

Referendum Bill No. 12

(Chapter 26, Laws Extraordinary Session, 1963)

OFFICIAL BALLOT TITLE

BONDS FOR PUBLIC SCHOOL FACILITIES

AN ACT Authorizing the issuance and sale of state limited obligation bonds in an amount not exceeding \$59,000,000; appropriating the proceeds for state matching funds for constructing public school plant facilities, and pledging for payment of principal and interest on the bonds a portion of existing motor vehicle excise tax revenues, subject to amounts previously pledged for payment of principal and interest on bonds heretofore issued.

* Ballot Title issued by John J. O'Connell, Attorney General.

Vote cast by members of 1963 Legislature (Extraordinary Session) on final passage:

SENATE: 49 Members — Yeas, 45; Nays, 2; Absent or not voting, 2.

HOUSE: 99 Members — Yeas, 83; Nays, 11; Absent or not voting, 5.

STATEMENT FOR

PROVIDES URGENTLY NEEDED CLASSROOM SPACE FOR 118,000 NEW CHILDREN

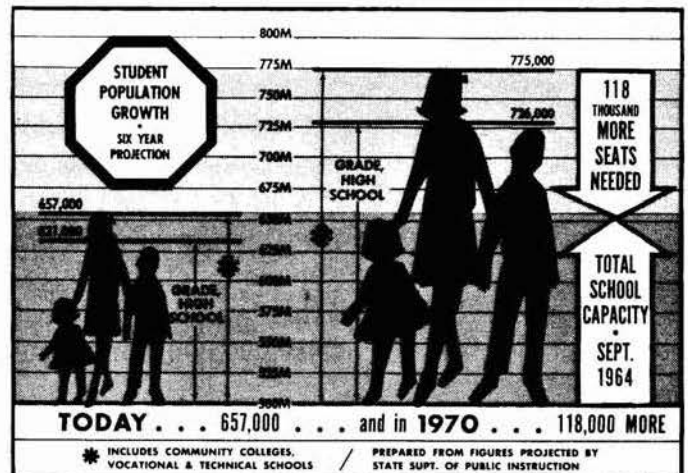
The \$59,000,000 in state matching funds released by the passage of Referendum #12 will help build 295 new elementary, junior high and high schools and additions during the 1963-65 biennium. This means 3576 **NEW** classrooms and teaching stations to help house the State's 118,000 **NEW** enrollees, shown by the chart at the right. **TODAY THERE IS NO ROOM FOR THESE CHILDREN.** Referendum #12 also provides for four new community colleges and ten additions, plus new vocational-technical facilities to house 12,300 more students.

AVOIDS HIGHER PROPERTY TAXES

Without Referendum #12, these needed facilities would have to be built entirely with local funds . . . raised through local property taxes. In some areas of the state property taxes would have to **DOUBLE** to pay the construction bills. With Referendum #12, the bond issue will be paid out of **EXISTING** motor vehicle excise tax revenues. **NO NEW TAXES** will be required to pay for this issue.

CREATES JOBS AND PAYROLLS

Passage of Referendum #12 will result in a total construction



budget of \$120,000,000, developed by the \$59,000,000 matching funds. This money, to be spent in the next two years, means a tremendous economic boost to our state . . . **OVER \$50,000,000 IN PAYROLLS ALONE.** This is why labor, industry, both political parties, people from all walks of life, support Referendum #12.

VOTE FOR **SPACE** FOR SCHOOLS – VOTE **FOR** REFERENDUM 12

COMMITTEE APPOINTED TO COMPOSE STATEMENT **FOR** REFERENDUM BILL NO 12 (Chapter 26, Laws Ex. Sess., 1963)

FRED DORE, State Senator
1429 Wash. Bldg., Seattle

W. WALTER WILLIAMS, Chairman
SPACE, 224 Dexter North, Seattle

DAMON CANFIELD, State Representative
Rt. 1, Box 281, Granger

ADVISORY COMMITTEE (S.P.A.C.E.: Statewide Parents and Citizens for Education)

DAVE MINTZ, Vice-Pres., Gen. Mgr.
KVOS-TV, Bellingham

MRS. CHARES MAGE, Immediate Past Pres.
Wash. Congress Parents and Teachers
Vancouver

FRED WESTBERG, Secretary-Manager
Wash. State Fruit Commission
Yakima

E. W. VAN TYEN, Co-mgr.
Northwestern and Pacific Hypotheekbank
Spokane

L. H. Pedersen, Secretary
Pierce County Labor Council
Tacoma

EXPLANATORY COMMENT ISSUED BY THE ATTORNEY GENERAL AS REQUIRED BY LAW

The Law As It Now Exists:

Presently, elementary and secondary school construction, and community college construction is financed by local school districts with the assistance of the state. The amount of state assistance is determined by the State Board of Education in accordance with a statutory formula. From 1953 to 1961, the legislature, relying on a Supreme Court decision, authorized bond issues for state aid to school construction without submitting the acts to the people for approval or rejection. In 1963 the Supreme Court, having overruled its previous decision, held that the State Constitution requires the \$59,000,000 bond issue authorized by the 1963 legislature to be submitted to the people for approval or rejection.

