

REFERENDUM 15 BILL NUMBER

Chapter 172, Laws Extraordinary
Session, 1965

Official Ballot Title:*

BONDS FOR PUBLIC INSTITUTIONS

AN ACT Authorizing the issuance and sale of state general obligation bonds in the sum of \$40,575,000; appropriating proceeds therefrom to finance certain specified capital improvements for the state institutions of higher education, the department of institutions, the department of natural resources, and other state agencies; and providing for payment of the bonds from unpledged retail sales tax revenue or other means authorized by the legislature.

Vote Cast by members of the 1965 Legislature on final passage:

SENATE: (49 members) Yeas, 41; Nays, 1; Absent or not voting, 7.

HOUSE: (99 members) Yeas, 94; Nays, 0; Absent or not voting, 5.

*Ballot Title as issued by the Attorney General.

Statement **FOR**

Let's do the decent thing by our kids:

Referendum 15 will give us classrooms, laboratories, etc., so urgently needed at our state universities and colleges. Our five state colleges and universities are being flooded by young people. By 1975 they must find room for 66,000 students. In this decade, the University of Washington must build a new plant that will take care of added enrollment equal to all the students now attending Stanford University. Washington State University has a similar problem. State colleges at Ellensburg, Bellingham and Cheney are overcrowded and more and more youngsters are being turned away by some departments. If we want every deserving student to have a chance for a college education, then we must act now.

Will help the unfortunate youngsters:

Referendum 15 will provide facilities and hope for thousands of unfortunate youngsters who are being cared for in schools for the retarded, reformatories, correctional centers and forest camps. These are the "voiceless ones". They have no one to plead their case. We need 270 new beds at the Yakima Valley School for severely retarded children. The Rainier School at Buckley needs a new laundry for 1,700 children. These are only two of many critical needs.

How will Referendum 15 be paid for?

It will be paid out of sales taxes over a 20-year period. It will have absolutely no effect upon property taxes. These are long-range capital improvements and will be paid for by a rapidly growing number of taxpayers (including the students themselves).

Who's supporting Referendum 15?

Nearly everybody. It has virtually the united support of business, labor, professional and citizens groups. Here are a few: Washington State Labor Council, Washington State PTA Congress, Washington State Medical Association, Washington State Dental Association, Washington State Hospital Association, Washington State Federation of Women's Clubs, Washington State Grange, Association of Washington Cities, Washington Education Association, Washington Association for Retarded Children, Washington State Association of Nurses.

Committee appointed to compose statement **FOR** Referendum 15:

NAT WASHINGTON, State Senator; JOHN RYDER, State Senator; W. O. E. RADCLIFFE, State Representative.

Advisory Committee: EDWARD E. CARLSON, State Chairman, Citizens for Ref. 15; MRS. GEORGE PRINCE, Vice Chairman, Citizens for Ref. 15; MRS. NOEL MORICAL, President, Washington State Congress of Parents and Teachers; JOE DAVIS, President, Washington State Labor Council; A. LARS NELSON, Master, Washington State Grange.

*Explanatory comment issued by the
Attorney General as required by law*

The Law as it now exists:

The construction and improvement of buildings and other facilities at the various state institutions of higher education, penal and reformatory institutions and the like is from time to time financed through issuance by the state of general obligation bonds. The 1965 state legislature passed an act authorizing the issuance of such bonds for this purpose. However, under the state constitution, no law authorizing the state to contract debt through the issuance of general obligation bonds can take effect until it shall, at a general election, have been submitted to and approved by the people.

