## HOUSE BILL 1465

State of Washington 61st Legislature 2009 Regular Session

By Representatives White, Sullivan, Priest, Upthegrove, Nelson, and Kenney

Read first time 01/21/09. Referred to Committee on Local Government & Housing.

- AN ACT Relating to facilities for local governments; and amending RCW 84.55.050 and 35.42.070.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

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- 4 **Sec. 1.** RCW 84.55.050 and 2008 c 319 s 1 are each amended to read 5 as follows:
  - (1) Subject to any otherwise applicable statutory dollar rate limitations, regular property taxes may be levied by or for a taxing district in an amount exceeding the limitations provided for in this chapter if such levy is authorized by a proposition approved by a majority of the voters of the taxing district voting on the proposition at a general election held within the district or at a special election within the taxing district called by the district for the purpose of submitting such proposition to the voters. Any election held pursuant to this section shall be held not more than twelve months prior to the date on which the proposed levy is to be made, except as provided in subsection (2) of this section. The ballot of the proposition shall state the dollar rate proposed and shall clearly state the conditions, if any, which are applicable under subsection (4) of this section.

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- (2) Subject to statutory dollar limitations, a proposition placed 1 2 before the voters under this section may authorize annual increases in 3 levies for multiple consecutive years, up to six consecutive years, during which period each year's authorized maximum legal levy shall be 4 5 used as the base upon which an increased levy limit for the succeeding year is computed, but the ballot proposition must state the dollar rate 6 7 proposed only for the first year of the consecutive years and must 8 state the limit factor, or a specified index to be used for determining a limit factor, such as the consumer price index, which need not be the 9 10 same for all years, by which the regular tax levy for the district may be increased in each of the subsequent consecutive years. 11 12 for this purpose must be held at a primary or general election. 13 title of each ballot measure must state the limited purposes for which 14 the proposed annual increases during the specified period of up to six consecutive years shall be used, and funds raised under the levy shall 15 not supplant existing funds used for these purposes. For purposes of 16 17 this subsection, existing funds means the actual operating expenditures for the calendar year in which the ballot measure is approved by 18 Actual operating expenditures excludes lost federal funds, 19 voters. lost or expired state grants or loans, extraordinary events not likely 20 21 to reoccur, changes in contract provisions beyond the control of the 22 taxing district receiving the services, and major nonrecurring capital 23 expenditures. 24
  - (3) After a levy authorized pursuant to this section is made, the dollar amount of such levy may not be used for the purpose of computing the limitations for subsequent levies provided for in this chapter, unless the ballot proposition expressly states that the levy made under this section will be used for this purpose.
  - (4) If expressly stated, a proposition placed before the voters under subsection (1) or (2) of this section may:
  - (a) Use the dollar amount of a levy under subsection (1) of this section, or the dollar amount of the final levy under subsection (2) of this section, for the purpose of computing the limitations for subsequent levies provided for in this chapter;
  - (b) Limit the period for which the increased levy is to be made under (a) of this subsection;
  - (c) Limit the purpose for which the increased levy is to be made under (a) of this subsection, but if the limited purpose includes

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making redemption payments on bonds, <u>unless the bonds will be issued to</u>

pay for facilities to be used by governmental agencies for public

health, safety, or justice purposes, the period for which the increased

levies are made shall not exceed nine years;

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- (d) Set the levy or levies at a rate less than the maximum rate allowed for the district; or
  - (e) Include any combination of the conditions in this subsection.
- (5) Except as otherwise expressly stated in an approved ballot measure under this section, subsequent levies shall be computed as if:
  - (a) The proposition under this section had not been approved; and
- 11 (b) The taxing district had made levies at the maximum rates which 12 would otherwise have been allowed under this chapter during the years 13 levies were made under the proposition.
- 14 **Sec. 2.** RCW 35.42.070 and 1965 c 7 s 35.42.070 are each amended to read as follows:

Any city or town desiring to have a building for its use erected on land owned, or to be acquired, by it, may, as lessor, lease the land for a reasonable rental for a term of not to exceed fifty years: PROVIDED, That the city or town shall lease back the building or a portion thereof for the same term. The leases shall contain terms as agreed upon between the parties, and shall include the following provisions:

- (1) No part of the cost of construction of the building shall ever be or become an obligation of the city or town.
- (2) The city or town shall have a prior right to occupy any or all of the building upon payment of rental as agreed upon by the parties, which rental shall not exceed prevailing rates for comparable space, unless the legislative body for the city or town finds that prevailing rates for comparable space are not reasonably available due to the characteristics of the building or its intended use, in which case the legislative body must find that the rental agreed upon by the parties is reasonable.
- 33 (3) During any time that all or any portion of the building is not 34 required for occupancy by the city or town, the lessee of the land may 35 rent the unneeded portion to suitable tenants approved by the city or 36 town.

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- 1 (4) Upon the expiration of the lease, all buildings and 2 improvements on the land shall become the property of the city or town.
  - --- END ---

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