

## CHAPTER 3.

[ S. B. 6. ]

## PUBLIC SCHOOL PLANT FACILITIES—FINANCING.

AN ACT Relating to education; providing funds for the construction of public school plant facilities; authorizing the issuance and sale of limited obligation bonds of the state and providing ways and means to pay said bonds; continuing the imposition of taxes; prescribing the powers and duties of certain officers; making an appropriation; and declaring an emergency.

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

SECTION 1. For the purpose of furnishing funds for state assistance in providing public school plant facilities, there shall be issued and sold, at any time prior to April 1, 1965, limited obligation bonds of the state of Washington in the sum of fifty million seven hundred and fifty thousand dollars to be paid and discharged not more than twenty years after the date of issuance. The issuance, sale and retirement of said bonds shall be under the general supervision and control of the state finance committee.

**Bonds for financing public school plant facilities. Authorized.**

**Committee to supervise.**

The state finance committee is authorized to prescribe the forms of such bonds; the provisions of sale of all or any portion or portions of such bonds; the terms, provisions, and covenants of said bonds; and the sale, issuance, and redemption thereof. None of the bonds herein authorized shall be sold for less than the par value thereof. Such bonds shall state distinctly that they shall not be a general obligation of the state of Washington, but shall be payable in the manner and from the proceeds of retail sales taxes as in this act provided. As a part of the contract of sale of the aforesaid bonds, the state undertakes to continue to levy the taxes referred to herein and to fix and maintain said taxes in such amounts as will provide sufficient funds

to pay said bonds and interest thereon until all such obligations have been paid in full.

The committee may provide that the bonds, or any of them, may be called prior to the maturity date thereof under such terms, conditions, and provisions as it may determine and may authorize the use of facsimile signatures in the issuance of such bonds and upon any coupons attached thereto. Such bonds shall be payable at such places as the state finance committee may provide. The state finance committee shall, in making its invitation or call for bids on the sale or issuance of such bonds, secure bids on the condition that the bonds may be called prior to maturity and it shall also secure bids on the condition that they shall not be subject to prior call.

Disposition of  
proceeds from  
sale of bonds.

SEC. 2. The proceeds from the sale of the bonds authorized herein shall be deposited in the public school building construction account of the general fund and shall be used exclusively for the purposes of carrying out the provisions of this act, and for payment of the expense incurred in the printing, issuance and sale of such bonds.

Fund created  
—Use.

SEC. 3. The public school building bond redemption fund of 1961 is hereby created in the state treasury which fund shall be exclusively devoted to the retirement of the bonds and interest authorized by this act. The state finance committee shall, on or before June thirtieth of each year certify to the state treasurer the amount needed in the ensuing twelve months to meet interest payments on and retirement of bonds authorized by this act. The state treasurer shall thereupon deposit such amount in the public school building bond redemption fund of 1961 from moneys transmitted to the state treasurer by the tax commission and certified by the tax commission to be sales tax collections, and such amount certified by the state finance committee to the state treasurer shall be a prior charge against

all retail sales tax revenues of the state of Washington, subject to and inferior only to amounts previously pledged for the payment of interest on and retirement of bonds heretofore issued. Said bond redemption fund shall be kept segregated from all moneys in the state treasury and shall, while any of such bonds or interest thereon remains unpaid, be available solely for the payment thereof.

SEC. 4. The legislature may provide additional means for raising funds for the payment of the interest and principal of the bonds authorized by this act and this act shall not be deemed to provide an exclusive method for such payment. The power given to the legislature by this section is permissive and shall not be construed to constitute a pledge of the general credit of the state of Washington.

Method for refunding bonds not exclusive.

SEC. 5. The bonds herein authorized shall be fully negotiable instruments and shall be legal investment for all state funds or for funds under state control and all funds of municipal corporations, and shall be legal security for all state, county, and municipal deposits.

Bonds negotiable—Legal investment for public funds.