**Effect of Referendum Bill No. 15
if approved into Law:**

If approved, the act will authorize the sale of general obligation bonds in an amount up to \$40,-

575,000. Proceeds totaling \$32,365,420 from the sale of these bonds will be used to finance construction of buildings and facilities at the University of Washington, Washington State University and the three state colleges. The remaining \$8,209,580 will be used to finance construction at certain correctional and custodial institutions, Western State Hospital, and certain institutions for the mentally retarded, as well as an addition to the state historical society museum contingent on obtaining matching funds through private contributions. A detailed list of these projects appears in the text of the act itself, as set forth on pages 37 and 38 of this pamphlet. The act provides for payment of the bonds from a portion of the proceeds of the retail sales tax and such other sources as may be authorized by the legislature, and in addition provides that the bonds shall pledge the full faith and credit of the state for payment of the principal and interest thereon when due.

*Note: Complete text of Referendum Bill No. 15 starts on
Page 36.*

Statement **AGAINST**

This proposed state bond issue was passed by the Extraordinary Session of the 1965 Legislature with only one dissenting vote. Further, no member of the Legislature could be enlisted to write a statement against the proposal for publication in this pamphlet.

A. LUDLOW KRAMER, *Secretary of State*

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 1965 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. On July 1st of each year the state treasurer shall deposit such amount in the public school building bond redemption fund of 1965 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, except that portion thereof heretofore pledged for the payment of bond principal and interest.

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.

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.

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 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. 7. The following sums, or so much thereof as may be necessary, are hereby appropriated from the public school building construction account of the general fund, from the proceeds of the bonds herein authorized, to carry out the purposes of this act: To the state finance committee, sixteen thousand five hundred dollars; to the state board of education, sixteen million four hundred eighty-three thousand five hundred dollars.

NEW SECTION. Sec. 8. In accordance with the provisions of section 6, the state board of education is authorized to allocate the sum of \$27,753,500 (being (1) \$16,483,500 from the public school building construction account including \$7,403,500 for new community colleges authorized by the 1965 legislature, and (2) \$11,270,000 from the common school construction fund): PROVIDED, That such allocations shall not be binding upon the state in the event that either this act or Senate Joint Resolution No. 22, 1965 extraordinary session, is rejected by the people: PROVIDED FURTHER, That expenditures against such allocations shall not exceed the amounts appropriated in this act and in chapter 153, Laws of 1965, extraordinary session (ESSB 42) during the 1965-1967 fiscal biennium, or the amounts then currently appropriated for these purposes by future legislatures.

NEW SECTION. Sec. 9. 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, 1966, 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.

Passed the Senate May 6, 1965.

Passed the House May 6, 1965.

Approved by the Governor May 12, 1965.

COMPLETE TEXT OF

REFERENDUM **15**
BILL NUMBER

(CHAPTER 172, LAWS 1965, EX. SESSION)

Ballot Title as issued by the Attorney General:

BONDS FOR PUBLIC INSTITUTIONS

AN ACT Authorizing the issuance and sale of state general obligation bonds in the sum of \$40,575,000; appropriating proceeds therefrom to finance certain specified capital improvements for the state institutions of higher education, the department of institutions, the department of natural resources, and other state agencies; and providing for payment of the bonds from unpledged retail sales tax revenue or other means authorized by the legislature.

LEGISLATIVE TITLE

(Substitute Senate Bill No. 41)

BUILDINGS—HIGHER EDUCATION—STATE
AGENCIES—FINANCING

AN ACT Relating to state government and the support thereof; authorizing the issuance and sale

of state general obligation bonds to provide for needful buildings for institutions of higher education, the department of institutions, *the department of fisheries, the department of natural resources and other state agencies; providing ways and means to pay said bonds; making appropriations; and 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 needed capital improvements for the institutions of higher education, the department of institutions,* the department of fisheries, the department of natural resources and other state agencies, 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 forty million five hundred seventy-five thousand dollars, or so much thereof as shall be required to finance the capital projects set forth in section 6 of this act, 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 six 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 be called prior to the due date thereof under such terms and conditions as it may determine. The state finance committee may authorize the use of facsimile signature in the issuance of the bonds.

