

days after receipt of notice imposing the same, or application for remission or mitigation has not been made within fifteen days after the violator has received notice of the disposition of such application, the attorney general, upon the request of the director, shall bring an action in the name of the state of Washington in the superior court of Thurston county or of any other county in which such violator may do business, to recover such penalty. In all such actions the procedure and rules of evidence shall be the same as an ordinary civil action except as otherwise in this chapter provided. All penalties recovered under this section shall be paid into the state treasury and credited to the general fund.

Passed the House April 28, 1967.

Passed the Senate April 28, 1967.

Approved by the Governor May 11, 1967.

CHAPTER 140.

[Engrossed House Bill No. 978.]

STATE PROPERTY TAX—DISTRIBUTION TO SCHOOL DISTRICTS.

AN ACT relating to education; amending section 2, chapter 154, Laws of 1965 extraordinary session as amended by section 1, chapter 171, Laws of 1965 extraordinary session and RCW 28.41.130; creating new sections; adding a new section to chapter 28.48 RCW; and declaring an emergency and providing an effective date.

Be it enacted by the Legislature of the State of Washington:

New section.

Section 1. There is added to chapter 28.48 RCW a new section to read as follows:

Property tax
—Support of
public schools
—Distribution.

In each calendar year in which the state shall collect a property tax for the support of common schools, the superintendent of public instruction shall distribute the proceeds of such tax to each

school district of the state operating a program approved by the state board of education, in the manner provided in this section.

Except as hereinafter provided, the amount to be distributed to each school district in each year shall be a fraction of the total amount available for distribution, the numerator of which fraction shall be the assessed valuation of all taxable property in such school district adjusted to fifty percent of true and fair value thereof in accordance with the ratio of assessed valuation to actual valuation fixed by the state department of revenue, and the denominator of which fraction shall be the aggregate assessed valuation of taxable property in all school districts entitled to a distribution under this section adjusted as to the property in each such district to fifty percent of true and fair value thereof in accordance with the ratio of assessed valuation to actual valuation fixed by the state department of revenue: *Provided*, That each nonhigh school district shall receive only three-fifths of the amount otherwise distributable to a school district as provided above and the remaining two-fifths of such amount shall be distributed to the high school district fund of the county in which the nonhigh school district is located: *Provided further*, That each union high school district shall receive only two-fifths of the amount otherwise distributable to a school district as provided above, and the remaining three-fifths of such amount shall be distributed to the component districts within each union high school district in proportionate amounts based upon the respective aggregate assessed valuations of taxable property in such component districts adjusted to fifty percent of true and fair value thereof in accordance with the ratio of assessed valuation to actual valuation fixed by the state department of revenue.

Property tax
 —Support of
 public schools
 —Distribution.

The superintendent of public instruction shall make the distribution of funds authorized in this section on or before the tenth day of March, 1968, and on or before the tenth day of each month thereafter by prorating the funds available on such distribution dates to the school districts entitled thereto.

“Assumed
 moneys,”
 defined—
 Reduction of
 excess levies.

Sec. 2. For purposes of this section the term “assumed money” means the difference between

(1) The amount of revenues which would be produced by a levy of fourteen mills multiplied by the assessed valuation of taxable property within a school district adjusted to twenty-five percent of the true and fair value thereof, such adjustment to be made by use of the indicated county ratio as determined by the state department of revenue; and

(2) The amount of revenues which would be produced by a levy of fourteen mills multiplied by the assessed valuation of taxable property within the school district.

In many school districts all or a portion of the excess tax levies for maintenance and operation purposes authorized for collection in the calendar year 1968 were intended to increase revenues available to the school district so as to compensate for assumed money considered in calculating the distribution of money to the school district pursuant to RCW 28.41.130.

The legislature recognizes that the distribution of money to school districts under section 1 of this 1967 amendatory act could not have been anticipated by a school district at the time its excess tax levy was authorized. Therefore, there may be a duplication between excess tax levies authorized to be collected in the calendar year 1968 and funds distributable to a school district under section 1 of this 1967 amendatory act. Funds to be distributed to school districts under section 1 of this 1967 amenda-

tory act are intended to relieve excess levies and provide funds to a school district to compensate for assumed money.

To avoid such duplication and to relieve excess levies, each school district authorized by the electors prior to July 1, 1967 to impose an excess tax levy for maintenance and operation purposes for collection in the calendar year 1968, should reduce its actual excess levy so as to reduce the revenues from such excess levy by the amount of the assumed money, or by the amount to be distributed to the school district pursuant to section 1 of this 1967 amendatory act, whichever is less.

