

SHB 1467 - S COMM AMD
By Committee on Local Government

ADOPTED AND ENGROSSED 4/6/17

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 52.26.220 and 2006 c 200 s 12 are each amended to
4 read as follows:

5 (1) (~~Notwithstanding any other provision in this chapter to the~~
6 ~~contrary, any~~) (a) The initial imposition of a benefit charge
7 authorized by this chapter (~~is not effective unless a proposition to~~
8 ~~impose the benefit charge is approved by a~~) must be approved by not
9 less than sixty percent majority of the voters of the regional fire
10 protection service authority voting at a general election or at a
11 special election called by the authority for that purpose (~~, held~~
12 ~~within the authority~~). ((A)) Ballot (~~measure that contains~~)
13 measures containing an authorization to impose benefit charges
14 (~~and~~) that (~~is~~) are approved by the voters pursuant to RCW
15 52.26.060 (~~meets~~) satisfy the proposition approval requirement of
16 this subsection and subsection (2) of this section.

17 (b) An election held (~~under this section~~) for the initial
18 imposition of a benefit charge must be held not more than twelve
19 months prior to the date on which the first charge is to be assessed.

20 (c) A benefit charge approved at an election expires in six
21 (~~years~~) or fewer years as authorized by the voters, unless
22 subsequently reapproved by the voters.

23 (2) (~~The~~) Ballot measures calling for the initial imposition of
24 a benefit charge must be submitted so as to enable (~~the~~) voters
25 favoring the authorization of a (~~regional fire protection service~~
26 ~~authority~~) benefit charge to vote "Yes" and those opposed to vote
27 "No." The ballot question is as follows:

28 "Shall the regional fire protection service
29 authority composed of (insert the participating fire
30 protection jurisdictions) be authorized to impose
31 benefit charges each year for (insert number of years
32 not to exceed six) years, not to exceed an amount equal to

1 sixty percent of its operating budget, and be prohibited from
2 imposing an additional property tax under RCW
3 52.26.140(1)(c)?

4 YES NO
5

6 ~~(3) ((Authorities renewing the benefit charge may elect to use~~
7 ~~the following alternative ballot:))~~ (a) The continued imposition of a
8 benefit charge authorized by this chapter may be approved for six
9 consecutive years. A ballot measure calling for the continued
10 imposition of a benefit charge for six consecutive years must be
11 approved by a majority of the voters of the regional fire protection
12 service authority voting at a general election or at a special
13 election called by the authority for that purpose.

14 (b) Ballot measures calling for the continued imposition of a
15 benefit charge must be submitted so as to enable voters favoring the
16 continued imposition of the benefit charge to vote "Yes" and those
17 opposed to vote "No." The ballot question must be substantially in
18 the following form:

19 "Shall the regional fire protection service
20 authority composed of (insert the participating fire
21 protection jurisdictions) be authorized to
22 continue voter-authorized benefit charges each year for
23 ~~((. . . . (insert number of years not to exceed)) six((+))~~
24 consecutive years, not to exceed an amount equal to sixty
25 percent of its operating budget, and be prohibited from
26 imposing an additional property tax under RCW
27 52.26.140(1)(c)?

28 YES NO
29

30 [2006 c 200 § 12; 2004 c 129 § 28.]

31 **Sec. 2.** RCW 52.26.230 and 2004 c 129 s 29 are each amended to
32 read as follows:

33 (1) Not fewer than ten days nor more than six months before the
34 election at which the proposition to impose the benefit charge is
35 submitted as provided in this chapter, the governing board of the
36 regional fire protection service authority, or the planning committee

1 if the benefit charge is proposed as part of the initial formation of
2 the authority, shall hold a public hearing specifically setting forth
3 its proposal to impose benefit charges for the support of its legally
4 authorized activities that will maintain or improve the services
5 afforded in the authority. A report of the public hearing shall be
6 filed with the county treasurer of each county in which the property
7 is located and be available for public inspection.

8 (2) Prior to November 15th of each year the governing board of
9 the authority shall hold a public hearing to review and establish the
10 regional fire protection service authority benefit charges for the
11 subsequent year.

12 (3) All resolutions imposing or changing the benefit charges must
13 be filed with the county treasurer or treasurers of each county in
14 which the property is located, together with the record of each
15 public hearing, before November 30th immediately preceding the year
16 in which the benefit charges are to be collected on behalf of the
17 authority.

18 (4) After the benefit charges have been established, the owners
19 of the property subject to the charge must be notified of the amount
20 of the charge.

21 **Sec. 3.** RCW 84.55.092 and 1998 c 16 s 3 are each amended to read
22 as follows:

23 (1) The regular property tax levy for each taxing district other
24 than the state may be set at the amount which would be allowed
25 otherwise under this chapter if the regular property tax levy for the
26 district for taxes due in prior years beginning with 1986 had been
27 set at the full amount allowed under this chapter including any levy
28 authorized under RCW 52.16.160 or 52.26.140(1)(c) that would have
29 been imposed but for the limitation in RCW 52.18.065 or 52.26.240,
30 applicable upon imposition of the benefit charge under chapter 52.18
31 or 52.26 RCW.

32 (2) The purpose of this section is to remove the incentive for a
33 taxing district to maintain its tax levy at the maximum level
34 permitted under this chapter, and to protect the future levy capacity
35 of a taxing district that reduces its tax levy below the level that
36 it otherwise could impose under this chapter, by removing the adverse
37 consequences to future levy capacities resulting from such levy
38 reductions.

1 (b) Ballot measures calling for the continued imposition of a
2 benefit charge must be submitted so as to enable voters favoring the
3 continued imposition of the benefit charge to vote "Yes" and those
4 opposed to vote "No." The ballot question must be substantially in
5 the following form:

6 "Shall county fire protection district
7 No. be authorized to continue voter-authorized
8 benefit charges each year for (~~(. (insert number of~~
9 ~~years not to exceed six)~~) six consecutive years, not to
10 exceed an amount equal to sixty percent of its operating
11 budget, and be prohibited from imposing an additional
12 property tax under RCW 52.16.160?