SEC. 6. For the purpose of carrying out the provisions of this act there is hereby appropriated to the state board of education from the public school building construction account of the general fund the sum of fifty million seven hundred and fifty thousand dollars or so much thereof as may be necessary: *Provided*, That no part of the aforesaid fifty million seven hundred and fifty thousand dollars shall be allotted to a school district for the purpose aforesaid until such district has provided funds for school building construction purposes through the issuance of bonds or through the authorization of excess tax levies or both in an amount equivalent to ten percent of its taxable valuation plus such further amount as may be required by the state

Appropriation.

Requisites for allotments to school districts.

board of education. The state board of education shall prescribe and make effective such rules and regulations as are necessary to equate insofar as possible the efforts made by school districts to provide capital funds by the means aforesaid.

Duties of state board of education in allotting funds.

SEC. 7. In allotting the state funds provided by this act, the state board of education shall:

(1) Prescribe rules and regulations governing the administration, control, terms, conditions, and disbursement of allotments to school districts to assist them in providing school plant facilities;

(2) Approve, whenever the board deems such action advisable, allotments to districts that apply for state assistance;

(3) Authorize the payment of approved allotments by warrant of the state treasurer; and

(4) In the event that the amount of state assistance applied for pursuant to the provisions hereof exceeds the funds available for such assistance during any biennium, make allotments on the basis of the urgency of need for school facilities in the districts that apply for assistance or prorate allotments among such districts in conformity with procedures and regulations applicable thereto which shall be established by the board.

Standard state board of education to use in allocating funds.

SEC. 8. Allocations to school districts of state funds provided by this act shall be made by the state board of education and the amount of state assistance to a school district in financing a school plant project shall be determined in the following manner:

(1) The board of directors of the district shall determine the total cost of the proposed project, which cost may include the cost of acquiring and preparing the site, the cost of constructing the building or of acquiring a building and preparing the same for school use, the cost of necessary equipment, taxes chargeable to the project, necessary

architect's fees, and a reasonable amount for contingencies and for other necessary incidental expenses: *Provided*, That the total cost of the project shall be subject to review and approval by the state board of education.

(2) The state board of education shall compute the ratio of the assessed valuation of the district, adjusted in accordance with the ratio of assessed valuation to actual valuation fixed by the state board of equalization for the county to which the district belongs, to the maximum number of educational units allowable to the district under state board of education regulations governing apportionment of current state school funds: *Provided*, That this number of units may be increased by the state board of education for the use thereof specified in this act, upon the finding of said board that completion of the proposed project will provide facilities for additional units and that such additional units will be needed to serve the school population of the district.

(3) The ratio of the adjusted valuation of the district to the number of educational units thereof, computed in the manner hereinabove provided for, shall then be used in determining the percentage of state assistance for the district in accordance with the following table:

Ratio of adjusted valuation to number of educational units	Percentage of state assistance
\$10,520 or less to 1 . . . . .	90.0%
15,000 to 1 . . . . .	86.0
20,000 to 1 . . . . .	81.8
25,000 to 1 . . . . .	77.7
28,570 to 1 . . . . .	75.0
30,000 to 1 . . . . .	73.9
35,000 to 1 . . . . .	70.2
40,000 to 1 . . . . .	66.7
45,000 to 1 . . . . .	63.3

50,000 to 1 .....	60.0
55,000 to 1 .....	56.9
60,000 to 1 .....	53.8
65,000 to 1 .....	50.9
70,000 to 1 .....	48.1
75,000 to 1 .....	45.5
80,000 to 1 .....	42.9
85,000 to 1 .....	40.4
90,000 to 1 .....	37.9
95,000 to 1 .....	35.6
100,000 to 1 .....	33.3
105,000 to 1 .....	31.1
110,000 to 1 .....	29.0
115,000 to 1 .....	27.0
120,000 to 1 .....	25.0
130,000 to 1 .....	21.2
140,000 to 1 .....	17.6
150,000 to 1 .....	14.3
160,000 to 1 .....	11.1
170,000 to 1 .....	8.1
180,000 to 1 .....	5.3
190,000 to 1 .....	2.6
200,000 to 1 .....	.....

*Provided*, That in the event the percentage of state assistance to any school district based on the above table is less than twenty percent and such school district is otherwise eligible for state assistance under this act, the state board of education may establish for such district a percentage of state assistance not in excess of twenty percent of the approved cost of the project, if the state board finds that such additional assistance is necessary to provide minimum facilities for housing the pupils of the district.

