
HOUSE BILL 2328

State of Washington

54th Legislature

1996 Regular Session

By Representatives B. Thomas, Backlund, D. Schmidt, Hickel, Schoesler, Cooke, Fuhrman, Quall, Cairnes, Basich, Dyer, Elliot, Johnson, Sherstad, D. Sommers, Huff, Hargrove, Boldt, Campbell, Smith, Hymes, Thompson, Mulliken, Morris, McMahan, Linville, Benton and Silver

Read first time 01/10/96. Referred to Committee on Finance.

1 AN ACT Relating to limiting taxing district levies; amending RCW
2 84.55.005, 84.55.010, 35.61.210, 70.44.060, and 84.08.115; adding a new
3 section to chapter 84.55 RCW; and creating a new section.

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

5 **Sec. 1.** RCW 84.55.005 and 1994 c 301 s 49 are each amended to read
6 as follows:

7 As used in this chapter(~~(, the term)~~):

8 (1) "Regular property taxes" has the meaning given it in RCW
9 84.04.140, and also includes amounts received in lieu of regular
10 property taxes.

11 (2) "Inflation" means the percentage change in the United States
12 consumer price index for the calendar year during which the taxes are
13 payable, as forecast by the economic and revenue forecast council in
14 the official forecast adopted in September of the year before the taxes
15 are payable.

16 NEW SECTION. **Sec. 2.** A new section is added to chapter 84.55 RCW
17 to read as follows:

1 Except as provided in this chapter, the levy for the state in any
2 year shall be set so that the regular property taxes payable in the
3 following year shall not exceed one hundred six percent or one hundred
4 percent plus inflation, whichever is lower, of the amount of regular
5 property taxes lawfully levied for the state in the highest of the
6 three most recent years in which such taxes were levied for such
7 district plus an additional dollar amount calculated by multiplying the
8 increase in assessed value in that district resulting from new
9 construction, improvements to property, and any increase in the
10 assessed value of state-assessed property by the regular property tax
11 levy rate of the state for the preceding year.

12 **Sec. 3.** RCW 84.55.010 and 1979 ex.s. c 218 s 2 are each amended to
13 read as follows:

14 Except as provided in this chapter, the levy for a taxing district,
15 other than the state, in any year shall be set so that the regular
16 property taxes payable in the following year shall not exceed one
17 hundred six percent of the amount of regular property taxes lawfully
18 levied for such district in the highest of the three most recent years
19 in which such taxes were levied for such district plus an additional
20 dollar amount calculated by multiplying the increase in assessed value
21 in that district resulting from new construction, improvements to
22 property, and any increase in the assessed value of state-assessed
23 property by the regular property tax levy rate of that district for the
24 preceding year.

25 **Sec. 4.** RCW 35.61.210 and 1990 c 234 s 3 are each amended to read
26 as follows:

27 The board of park commissioners may levy or cause to be levied a
28 general tax on all the property located in said park district each year
29 not to exceed fifty cents per thousand dollars of assessed value of the
30 property in such park district. In addition, the board of park
31 commissioners may levy or cause to be levied a general tax on all
32 property located in said park district each year not to exceed twenty-
33 five cents per thousand dollars of assessed valuation. Although park
34 districts are authorized to impose two separate regular property tax
35 levies, the levies shall be considered to be a single levy for purposes
36 of the ((one hundred six percent)) limitation provided for in chapter
37 84.55 RCW.

1 The board is hereby authorized to levy a general tax in excess of
2 its regular property tax levy or levies when authorized so to do at a
3 special election conducted in accordance with and subject to all the
4 requirements of the Constitution and laws of the state now in force or
5 hereafter enacted governing the limitation of tax levies. The board is
6 hereby authorized to call a special election for the purpose of
7 submitting to the qualified voters of the park district a proposition
8 to levy a tax in excess of the seventy-five cents per thousand dollars
9 of assessed value herein specifically authorized. The manner of
10 submitting any such proposition, of certifying the same, and of giving
11 or publishing notice thereof, shall be as provided by law for the
12 submission of propositions by cities or towns.

13 The board shall include in its general tax levy for each year a
14 sufficient sum to pay the interest on all outstanding bonds and may
15 include a sufficient amount to create a sinking fund for the redemption
16 of all outstanding bonds. The levy shall be certified to the proper
17 county officials for collection the same as other general taxes and
18 when collected, the general tax shall be placed in a separate fund in
19 the office of the county treasurer to be known as the "metropolitan
20 park district fund" and paid out on warrants.