13 YES NO
14

15 [2013 c 49 § 1; 1998 c 16 § 2; 1990 c 294 § 5; 1989 c 27 § 1; 1987 c
16 325 § 5; 1974 ex.s. c 126 § 5.]

17 **Sec. 5.** RCW 52.18.010 and 1998 c 16 s 1 are each amended to read
18 as follows:

19 (1) Pursuant to an approved initial or continued benefit charge
20 authorized under RCW 52.18.050, the board of fire commissioners of a
21 fire protection district may by resolution, for fire protection
22 district purposes authorized by law, fix and impose a benefit charge
23 on personal property and improvements to real property which are
24 located within the fire protection district on the date specified and
25 which have or will receive the benefits provided by the fire
26 protection district, to be paid by the owners of the properties(~~(-~~
27 PROVIDED, That)).

28 (2) A benefit charge (~~(shall)~~) does not apply to:

29 (a) Personal property and improvements to real property owned or
30 used by any recognized religious denomination or religious
31 organization as, or including, a sanctuary or for purposes related to
32 the bona fide religious ministries of the denomination or religious
33 organization, including schools and educational facilities used for
34 kindergarten, primary, or secondary educational purposes or for
35 institutions of higher education and all grounds and buildings
36 related thereto, but not including personal property and improvements
37 to real property owned or used by any recognized religious

1 denomination or religious organization for business operations,
2 profit-making enterprises, or activities not including use of a
3 sanctuary or related to kindergarten, primary, or secondary
4 educational purposes or for institutions of higher education; and

5 (b) Any of the following tax-exempt properties, provided such
6 entity is not required to pay a fire protection charge under
7 subsection (8) of this section:

8 (i) Property of housing authorities that is exempt from property
9 taxes under RCW 35.82.210;

10 (ii) Property of nonprofit entities providing rental housing for
11 very low-income households or providing space for the placement of a
12 mobile home for a very low-income household that is exempt from
13 property taxes under RCW 84.36.560;

14 (iii) Property of nonprofit homes for the aging that is exempt
15 from property taxes under RCW 84.36.041;

16 (iv) Property of nonprofit organizations, corporations, or
17 associations providing housing for eligible persons with
18 developmental disabilities that is exempt from property taxes under
19 RCW 84.36.042;

20 (v) Property of nonprofit organizations providing emergency or
21 transitional housing for low-income homeless persons or victims of
22 domestic violence who are homeless for personal safety reasons that
23 is exempt from property taxes under RCW 84.36.043;

24 (vi) Property of the state housing finance commission that is
25 exempt from property taxes under RCW 84.36.135; and

26 (vii) Property of nonprofit corporations operating sheltered
27 workshops for persons with disabilities that is exempt from property
28 taxes under RCW 84.36.350.

29 (3) A benefit charge may apply to a tax-exempt property included
30 in subsection (2)(b) of this section if the tax-exempt property is
31 located in a fire protection district that:

32 (a) Is less than four square miles in size;

33 (b) Has approved a benefit charge prior to the effective date of
34 this section; and

35 (c) Has a population exceeding nineteen thousand people as of the
36 effective date of this section, as determined by the office of
37 financial management.

38 (4) A limited benefit charge may apply to property or
39 improvements owned by a Christmas tree grower as defined in RCW
40 15.13.250(4) so long as the property or improvement is located on

1 land that has been approved as farm and agricultural land with
2 standing crops under chapter 84.34 RCW. For such property or
3 improvement, a benefit charge may not exceed the reduction in
4 property tax that results from the imposition of a benefit charge, as
5 required under RCW 52.18.065.

6 (5) The aggregate amount of such benefit charges in any one year
7 shall not exceed an amount equal to sixty percent of the operating
8 budget for the year in which the benefit charge is to be collected:
9 PROVIDED, That it shall be the duty of the county legislative
10 authority or authorities of the county or counties in which the fire
11 protection district is located to make any necessary adjustments to
12 assure compliance with such limitation and to immediately notify the
13 board of fire commissioners of any changes thereof.

14 (6) A benefit charge imposed shall be reasonably proportioned to
15 the measurable benefits to property resulting from the services
16 afforded by the district. It is acceptable to apportion the benefit
17 charge to the values of the properties as found by the county
18 assessor or assessors modified generally in the proportion that fire
19 insurance rates are reduced or entitled to be reduced as the result
20 of providing the services. Any other method that reasonably
21 apportions the benefit charges to the actual benefits resulting from
22 the degree of protection, which may include but is not limited to the
23 distance from regularly maintained fire protection equipment, the
24 level of fire prevention services provided to the properties, or the
25 need of the properties for specialized services, may be specified in
26 the resolution and shall be subject to contest on the ground of
27 unreasonable or capricious action or action in excess of the
28 measurable benefits to the property resulting from services afforded
29 by the district. The board of fire commissioners may determine that
30 certain properties or types or classes of properties are not
31 receiving measurable benefits based on criteria they establish by
32 resolution. A benefit charge authorized by this chapter shall not be
33 applicable to the personal property or improvements to real property
34 of any individual, corporation, partnership, firm, organization, or
35 association maintaining a fire department and whose fire protection
36 and training system has been accepted by a fire insurance underwriter
37 maintaining a fire protection engineering and inspection service
38 authorized by the state insurance commissioner to do business in this
39 state, but such property may be protected by the fire protection
40 district under a contractual agreement.

1 (7) For administrative purposes, the benefit charge imposed on
2 any individual property may be compiled into a single charge,
3 provided that the district, upon request of the property owner,
4 provide an itemized list of charges for each measurable benefit
5 included in the charge.