NEW SECTION. Sec. 2. The proceeds from the sale of the bonds authorized herein, together with all grants, donations, transferred funds and all other moneys which the state finance committee may direct the state treasurer to deposit therein shall be deposited in the state building and higher education construction account hereby created in the state general fund.

NEW SECTION. Sec. 3. The state building and higher education bond redemption fund is hereby created in the state treasury, which fund shall be exclusively devoted to the payment of interest on and retirement of the bonds authorized by this act. The state finance committee shall, on or before June 30th of each year, certify to the state treasurer the amount needed in the ensuing twelve months to meet bond retirement and interest requirements and on July 1st of each year the state treasurer shall deposit such amount in said state building and higher education bond redemption fund 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, except that portion thereof heretofore pledged for the payment of bond principal and interest.

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.

NEW SECTION. Sec. 4. 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.

NEW SECTION. Sec. 5. 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.

NEW SECTION. Sec. 6. The following sums, or so much thereof as may be necessary, are appropriated from the state building and higher education construction account: PROVIDED, That the legislature may reappropriate the unexpended balance from any project for other projects within the scope of section 1 of this act.

For the Reformatory	
Renovation of utilities	\$ 342,000
Construct chapel	\$ 137,500
For the Women's Correction Center	
Construct and equip, or remodel and equip	\$2,166,333
For the Maple Lane School	
Construct and equip two residential units, demolish Spruce and Hawthorne cottages	\$ 350,000
For the Group Homes	
Construct and equip three group homes	\$ 276,600
For the Fifth Youth Forestry Camp	
Construct and equip	\$ 668,631
For the Western Hospital	
Renovate utilities	\$ 228,000
For the Rainier School	
Construct and equip laundry addition.	\$ 273,013
For the Yakima Valley School	
Construct and equip three wings for two-hundred seventy additional beds; remodel and equip kitchen...	\$1,978,033
For the Fircrest School	
Construct and equip activities building	\$ 483,500
For the University of Washington	
Construct and equip college of architecture building	\$1,960,000
Construct and equip physics-atmospheric science building	\$2,275,000
Construct and equip art wing.....	\$ 750,000
Renovate forestry building and construct pulp and paper teaching facility	\$2,290,000
Construct and equip general classroom building	\$2,600,000
Construct graduate center facility....	\$ 500,000
For Washington State University	
Construct Research and Laboratory building—Puyallup	\$1,334,782
For Eastern Washington State College	
New heating plant and extension of utilities	\$1,500,000
Construct and equip music building..	\$1,375,000
Construct and equip general classroom building	\$ 890,000
For Central Washington State College	
Construct and equip fine and applied arts—language and literature facility	\$4,119,638
Land acquisition	\$ 300,000
For Western Washington State College	
Construct and equip classroom-faculty offices addition	\$1,704,000
Construct and equip addition to the library	\$1,167,000
For the Washington State Historical Society	
Construct new wing to museum building: PROVIDED, That the sum appropriated herein or so much thereof as is necessary shall not be expended unless such sum is matched in an equal amount from private contribution and other sources collected on or before January 1, 1969.....	\$ 339,000
*For the Department of Commerce & Economic Development	
Construct tourist information centers at Oroville, Port Angeles, and Clarkston	\$ 86,226
For the Department of Fisheries	
*Construct Sol Duc production development station	\$ 190,000

*Fidalgo Bay fish farm, marine park and small boat basin	\$ 100,000
For the Department of Natural Resources	
Clearwater Honor Camp	\$ 500,000
For the University of Washington	
Construct and equip health sciences expansion	\$9,600,000
For the Finance Committee.....	\$ 40,744

NEW SECTION. Sec. 7. The words "capital improvement" or "capital project" used herein shall mean acquisition of sites, easements, rights of way or improvements thereon or appurtenances thereto, construction and initial equipment, reconstruction, demolition or major alteration of new or presently owned capital assets.

NEW SECTION. Sec. 8. 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, 1966, 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.

Passed the Senate May 6, 1965.

