

---

ENGROSSED HOUSE BILL 2841

---

State of Washington

54th Legislature

1996 Regular Session

By Representatives Carrell, B. Thomas, Mulliken, Cooke, Hymes, Chandler, Foreman, Hargrove, McMorris, Lambert, Talcott, Mastin, Lisk, Johnson, Clements, Mitchell, Skinner, Sherstad, Koster, K. Schmidt, L. Thomas, Campbell, Smith, Goldsmith, Backlund, Elliot, Boldt, Thompson, McMahan, Dyer, Huff, Carlson, Robertson, Quall, Reams and Hickel

Read first time 01/22/96. Referred to Committee on Finance.

1 AN ACT Relating to limiting property taxes; amending RCW 84.55.012,  
2 84.55.005, 84.55.010, 84.40.045, 84.56.050, 84.48.010, 35.61.210,  
3 70.44.060, and 84.08.115; reenacting and amending RCW 84.56.020; adding  
4 new sections to chapter 84.55 RCW; adding a new section to chapter  
5 84.36 RCW; creating new sections; repealing RCW 84.56.022; and  
6 providing for submission of this act to a vote of the people.

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

8 NEW SECTION. **Sec. 1.** (1) A joint select property tax reform study  
9 committee is hereby created, composed of twelve members, with six  
10 members of the senate, three from each of the two largest caucuses, to  
11 be appointed by the president of the senate; and six members of the  
12 house of representatives, three from each of the two largest caucuses,  
13 to be appointed by the speaker of the house of representatives. The  
14 speaker of the house of representatives and the president of the senate  
15 shall designate cochair of the committee. Staff support for the  
16 committee shall be provided by senate committee services and house of  
17 representatives office of program research as mutually agreed by the  
18 cochair of the committee. The committee may also use the research

1 services provided to the legislature by the department of revenue under  
2 RCW 82.01.060(4).

3 (2) The committee shall complete a thorough review of Washington's  
4 property tax system, addressing at least the following issues:

5 (a) The advisability of enacting a property tax deferral program as  
6 a method of alleviating the effects of large and unanticipated  
7 increases in taxes on residential property;

8 (b) The advisability of providing property tax relief by setting  
9 base years for property tax valuation computation, limiting property  
10 tax valuation increases to two percent per year over the base year  
11 until ownership of the property changes, and limiting the tax assessed  
12 on owner-occupied property claimed as a principal place of residence;  
13 and

14 (c) The effect of any proposed property tax reforms on:

15 (i) The ability of local governments, including both senior and  
16 junior taxing districts, to provide essential services;

17 (ii) The tax burdens upon commercial and residential taxpayers, and  
18 upon residential taxpayers by age and income group; and

19 (iii) Real estate values, housing markets, and construction of and  
20 access to new housing.

21 (3) The committee shall submit its final report to the legislature  
22 before January 1, 1997.

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

25 (1) As used in this section, "full levy" means the levy amount that  
26 would be allowed otherwise under this chapter without regard to RCW  
27 84.55.012 or this section.

28 (2) The state levy for collection in 1997 shall be reduced by five  
29 percent of the full levy for that year. The tax reduction provided in  
30 this section is in addition to any other tax reduction legislation that  
31 may be enacted by the legislature.

32 (3) Levies collected before 1997 shall not be used as a base for  
33 calculating limits for state levies for collection after 1997.

34 **Sec. 3.** RCW 84.55.012 and 1995 2nd sp.s. c 13 s 2 are each amended  
35 to read as follows:

36 (1) The state property tax levy for collection in 1996 shall be  
37 reduced by 4.7187 percent of the levy amount that would otherwise be

1 allowed under this chapter without regard to this section or any other  
2 tax reduction legislation enacted in 1995.

3 (2) The tax reduction provided in this section is in addition to  
4 any other tax reduction legislation that may be enacted by the  
5 legislature.

6 ~~((3) State levies for collection after 1996 shall be set at the  
7 amount that would be allowed otherwise under this chapter if the state  
8 levy for collection in 1996 had been set without the reduction under  
9 subsection (1) of this section.))~~

10 **Sec. 4.** RCW 84.55.005 and 1994 c 301 s 49 are each amended to read  
11 as follows:

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

13 (1) "Regular property taxes" has the meaning given it in RCW  
14 84.04.140, and also includes amounts received in lieu of regular  
15 property taxes.