6 (8)(a) At the annual review of the fire benefit charge mandated
7 by RCW 52.18.060(2), if a fire service agency has identified:

8 (i) A tax-exempt property under subsection (2)(b) of this section
9 as having a substantial increase in requested emergency services over
10 the previous year; or

11 (ii) A new tax-exempt property that is similar in size,
12 population, and geographic location as another such tax-exempt
13 property as having an increase in requested emergency services;
14 then the tax exempt property and the fire service agency must work
15 together, in good faith, to address the problem by implementing
16 community risk reduction efforts. The community risk reduction plan
17 may include but is not limited to wellness programs and community
18 action plans.

19 (b) At the subsequent annual review, if the heightened service
20 requirements have not been reasonably addressed by the joint
21 mitigation efforts, and the tax-exempt property owner has not acted
22 in good faith:

23 (i) The property is subject to assessment of the fire benefit
24 charge in the subsequent year, subject to approval by the board of
25 fire commissioners as outlined in RCW 52.18.060(2); or

26 (ii) The respective tax exempt property shall pay the fire
27 service agency a fire protection charge payment in lieu of a benefit
28 charge. The fire protection charge shall be an amount equivalent to
29 the benefit rates for similarly situated properties for that year.

30 (c) All tax exempt properties identified under subsection (2)(b)
31 of this section and all local fire service agencies are encouraged to
32 work collaboratively to develop and implement programs to address
33 proper usage of fire service resources for residents of the housing
34 properties.

35 **Sec. 6.** RCW 52.26.180 and 2004 c 129 s 24 are each amended to
36 read as follows:

37 (1) The governing board of a regional fire protection service
38 authority may by resolution, as authorized in the plan and approved
39 by the voters, for authority purposes authorized by law, fix and

1 impose a benefit charge on personal property and improvements to real
2 property which are located within the authority on the date specified
3 and which have received or will receive the benefits provided by the
4 authority, to be paid by the owners of the properties.

5 (2) A benefit charge does not apply to:

6 (a) Personal property and improvements to real property owned or
7 used by any recognized religious denomination or religious
8 organization as, or including, a sanctuary or for purposes related to
9 the bona fide religious ministries of the denomination or religious
10 organization, including schools and educational facilities used for
11 kindergarten, primary, or secondary educational purposes or for
12 institutions of higher education and all grounds and buildings
13 related thereto. However, a benefit charge does apply to personal
14 property and improvements to real property owned or used by any
15 recognized religious denomination or religious organization for
16 business operations, profit-making enterprises, or activities not
17 including use of a sanctuary or related to kindergarten, primary, or
18 secondary educational purposes or for institutions of higher
19 education.

20 (b) Property of housing authorities that is exempt from property
21 taxes under RCW 35.82.210;

22 (c) Property of nonprofit entities providing rental housing for
23 very low-income households or providing space for the placement of a
24 mobile home for a very low-income household that is exempt from
25 property taxes under RCW 84.36.560;

26 (d) Property of nonprofit homes for the aging that is exempt from
27 property taxes under RCW 84.36.041;

28 (e) Property of nonprofit organizations, corporations, or
29 associations providing housing for eligible persons with
30 developmental disabilities that is exempt from property taxes under
31 RCW 84.36.042;

32 (f) Property of nonprofit organizations providing emergency or
33 transitional housing for low-income homeless persons or victims of
34 domestic violence who are homeless for personal safety reasons that
35 is exempt from property taxes under RCW 84.36.043;

36 (g) Property of the state housing finance commission that is
37 exempt from property taxes under RCW 84.36.135; and

38 (h) Property of nonprofit corporations operating sheltered
39 workshops for persons with disabilities that is exempt from property
40 taxes under RCW 84.36.350.

1 (3) A limited benefit charge may apply to property or
2 improvements owned by a Christmas tree grower as defined in RCW
3 15.13.250(4) so long as the property or improvement is located on
4 land that has been approved as farm and agricultural land with
5 standing crops under chapter 84.34 RCW. For such property or
6 improvement, a benefit charge may not exceed the reduction in
7 property tax that results from the imposition of a benefit charge, as
8 required under RCW 52.26.240.

9 (4) The aggregate amount of these benefit charges in any one year
10 may not exceed an amount equal to sixty percent of the operating
11 budget for the year in which the benefit charge is to be collected.
12 It is the duty of the county legislative authority or authorities of
13 the county or counties in which the regional fire protection service
14 authority is located to make any necessary adjustments to assure
15 compliance with this limitation and to immediately notify the
16 governing board of an authority of any changes thereof.

17 ~~((+2))~~ (5) A benefit charge imposed must be reasonably
18 proportioned to the measurable benefits to property resulting from
19 the services afforded by the authority. It is acceptable to apportion
20 the benefit charge to the values of the properties as found by the
21 county assessor or assessors modified generally in the proportion
22 that fire insurance rates are reduced or entitled to be reduced as
23 the result of providing the services. Any other method that
24 reasonably apportions the benefit charges to the actual benefits
25 resulting from the degree of protection, which may include but is not
26 limited to the distance from regularly maintained fire protection
27 equipment, the level of fire prevention services provided to the
28 properties, or the need of the properties for specialized services,
29 may be specified in the resolution and is subject to contest on the
30 grounds of unreasonable or capricious action or action in excess of
31 the measurable benefits to the property resulting from services
32 afforded by the authority. The governing board of an authority may
33 determine that certain properties or types or classes of properties
34 are not receiving measurable benefits based on criteria they
35 establish by resolution. A benefit charge authorized by this chapter
36 is not applicable to the personal property or improvements to real
37 property of any individual, corporation, partnership, firm,
38 organization, or association maintaining a fire department and whose
39 fire protection and training system has been accepted by a fire
40 insurance underwriter maintaining a fire protection engineering and

1 inspection service authorized by the state insurance commissioner to
2 do business in this state, but the property may be protected by the
3 authority under a contractual agreement.

4 ~~((+3))~~ (6) For administrative purposes, the benefit charge
5 imposed on any individual property may be compiled into a single
6 charge, provided that the authority, upon request of the property
7 owner, provide an itemized list of charges for each measurable
8 benefit included in the charge.

