

RCW 28A.315.305 School district organizational changes—Corporate existence—Payment of bonded indebtedness—Levy authority—Levy requirements for dissolved or annexed financially insolvent school districts. (1) Each school district involved in or affected by any change made in the organization and extent of school districts under this chapter retains its corporate existence insofar as is necessary for the purpose, until the bonded indebtedness outstanding against it on and after the effective date of the change has been paid in full. This section may not be construed to prevent, after the effective date of the change, such adjustments of bonded indebtedness as are provided for in this chapter.

(2) The county legislative authority shall provide, by appropriate levies on the taxable property of each school district, for the payment of the bonded indebtedness outstanding against it after any of the changes or adjustments under this chapter have been effected.

(3) In case any such changes or adjustments involve a joint school district, the tax levy for the payment of any bonded indebtedness outstanding against the joint district, after the changes or adjustments are effected, shall be made and the proceeds thereof shall be transmitted, credited, and paid out in conformity with the provisions of law applicable to the payment of the bonded indebtedness of joint school districts.

(4) In case any such changes or adjustments involve the dissolution or annexation of a financially insolvent school district pursuant to RCW 28A.315.225:

(a) The board of directors of a receiving or annexing school district, or the educational service district superintendent as identified in RCW 84.52.020 must certify a tax levy by November 30th in each calendar year that there is outstanding voted bonded indebtedness to pay the principal of and interest on such outstanding voted bonded indebtedness for the following calendar year;

(b) The county treasurer in the county in which the financially insolvent school district is located must collect the levy, the proceeds of which must be deposited into a debt service fund established and overseen by the annexing school district as determined by the financial oversight committee or regional committee to pay the principal of and interest on the dissolved district's outstanding bonded indebtedness as it becomes due;

(c) For outstanding voted bonded indebtedness of the financially insolvent school district, the board of directors of the receiving or annexing school district may determine that all or any portion of the voted bonded indebtedness be refunded pursuant to chapter 39.53 RCW, in which case the board of directors of the annexing or receiving district shall act as the governing body of the financially insolvent school district and is expressly empowered to take all action it deems necessary to accomplish such refunding; and

(d) Any balance in the debt service fund of the financially insolvent school district remaining after all such voted bonded indebtedness is paid must be transferred to the general fund of the receiving or annexing school district. [2012 c 186 § 13; 1999 c 315 § 707.]

Effective date—2012 c 186: See note following RCW 28A.315.025.