16 (2) "Inflation" means the percentage change in the United States  
17 consumer price index for the calendar year during which the taxes are  
18 payable, as forecast by the economic and revenue forecast council in  
19 the official forecast adopted in September of the year before the taxes  
20 are payable.

21 NEW SECTION. **Sec. 5.** A new section is added to chapter 84.55 RCW  
22 to read as follows:

23 Except as provided in this chapter, the levy for districts other  
24 than junior districts, as defined in RCW 84.52.043, in any year shall  
25 be set so that the regular property taxes payable in the following year  
26 shall not exceed the lesser of one hundred six percent or one hundred  
27 percent plus inflation, multiplied by the amount of regular property  
28 taxes lawfully levied for the state in the highest of the three most  
29 recent years in which such taxes were levied for such district, plus an  
30 additional dollar amount calculated by multiplying the increase in  
31 assessed value in that district resulting from new construction,  
32 improvements to property, and any increase in the assessed value of  
33 state-assessed property by the regular property tax levy rate of the  
34 state for the preceding year.

35 **Sec. 6.** RCW 84.55.010 and 1979 ex.s. c 218 s 2 are each amended to  
36 read as follows:

1 Except as provided in this chapter, the levy for a junior taxing  
2 district, as defined in RCW 84.52.043, in any year shall be set so that  
3 the regular property taxes payable in the following year shall not  
4 exceed one hundred six percent of the amount of regular property taxes  
5 lawfully levied for such district in the highest of the three most  
6 recent years in which such taxes were levied for such district plus an  
7 additional dollar amount calculated by multiplying the increase in  
8 assessed value in that district resulting from new construction,  
9 improvements to property, and any increase in the assessed value of  
10 state-assessed property by the regular property tax levy rate of that  
11 district for the preceding year.

12 NEW SECTION. **Sec. 7.** The legislature finds that large and  
13 unanticipated increases in taxes on residential property cause  
14 hardships for many homeowners. The legislature intends to allow  
15 distressed taxpayers to defer taxes due so that they will be able to  
16 remain in their homes while still paying an equitable share of the  
17 overall property tax burden. The legislature also finds that  
18 infrequent revaluations are inconsistent with the purposes of  
19 maintaining an equitable and uniform property tax system, and often  
20 result in sharp and unanticipated increases in assessments that cause  
21 unnecessary financial distress for taxpayers. The legislature intends  
22 that more frequent revaluations be conducted in all areas of the state  
23 to prevent or mitigate such increases in assessments. The legislature  
24 finds that taxation of property by numerous taxing districts makes  
25 difficult public understanding of the amounts and purposes of property  
26 taxes, and intends that the taxpayer be provided with sufficient  
27 information to understand a property tax bill and to make informed  
28 decisions on proposed property tax levies. The legislature intends  
29 that taxpayers not be dissuaded from exercising the right to appeal a  
30 property tax assessment by fear that such an appeal will result in a  
31 higher assessment.

32 **Sec. 8.** RCW 84.40.045 and 1994 c 301 s 36 are each amended to read  
33 as follows:

34 (1) The assessor shall give notice of any change in the true and  
35 fair value of real property for the tract or lot of land and any  
36 improvements thereon no later than thirty days after appraisal:  
37 PROVIDED, That no such notice shall be mailed during the period from

1 January 15 to February 15 of each year: PROVIDED FURTHER, That no  
2 notice need be sent with respect to changes in valuation of forest land  
3 made pursuant to chapter 84.33 RCW.

4 (2) The notice shall contain a statement of both the prior and the  
5 new true and fair value and the ratio of the assessed value to the true  
6 and fair value on which the assessment of the property is based,  
7 stating separately land and improvement values, and a brief statement  
8 of the procedure for appeal to the board of equalization and the time,  
9 date, and place of the meetings of the board.

10 (3) The notice shall be mailed by the assessor to the taxpayer. If  
11 any taxpayer, as shown by the tax rolls, holds solely a security  
12 interest in the real property which is the subject of the notice,  
13 pursuant to a mortgage, contract of sale, or deed of trust, such  
14 taxpayer shall(~~(, upon written request of the assessor,)~~) supply,  
15 within thirty days of (~~(receipt of such request)~~) entering into the  
16 security agreement, to the assessor the name and address of the person  
17 making payments pursuant to the mortgage, contract of sale, or deed of  
18 trust(~~(, and thereafter such person shall also receive a copy of the~~  
19 ~~notice provided for in this section)~~). Within thirty days of receipt  
20 of the notice, such taxpayer shall transmit a copy of the notice to the  
21 person making payments under the security agreement. The copy shall  
22 clearly state that it is not a bill and is for informational purposes  
23 only. Willful failure to comply with (~~(such request)~~) this subsection  
24 within the time limitation provided for herein shall make such taxpayer  
25 subject to a maximum civil penalty of five thousand dollars. The  
26 penalties provided for herein shall be recoverable in an action by the  
27 county prosecutor, and when recovered shall be deposited in the county  
28 current expense fund. (~~(The assessor shall make the request provided~~  
29 ~~for by this section during the month of January.)~~)