9 ~~((+4))~~ (7)(a) At the annual review of the fire benefit charge
10 mandated by RCW 52.26.230(2), if a fire service agency has
11 identified:

12 (i) A tax-exempt property under subsection (2)(b) of this section
13 as having a substantial increase in requested emergency services over
14 the previous year; or

15 (ii) A new tax-exempt property that is similar in size,
16 population, and geographic location as another such tax-exempt
17 property as having an increase in requested emergency services;
18 then the tax exempt property and the fire service agency must work
19 together, in good faith, to address the problem by implementing
20 community risk reduction efforts. The community risk reduction plan
21 may include but is not limited to wellness programs and community
22 action plans.

23 (b) At the subsequent annual review, if the heightened service
24 requirements have not been reasonably addressed by the joint
25 mitigation efforts, and the tax-exempt property owner has not acted
26 in good faith:

27 (i) The property is subject to assessment of the fire benefit
28 charge in the subsequent year, subject to approval by the governing
29 board of the authority as outlined in RCW 52.26.230(2); or

30 (ii) The respective tax exempt property shall pay the fire
31 service agency a fire protection charge payment in lieu of a benefit
32 charge. The fire protection charge shall be an amount equivalent to
33 the benefit rates for similarly situated properties for that year.

34 (c) All tax exempt properties identified under subsection (2)(b)
35 of this section and all local fire service agencies are encouraged to
36 work collaboratively to develop and implement programs to address
37 proper usage of fire service resources for residents of the housing
38 properties.

39 (8) For the purposes of this section and RCW 52.26.190 through
40 52.26.270, the following definitions apply:

1 (a)(i) "Personal property" includes every form of tangible
2 personal property including, but not limited to, all goods, chattels,
3 stock in trade, estates, or crops.

4 (ii) "Personal property" does not include any personal property
5 used for farming, field crops, farm equipment, or livestock.

6 (b) "Improvements to real property" does not include permanent
7 growing crops, field improvements installed for the purpose of aiding
8 the growth of permanent crops, or other field improvements normally
9 not subject to damage by fire.

10 **Sec. 7.** RCW 52.26.020 and 2011 c 141 s 1 are each reenacted and
11 amended to read as follows:

12 The definitions in this section apply throughout this chapter
13 unless the context clearly requires otherwise.

14 (1) "Board" means the governing body of a regional fire
15 protection service authority.

16 (2) "Elected official" means an elected official of a
17 participating fire protection jurisdiction or a regional fire
18 protection district commissioner created under RCW 52.26.080.

19 (3) "Fire protection jurisdiction" means a fire district,
20 regional fire protection service authority, city, town, port
21 district, municipal airport, or Indian tribe.

22 (4) "Participating fire protection jurisdiction" means a fire
23 protection jurisdiction participating in the formation or operation
24 of a regional fire protection service authority.

25 (5) "Regional fire protection service authority" or "authority"
26 means a municipal corporation, an independent taxing authority within
27 the meaning of Article VII, section 1 of the state Constitution, and
28 a taxing district within the meaning of Article VII, section 2 of the
29 state Constitution, whose boundaries are coextensive with two or more
30 adjacent fire protection jurisdictions and that has been created by a
31 vote of the people under this chapter to implement a regional fire
32 protection service authority plan.

33 (6) "Regional fire protection service authority plan" or "plan"
34 means a plan to develop and finance a regional fire protection
35 service authority project or projects((7)) including, but not limited
36 to, specific capital projects, fire operations and emergency service
37 operations pursuant to RCW 52.26.040(3)(b), and preservation and
38 maintenance of existing or future facilities.

1 (7) "Regional fire protection service authority planning
2 committee" or "planning committee" means the advisory committee
3 created under RCW 52.26.030 to create and propose to fire protection
4 jurisdictions a regional fire protection service authority plan to
5 design, finance, and develop fire protection and emergency service
6 projects.

7 (8) "Regular property taxes" has the same meaning as in RCW
8 84.04.140.

9 **Sec. 8.** RCW 52.26.030 and 2004 c 129 s 3 are each amended to
10 read as follows:

11 Regional fire protection service authority planning committees
12 are advisory entities that are created, convened, and empowered as
13 follows:

14 (1) Any two or more adjacent fire protection jurisdictions may
15 create a regional fire protection service authority and convene a
16 regional fire protection service authority planning committee. No
17 fire protection jurisdiction may participate in more than one created
18 authority.

19 (2) Each governing body of the fire protection jurisdictions
20 participating in planning under this chapter shall appoint three
21 elected officials to the authority planning committee. Members of the
22 planning committee may receive compensation of seventy dollars per
23 day, or portion thereof, not to exceed seven hundred dollars per
24 year, for attendance at planning committee meetings and for
25 performance of other services in behalf of the authority, and may be
26 reimbursed for travel and incidental expenses at the discretion of
27 their respective governing body.

28 (3) A regional fire protection service authority planning
29 committee may receive state funding, as appropriated by the
30 legislature, or county funding provided by the affected counties for
31 start-up funding to pay for salaries, expenses, overhead, supplies,
32 and similar expenses ordinarily and necessarily incurred. Upon
33 creation of a regional fire protection service authority, the
34 authority shall within one year reimburse the state or county for any
35 sums advanced for these start-up costs from the state or county.

36 (4) The planning committee shall conduct its affairs and
37 formulate a regional fire protection service authority plan as
38 provided under RCW 52.26.040.

1 (5) At its first meeting, a regional fire protection service
2 authority planning committee may elect officers and provide for the
3 adoption of rules and other operating procedures.

4 (6) The planning committee may dissolve itself at any time by a
5 majority vote of the total membership of the planning committee. Any
6 participating fire protection jurisdiction may withdraw upon thirty
7 calendar days' written notice to the other jurisdictions.