(4) The approved cost of the project determined in the manner herein prescribed times the percentage of state assistance derived as provided for herein shall be the amount of state assistance to the district for the financing of the project: *Provided*, That need therefor has been established to the satisfaction of

the state board of education: *Provided, further*, That additional state assistance may be allowed if it is found by the state board of education that such assistance is necessary in order to meet (a) a school housing emergency resulting from the destruction of a school building by fire, the condemnation of a school building by properly constituted authorities, a sudden and excessive past or clearly foreseeable future increase in school population, or other conditions similarly emergent in nature; or (b) a special school housing burden imposed by virtue of the admission of nonresident students into educational programs established, maintained and operated in conformity with the requirements of law; or (c) a deficiency in the capital funds of the district resulting from financing, subsequent to April 1, 1961, and without benefit of the state assistance provided by prior state assistance programs, the construction of a needed school building project or projects approved in conformity with the requirements of such programs, after having first applied for and been denied state assistance because of the inadequacy of state funds available for the purpose; or (d) conditions similar to those defined under (a), (b), and (c) hereinabove, creating a like emergency.

SEC. 9. Whenever the voters of a school district authorize the issuance of bonds and/or the levying of excess taxes in an amount sufficient to meet the requirements of section 6 of this act respecting eligibility for state assistance in providing school facilities, the taxable valuation of the district and the percentage of state assistance in providing school facilities prevailing at the time of such authorization shall be the valuation and the percentage used for the purpose of determining the eligibility of the district for an allotment of state funds and the amount or amounts of such allotments, respectively, for all projects for which the voters authorize capital

Allocation of funds, taxable valuation and percentage of state assistance used in determining.

funds as aforesaid, unless a higher percentage of state assistance prevails on the date that state funds for assistance in financing a project are allotted by the state board of education in which case the percentage prevailing on the date of allotment by the state board of funds for each project shall govern: *Provided*, That if the state board of education determines at any time that there has been undue or unwarranted delay on the part of school district authorities in advancing a project to the point of readiness for an allotment of state funds, the taxable valuation of the school district and the percentage of state assistance prevailing on the date that the allotment is made shall be used for the purposes aforesaid: *Provided further*, That the date herein specified as applicable in determining the eligibility of an individual school district for state assistance and in determining the amount of such assistance shall be applicable also to cases where it is necessary in administering RCW 28.56 to determine eligibility for and the amount of state assistance for a group of school districts considered as a single school administrative unit.

**Additional  
allotments,  
when—  
Maximum.**

SEC. 10. If a school district which has qualified for an allotment of state funds under the provisions of this act for school building construction is found by the state board of education to have a school housing emergency requiring an allotment of state funds in excess of the amount allocable under section 8 of this act, an additional allotment may be made to such district: *Provided*, That the total amount allotted shall not exceed ninety percent of the total cost of the approved project which may include the cost of the site and equipment. At any time thereafter when the state board of education finds that the financial position of such school district has improved through an increase in its taxable valuation or through retirement of bonded indebtedness or



through a reduction in school housing requirements, or for any combination of these reasons, the amount of such additional allotment, or any part of such amount as the state board of education determines, shall be deducted, under terms and conditions prescribed by the board, from any state school building construction funds which might otherwise be provided to such district.

SEC. 11. In determining the eligibility of a union high school district for state assistance in providing high school facilities and facilities for the operation of thirteenth and fourteenth year programs authorized by law, the requirements of this act respecting the amount of funds to be provided by a school district in order to qualify for an allotment of state funds shall be deemed to have been met if the total amount of funds provided by the union high school district and by the elementary school district components thereof for school building construction purposes is equivalent to ten percent of the taxable valuation of the union high school district plus such further amount as may be required by the state board of education: *Provided*, That nothing herein shall relieve any such school district from compliance with the provisions of section 10 of this act. For the purpose of providing funds for financing the construction and equipment of facilities of the type hereinbefore designated the board of directors of the union high school district and the board of directors of each elementary school district component thereof may submit to the voters of the district a proposal or proposals for providing capital funds through the issuance of bonds or through authorization of an excess tax levy. The proceeds of any such bond issue or excess tax levy shall be credited to the building fund of the union high school district and shall be expended to pay the cost of

Standard for determining allotment for union high school district.

constructing and equipping facilities of the type aforesaid and not otherwise.

