

CHAPTER 223

[Engrossed House Bill No. 622]

CITIES AND TOWNS--

FISCAL PRACTICES

AN ACT Relating to cities and towns; amending section 35.41.010, chapter 7, Laws of 1965 as amended by section 12, chapter 144, Laws of 1967 ex. sess. and RCW 35.41.010; amending section 35.41.030, chapter 7, Laws of 1965 as last amended by section 34, chapter 56, Laws of 1970 ex. sess. and RCW 35.41.030; amending section 35.41.080, chapter 7, Laws of 1965 and RCW 35.41.080; and amending section 35.41.090, chapter 7, Laws of 1965 and RCW 35.41.090.

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

Section 1. Section 35.41.010, chapter 7, Laws of 1965 as amended by section 12, chapter 144, Laws of 1967 ex. sess. and RCW 35.41.010 are each amended to read as follows:

((The legislative body of any city or town;)) For the purpose of providing funds for defraying all or a portion of the costs of planning, purchase, leasing, condemnation, or other acquisition, construction, reconstruction, development, improvement, extension, repair, maintenance, or operation of any municipally owned public land, building, facility, or utility, for which the municipality now has or hereafter is granted authority to acquire, condemn, develop, repair, maintain, or operate, ((for which the city receives revenue or for which such municipality charges a fee;)) the legislative body of any city or town may authorize, by ordinance, the creation of a special fund or funds into which the city or town shall be obligated to set aside and pay: Any or all municipal license fees specified in such ordinance creating such special fund, and/or any and all revenues derived from any utility or facility specified in said ordinance creating such special fund. The ordinance may provide that the city or town shall be obligated to set aside and pay into a special fund or funds so created:

(1) A fixed proportion of ((the gross revenues of the facility or utility)) any revenues or fees, or

(2) A fixed amount of, and not to exceed, a fixed proportion of ((the gross revenues thereof)) any revenues or fees, or

(3) A fixed amount without regard to any fixed proportion of ((such revenues)) any revenues or fees, or

(4) An amount of such revenues sufficient, together with any other moneys lawfully pledged to be paid into such fund or funds, to meet principal and interest requirements and to accumulate any reserves and additional funds that may be required.

The legislative body may also authorize the creation of a

special fund or funds to defray all or part of the costs of planning, purchase, condemnation, or other acquisition, construction, improvement, maintenance or operation of any public park in, upon or above property used or to be used as municipally owned off-street parking space and facilities, whether or not revenues are received or fees charged in the course of public use of such park. Part or all of the otherwise unpledged revenues, fees or charges arising from municipal ownership, operation, lease or license of any off-street parking space and facilities, or arising from municipal license of any off-street parking space, shall be set aside and paid into such special fund or funds in accordance with this section.

Sec. 2. Section 35.41.030, chapter 7, Laws of 1965 as last amended by section 34, chapter 56, Laws of 1970 ex. sess. and RCW 35.41.030 are each amended to read as follows:

If the legislative body of a city or town deems it advisable to purchase, lease, condemn, or otherwise acquire, construct, develop, improve, extend, or operate any land, building, facility, or utility, and adopts an ordinance authorizing such purchase, lease, condemnation, acquisition, construction, development, improvement and to provide funds for defraying all or a portion of the cost thereof from the proceeds of the sale of revenue bonds, and such ordinance has been ratified by the voters of the city or town in those instances where the original acquisition, construction, or development of such facility or utility is required to be ratified by the voters under the provisions of RCW 35.67.030 and 35.92.070, such city or town may issue revenue bonds against the special fund or funds created solely from revenues. The revenue bonds so issued shall:

- (1) Be registered or coupon bonds;
- (2) Be issued in such denominations ((of not less than one hundred dollars nor more than one thousand dollars)) as determined by the legislative body of the city or town;
- (3) Be numbered from one upwards consecutively;
- (4) Bear the date of their issue;
- (5) Be serial or term bonds and the final maturity thereof shall not extend beyond the reasonable life expectancy of the facility or utility;
- (6) Bear interest at such rate or rates as authorized by the legislative body of the city or town, ((payable annually or semiannually)) with interest coupons attached unless such bonds are registered as to interest, in which case no interest coupons need be attached;
- (7) Be payable as to principal and interest at such place as may be designated therein;
- (8) State upon their face that they are payable from a special

fund, naming it, and the ordinance creating it, and that they do not constitute a general indebtedness of the city or town;

(9) Be signed by the mayor and bear the seal of the city or town and be attested by the clerk: PROVIDED, That the facsimile signatures of the mayor and clerk may be used when the ordinance authorizing the issuance of such bonds provides for the signatures thereof by an authenticating officer; and

(10) Be printed upon good bond paper.

Sec. 3. Section 35.41.080, chapter 7, Laws of 1965 and RCW 35.41.080 are each amended to read as follows:

The legislative body of any city or town may provide by ordinance for revenues by fixing rates and charges for the furnishing of service, use, or benefits to those to whom service, use, or benefits from such facility or utility is available, which rates and charges shall be uniform for the same class of service. And, if revenue bonds or warrants are issued against the revenues thereof, the legislative body of the city or town shall fix charges at rates which will be sufficient, together with any other moneys lawfully pledged therefor, to provide for the payment of bonds and warrants, principal and interest, sinking fund requirements and expenses incidental to the issuance of such revenue bonds or warrants; in fixing such charges the legislative body of the city or town may establish rates sufficient to pay, in addition, the costs of operating and maintaining such facility or utility.

Sec. 4. Section 35.41.090, chapter 7, Laws of 1965 and RCW 35.41.090 are each amended to read as follows:

In setting the rates to be charged for the service, use, or benefits derived from such facility or utility, or in determining the cost of the planning, acquisition, construction, reconstruction, development, improvement, extension, repair, maintenance, or operation thereof the legislative body of the city or town may include all costs and estimated costs of the issuance of said bonds, all engineering, inspection, fiscal and legal expense and interest which it is estimated will accrue during the construction period and for ~~((six months))~~ such period of time thereafter deemed by the legislative body to be necessary or desirable on money borrowed, or which it is estimated will be borrowed in connection therewith.

Passed the House April 19, 1971.

Passed the Senate May 5, 1971.

Approved by the Governor May 21, 1971.

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