8 **Sec. 9.** RCW 84.52.010 and 2015 3rd sp.s. c 44 s 324 and 2015 3rd
9 sp.s. c 24 s 404 are each reenacted and amended to read as follows:

10 (1) Except as is permitted under RCW 84.55.050, all taxes must be
11 levied or voted in specific amounts.

12 (2) The rate percent of all taxes for state and county purposes,
13 and purposes of taxing districts coextensive with the county, must be
14 determined, calculated and fixed by the county assessors of the
15 respective counties, within the limitations provided by law, upon the
16 assessed valuation of the property of the county, as shown by the
17 completed tax rolls of the county, and the rate percent of all taxes
18 levied for purposes of taxing districts within any county must be
19 determined, calculated and fixed by the county assessors of the
20 respective counties, within the limitations provided by law, upon the
21 assessed valuation of the property of the taxing districts
22 respectively.

23 (3) When a county assessor finds that the aggregate rate of tax
24 levy on any property, that is subject to the limitations set forth in
25 RCW 84.52.043 or 84.52.050, exceeds the limitations provided in
26 either of these sections, the assessor must recompute and establish a
27 consolidated levy in the following manner:

28 (a) The full certified rates of tax levy for state, county,
29 county road district, regional transit authority, and city or town
30 purposes must be extended on the tax rolls in amounts not exceeding
31 the limitations established by law; however any state levy takes
32 precedence over all other levies and may not be reduced for any
33 purpose other than that required by RCW 84.55.010. If, as a result of
34 the levies imposed under RCW 36.54.130, 84.34.230, 84.52.069,
35 84.52.105, the portion of the levy by a metropolitan park district
36 that was protected under RCW 84.52.120, 84.52.125, 84.52.135,
37 84.52.140, and the protected portion of the levy under RCW 86.15.160
38 by flood control zone districts in a county with a population of
39 seven hundred seventy-five thousand or more that are coextensive with

1 a county, the combined rate of regular property tax levies that are
2 subject to the one percent limitation exceeds one percent of the true
3 and fair value of any property, then these levies must be reduced as
4 follows:

5 (i) The portion of the levy by a metropolitan park district that
6 has a population of less than one hundred fifty thousand and is
7 located in a county with a population of one million five hundred
8 thousand or more that is protected under RCW 84.52.120 must be
9 reduced until the combined rate no longer exceeds one percent of the
10 true and fair value of any property or must be eliminated;

11 (ii) If the combined rate of regular property tax levies that are
12 subject to the one percent limitation still exceeds one percent of
13 the true and fair value of any property, the protected portion of the
14 levy imposed under RCW 86.15.160 by a flood control zone district in
15 a county with a population of seven hundred seventy-five thousand or
16 more that is coextensive with a county must be reduced until the
17 combined rate no longer exceeds one percent of the true and fair
18 value of any property or must be eliminated;

19 (iii) If the combined rate of regular property tax levies that
20 are subject to the one percent limitation still exceeds one percent
21 of the true and fair value of any property, the levy imposed by a
22 county under RCW 84.52.140 must be reduced until the combined rate no
23 longer exceeds one percent of the true and fair value of any property
24 or must be eliminated;

25 (iv) If the combined rate of regular property tax levies that are
26 subject to the one percent limitation still exceeds one percent of
27 the true and fair value of any property, the portion of the levy by a
28 fire protection district or regional fire protection service
29 authority that is protected under RCW 84.52.125 must be reduced until
30 the combined rate no longer exceeds one percent of the true and fair
31 value of any property or must be eliminated;

32 (v) If the combined rate of regular property tax levies that are
33 subject to the one percent limitation still exceeds one percent of
34 the true and fair value of any property, the levy imposed by a county
35 under RCW 84.52.135 must be reduced until the combined rate no longer
36 exceeds one percent of the true and fair value of any property or
37 must be eliminated;

38 (vi) If the combined rate of regular property tax levies that are
39 subject to the one percent limitation still exceeds one percent of
40 the true and fair value of any property, the levy imposed by a ferry

1 district under RCW 36.54.130 must be reduced until the combined rate
2 no longer exceeds one percent of the true and fair value of any
3 property or must be eliminated;

4 (vii) If the combined rate of regular property tax levies that
5 are subject to the one percent limitation still exceeds one percent
6 of the true and fair value of any property, the portion of the levy
7 by a metropolitan park district with a population of one hundred
8 fifty thousand or more that is protected under RCW 84.52.120 must be
9 reduced until the combined rate no longer exceeds one percent of the
10 true and fair value of any property or must be eliminated;

11 (viii) If the combined rate of regular property tax levies that
12 are subject to the one percent limitation still exceeds one percent
13 of the true and fair value of any property, then the levies imposed
14 under RCW 84.34.230, 84.52.105, and any portion of the levy imposed
15 under RCW 84.52.069 that is in excess of thirty cents per thousand
16 dollars of assessed value, must be reduced on a pro rata basis until
17 the combined rate no longer exceeds one percent of the true and fair
18 value of any property or must be eliminated; and

19 (ix) If the combined rate of regular property tax levies that are
20 subject to the one percent limitation still exceeds one percent of
21 the true and fair value of any property, then the thirty cents per
22 thousand dollars of assessed value of tax levy imposed under RCW
23 84.52.069 must be reduced until the combined rate no longer exceeds
24 one percent of the true and fair value of any property or must be
25 eliminated.