Passed the House May 5, 1965.

Approved May 15, 1965 with the exception of certain items in Section 1 and Section 6, and an item in the title of the bill, which are vetoed.

DANIEL J. EVANS
Governor of Washington

*Words in italics vetoed by the Governor.

A. LUDLOW KRAMER, Secretary of State

**GOVERNOR'S STATEMENT EXPLAINING
PARTIAL VETO:**

I am filing herewith substitute Senate Bill No. 41 entitled:

"AN ACT Relating to state government and the support thereof; authorizing the issuance and sale of state general obligation bonds to provide for needful buildings for institutions of higher education, the department of institutions, the department of fisheries, the department of natural resources and other state agencies; providing ways and means to pay said bonds; making appropriations; and providing for submission of this act to a vote of the people."

The bill as approved is to be submitted to the people for their adoption and ratification or rejection at the next general election in accordance with Section 8 of the bill. Certain items of the bill which I have not approved are to be submitted to the Senate at the next session of the Legislature.

This bill provides needed Capital improvements for the institutions of higher education, the department of institutions, certain reform facilities operated by the department of institutions in conjunction with the department of natural resources, the museum operated for the benefit of the state and the education of its people by the Washington State Historical Society, and in addition certain facilities for the department of fisheries and the department of commerce and economic development.

Substitute Senate Bill No. 41 must be submitted to a vote of the people because of the provision of Article VIII, Section 3 of the State Constitution. That section also provides that the indebtedness for which voter approval is sought "shall be authorized by law for some single work or object".

After consultation with my own legal counsel,

with the Office of the Attorney General and with attorneys who specialize in matters of law pertaining to bonds issued by governmental bodies, I have concluded that in its present form there is substantial doubt that Substitute Senate Bill No. 41 complies with the provisions of the State Constitution. There is no decision of the State Supreme Court which approves a bond issue as broad as that contained in Substitute Senate Bill No. 41. State ex rel Troy v Martin, 38 Wn. (2d) 501, held that a \$20 million dollar bond issue to provide needful charitable, educational and penal institutions constituted a single "object" within the meaning of Article VIII, Section 3, of the Constitution.

Without the necessity of a test case, experienced bond attorneys approved a bond issue authorized by the 1957 Legislature for "buildings at state operated institutions and state institutions of higher education". Substantially all of the \$40,575,000 in bonds authorized by this bill are intended to be used for our charitable, educational and penal institutions and other institutions operated by the Department of Institutions, which I believe clearly constitutes a single object within the meaning of the Constitution. However, lesser amounts have been included in this bill to provide buildings for the Department of Commerce and Economic Development and facilities for the Department of Fisheries. Moreover, some of the facilities of the Department of Fisheries are not in the form of "buildings" as specified in the title of Substitute Senate Bill No. 41.

In order to avoid litigation over the constitutionality of this bill, which would delay the issuance of the bonds, and to avoid the risk that such litigation might result in the loss of the entire bond issue, I have vetoed the items in Section 6 which would have provided funds for the construction of facilities for the Department of Commerce and Economic Development and the Department of Fisheries, and I have vetoed those portions of the title and of Section 1 of the bill which refer to the Department of Fisheries. The total amount of the items vetoed is \$37,226. Since these bonds will not be issued until the 1967 Legislature is in session, these projects can be considered at that time and funds appropriated as the legislature may deem necessary.

With the exception of the items which I have vetoed as set forth above, the remainder of the bill is approved.

Respectfully submitted,
DANIEL J. EVANS
Governor

COMPLETE TEXT OF

**REFERENDUM
BILL NUMBER**

16

(CHAPTER 152, LAWS 1965, EX. SESSION)

Ballot Title as issued by the Attorney General:

**CONGRESSIONAL REAPPORTIONMENT
AND REDISTRICTING**

AN ACT Relating to congressional districts, revising and redefining the boundaries of the first, second, third, fourth, sixth and seventh