30 **Sec. 9.** RCW 84.56.050 and 1991 c 245 s 17 are each amended to read  
31 as follows:

32 (1) On receiving the tax rolls the treasurer shall post all real  
33 and personal property taxes from the rolls to the treasurer's tax roll,  
34 and shall carry forward to the current tax rolls a memorandum of all  
35 delinquent taxes on each and every description of property, and enter  
36 the same on the property upon which the taxes are delinquent showing  
37 the amounts for each year.

1       (2) The treasurer shall notify each taxpayer in the county, at the  
2 expense of the county, of the amount of the real and personal  
3 property(~~(, and the current and delinquent amount of tax due on the~~  
4 ~~same; and the treasurer shall have printed on the notice the name of~~  
5 ~~each tax and the levy made on the same)) taxes due and payable. The  
6 notice mailed to the taxpayer shall at a minimum contain the following  
7 information and this information must be separately stated on the  
8 notice:~~

9       (a) The name and address of the taxpayer;

10       (b) The name, address, and telephone number of the county issuing  
11 the notice;

12       (c) The parcel number as noted in the county records;

13       (d) The legal property address and description;

14       (e) The year for which the assessment is being made;

15       (f) The assessed valuation for the identified parcel's land and  
16 improvement value as reported by the county assessor's office;

17       (g) Except when multiple parcels are included on the same tax bill,  
18 billing information containing the name of each taxing jurisdiction  
19 levying a tax on the identified parcel, the amount of that  
20 jurisdiction's levy rate, or the total amount due for each taxing  
21 jurisdiction;

22       (h) The total taxes due and payable from the taxpayer, including  
23 any delinquent taxes and any interest or penalties due; and

24       (i) A notice of the payment due dates and possible delinquency  
25 penalties and interest.

26       (3) The county treasurer shall be the sole collector of all  
27 delinquent taxes and all other taxes due and collectible on the tax  
28 rolls of the county(~~(: PROVIDED, That the term "taxpayer" as used in~~  
29 ~~this section shall mean any person charged, or whose property is~~  
30 ~~charged, with property tax; and)).~~

31       (4) The person to be notified under this section is that person  
32 whose name appears on the tax roll (~~(herein mentioned: PROVIDED,~~  
33 ~~FURTHER, That)).~~ If no name ((se)) appears on the tax roll the person  
34 to be notified is that person shown by the treasurer's tax rolls or  
35 duplicate tax receipts of any preceding year as the payer of the tax  
36 last paid on the property in question. If any taxpayer, as shown by  
37 the tax rolls, holds solely a security interest in the real property  
38 that is the subject of the notice, the person making payments under the

1 security agreement, as identified under RCW 84.40.045, shall also  
2 receive a copy of the notice provided for in this section.

3 **Sec. 10.** RCW 84.48.010 and 1988 c 222 s 20 are each amended to  
4 read as follows:

5 Prior to July 15th, the county legislative authority shall form a  
6 board for the equalization of the assessment of the property of the  
7 county. The members of said board shall receive a per diem amount as  
8 set by the county legislative authority for each day of actual  
9 attendance of the meeting of the board of equalization to be paid out  
10 of the current expense fund of the county: PROVIDED, That when the  
11 county legislative authority constitute the board they shall only  
12 receive their compensation as members of the county legislative  
13 authority. The board of equalization shall meet in open session for  
14 this purpose annually on the 15th day of July and, having each taken an  
15 oath fairly and impartially to perform their duties as members of such  
16 board, they shall examine and compare the returns of the assessment of  
17 the property of the county and proceed to equalize the same, so that  
18 each tract or lot of real property and each article or class of  
19 personal property shall be entered on the assessment list at its true  
20 and fair value, according to the measure of value used by the county  
21 assessor in such assessment year, which is presumed to be correct  
22 pursuant to RCW 84.40.0301, and subject to the following rules:

23 First. They shall raise the valuation of each tract or lot or item  
24 of real property which is returned below its true and fair value to  
25 such price or sum as to be the true and fair value thereof, after at  
26 least five days' notice shall have been given in writing to the owner  
27 or agent. The board shall not raise the valuation of any property that  
28 is the subject of a petition filed under RCW 84.40.038 by the owner or  
29 person responsible for payment of taxes.