26 (b) The certified rates of tax levy subject to these limitations
27 by all junior taxing districts imposing taxes on such property must
28 be reduced or eliminated as follows to bring the consolidated levy of
29 taxes on such property within the provisions of these limitations:

30 (i) First, the certified property tax levy authorized under RCW
31 84.52.821 must be reduced on a pro rata basis or eliminated;

32 (ii) Second, if the consolidated tax levy rate still exceeds
33 these limitations, the certified property tax levy rates of those
34 junior taxing districts authorized under RCW 36.68.525, 36.69.145,
35 35.95A.100, and 67.38.130 must be reduced on a pro rata basis or
36 eliminated;

37 (iii) Third, if the consolidated tax levy rate still exceeds
38 these limitations, the certified property tax levy rates of flood
39 control zone districts other than the portion of a levy protected

1 under RCW 84.52.815 must be reduced on a pro rata basis or
2 eliminated;

3 (iv) Fourth, if the consolidated tax levy rate still exceeds
4 these limitations, the certified property tax levy rates of all other
5 junior taxing districts, other than fire protection districts,
6 regional fire protection service authorities, library districts, the
7 first fifty cent per thousand dollars of assessed valuation levies
8 for metropolitan park districts, and the first fifty cent per
9 thousand dollars of assessed valuation levies for public hospital
10 districts, must be reduced on a pro rata basis or eliminated;

11 (v) Fifth, if the consolidated tax levy rate still exceeds these
12 limitations, the first fifty cent per thousand dollars of assessed
13 valuation levies for metropolitan park districts created on or after
14 January 1, 2002, must be reduced on a pro rata basis or eliminated;

15 (vi) Sixth, if the consolidated tax levy rate still exceeds these
16 limitations, the certified property tax levy rates authorized to fire
17 protection districts under RCW 52.16.140 and 52.16.160 and regional
18 fire protection service authorities under RCW 52.26.140(1) (b) and
19 (c) must be reduced on a pro rata basis or eliminated; and

20 (vii) Seventh, if the consolidated tax levy rate still exceeds
21 these limitations, the certified property tax levy rates authorized
22 for fire protection districts under RCW 52.16.130, regional fire
23 protection service authorities under RCW 52.26.140(1)(a), library
24 districts, metropolitan park districts created before January 1,
25 2002, under their first fifty cent per thousand dollars of assessed
26 valuation levy, and public hospital districts under their first fifty
27 cent per thousand dollars of assessed valuation levy, must be reduced
28 on a pro rata basis or eliminated.

29 **Sec. 10.** RCW 84.52.010 and 2015 3rd sp.s. c 44 s 325 and 2015
30 3rd sp.s. c 24 s 405 are each reenacted and amended to read as
31 follows:

32 (1) Except as is permitted under RCW 84.55.050, all taxes must be
33 levied or voted in specific amounts.

34 (2) The rate percent of all taxes for state and county purposes,
35 and purposes of taxing districts coextensive with the county, must be
36 determined, calculated and fixed by the county assessors of the
37 respective counties, within the limitations provided by law, upon the
38 assessed valuation of the property of the county, as shown by the
39 completed tax rolls of the county, and the rate percent of all taxes

1 levied for purposes of taxing districts within any county must be
2 determined, calculated and fixed by the county assessors of the
3 respective counties, within the limitations provided by law, upon the
4 assessed valuation of the property of the taxing districts
5 respectively.

6 (3) When a county assessor finds that the aggregate rate of tax
7 levy on any property, that is subject to the limitations set forth in
8 RCW 84.52.043 or 84.52.050, exceeds the limitations provided in
9 either of these sections, the assessor must recompute and establish a
10 consolidated levy in the following manner:

11 (a) The full certified rates of tax levy for state, county,
12 county road district, regional transit authority, and city or town
13 purposes must be extended on the tax rolls in amounts not exceeding
14 the limitations established by law; however any state levy takes
15 precedence over all other levies and may not be reduced for any
16 purpose other than that required by RCW 84.55.010. If, as a result of
17 the levies imposed under RCW 36.54.130, 84.34.230, 84.52.069,
18 84.52.105, the portion of the levy by a metropolitan park district
19 that was protected under RCW 84.52.120, 84.52.125, 84.52.135, and
20 84.52.140, and the portion of the levy by a flood control zone
21 district that was protected under RCW 84.52.816, the combined rate of
22 regular property tax levies that are subject to the one percent
23 limitation exceeds one percent of the true and fair value of any
24 property, then these levies must be reduced as follows:

25 (i) The portion of the levy by a flood control zone district that
26 was protected under RCW 84.52.816 must be reduced until the combined
27 rate no longer exceeds one percent of the true and fair value of any
28 property or must be eliminated;

29 (ii) If the combined rate of regular property tax levies that are
30 subject to the one percent limitation still exceeds one percent of
31 the true and fair value of any property, the levy imposed by a county
32 under RCW 84.52.140 must be reduced until the combined rate no longer
33 exceeds one percent of the true and fair value of any property or
34 must be eliminated;

35 (iii) If the combined rate of regular property tax levies that
36 are subject to the one percent limitation still exceeds one percent
37 of the true and fair value of any property, the portion of the levy
38 by a fire protection district or regional fire protection service
39 authority that is protected under RCW 84.52.125 must be reduced until

1 the combined rate no longer exceeds one percent of the true and fair
2 value of any property or must be eliminated;

3 (iv) If the combined rate of regular property tax levies that are
4 subject to the one percent limitation still exceeds one percent of
5 the true and fair value of any property, the levy imposed by a county
6 under RCW 84.52.135 must be reduced until the combined rate no longer
7 exceeds one percent of the true and fair value of any property or
8 must be eliminated;

9 (v) If the combined rate of regular property tax levies that are
10 subject to the one percent limitation still exceeds one percent of
11 the true and fair value of any property, the levy imposed by a ferry
12 district under RCW 36.54.130 must be reduced until the combined rate
13 no longer exceeds one percent of the true and fair value of any
14 property or must be eliminated;

15 (vi) If the combined rate of regular property tax levies that are
16 subject to the one percent limitation still exceeds one percent of
17 the true and fair value of any property, the portion of the levy by a
18 metropolitan park district that is protected under RCW 84.52.120 must
19 be reduced until the combined rate no longer exceeds one percent of
20 the true and fair value of any property or must be eliminated;

21 (vii) If the combined rate of regular property tax levies that
22 are subject to the one percent limitation still exceeds one percent
23 of the true and fair value of any property, then the levies imposed
24 under RCW 84.34.230, 84.52.105, and any portion of the levy imposed
25 under RCW 84.52.069 that is in excess of thirty cents per thousand
26 dollars of assessed value, must be reduced on a pro rata basis until
27 the combined rate no longer exceeds one percent of the true and fair
28 value of any property or must be eliminated; and

29 (viii) If the combined rate of regular property tax levies that
30 are subject to the one percent limitation still exceeds one percent
31 of the true and fair value of any property, then the thirty cents per
32 thousand dollars of assessed value of tax levy imposed under RCW
33 84.52.069 must be reduced until the combined rate no longer exceeds
34 one percent of the true and fair value of any property or eliminated.