21 **Sec. 5.** RCW 70.44.060 and 1990 c 234 s 2 are each amended to read
22 as follows:

23 All public hospital districts organized under the provisions of
24 this chapter shall have power:

25 (1) To make a survey of existing hospital and other health care
26 facilities within and without such district.

27 (2) To construct, condemn and purchase, purchase, acquire, lease,
28 add to, maintain, operate, develop and regulate, sell and convey all
29 lands, property, property rights, equipment, hospital and other health
30 care facilities and systems for the maintenance of hospitals,
31 buildings, structures, and any and all other facilities, and to
32 exercise the right of eminent domain to effectuate the foregoing
33 purposes or for the acquisition and damaging of the same or property of
34 any kind appurtenant thereto, and such right of eminent domain shall be
35 exercised and instituted pursuant to a resolution of the commission and
36 conducted in the same manner and by the same procedure as in or may be
37 provided by law for the exercise of the power of eminent domain by
38 incorporated cities and towns of the state of Washington in the

1 acquisition of property rights: PROVIDED, That no public hospital
2 district shall have the right of eminent domain and the power of
3 condemnation against any health care facility.

4 (3) To lease existing hospital and other health care facilities and
5 equipment and/or other property used in connection therewith, including
6 ambulances, and to pay such rental therefor as the commissioners shall
7 deem proper; to provide hospital and other health care services for
8 residents of said district by facilities located outside the boundaries
9 of said district, by contract or in any other manner said commissioners
10 may deem expedient or necessary under the existing conditions; and said
11 hospital district shall have the power to contract with other
12 communities, corporations, or individuals for the services provided by
13 said hospital district; and they may further receive in said hospitals
14 and other health care facilities and furnish proper and adequate
15 services to all persons not residents of said district at such
16 reasonable and fair compensation as may be considered proper:
17 PROVIDED, That it must at all times make adequate provision for the
18 needs of the district and residents of said district shall have prior
19 rights to the available hospital and other health care facilities of
20 said district, at rates set by the district commissioners.

21 (4) For the purpose aforesaid, it shall be lawful for any district
22 so organized to take, condemn and purchase, lease, or acquire, any and
23 all property, and property rights, including state and county lands,
24 for any of the purposes aforesaid, and any and all other facilities
25 necessary or convenient, and in connection with the construction,
26 maintenance, and operation of any such hospitals and other health care
27 facilities, subject, however, to the applicable limitations provided in
28 subsection (2) of this section.

29 (5) To contract indebtedness or borrow money for corporate purposes
30 on the credit of the corporation or the revenues of the hospitals
31 thereof, and the revenues of any other facilities or services that the
32 district is or hereafter may be authorized by law to provide, and to
33 issue and sell: (a) Revenue bonds, revenue warrants, or other revenue
34 obligations therefor payable solely out of a special fund or funds into
35 which the district may pledge such amount of the revenues of the
36 hospitals thereof, and the revenues of any other facilities or services
37 that the district is or hereafter may be authorized by law to provide,
38 to pay the same as the commissioners of the district may determine,
39 such revenue bonds, warrants, or other obligations to be issued and

1 sold in the same manner and subject to the same provisions as provided
2 for the issuance of revenue bonds, warrants, or other obligations by
3 cities or towns under the Municipal Revenue Bond Act, chapter 35.41
4 RCW, as may hereafter be amended; (b) general obligation bonds therefor
5 in the manner and form as provided in RCW 70.44.110 and 70.44.130, as
6 may hereafter be amended; or (c) interest-bearing warrants to be drawn
7 on a fund pending deposit in such fund of money sufficient to redeem
8 such warrants and to be issued and paid in such manner and upon such
9 terms and conditions as the board of commissioners may deem to be in
10 the best interest of the district; and to assign or sell hospital
11 accounts receivable, and accounts receivable for the use of other
12 facilities or services that the district is or hereafter may be
13 authorized by law to provide, for collection with or without recourse.
14 General obligation bonds shall be issued and sold in accordance with
15 chapter 39.46 RCW. Revenue bonds, revenue warrants, or other revenue
16 obligations may be issued and sold in accordance with chapter 39.46
17 RCW.

