

CHAPTER 101.

[H. B. 119.]

RELATING TO THE ISSUANCE OF BONDS BY SCHOOL DISTRICTS.

AN ACT relating to the issuance of bonds by school districts and amending sections 117, 119, 121 of chapter CXVIII of the session laws of 1897.

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

SECTION 1. That section 117 of chapter CXVIII of the Session Laws of 1897 be amended to read as follows: Sec. 117. The board of directors of any school district or joint school district in this state may borrow money and issue negotiable coupon bonds therefor to an amount not to exceed five (5) per cent. of the taxable property in such district, as shown by the last assessment roll for county and state purposes: *Provided*, That in incorporated cities the assessment shall be taken from the last assessment for city purposes, for the purpose of funding outstanding indebtedness, or bonds heretofore issued, or issued under the provisions of this act, or for the purchase of school house site or sites, building one or more school houses and providing the same with all necessary furniture and apparatus, or for any or all of these purposes, when authorized by a vote of the district so to do, as provided in section 118 of this act: *Provided further*, That the bonds so issued shall bear a rate of interest not to exceed six per cent per annum, interest payable annually or semi-annually, payable and redeemable at such time as may be designated in the bonds, but not to exceed twenty (20) years from date of issue: *Provided further*, When the indebtedness of such district exceeds five per cent. of its taxable property, warrants issued for those necessary expenses made mandatory in the constitution and provided for by the Legislature of the state, which expenses are hereby declared to include teachers,' janitors' and officers' salaries, expenses of construction, maintenance and rent of school buildings, including sites, may be funded under the provisions of this act: *And provided further*, That for the purposes of this chapter (chapter 7 of the Code of Public Instruction)

Limit of bonded indebtedness.

Rate of interest.

Necessary expenses defined.

Joint districts.

a joint school district, that is, a school district embracing parts of two or more counties, the district shall be deemed as belonging to the county in which the school house is located, if there be a school house, and if there be no school house, then it shall be deemed as belonging to the county in which the district owns a school house site that has been lawfully selected by the legal school electors of the district.

Directors shall certify result of election to county treasurer.

SEC. 2. That section 119 of chapter CXVIII of the Session Laws of 1897 be amended to read as follows:

Sec. 119. When authorized and empowered to issue bonds, as provided in sections one hundred seventeen and one hundred eighteen of this act, the board of directors shall, within thirty days after the date of election, certify the result to the county treasurer to which said school district belongs, who shall immediately publish notice of the sale of such bonds, in at least one weekly newspaper published at the county seat, if there be one, for four consecutive issues, and publish such other notices as the board of directors may require. Said notices must give the amounts of bonds to be sold, the time to run, where payable, the option if any, of the district to redeem, also naming the hour and day for considering bids, and asking bidders to name price and rates of interest at which they will purchase such bonds or any of them. Such bonds shall be issued in denominations of not less than one hundred nor more than one thousand dollars (\$1,000) and shall contain upon their face the date of issue, the series of issue, rate of interest, where payable, time to run, option, if any, of district to redeem, and the printed or lithographed statement that said bond is issued under the provisions of this act, and that the whole indebtedness of said district does not exceed the constitutional limit. Each bond so issued

Advertisement of sale.

Form of bonds.

Bonds registered by county treasurer.

must be registered by the county treasurer in a book to be kept for that purpose, which must show the number and such data as is necessary to secure a complete record of such bond; the series and amount of each bond, the person to whom the same is issued, the number of the district issuing, together with the names of directors signing the same; and

the said bond shall be endorsed by the treasurer, with his name and a full statement of the name of the person to whom sold, and when issued, together with the number and series of said bond: *Provided*, That in the case of joint school districts the bond or bonds shall be registered by the treasurer of each county in which any part of such joint school district shall lie.

SEC. 3. That section 121 of chapter CXVIII of the Session Laws of 1897 be amended to read as follows:

Sec. 121. The county commissioners must ascertain and levy annually the tax necessary to pay the interest upon such bonds as it becomes due, and at the expiration of one-half of the time for which said bonds are to run, and annually thereafter, until full payment of said bonds is made, they may, if deemed advisable, levy, in addition to the tax required to pay the interest, such amount for sinking fund to meet the payment of said bonds at maturity, to be determined by dividing the amount of bonds outstanding by the remaining number of years to run, and the fund arising from such levy shall be kept as the bond redemption fund of said district; and each of said tax levies shall be a lien upon the property in said district, and must be collected in the same manner as taxes for other school purposes: *Provided*, That the county treasurer, when authorized to do so by the board of directors of any school district, may invest any accumulated sinking fund of said district in school, county, or state warrants of the State of Washington, and all profits accruing from such investment and the funds so invested shall revert to the sinking fund of said district; and the county treasurer shall be custodian of all warrants purchased by and with the said sinking fund until the same are redeemed: *Provided further*, That in the case of a joint school district, the county commissioners of each and every county in which any part of such joint district shall lie, shall levy a tax as hereinbefore provided in this section, and the treasurer of each county in which the school house or school house site is not situated shall at least five days before the time at which such bonds or the interest thereon must be

Bond interest levy.

Sinking fund levy.

Redemption fund.

Investment of sinking fund.

Levy in joint districts embracing parts of two or more counties.

paid, according to the conditions of the issuance and sale thereof, transmit to the treasurer of the county in which the school house or school house site is situated (and to which county the joint school district is construed to belong), all moneys in his possession derived from the tax provided for in this section; and the county treasurer receiving such money shall receipt in duplicate to the treasurer or treasurers remitting such funds for such money; and he shall also place the amount or amounts so received to the credit of the special bond fund or funds of the joint school district to which it properly belongs.

Passed the House February 6th, 1907.

Passed the Senate March 1st, 1907.

Approved by the Governor March 11th, 1907.

CHAPTER 102.

[H. B. 243.]

LEVY OF TAXES FOR SCHOOL PURPOSES.

AN ACT relating to the levying of taxes for school purposes and amending section 111, chapter 118, of the Session Laws of 1897.

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

SECTION 1. That section 111 of chapter 118 of the Session Laws of 1897 is amended to read as follows: Sec. 111. In addition to the provisions for the support of common schools hereinbefore provided, it shall be the duty of the State Board of Equalization, annually, at the time of levying tax for State purposes, to levy a tax that shall be sufficient to produce a sum which, when added to the estimated amount of money to be derived from the interest on the State permanent school fund for the current fiscal year, shall equal ten dollars for each child of school age residing in the State as shown by the last report of the several county superintendents to the Superintendent of Public Instruction: *Provided*, That said tax shall not exceed five mills on the dollar. Said tax levy shall be cer-

Annual
State tax.

Limit of
tax-levy.