35 (b) The certified rates of tax levy subject to these limitations
36 by all junior taxing districts imposing taxes on such property must
37 be reduced or eliminated as follows to bring the consolidated levy of
38 taxes on such property within the provisions of these limitations:

39 (i) First, the certified property tax levy authorized under RCW
40 84.52.821 must be reduced on a pro rata basis or eliminated;

1 (ii) Second, if the consolidated tax levy rate still exceeds
2 these limitations, the certified property tax levy rates of those
3 junior taxing districts authorized under RCW 36.68.525, 36.69.145,
4 35.95A.100, and 67.38.130 must be reduced on a pro rata basis or
5 eliminated;

6 (iii) Third, if the consolidated tax levy rate still exceeds
7 these limitations, the certified property tax levy rates of flood
8 control zone districts other than the portion of a levy protected
9 under RCW 84.52.816 must be reduced on a pro rata basis or
10 eliminated;

11 (iv) Fourth, if the consolidated tax levy rate still exceeds
12 these limitations, the certified property tax levy rates of all other
13 junior taxing districts, other than fire protection districts,
14 regional fire protection service authorities, library districts, the
15 first fifty cent per thousand dollars of assessed valuation levies
16 for metropolitan park districts, and the first fifty cent per
17 thousand dollars of assessed valuation levies for public hospital
18 districts, must be reduced on a pro rata basis or eliminated;

19 (v) Fifth, if the consolidated tax levy rate still exceeds these
20 limitations, the first fifty cent per thousand dollars of assessed
21 valuation levies for metropolitan park districts created on or after
22 January 1, 2002, must be reduced on a pro rata basis or eliminated;

23 (vi) Sixth, if the consolidated tax levy rate still exceeds these
24 limitations, the certified property tax levy rates authorized to fire
25 protection districts under RCW 52.16.140 and 52.16.160 and regional
26 fire protection service authorities under RCW 52.26.140(1) (b) and
27 (c) must be reduced on a pro rata basis or eliminated; and

28 (vii) Seventh, if the consolidated tax levy rate still exceeds
29 these limitations, the certified property tax levy rates authorized
30 for fire protection districts under RCW 52.16.130, regional fire
31 protection service authorities under RCW 52.26.140(1)(a), library
32 districts, metropolitan park districts created before January 1,
33 2002, under their first fifty cent per thousand dollars of assessed
34 valuation levy, and public hospital districts under their first fifty
35 cent per thousand dollars of assessed valuation levy, must be reduced
36 on a pro rata basis or eliminated.

37 **Sec. 11.** RCW 84.52.043 and 2015 3rd sp.s. c 44 s 322 are each
38 amended to read as follows:

1 Within and subject to the limitations imposed by RCW 84.52.050 as
2 amended, the regular ad valorem tax levies upon real and personal
3 property by the taxing districts hereafter named are as follows:

4 (1) Levies of the senior taxing districts are as follows: (a) The
5 levy by the state may not exceed three dollars and sixty cents per
6 thousand dollars of assessed value adjusted to the state equalized
7 value in accordance with the indicated ratio fixed by the state
8 department of revenue to be used exclusively for the support of the
9 common schools; (b) the levy by any county may not exceed one dollar
10 and eighty cents per thousand dollars of assessed value; (c) the levy
11 by any road district may not exceed two dollars and twenty-five cents
12 per thousand dollars of assessed value; and (d) the levy by any city
13 or town may not exceed three dollars and thirty-seven and one-half
14 cents per thousand dollars of assessed value. However any county is
15 hereby authorized to increase its levy from one dollar and eighty
16 cents to a rate not to exceed two dollars and forty-seven and one-
17 half cents per thousand dollars of assessed value for general county
18 purposes if the total levies for both the county and any road
19 district within the county do not exceed four dollars and five cents
20 per thousand dollars of assessed value, and no other taxing district
21 has its levy reduced as a result of the increased county levy.

22 (2) The aggregate levies of junior taxing districts and senior
23 taxing districts, other than the state, may not exceed five dollars
24 and ninety cents per thousand dollars of assessed valuation. The term
25 "junior taxing districts" includes all taxing districts other than
26 the state, counties, road districts, cities, towns, port districts,
27 and public utility districts. The limitations provided in this
28 subsection do not apply to: (a) Levies at the rates provided by
29 existing law by or for any port or public utility district; (b)
30 excess property tax levies authorized in Article VII, section 2 of
31 the state Constitution; (c) levies for acquiring conservation futures
32 as authorized under RCW 84.34.230; (d) levies for emergency medical
33 care or emergency medical services imposed under RCW 84.52.069; (e)
34 levies to finance affordable housing for very low-income housing
35 imposed under RCW 84.52.105; (f) the portions of levies by
36 metropolitan park districts that are protected under RCW 84.52.120;
37 (g) levies imposed by ferry districts under RCW 36.54.130; (h) levies
38 for criminal justice purposes under RCW 84.52.135; (i) the portions
39 of levies by fire protection districts and regional fire protection
40 service authorities that are protected under RCW 84.52.125; (j)

1 levies by counties for transit-related purposes under RCW 84.52.140;
2 (k) the protected portion of the levies imposed under RCW 86.15.160
3 by flood control zone districts in a county with a population of
4 seven hundred seventy-five thousand or more that are coextensive with
5 a county; and (l) levies imposed by a regional transit authority
6 under RCW 81.104.175.

