

CHAPTER 7.

[Sub. S. B. 11.]

EMERGENCY SCHOOL CONSTRUCTION—BONDS—COMMISSION—APPROPRIATION.

AN ACT providing funds for the emergency 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; creating the school emergency construction commission; 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 certain public school plant facilities under the provisions of this act, there shall be issued and sold, at any time prior to April 1, 1957, limited obligation bonds of the state of Washington in the sum of twenty million dollars to be paid and discharged not more than thirty years of 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.

Issuance of limited obligation bonds authorized.

The state finance committee is authorized to prescribe the form 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, nor shall they bear interest at a rate in excess of four percent per annum. 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 prescribed in this act from the proceeds of motor vehicle excise taxes as imposed by RCW 82.44.150. As a part of the contract of sale of the aforesaid bonds, the state agrees to continue to levy the motor vehicle excise taxes referred to herein and to fix and maintain said taxes in such amounts as will provide sufficient proceeds

State finance committee to supervise.

Terms of bonds.

Bonds payable from motor vehicle excise taxes.

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

Calling of bonds prior to maturity.

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 to such bonds. Such bonds shall be payable at such places as the state finance committee may provide.

Signatures.

Where payable.

Disposition of proceeds of sale.

SEC. 2. The proceeds from the sale of the bonds authorized herein shall be deposited in the school emergency construction fund which shall be held by the state treasurer as ex officio custodian but which shall not be mingled with funds in the state treasury nor be deemed a fund in the state treasury.

Appropriation from school emergency construction fund to state finance committee.

SEC. 3. The sum of twenty million dollars, or so much thereof as may be necessary, is appropriated from the school emergency construction fund to the state finance committee to be expended by the committee for the payment of expenses incident to the sale and issuance of the bonds authorized herein and through allotments made to the state board of education at the direction of the school emergency construction commission for the purpose of carrying out the provisions of this act.

School emergency construction bond redemption fund created.

SEC. 4. The school emergency construction bond redemption fund 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 school emergency construction bond redemption fund from

State finance committee to certify amount needed.

that portion of the motor vehicle excise tax allocable to the state school equalization fund under RCW 82-44.150. The amount so deposited in the aforesaid fund shall be devoted exclusively to payment of interest on and to retirement of the bonds authorized by this act. Such amount certified by the state finance committee to the state treasurer shall be a first and prior charge against all motor vehicle excise tax revenues of the state allocable to the state school equalization fund, which amounts so allocable shall never be less than seventy percent of said excise tax revenues.

State treasurer to deposit amount needed in school emergency construction bond redemption fund.

The owner and holder of each of said bonds or the trustee for any of the bonds may by mandamus or other appropriate proceeding require and compel the transfer and payment of funds as directed herein.

Bond owner may compel transfer.

SEC. 5. The legislature may provide additional means for raising moneys for the payment of the interest and principal of the bonds authorized herein 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 nor in any manner the credit of any school district.

Payment of bonds by additional means.

SEC. 6. The bonds herein authorized shall be a 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, and be fully negotiable instruments.

Bonds legal investment for state.

SEC. 7. There is hereby created a school emergency construction commission to consist of five members, one of whom shall be the superintendent of public instruction ex officio, another of whom shall be a member of the state board of education selected by said board and to hold office at the board's pleasure, and the remaining three of whom shall be appointed by the governor to hold office at his pleasure.

School emergency construction commission created.

Allocations
to school
districts.

Basis.

SEC. 8. Allocations to school districts of the funds created by such bond issue shall be made on an emergency basis as determined by the school emergency construction commission. Emergency and priority of allocations shall be based upon acuteness of overcrowding, sudden growth in attendance, assessed valuation per pupil, amount of local or other funds available, the time of district's application for such funds, and the children of which district shall benefit most from additional school buildings. Exceptions may be made for the benefit of the children affected.

Allotments
restricted
to qualified
school
districts.

Qualifica-
tions.

SEC. 9. Of the funds provided by this chapter, the school emergency construction commission shall, through the state board of education, make allotments for needed school construction only, to school districts qualifying under this chapter. No allotment shall be made to any school district unless (1) the district is determined to be in an emergency school construction situation, and (2) the district shall be indebted for school construction purposes in excess of eighty-five percent of the total indebtedness authorized it by law for such purposes. Allocations may be made to districts otherwise qualified provided that such district issues its bonds for the construction program contemplated in such amount as to make the district eligible for allocation under this chapter, plus such further amount as may be required by the school emergency construction commission. For the purpose of this chapter, bonds of a school district shall be deemed to have been issued when duly voted by the district.

Repayment
not required.

SEC. 10. A school district receiving an emergency allotment under this chapter shall be under no obligation whatsoever to repay or return any portion thereof.

SEC. 11. Ten years after an allocation to a school district, the commission may, on such terms, condi-

tions and installments as it deems proper or necessary, deduct the amount of the allocation or any portion thereof, without interest, from any state fund or funds under state control which might otherwise be provided to such district. Funds required by the constitution of this state or the constitution or laws of the United States to be made available to school districts shall not be subject to this deduction. The amounts so deducted shall be placed into the school emergency construction fund to be available for further allocations for school construction pursuant to the provisions of this act.

Allocations may be deducted from future grants.

SEC. 12. Funds for the administration for the provisions of this act, including expenses of the school emergency construction commission, not to exceed one percent of the total issue of bonds herein authorized, shall be made available to the state board of education upon approval by and under the direction of the school emergency construction commission.

Funds for administration of act.

SEC. 13. If any section, paragraph, sentence, clause, phrase or word of this act should be held to be invalid or unconstitutional, such 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.

Partial invalidity.

SEC. 14. This act is necessary for the immediate preservation of the public peace, health and safety, and for the support of state government and existing public institutions, and shall take effect immediately.

Emergency.

Passed the Senate March 20, 1953.

Passed the House March 20, 1953.

Approved by the Governor March 27, 1953.