30 Second. They shall reduce the valuation of each tract or lot or  
31 item which is returned above its true and fair value to such price or  
32 sum as to be the true and fair value thereof.

33 Third. They shall raise the valuation of each class of personal  
34 property which is returned below its true and fair value to such price  
35 or sum as to be the true and fair value thereof, and they shall raise  
36 the aggregate value of the personal property of each individual  
37 whenever the aggregate value is less than the true valuation of the  
38 taxable personal property possessed by such individual, to such sum or

1 amount as to be the true value thereof, after at least five days'  
2 notice shall have been given in writing to the owner or agent thereof.  
3 The board shall not raise the valuation of any property that is the  
4 subject of a petition filed under RCW 84.40.038 by the owner or person  
5 responsible for payment of taxes.

6 Fourth. They shall reduce the valuation of each class of personal  
7 property enumerated on the detail and assessment list of the current  
8 year, which is returned above its true and fair value, to such price or  
9 sum as to be the true and fair value thereof; and they shall reduce the  
10 aggregate valuation of the personal property of such individual who has  
11 been assessed at too large a sum to such sum or amount as was the true  
12 and fair value of the personal property.

13 Fifth. The board may review all claims for either real or personal  
14 property tax exemption as determined by the county assessor, and shall  
15 consider any taxpayer appeals from the decision of the assessor thereon  
16 to determine (1) if the taxpayer is entitled to an exemption, and (2)  
17 if so, the amount thereof.

18 The clerk of the board shall keep an accurate journal or record of  
19 the proceedings and orders of said board showing the facts and evidence  
20 upon which their action is based, and the said record shall be  
21 published the same as other proceedings of county legislative  
22 authority, and shall make a true record of the changes of the  
23 descriptions and assessed values ordered by the county board of  
24 equalization. The assessor shall correct the real and personal  
25 assessment rolls in accordance with the changes made by the said county  
26 board of equalization, and the assessor shall make duplicate abstracts  
27 of such corrected values, one copy of which shall be retained in the  
28 office, and one copy forwarded to the department of revenue on or  
29 before the eighteenth day of August next following the meeting of the  
30 county board of equalization.

31 The county board of equalization shall meet on the 15th day of July  
32 and may continue in session and adjourn from time to time during a  
33 period not to exceed four weeks, but shall remain in session not less  
34 than three days: PROVIDED, That the county board of equalization with  
35 the approval of the county legislative authority may convene at any  
36 time when petitions filed exceed twenty-five, or ten percent of the  
37 number of appeals filed in the preceding year, whichever is greater.

1 No taxes, except special taxes, shall be extended upon the tax  
2 rolls until the property valuations are equalized by the department of  
3 revenue for the purpose of raising the state revenue.

4 County legislative authorities as such shall at no time have any  
5 authority to change the valuation of the property of any person or to  
6 release or commute in whole or in part the taxes due on the property of  
7 any person.

8 **Sec. 11.** RCW 84.56.020 and 1991 c 245 s 16 and 1991 c 52 s 1 are  
9 each reenacted and amended to read as follows:

10 (1) The county treasurer shall be the receiver and collector of all  
11 taxes extended upon the tax rolls of the county, whether levied for  
12 state, county, school, bridge, road, municipal or other purposes, and  
13 also of all fines, forfeitures or penalties received by any person or  
14 officer for the use of his or her county.

15 (2) All taxes upon real and personal property made payable by the  
16 provisions of this title shall be due and payable to the county  
17 treasurer ((on or before the thirtieth day of April and shall be  
18 delinquent after that date: PROVIDED, That)) as follows:

19 (a) One-half of the taxes shall be due and payable on or before the  
20 thirtieth day of April and shall be delinquent after that date.

21 (b) The remaining one-half of the taxes plus any applicable  
22 interest and penalties shall be due and payable on or before the  
23 thirty-first day of October and shall be delinquent after that date.

24 (c) If, however, the total amount of taxes due on real and personal  
25 property by one person is less than thirty dollars, the total amount  
26 must be paid on or before the thirtieth day of April and shall be  
27 delinquent after that date.