7 **Sec. 12.** RCW 84.52.043 and 2015 3rd sp.s. c 44 s 323 are each
8 amended to read as follows:

9 Within and subject to the limitations imposed by RCW 84.52.050 as
10 amended, the regular ad valorem tax levies upon real and personal
11 property by the taxing districts hereafter named are as follows:

12 (1) Levies of the senior taxing districts are as follows: (a) The
13 levy by the state may not exceed three dollars and sixty cents per
14 thousand dollars of assessed value adjusted to the state equalized
15 value in accordance with the indicated ratio fixed by the state
16 department of revenue to be used exclusively for the support of the
17 common schools; (b) the levy by any county may not exceed one dollar
18 and eighty cents per thousand dollars of assessed value; (c) the levy
19 by any road district may not exceed two dollars and twenty-five cents
20 per thousand dollars of assessed value; and (d) the levy by any city
21 or town may not exceed three dollars and thirty-seven and one-half
22 cents per thousand dollars of assessed value. However any county is
23 hereby authorized to increase its levy from one dollar and eighty
24 cents to a rate not to exceed two dollars and forty-seven and one-
25 half cents per thousand dollars of assessed value for general county
26 purposes if the total levies for both the county and any road
27 district within the county do not exceed four dollars and five cents
28 per thousand dollars of assessed value, and no other taxing district
29 has its levy reduced as a result of the increased county levy.

30 (2) The aggregate levies of junior taxing districts and senior
31 taxing districts, other than the state, may not exceed five dollars
32 and ninety cents per thousand dollars of assessed valuation. The term
33 "junior taxing districts" includes all taxing districts other than
34 the state, counties, road districts, cities, towns, port districts,
35 and public utility districts. The limitations provided in this
36 subsection do not apply to: (a) Levies at the rates provided by
37 existing law by or for any port or public utility district; (b)
38 excess property tax levies authorized in Article VII, section 2 of
39 the state Constitution; (c) levies for acquiring conservation futures

1 as authorized under RCW 84.34.230; (d) levies for emergency medical
2 care or emergency medical services imposed under RCW 84.52.069; (e)
3 levies to finance affordable housing for very low-income housing
4 imposed under RCW 84.52.105; (f) the portions of levies by
5 metropolitan park districts that are protected under RCW 84.52.120;
6 (g) levies imposed by ferry districts under RCW 36.54.130; (h) levies
7 for criminal justice purposes under RCW 84.52.135; (i) the portions
8 of levies by fire protection districts and regional fire protection
9 service authorities that are protected under RCW 84.52.125; (j)
10 levies by counties for transit-related purposes under RCW 84.52.140;
11 (k) the portion of the levy by flood control zone districts that are
12 protected under RCW 84.52.816; and (l) levies imposed by a regional
13 transit authority under RCW 81.104.175.

14 **Sec. 13.** RCW 84.52.125 and 2005 c 122 s 1 are each amended to
15 read as follows:

16 A fire protection district or regional fire protection service
17 authority may protect the district's or authority's tax levy from
18 prorationing under RCW 84.52.010(~~((2))~~) (3)(b) by imposing up to a
19 total of twenty-five cents per thousand dollars of assessed value of
20 the tax levies authorized under RCW 52.16.140 and 52.16.160, or
21 52.26.140(1) (b) and (c) outside of the five dollars and ninety cents
22 per thousand dollars of assessed valuation limitation established
23 under RCW 84.52.043(2), if those taxes otherwise would be prorated
24 under RCW 84.52.010(~~((2)(e))~~) (3)(b)(vi).

25 **Sec. 14.** RCW 52.26.070 and 2006 c 200 s 5 are each amended to
26 read as follows:

27 If the voters approve the plan, including creation of a regional
28 fire protection service authority and imposition of taxes and benefit
29 charges, if any, the authority is formed on the effective date as set
30 forth in the plan or the next January 1st or July 1st, whichever
31 occurs first. The appropriate county election officials shall, within
32 fifteen days of the final certification of the election results,
33 publish a notice in a newspaper or newspapers of general circulation
34 in the authority declaring the authority formed. A party challenging
35 the procedure or the formation of a voter-approved authority must
36 file the challenge in writing by serving the prosecuting attorney of
37 each county within, or partially within, the regional fire protection
38 service authority and the attorney general within thirty days after

1 the final certification of the election. Failure to challenge within
2 that time forever bars further challenge of the authority's valid
3 formation.

4 NEW SECTION. **Sec. 15.** Sections 5 and 6 of this act apply to
5 benefit charges approved after the effective date of this section.

6 NEW SECTION. **Sec. 16.** Section 9 of this act expires January 1,
7 2018.

8 NEW SECTION. **Sec. 17.** Section 10 of this act takes effect
9 January 1, 2018.

10 NEW SECTION. **Sec. 18.** Sections 3 and 9 through 13 of this act
11 apply to property taxes levied for collection in 2018 and thereafter.

12 NEW SECTION. **Sec. 19.** Section 11 of this act expires January 1,
13 2018.

14 NEW SECTION. **Sec. 20.** Section 12 of this act takes effect
15 January 1, 2018.

16 NEW SECTION. **Sec. 21.** Except for sections 10 and 12 of this
17 act, this act is necessary for the immediate preservation of the
18 public peace, health, or safety, or support of the state government
19 and its existing public institutions, and takes effect immediately."

SHB 1467 - S COMM AMD
By Committee on Local Government

ADOPTED 4/6/17

20 On page 1, line 5 of the title, after "process;" strike the
21 remainder of the title and insert "amending RCW 52.26.220, 52.26.230,
22 84.55.092, 52.18.050, 52.18.010, 52.26.180, 52.26.030, 84.52.043,
23 84.52.043, 84.52.125, and 52.26.070; reenacting and amending RCW
24 52.26.020, 84.52.010, and 84.52.010; creating a new section;
25 providing effective dates; providing expiration dates; and declaring
26 an emergency."

--- END ---