CERTIFICATION OF ENROLLMENT

SENATE BILL 6212

Chapter 253, Laws of 2020

66th Legislature 2020 Regular Session

AFFORDABLE HOUSING PROPERTY TAX LEVY--EXPANSION

EFFECTIVE DATE: October 1, 2020

Passed by the Senate February 19, CERTIFICATE 2020 I, Brad Hendrickson, Secretary of Yeas 35 Nays 13 the Senate of the State of Washington, do hereby certify that CYRUS HABIB the attached is **SENATE BILL 6212** as passed by the Senate and the House President of the Senate of Representatives on the dates hereon set forth. Passed by the House March 6, 2020 Yeas 91 Nays 6 BRAD HENDRICKSON Secretary LAURIE JINKINS Speaker of the House of Representatives Approved March 31, 2020 11:15 AM FILED March 31, 2020

JAY INSLEE

Governor of the State of Washington

Secretary of State

State of Washington

SENATE BILL 6212

Passed Legislature - 2020 Regular Session

State of Washington 66th Legislature 2020 Regular Session

By Senators Das, Keiser, Lovelett, Zeiger, Dhingra, Saldaña, Nguyen, Kuderer, Warnick, Randall, Darneille, Van De Wege, Conway, and Wilson, C.

Prefiled 01/10/20. Read first time 01/13/20. Referred to Committee on Housing Stability & Affordability.

- 1 AN ACT Relating to the authority of counties, cities, and towns
- 2 to exceed statutory property tax limitations for the purpose of
- 3 financing affordable housing for very low-income households and low-
- 4 income households; amending RCW 84.52.105 and 84.52.043; amending
- 5 1993 c 337 s 1 (uncodified); and providing an effective date.
- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 7 **Sec. 1.** 1993 c 337 s 1 (uncodified) is amended to read as 8 follows:
- 9 The legislature finds that:
- 10 (1) Many very low-income <u>and low-income</u> residents of the state of
 11 Washington are unable to afford housing that is decent, safe, and
 12 appropriate to their living needs;
 - (2) Recent federal housing legislation conditions funding for affordable housing on the availability of local matching funds;
- 15 (3) Current statutory debt limitations may impair the ability of 16 counties, cities, and towns to meet federal matching requirements 17 and, as a consequence, may impair the ability of such counties,
- 18 cities, and towns to develop appropriate and effective strategies to
- 19 increase the availability of safe, decent, and appropriate housing
- 20 that is affordable to very low-income households and low-income
- 21 households; and

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(4) It is in the public interest to encourage counties, cities, and towns to develop locally based affordable housing financing plans designed to expand <u>and preserve</u> the availability of housing that is decent, safe, affordable, and appropriate to the living needs of very low-income households <u>and low-income households</u> of the counties, cities, and towns.

- **Sec. 2.** RCW 84.52.105 and 1995 c 318 s 10 are each amended to 8 read as follows:
- (1) A county, city, or town may impose additional regular property tax levies of up to fifty cents per thousand dollars of assessed value of property in each year for up to ten consecutive years to finance affordable housing for very low-income households, and affordable homeownership, owner-occupied home repair, and foreclosure prevention programs for low-income households, when specifically authorized to do so by a majority of the voters of the taxing district voting on a ballot proposition authorizing the levies. If both a county, and a city or town within the county, impose levies authorized under this section, the levies of the last jurisdiction to receive voter approval for the levies ((shall)) must be reduced or eliminated so that the combined rates of these levies may not exceed fifty cents per thousand dollars of assessed valuation in any area within the county. A ballot proposition authorizing a levy under this section must conform with RCW 84.52.054.
 - (2) The additional property tax levies may not be imposed until:
 - (a) The governing body of the county, city, or town declares the existence of an emergency with respect to the availability of housing that is affordable to very low-income households or low-income households in the taxing district; and
 - (b) The governing body of the county, city, or town adopts an affordable housing financing plan to serve as the plan for expenditure of funds raised by a levy authorized under this section, and the governing body determines that the affordable housing financing plan is consistent with either the locally adopted or state-adopted comprehensive housing affordability strategy, required under the Cranston-Gonzalez national affordable housing act (42 U.S.C. Sec. 12701, et seq.), as amended.
- (3) ((For purposes of this section, the term "very)) <u>The</u>
 definitions in this subsection apply throughout this section unless
 the context clearly requires otherwise.

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(a) "Low-income household" means a single person, family, or unrelated persons living together whose income is at or below eighty percent of the median income, as determined by the United States department of housing and urban development, with adjustments for household size, for the county where the taxing district is located.

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- (b) "Very low-income household" means a single person, family, or unrelated persons living together whose income is at or below fifty percent of the median income, as determined by the United States department of housing and urban development, with adjustments for household size, for the county where the taxing district is located.
- 11 (4) The limitations in RCW 84.52.043 shall not apply to the tax 12 levy authorized in this section.
- 13 **Sec. 3.** RCW 84.52.043 and 2017 3rd sp.s. c 13 s 304 are each 14 amended to read as follows:

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

- (1) Levies of the senior taxing districts are as follows: (a) The levies by the state may not exceed the applicable aggregate rate limit specified in RCW 84.52.065 (2) or (4) adjusted to the state equalized value in accordance with the indicated ratio fixed by the state department of revenue to be used exclusively for the support of the common schools; (b) the levy by any county may not exceed one dollar and eighty cents per thousand dollars of assessed value; (c) the levy by any road district may not exceed two dollars and twentyfive cents per thousand dollars of assessed value; and (d) the levy by any city or town may not exceed three dollars and thirty-seven and one-half cents per thousand dollars of assessed value. However any county is hereby authorized to increase its levy from one dollar and eighty cents to a rate not to exceed two dollars and forty-seven and one-half cents per thousand dollars of assessed value for general county purposes if the total levies for both the county and any road district within the county do not exceed four dollars and five cents per thousand dollars of assessed value, and no other taxing district has its levy reduced as a result of the increased county levy.
- (2) The aggregate levies of junior taxing districts and senior taxing districts, other than the state, may not exceed five dollars and ninety cents per thousand dollars of assessed valuation. The term "junior taxing districts" includes all taxing districts other than

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the state, counties, road districts, cities, towns, port districts, 1 and public utility districts. The limitations provided in this 2 subsection do not apply to: (a) Levies at the rates provided by 3 existing law by or for any port or public utility district; (b) 4 excess property tax levies authorized in Article VII, section 2 of 5 6 the state Constitution; (c) levies for acquiring conservation futures as authorized under RCW 84.34.230; (d) levies for emergency medical 7 care or emergency medical services imposed under RCW 84.52.069; (e) 8 levies to finance affordable housing ((for very low-income housing)) 9 imposed under RCW 84.52.105; (f) the portions of levies by 10 metropolitan park districts that are protected under RCW 84.52.120; 11 12 (g) levies imposed by ferry districts under RCW 36.54.130; (h) levies for criminal justice purposes under RCW 84.52.135; (i) the portions 13 of levies by fire protection districts and regional fire protection 14 service authorities that are protected under RCW 84.52.125; (j) 15 16 levies by counties for transit-related purposes under RCW 84.52.140; 17 (k) the portion of the levy by flood control zone districts that are protected under RCW 84.52.816; and (1) levies imposed by a regional 18 transit authority under RCW 81.104.175. 19

20 <u>NEW SECTION.</u> **Sec. 4.** This act takes effect October 1, 2020.

Passed by the Senate February 19, 2020. Passed by the House March 6, 2020. Approved by the Governor March 31, 2020. Filed in Office of Secretary of State March 31, 2020.

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