28 (3) Each tax statement shall include a notice that checks for  
29 payment of taxes due under this title may be made payable to "Treasurer  
30 of . . . . . County" or other appropriate office, but tax statements  
31 shall not include any suggestion that checks may be made payable to the  
32 name of the individual holding the office of treasurer nor any other  
33 individual(~~(: PROVIDED FURTHER, That when the total amount of tax or~~  
34 ~~special assessments on personal property or on any lot, block or tract~~  
35 ~~of real property payable by one person is thirty dollars or more, and~~  
36 ~~if one half of such tax be paid on or before the thirtieth day of~~  
37 ~~April, the remainder of such tax shall be due and payable on or before~~  
38 ~~the thirty first day of October following and shall be delinquent after~~

1 that date:— PROVIDED FURTHER, That when the total amount of tax or  
2 special assessments on any lot, block or tract of real property payable  
3 by one person is thirty dollars or more, and if one half of such tax be  
4 paid after the thirtieth day of April but before the thirty first day  
5 of October, together with the applicable interest and penalty on the  
6 full amount of such tax, the remainder of such tax shall be due and  
7 payable on or before the thirty first day of October following and  
8 shall be delinquent after that date)).

9 ((+2)) (4) Delinquent taxes under this section are subject to  
10 interest at the rate of twelve percent per annum computed on a monthly  
11 basis from the date of delinquency until paid. Interest shall be  
12 calculated at the rate in effect at the time of payment of the tax,  
13 regardless of when the taxes were first delinquent. In addition,  
14 delinquent taxes under this section are subject to penalties as  
15 follows:

16 (a) A penalty of three percent shall be assessed on the amount of  
17 tax delinquent on June 1st of the year in which the tax is due.

18 (b) An additional penalty of eight percent shall be assessed on the  
19 total amount of tax delinquent on December 1st of the year in which the  
20 tax is due.

21 ((+3) Subsection (2) of this section notwithstanding, no interest  
22 or penalties may be assessed for the period April 30, 1991, through  
23 December 31, 1991, on delinquent 1991 taxes which are imposed on  
24 personal residences owned by military personnel who participated in the  
25 situation known as "Operation Desert Shield," "Operation Desert Storm,"  
26 or any following operation from August 2, 1990, to a date specified by  
27 an agency of the federal government as the end of such operations.

28 (+4)) (5) For purposes of this chapter, "interest" means both  
29 interest and penalties.

30 ((+5)) (6) All collections of interest on delinquent taxes shall  
31 be credited to the county current expense fund; but the cost of  
32 foreclosure and sale of real property, and the fees and costs of  
33 distraint and sale of personal property, for delinquent taxes, shall,  
34 when collected, be credited to the operation and maintenance fund of  
35 the county treasurer prosecuting the foreclosure or distraint or sale;  
36 and shall be used by the county treasurer as a revolving fund to defray  
37 the cost of further foreclosure, distraint and sale for delinquent  
38 taxes without regard to budget limitations.

39 (7) As used in this section, "tax" includes special assessments.

1       **Sec. 12.** RCW 35.61.210 and 1990 c 234 s 3 are each amended to read  
2 as follows:

3       The board of park commissioners may levy or cause to be levied a  
4 general tax on all the property located in said park district each year  
5 not to exceed fifty cents per thousand dollars of assessed value of the  
6 property in such park district. In addition, the board of park  
7 commissioners may levy or cause to be levied a general tax on all  
8 property located in said park district each year not to exceed twenty-  
9 five cents per thousand dollars of assessed valuation. Although park  
10 districts are authorized to impose two separate regular property tax  
11 levies, the levies shall be considered to be a single levy for purposes  
12 of the ((one hundred six percent)) limitation provided for in chapter  
13 84.55 RCW.

14       The board is hereby authorized to levy a general tax in excess of  
15 its regular property tax levy or levies when authorized so to do at a  
16 special election conducted in accordance with and subject to all the  
17 requirements of the Constitution and laws of the state now in force or  
18 hereafter enacted governing the limitation of tax levies. The board is  
19 hereby authorized to call a special election for the purpose of  
20 submitting to the qualified voters of the park district a proposition  
21 to levy a tax in excess of the seventy-five cents per thousand dollars  
22 of assessed value herein specifically authorized. The manner of  
23 submitting any such proposition, of certifying the same, and of giving  
24 or publishing notice thereof, shall be as provided by law for the  
25 submission of propositions by cities or towns.

