior to that date, otherwise section 2 shall take effect on the date thereafter upon which the 1969 education code (1969 HB 58) becomes effective.

Passed the Senate March 8, 1969.

Passed the House March 12, 1969.

Approved by the Governor March 25, 1969, with the exception of section 4 which is vetoed.

Filed in office of Secretary of State March 25, 1969.

NOTE: Governor's explanation of partial veto is as follows:

"...The principal objectives of Senate Bill No. 618 are to double the amount of bonds which a school district may issue with the approval of sixty percent of the voters, and to double the indebtedness which a city may incur upon the vote of its governing body to be repaid from regular revenues of the city. The bill also contains language clarifying the purposes for which school district bonds may be issued, increases the permissible interest rate on county bonds, and amends the general indebtedness statute (RCW 39.36.020) so that its provisions will conform with the provisions of Article 8, Section 6 of the State Constitution. The amendment of this general statute does not alter special statutes which fix indebtedness limits for particular types of taxing districts. These special statutes can be amended as the legislature wishes without the necessity of further amendments to RCW 39.36.020.

Section 4 of Senate Bill No. 618 amends RCW 36-.67.020 which is the special statute relating to indebtedness which may be contracted by a county with the approval of a sixty percent majority of the voters. The statute limits this indebtedness to

'...five percent on the value of the taxable property therein (being twice the assessed valuation), to be ascertained as provided in RCW 36.67.010 ...'

Section 4 of this bill would delete the parenthetical phrase '(being twice the assessed valuation)'. After reviewing this matter with members of the legislature and with legal counsel who specialize in municipal bond work, I am satisfied that this amendment in no way alters the present debt limits of counties under existing constitutional provisions. The constitution now provides for assessments to be made at fifty percent of true and fair value; thus, for debt limit purposes, the 'value of the taxable property' in a county is determined by multiplying the assessed valuation of the county by two, whether or not the parenthetical phrase is stated in the statute. The purpose of deleting

the parenthetical phrase 'being twice the assessed valuation' in Section 4, and in other sections of this bill where similar language is deleted, is to anticipate a possible change in the state constitution under which assessments would be made at actual value and regular levies would be limited to an aggregate of one percent of that value.

Unfortunately, merely deleting the parenthetical phrase in Section 4 without also deleting the further language 'to be ascertained as provided in RCW 36.67.010' causes RCW 36.67.020 to be confusing and susceptible of the interpretation that the amendment was intended to reduce by one-half the bonding capacity of counties.

Since the proposed amendment contained in Section 4 is not intended to change present indebtedness limitations of counties, and since the amendment is confusing and ambiguous, I have vetoed Section 4 in order to retain the language of RCW 36.67.020 in its present form. In the event the people ratify a constitutional amendment fixing regular property tax levies at one percent of the value of property, and assessments are made at full value, the legislature should amend RCW 36.67.020 and other special debt limitation statutes containing the phrase 'being twice the assessed valuation' in order to prevent a situation under which statutes specify an unconstitutional debt limitation for taxing districts.

Except for Section 4 which I have vetoed, the remainder of Senate Bill No. 618 is approved."

CHAPTER 143
[House Bill No. 245]
VISION CARE--OPTOMETRISTS--
HEALTH CARE SERVICE CONTRACTORS

AN ACT Relating to vision care; adding a new section to chapter 268, Laws of 1947, and to chapter 48.44 RCW; adding a new section to chapter 18.53 RCW; and prescribing penalties.

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

NEW SECTION. Section 1. There is added to chapter 268, Laws of 1947 and to chapter 48.44 RCW a new section to read as follows:

Whenever a health care service contractor has entered into an agreement with his subscribers for vision care, and this service is performed by a licensee under chapter 18.53 RCW, who is neither a health care service contractor nor a participant, then reimbursement or indemnity shall be provided the persons paying for this service in the same amount as that given to a participant.