An elementary school district component of a union high school district shall be deemed to have met the requirements of this act, if such elementary school district has provided funds for financing the estimate of both union high school district and elementary school district construction facilities in an amount equivalent to ten percent of its taxable valuation plus such further amount as may be required by the state board of education.

Applications by school districts for allotments made to superintendent. Surveys to be conducted.

SEC. 12. All applications by school districts for state assistance in providing school plant facilities shall be made to the superintendent of public instruction in conformity with rules and regulations which shall be prescribed by the state board of education. Studies and surveys shall be conducted by the state board for the purpose of securing information relating to (a) the kind and extent of the school plant facilities required and the urgency of need for such facilities in districts that seek state assistance, (b) the ability of such districts to provide capital funds by local effort, (c) the need for improvement of school administrative units and school attendance areas among or within such districts, and (d) any other pertinent matters.

Manual to be prepared—Contents.

SEC. 13. It shall be the duty of the state board of education, in consultation with the Washington state department of health, to prepare a manual and/or to specify other materials for the information and guidance of local school district authorities and others responsible for and concerned with the designing, planning, maintenance, and operation of school plant facilities for the public schools. In so doing due consideration shall be given to the presentation of information regarding (a) the need for cooperative state-local district action in planning school plant facilities arising out of the cooperative

plan for financing said facilities provided for in this act; (b) procedures in inaugurating and conducting a school plant planning program for a school district; (c) standards for use in determining the selection and development of school sites and in designing, planning, and constructing school buildings to the end that the health, safety, and educational well-being and development of school children will be served; (d) the planning of readily expansible and flexible school buildings to meet the requirements of an increasing school population and a constantly changing educational program; (e) an acceptable school building maintenance program and the necessity therefor; (f) the relationship of an efficient school building operations service to the health and educational progress of pupils; and (g) any other matters regarded by the state board as pertinent or related to the purposes and requirements of this act.

SEC. 14. The state board of education shall furnish to school districts seeking state assistance under the provisions of this act consultatory and advisory service in connection with the development of school building programs and the planning of school plant facilities.

Consultatory service to be provided.

SEC. 15. Whenever in the judgment of the state board of education economies may be effected without impairing the usefulness and adequacy of school buildings, said board may prescribe rules and regulations and establish procedures governing the preparation and use of modifiable basic or standard plans for school building construction projects for which state assistance funds provided by this act are allotted.

Use of standard construction plans.

SEC. 16. The total amount of bonds authorized for issue under the provisions of this act shall be reduced by the amount of federal funds made available during each biennium for school construction

Bonds authorized to be reduced by amount of federal funds received.

purposes under any applicable federal law. In the event the entire bond issue authorized shall have been sold by the state finance committee, the proceeds in the public school building construction account available for allotment by the state board of education shall be reduced by the amount of such federal funds made available. Notwithstanding the foregoing provisions of this section, the total amount of bonds authorized for issue under this act and/or the total proceeds from the sale thereof shall not be reduced by reason of any grants to any school district of federal moneys paid under Public Law No. 815 or any other federal act authorizing school building construction assistance to federally affected areas.

**Severability.**

SEC. 17. If any section, paragraph, sentence, clause, phrase or word of this act should be held to be invalid or unconstitutional, such act shall not affect or impair the validity or constitutionality of any other section, paragraph, sentence, clause, phrase or word of this act. It is hereby declared that had any section, paragraph, sentence, clause, phrase or word as to which this act is declared invalid been eliminated from the act at the time the same was considered, the act would have nevertheless been enacted with such portions eliminated.

**Emergency.**

SEC. 18. This act is necessary for the immediate preservation of the public peace, health and safety, and for the support of state government and its existing public institutions, and shall take effect immediately.

Passed the Senate March 18, 1961.

Passed the House March 22, 1961.

Approved by the Governor March 28, 1961.