Effect of Referendum Bill No. 12 (Chapter 26, Laws Ex. Sess., 1963) If Approved Into Law:

If approved, the act will authorize the sale of limited obligation bonds in the amount up to \$59,000,000. The proceeds from the sale of the bonds will be allocated by the State Board of Education to local school districts as state assistance for construction of school plant facilities, in the same manner as such funds have previously been distributed.

The act provides for payment of the bonds from a portion of the proceeds of the Motor Vehicle Excise Tax collected when automobile licenses are issued. The state will pledge to continue to impose the tax in an amount sufficient to pay the principal and interest on the bonds.

NOTE: Complete text of Referendum Bill No. 12 starts on Page 22.

STATEMENT AGAINST

The elected members of the Legislature must accept their responsibility by providing the funds they deem necessary by one of two ways, either by raising taxes or by cutting the budget and using present tax sources. This alone would save millions in bond interest.

Let's make our elected officials accept their responsibility.

VOTE AGAINST REFERENDUM BILL NO. 12.

Our present obligations in bonded indebtedness if continued will reach a figure equal to the normal increase in our tax revenue.

Our state now is among those with the highest bonded indebtedness per capita in the United States.

It is neither morally right or financially sane to charge our debts to our children or grandchildren.

Let's accept our responsibility.

VOTE AGAINST REFERENDUM BILL NO. 12.

COMMITTEE APPOINTED TO COMPOSE STATEMENT **AGAINST** REFERENDUM BILL NO. 12 (Ch. 26, Laws Ex. Sess., 1963)

MIKE E. ODELL
State Representative
E. 13016 Blossey, Spokane

NOTE: The new state law changing the format of the Voters' Pamphlet provides that in the instance of a referendum bill, the committee appointed to write an argument, either for or against the proposal, should consist of at least one state senator and one state representative. However, no state senator indicated a desire to serve on such committee and for this reason State Representative Mike E. Odell, alone, composed the above statement against this measure.

redemption fund for payment of the principal of and interest on all of the bonds authorized by this act.

NEW SECTION. Sec. 10. No bonds authorized by this act shall be issued until there shall first be obtained and filed in the office of the state finance committee the written consent of the holders of all outstanding bonds issued under authority of chapter 174, Laws of 1957, as amended by chapter 152, Laws of 1961, to the changes effected by this act in the order of priority of payment of said world fair bonds out of the proceeds of the corporation fees collected under chapter 70, Laws of 1937 as amended.

NEW SECTION. Sec. 11. This act shall be submitted to the people for their adoption and ratification, or rejection, at the general election to be held in this state on the Tuesday next succeeding the first Monday in November, 1964, in accordance with the provisions of section 3, Article VIII of the state Constitution; and in accordance with the provisions of section 1, Article II of the state Constitution, as amended, and the laws adopted to facilitate the operation thereof.

NEW SECTION. Sec. 12. This act is necessary for the immediate preservation of the public peace, health and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the House April 4, 1963.

Passed the Senate April 3, 1963.

Approved by the Governor April 17, 1963.

EXPLANATORY COMMENT:

MATERIAL ADDED TO EXISTING LAW

All words, phrases, or punctuation marks, that are underlined indicate that such material is being added to existing law. However, if an entire section consists of new language, it is prefaced with the words "**NEW SECTION**". This notation is a bill drafting expediency used to avoid underlining of all words in such a section and at the same time serves the purpose to alert the reader that new language is being added.

MATERIAL STRICKEN FROM EXISTING LAW

All words, phrases, or punctuation marks that are enclosed in double parentheses and lined through indicate that such material is being stricken from existing law.

VICTOR A. MEYERS, *Secretary of State.*

COMPLETE TEXT OF
Referendum Bill No. 12
(Chapter 26, Laws Extraordinary Session, 1963)

***OFFICIAL BALLOT TITLE**

BONDS FOR PUBLIC SCHOOL FACILITIES

AN ACT Authorizing the issuance and sale of state limited obligation bonds in an amount not exceeding \$59,000,000; appropriating the proceeds for state matching funds for constructing public school plant facilities, and pledging for payment of principal and interest on the bonds a portion of existing motor vehicle excise tax revenues, subject to amounts previously pledged for payment of principal and interest on bonds heretofore issued.