With respect to each school district which was authorized by the electors of the district prior to July 1, 1967 to impose an excess tax levy for maintenance and operation purposes, the state superintendent shall determine the amount of assumed money which was taken into account by the district in setting the level of the excess levy. If the state superintendent finds that any district has not reduced its excess levy in accordance with this section he shall withhold from the amount otherwise distributable to the district under section 1 of this 1967 amendatory act an amount equal to the surplus revenues which will accrue to the district by reason of the imposition of an excess levy greater than that contemplated by this section: *Provided*, That in the event of an unforeseen emergency, in the nature of either an unavoidable cost to a district or an unexpected variation in anticipated revenues of a district, the state superintendent during the calendar year 1968 is authorized to restore all or a portion of the funds which otherwise would be withheld under this section.

Sec. 3. Section 2, chapter 154, Laws of 1965 extraordinary session as amended by section 1, chapter

RCW 28.41.130 amended.

171, Laws of 1965 extraordinary session and RCW 28.41.130 are each amended to read as follows:

Support of public schools —Allocation of state funds.

From those funds made available by the legislature for the current use of the common schools, other than the proceeds of the state property tax, the state superintendent of public instruction shall distribute annually as provided in RCW 28.48.010 to each school district of the state operating a program approved by the state board of education, an amount which, when combined with the following revenues, will constitute an equal guarantee in dollars for each weighted student enrolled, based upon one full school year of one hundred eighty days:

(1) Eighty-five percent of the amount of revenues which would be produced by a levy of fourteen mills on the assessed valuation of taxable property within the school district adjusted to twenty-five percent of true and fair value thereof as determined by the state department of revenue's indicated county ratio: *Provided*, That in each of the calendar years 1968 and 1969 the funds otherwise distributable under this section to any school district which is collecting property taxes based upon a levy of less than five-sixths of the maximum levy permissible for the district for such year under RCW 84.52.050 shall be reduced by an amount equal to the difference between the proceeds of the actual school district tax levy in the district and the proceeds which five-sixths of such maximum permissible levy for the district would produce irrespective of any delinquencies: *Provided, further*, That the funds otherwise distributable under this section to any school district for any year other than the calendar years 1968 and 1969 shall be reduced by the difference between the proceeds from the actual school district tax levy in the district and the amount the maximum levy permissible for the district under RCW

84.52.050 would produce irrespective of any delinquencies; and

(2) The receipts from the one percent tax on real estate transactions which may be imposed pursuant to chapter 28.45 RCW: *Provided*, That the funds otherwise distributable under this section to any school district in any county which does not impose a tax in the full amount authorized by chapter 28.45 RCW shall be reduced by five percent; and

(3) Net receipts from those funds received pursuant to Title 20, sections 236 through 244, United States Code, in the following specified percentages:

School year 1965-66	40%
School year 1966-67	55%
School year 1967-68	70%
School year 1968-69 and thereafter	85%

Net receipts are gross receipts of the district less the cost to the district of processing the records and claims required for the administration of Title 20, sections 236 through 244, United States Code; and

(4) Eighty-five percent of the maximum receipts collectible from the high school district fund pursuant to chapter 28.44 RCW; and

(5) Public utility district funds distributed to school districts pursuant to RCW 54.28.090, in the following specified percentages:

School year 1965-66	40%
School year 1966-67	55%
School year 1967-68	70%
School year 1968-69 and thereafter	85%

(6) Federal forest revenues distributed to school districts pursuant to RCW 36.33.110, in the following specified percentages:

School year 1965-66	40%
School year 1966-67	55%
School year 1967-68	70%
School year 1968-69 and thereafter	85%

(7) Eighty-five percent of such other available revenues as the superintendent of public instruction may deem appropriate for consideration in computing state equalization support.

Emergency.

Sec. 4. This 1967 amendatory act is necessary for the support of the state government and its existing institutions and shall take effect on July 1, 1967: *Provided*, That year-end adjustments in state support at the close of the 1966-67 school year shall be made under the provisions of chapter 28.41 RCW as such chapter existed immediately prior to the effective date of this 1967 amendatory act.

Severability.

Sec. 5. If any provision of this 1967 amendatory act, or its application to any persons or circumstance is held invalid, the remainder of this 1967 amendatory act, or the application of the provision to other persons or circumstances is not affected.

Passed the House April 27, 1967.

Passed the Senate April 27, 1967.

Approved by the Governor May 11, 1967.

CHAPTER 141.

[House Bill No. 980.]

DEBT ADJUSTING.

AN ACT relating to debt adjusting; amending sections 6 and 8, chapter 201, Laws of 1967; and declaring an emergency and making an effective date.

Be it enacted by the Legislature of the State of Washington:

New section.

Section 1. Section 6, chapter 201, Laws of 1967 is amended to read as follows:

Debt adjusting
—Licensing.

The director shall issue a license to an applicant if the following requirements are met: