<u>NEW SECTION.</u> Sec. 8. If any provision of this act, or its application to any person or circumstance is held invalid, the remainder of the act, or the application of the provision to other persons or circumstances is not affected.

Passed the House May 10, 1969
Passed the Senate May 9, 1969
Approved by the Governor May 22, 1969
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CHAPTER 244
[Engrossed Senate Bill No. 737]
EDUCATION--STATE ASSISTANCE TO SCHOOL DISTRICTS

AN ACT Relating to the common schools and the support thereof; providing state assistance to school districts for the construction and modernization of common school plant facilities; reenacting section 3, chapter 154, Laws of 1965 ex. sess. as last amended by section 1, chapter 130, Laws of 1969 and section 1, chapter ..., Laws of 1969 ex. sess. (HB 257) and RCW 28.41.140; reenacting section 28A.41.140, chapter ..., Laws of 1969 ex. sess. (HB 58) and RCW 28A.41.140 as amended by section 7, chapter 130, Laws of 1969 and section 3, chapter ..., Laws of 1969 ex. sess. (HB 257) and RCW 28A.41.140; authorizing allocations of funds; making appropriations; and declaring an emergency.

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

NEW SECTION. Section 1. For the purpose of furnishing funds for state assistance to school districts in providing common school plant facilities and modernization of existing common school plant facilities, there is hereby appropriated from the common school construction fund the sum of thirty-seven million, four thousand, four hundred twenty-seven dollars.

NEW SECTION. Sec. 2. Funds appropriated to the state board of education from the common school construction fund shall be allotted by the state board of education in accordance with the provisions of this act: PROVIDED, That no allotment shall be made to a school district for the purpose aforesaid until such district has provided funds for school building construction purposes through the authoriza-

tion of bonds or through the authorization of excess tax levies or both in an amount equivalent to ten percent of its taxable valuation or such amount as may be required by the state 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.

NEW SECTION. Sec. 3. In allotting the state funds provided by this act, the state board of education shall:

- (1) Prescribe rules and regulations not inconsistent with this act 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.

NEW SECTION. Sec. 4. 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 boards 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 architects' 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 matching percentage for a school district shall be computed by the following formula:

The ratio of the school district's adjusted valuation per full time equivalent pupil divided by the ratio of the total state adjusted valuation per full time pupil shall be subtracted from two, and then the result of the foregoing shall be divided by two plus (the ratio of the school district's adjusted valuation per full time equivalent pupil divided by the ratio of the total state adjusted valuation per full time pupil).

Computed State Ratio	= .	2-	District adjust- ed valuation per full time equiva- lent pupil		Total state adjust- ed valuation per full time equiva- lent pupil	, <b>=</b> ,	%	State Assist- ance
		\$+	District adjust- ed valuation per full time equiva- lent pupil	÷	Total state adjust- ed valuation per full time equiva- lent pupil			

PROVIDED, That in the event the percentage of state assistance to any school district based on the above formula 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.

(3) In addition to the computed percent of state assistance developed in (2) above, a school district shall be entitled to additional percentage points determined by the average percentage of growth for the past three years. One percent shall be added to the computed percent of state assistance for each percent of growth, with

a maximum of twenty percent.

(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 excessive and 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, 1969, 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) a condition created by the fact that an excessive number of students live in state-owned housing, or (e) a need for the construction of a school building to provide for improved school district organization or racial balance, or (f) conditions similar to those defined under (a), (b), (c), (d) and (e) hereinabove, creating a like emergency.

NEW SECTION. Sec. 5. 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 2 of this act respecting eligibility for state assistance in providing school facilities, the taxable valuation of the district and the per-

centage 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 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 chapter 28.56 RCW to determine eligibility for and the amount of state assistance for a group of school districts considered as a single school administrative unit.

NEW SECTION. Sec. 6. 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 4 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.

NEW SECTION. Sec. 7. 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.

NEW SECTION. Sec. 8. 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.

<u>NEW SECTION.</u> Sec. 9. 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.

<u>NEW SECTION.</u> Sec. 10. 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.

NEW SECTION. Sec. 11. The total amount of funds appropriated under the provisions of this act shall be reduced by the amount of federal funds made available during each biennium for school construction purposes under any applicable federal law. The funds appropriated by this act and 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 funds appropriated by this act 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.

<u>NEW SECTION.</u> Sec. 12. In accordance with section 2, the state board of education is authorized to allocate for the purposes of carrying out the provisions of sections 1 through 11 of this act the sum of forty-three million, two hundred thousand dollars: PRO-VIDED, That expenditures against such allocation shall not exceed the amount appropriated in section 1 of this act.

Sec. 13. Section 3, chapter 154, Laws of 1965 ex. sess. as last amended by section 1, chapter 130, Laws of 1969 and section 1, chapter ..., Laws of 1969 ex. sess. (HB 257) and RCW 28.41.140 are each reenacted to read as follows:

To determine a "weighted student enrolled," as that term is used in this chapter a schedule shall be established by the superintendent of public instruction which shall provide appropriate recognition of the following costs among the various types of students and districts of the state, with the equalization of educational opportunity being the primary objective:

- (1) Costs attributable to staff experience and professional preparation;
- (2) Costs to state and local funds attributable to the operation of approved educational programs arising as a result of a concentration of culturally disadvantaged students, or as a result of a high degree of transient enrollment;
- (3) Costs resulting from the operation of small school plants within districts: PROVIDED, That such plants are judged by the state board of education as remote and necessary;
- (4) Costs differentials attributable to the operation of approved elementary and secondary programs;
- (5) Costs which must be incurred to operate an approved vocational program;
  - (6) Costs resulting from the attendance of students who:
- (a) Do not reside within the servicing school district: PRO-VIDED, That nothing within this provision shall be construed as affecting the reimbursement procedures in RCW 28.44.040;

- (b) Reside in any home or institution devoted to providing a home for dependent or otherwise referred or entrusted children: PRO-VIDED, Such home or institution is exempt from taxation under the laws of the state of Washington; or
- (c) Constitute at least three percent of the student enrollment within the district and who reside within the servicing district on property of either the state, its political subdivisions, or any municipal corporation.

The weighting schedule when established shall be renewed biennially by the state superintendent and shall be subject to approval, rejection or amendment by the legislature. The schedule shall be submitted for approval as a part of the state superintendent's biennial state budget. In the event the legislature rejects the weighting schedule presented, without adopting a new schedule, the schedule established for the previous biennium shall remain in effect. The enrollment of any district, before weighting, shall be the average number of full time students and part time students as provided in section 2 (2) of chapter ..., Laws of 1969 ex. sess. (HB 257) enrolled on the first school day of each month.

Sec. 14. Section 28A.41.140, chapter ..., Laws of 1969 (HB 58) and RCW 28A.41.140 as amended by section 7, chapter 130, Laws of 1969 and section 3, chapter ..., Laws of 1969 ex. sess. (HB 257) and RCW 28A.41.140 are each reenacted to read as follows:

To determine a "weighted student enrolled," as that term is used in this chapter a schedule shall be established by the superintendent of public instruction which shall provide appropriate recognition of the following costs among the various types of students and districts of the state, with the equalization of educational opportunity being the primary objective:

- (1) Costs attributable to staff experience and professional preparation; and
- (2) Costs to state and local funds attributable to the operation of approved educational programs arising as a result of a concen-

tration of culturally disadvantaged students, or as a result of a high degree of transient enrollment;

- (3) Costs resulting from the operation of small school plants within districts: PROVIDED, That such plants are judged by the state board of education as remote and necessary:
- (4) Costs differentials attributable to the operation of approved elementary and secondary programs;
- (5) Costs which must be incurred to operate an approved vocational program;
  - (6) Costs resulting from the attendance of students who:
- (a) Do not reside within the servicing school district:
  PROVIDED, That nothing within this provision shall be construed as
  affecting the reimbursement procedures in RCW 28.44.040;
- (b) Reside in any home or institution devoted to providing a home for dependent or otherwise referred or entrusted children: PRO-VIDED, Such home or institution is exempt from taxation under the laws of the state of Washington; or
- (c) Constitute at least three percent of the student enrollment within the district and who reside within the servicing district on property of either the state, its political subdivisions, or any municipal corporation.

The weighting schedule when established shall be renewed biennially by the state superintendent and shall be subject to approval, rejection or amendment by the legislature. The schedule shall be submitted for approval as a part of the state superintendent's biennial state budget. In the event the legislature rejects the weighting schedule presented, without adopting a new schedule, the schedule established for the previous biennium shall remain in effect. The enrollment of any district, before weighting, shall be the average number of full time students and part time students as provided in section 2 (2) of chapter ..., Laws of 1969 ex. sess. (HB 257) enrolled on the first school day of each month.

NEW SECTION. Sec. 15. Notwithstanding any other provision of

this 1969 amendatory act, section 13 hereof shall remain law unless or until the proposed 1969 education code (HB 58) becomes effective, at which time section 13 hereof shall become void and of no effect and section 14 of this act shall become effective.

<u>NEW SECTION</u>. Sec. 16. 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 nor 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.

<u>NEW SECTION.</u> Sec. 17. 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 May 8, 1969 Passed the House May 9, 1969 Approved by the Governor May 22, 1969 Filed in office of Secretary of State May 22, 1969

CHAPTER 245
[Engrossed Senate Bill No. 172]
PROPERTY TAXES-CHARITABLE INSTITUTIONS EXEMPTION--REPORTS

AN ACT Relating to tax exemption status of charitable institutions; and amending section 84.36.040, chapter 15, Laws of 1961 and RCW 84.36.040.

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

Section 1. Section 84.36.040, chapter 15, Laws of 1961 and RCW 84.36.040 are each amended to read as follows:

The following property shall be exempt from taxation:

All free public libraries, orphanages, orphan asylums, institutions for the reformation of fallen women, homes for the aged and infirm, and hospitals for the care of the sick, when such institutions