* Ballot Title issued by John J. O'Connell, Attorney General.

LEGISLATIVE TITLE
(Senate Bill No. 9)

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 cer-

tain officers; providing for a vote of the people under certain circumstances; 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 in providing public school plant facilities, there shall be issued and sold, at any time prior to April 1, 1967, limited obligation bonds of the state of Washington in the sum of fifty-nine million 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.

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 prescribed in this act from the proceeds of motor vehicle excise taxes as imposed by chapter 82.44 RCW. As 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 thereof available 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.

NEW SECTION. 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.

NEW SECTION. Sec. 3. The public school building bond redemption fund of 1963 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 1963 from that portion of the motor vehicle excise tax allocable to the state school equalization fund under chapter 82.44 RCW. 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, subject only to amounts previously pledged for the payment of interest on and the retirement of bonds heretofore issued, 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. 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.

NEW SECTION. 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.

NEW SECTION. 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.

NEW SECTION. Sec. 6. For the purpose of carrying out the provisions of this act funds appropriated to the state board of education from the public school building construction account of the general fund shall be allotted by the state board of education in accordance with the provisions of sections 7 through 15, chapter 3, Laws of 1961, extraordinary session: *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 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 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. 7. 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 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 815 or any other federal act authorizing school building construction assistance to federally affected areas.

NEW SECTION. Sec. 8. In order to provide an alternative method for furnishing funds for state assistance in providing public school plant facilities, in the event the issuance of bonds by the state finance committee pursuant to the authority given it by sections 1 through 7 of this act is held by the supreme court of the state of Washington to be invalid for the sole reason that the proposition to issue such bonds must have been referred to the people under the provisions of section 3 of article VIII of the state Constitution or in the event none of the bonds heretofore authorized for issue by sections 1 through 7 of this act are sold by the state finance committee on or before July 1, 1964, then a proposition as to whether or not fifty-nine million dollars in bonds shall be issued and sold under the terms and conditions

as set forth in sections 1 through 7 of this act shall be submitted to the people for their adoption and ratification, or rejection, at the next general election.

NEW SECTION. Sec. 9. 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.

NEW SECTION. Sec. 10. 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 27, 1963.

Passed the House April 5, 1963.

Approved by the Governor April 18, 1963.

VICTOR A. MEYERS, *Secretary of State.*

COMPLETE TEXT OF
Referendum Bill No. 13

(Chapter 27, Laws Extraordinary Session, 1963)

*OFFICIAL BALLOT TITLE

BONDS FOR JUVENILE CORRECTIONAL INSTITUTION

AN ACT Providing for the issuance and sale of state general obligation bonds up to \$4,600,000 to finance construction of a state correctional institution in King County (replacing Luther Burbank and Martha Washington schools) for care, confinement and rehabilitation of boys and girls committed by juvenile courts to the custody of the department of institutions; and providing payment of the bonds from unpledged retail sales tax revenue or other means authorized by the legislature.

* Ballot Title issued by John J. O'Connell, Attorney General.

LEGISLATIVE TITLE
(Senate Bill No. 25)

**CORRECTIONAL INSTITUTION FOR JUVENILES—
BUILDINGS—FINANCING**

AN ACT Relating to the state operated charitable, educational and penal institutions; authorizing the issuance and sale of state general obligation bonds to provide for needful buildings for the juvenile correctional institution situated in King County in the vicinity of Echo Lake; providing ways and means to pay said bonds; making an appropriation; providing for submission of this act to a vote of the people.

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

NEW SECTION. Section 1. For the purpose of providing needful buildings at the correctional institution

for the confinement and rehabilitation of juveniles situated in King county in the vicinity of Echo Lake which institution was established by the provisions of chapter 183, Laws of 1961 as amended by chapter 165, Laws of 1963 (Senate Bill No. 32), the state finance committee is hereby authorized to issue, at any time prior to January 1, 1970, general obligation bonds of the state of Washington in the sum of four million six hundred thousand dollars, or so much thereof as shall be required to finance the program above set forth, to be paid and discharged within twenty years of the date of issuance.

The state finance committee is authorized to prescribe the form of such bonds, and the time of sale of all or any portion or portions of such bonds, and the conditions of sale and issuance thereof: *Provided*, That 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.

The bonds shall pledge the full faith and credit of the state of Washington and contain an unconditional promise to pay the principal and interest when due. The committee may provide that the bonds, or any of them, may