18 (6) To raise revenue by the levy of an annual tax on all taxable
19 property within such public hospital district not to exceed fifty cents
20 per thousand dollars of assessed value, and an additional annual tax on
21 all taxable property within such public hospital district not to exceed
22 twenty-five cents per thousand dollars of assessed value, or such
23 further amount as has been or shall be authorized by a vote of the
24 people. Although public hospital districts are authorized to impose
25 two separate regular property tax levies, the levies shall be
26 considered to be a single levy for purposes of the (~~one hundred six~~
27 ~~percent~~)) limitation provided for in chapter 84.55 RCW. Public
28 hospital districts are authorized to levy such a general tax in excess
29 of their regular property taxes when authorized so to do at a special
30 election conducted in accordance with and subject to all of the
31 requirements of the Constitution and the laws of the state of
32 Washington now in force or hereafter enacted governing the limitation
33 of tax levies. The said board of district commissioners is authorized
34 and empowered to call a special election for the purpose of submitting
35 to the qualified voters of the hospital district a proposition or
36 propositions to levy taxes in excess of its regular property taxes.
37 The superintendent shall prepare a proposed budget of the contemplated
38 financial transactions for the ensuing year and file the same in the
39 records of the commission on or before the first Monday in September.

1 Notice of the filing of said proposed budget and the date and place of
2 hearing on the same shall be published for at least two consecutive
3 weeks in a newspaper printed and of general circulation in said county.
4 On the first Monday in October the commission shall hold a public
5 hearing on said proposed budget at which any taxpayer may appear and be
6 heard against the whole or any part of the proposed budget. Upon the
7 conclusion of said hearing, the commission shall, by resolution, adopt
8 the budget as finally determined and fix the final amount of
9 expenditures for the ensuing year. Taxes levied by the commission
10 shall be certified to and collected by the proper county officer of the
11 county in which such public hospital district is located in the same
12 manner as is or may be provided by law for the certification and
13 collection of port district taxes. The commission is authorized, prior
14 to the receipt of taxes raised by levy, to borrow money or issue
15 warrants of the district in anticipation of the revenue to be derived
16 by such district from the levy of taxes for the purpose of such
17 district, and such warrants shall be redeemed from the first money
18 available from such taxes when collected, and such warrants shall not
19 exceed the anticipated revenues of one year, and shall bear interest at
20 a rate or rates as authorized by the commission.

21 (7) To enter into any contract with the United States government or
22 any state, municipality, or other hospital district, or any department
23 of those governing bodies, for carrying out any of the powers
24 authorized by this chapter.

25 (8) To sue and be sued in any court of competent jurisdiction:
26 PROVIDED, That all suits against the public hospital district shall be
27 brought in the county in which the public hospital district is located.

28 (9) To pay actual necessary travel expenses and living expenses
29 incurred while in travel status for (a) qualified physicians who are
30 candidates for medical staff positions, and (b) other qualified persons
31 who are candidates for superintendent or other managerial and technical
32 positions, when the district finds that hospitals or other health care
33 facilities owned and operated by it are not adequately staffed and
34 determines that personal interviews with said candidates to be held in
35 the district are necessary or desirable for the adequate staffing of
36 said facilities.

37 (10) To make contracts, employ superintendents, attorneys, and
38 other technical or professional assistants and all other employees; to
39 make contracts with private or public institutions for employee

1 retirement programs; to print and publish information or literature;
2 and to do all other things necessary to carry out the provisions of
3 this chapter.

4 **Sec. 6.** RCW 84.08.115 and 1991 c 218 s 2 are each amended to read
5 as follows:

6 (1) The department shall prepare a clear and succinct explanation
7 of the property tax system, including but not limited to:

8 (a) The standard of true and fair value as the basis of the
9 property tax.

10 (b) How the assessed value for particular parcels is determined.

11 (c) The procedures and timing of the assessment process.

12 (d) How district levy rates are determined, including the ((one
13 hundred six percent)) limit under chapter 84.55 RCW.

14 (e) How the composite tax rate is determined.

15 (f) How the amount of tax is calculated.

16 (g) How a taxpayer may appeal an assessment, and what issues are
17 appropriate as a basis of appeal.

18 (h) A summary of tax exemption and relief programs, along with the
19 eligibility standards and application processes.

20 (2) Each county assessor shall provide copies of the explanation to
21 taxpayers on request, free of charge. Each revaluation notice shall
22 include information regarding the availability of the explanation.

23 NEW SECTION. **Sec. 7.** Section 2 of this act is effective for taxes
24 levied for collection in 1997 and thereafter.

--- END ---