
SENATE BILL 5001

State of Washington

60th Legislature

2007 Regular Session

By Senators Benton, Pflug, Carrell, Schoesler, Morton, Stevens, Delvin, McCaslin, Holmquist, Zarelli, Roach, Hewitt, Honeyford and Sheldon

Read first time 01/08/2007. Referred to Committee on Government Operations & Elections.

1 AN ACT Relating to reenacting and reaffirming the one hundred one
2 percent levy limit; reenacting RCW 84.55.005 and 84.55.0101; creating
3 a new section; and declaring an emergency.

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

5 NEW SECTION. **Sec. 1.** The legislature finds that when Washington
6 state voters passed Initiative Measure No. 747 on November 6, 2001,
7 they intended to limit the growth of taxing districts' regular property
8 tax levies to a maximum of one percent higher than the previous year.
9 While taxing districts have abided by the one percent limit, the
10 legislature finds that a recent superior court decision has resulted in
11 ambiguity as to property taxing districts' taxing authority, both
12 prospectively and retroactively dating back to the passage of the
13 initiative. It is the purpose of this act to resolve any ambiguity in
14 the law and to make retroactive, remedial, and curative changes that
15 reenact and reaffirm the one percent limit approved by voters in 2001.

16 **Sec. 2.** RCW 84.55.005 and 2002 c 1 s 2 are each reenacted to read
17 as follows:

18 As used in this chapter:

1 (1) "Inflation" means the percentage change in the implicit price
2 deflator for personal consumption expenditures for the United States as
3 published for the most recent twelve-month period by the bureau of
4 economic analysis of the federal department of commerce in September of
5 the year before the taxes are payable;

6 (2) "Limit factor" means:

7 (a) For taxing districts with a population of less than ten
8 thousand in the calendar year prior to the assessment year, one hundred
9 one percent;

10 (b) For taxing districts for which a limit factor is authorized
11 under RCW 84.55.0101, the lesser of the limit factor under that section
12 or one hundred one percent;

13 (c) For all other districts, the lesser of one hundred one percent
14 or one hundred percent plus inflation; and

15 (3) "Regular property taxes" has the meaning given it in RCW
16 84.04.140.

17 **Sec. 3.** RCW 84.55.0101 and 2002 c 1 s 3 are each reenacted to read
18 as follows:

19 Upon a finding of substantial need, the legislative authority of a
20 taxing district other than the state may provide for the use of a limit
21 factor under this chapter of one hundred one percent or less unless an
22 increase greater than this limit is approved by the voters at an
23 election as provided in RCW 84.55.050. In districts with legislative
24 authorities of four members or less, two-thirds of the members must
25 approve an ordinance or resolution under this section. In districts
26 with more than four members, a majority plus one vote must approve an
27 ordinance or resolution under this section. The new limit factor shall
28 be effective for taxes collected in the following year only.

29 NEW SECTION. **Sec. 4.** This act is necessary for the immediate
30 preservation of the public peace, health, or safety, or support of the
31 state government and its existing public institutions, and takes effect
32 immediately.

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