26       The board shall include in its general tax levy for each year a  
27 sufficient sum to pay the interest on all outstanding bonds and may  
28 include a sufficient amount to create a sinking fund for the redemption  
29 of all outstanding bonds. The levy shall be certified to the proper  
30 county officials for collection the same as other general taxes and  
31 when collected, the general tax shall be placed in a separate fund in  
32 the office of the county treasurer to be known as the "metropolitan  
33 park district fund" and paid out on warrants.

34       **Sec. 13.** RCW 70.44.060 and 1990 c 234 s 2 are each amended to read  
35 as follows:

36       All public hospital districts organized under the provisions of  
37 this chapter shall have power:

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

3 (2) To construct, condemn and purchase, purchase, acquire, lease,  
4 add to, maintain, operate, develop and regulate, sell and convey all  
5 lands, property, property rights, equipment, hospital and other health  
6 care facilities and systems for the maintenance of hospitals,  
7 buildings, structures, and any and all other facilities, and to  
8 exercise the right of eminent domain to effectuate the foregoing  
9 purposes or for the acquisition and damaging of the same or property of  
10 any kind appurtenant thereto, and such right of eminent domain shall be  
11 exercised and instituted pursuant to a resolution of the commission and  
12 conducted in the same manner and by the same procedure as in or may be  
13 provided by law for the exercise of the power of eminent domain by  
14 incorporated cities and towns of the state of Washington in the  
15 acquisition of property rights: PROVIDED, That no public hospital  
16 district shall have the right of eminent domain and the power of  
17 condemnation against any health care facility.

18 (3) To lease existing hospital and other health care facilities and  
19 equipment and/or other property used in connection therewith, including  
20 ambulances, and to pay such rental therefor as the commissioners shall  
21 deem proper; to provide hospital and other health care services for  
22 residents of said district by facilities located outside the boundaries  
23 of said district, by contract or in any other manner said commissioners  
24 may deem expedient or necessary under the existing conditions; and said  
25 hospital district shall have the power to contract with other  
26 communities, corporations, or individuals for the services provided by  
27 said hospital district; and they may further receive in said hospitals  
28 and other health care facilities and furnish proper and adequate  
29 services to all persons not residents of said district at such  
30 reasonable and fair compensation as may be considered proper:  
31 PROVIDED, That it must at all times make adequate provision for the  
32 needs of the district and residents of said district shall have prior  
33 rights to the available hospital and other health care facilities of  
34 said district, at rates set by the district commissioners.

35 (4) For the purpose aforesaid, it shall be lawful for any district  
36 so organized to take, condemn and purchase, lease, or acquire, any and  
37 all property, and property rights, including state and county lands,  
38 for any of the purposes aforesaid, and any and all other facilities  
39 necessary or convenient, and in connection with the construction,

1 maintenance, and operation of any such hospitals and other health care  
2 facilities, subject, however, to the applicable limitations provided in  
3 subsection (2) of this section.

4 (5) To contract indebtedness or borrow money for corporate purposes  
5 on the credit of the corporation or the revenues of the hospitals  
6 thereof, and the revenues of any other facilities or services that the  
7 district is or hereafter may be authorized by law to provide, and to  
8 issue and sell: (a) Revenue bonds, revenue warrants, or other revenue  
9 obligations therefor payable solely out of a special fund or funds into  
10 which the district may pledge such amount of the revenues of the  
11 hospitals thereof, and the revenues of any other facilities or services  
12 that the district is or hereafter may be authorized by law to provide,  
13 to pay the same as the commissioners of the district may determine,  
14 such revenue bonds, warrants, or other obligations to be issued and  
15 sold in the same manner and subject to the same provisions as provided  
16 for the issuance of revenue bonds, warrants, or other obligations by  
17 cities or towns under the Municipal Revenue Bond Act, chapter 35.41  
18 RCW, as may hereafter be amended; (b) general obligation bonds therefor  
19 in the manner and form as provided in RCW 70.44.110 and 70.44.130, as  
20 may hereafter be amended; or (c) interest-bearing warrants to be drawn  
21 on a fund pending deposit in such fund of money sufficient to redeem  
22 such warrants and to be issued and paid in such manner and upon such  
23 terms and conditions as the board of commissioners may deem to be in  
24 the best interest of the district; and to assign or sell hospital  
25 accounts receivable, and accounts receivable for the use of other  
26 facilities or services that the district is or hereafter may be  
27 authorized by law to provide, for collection with or without recourse.  
28 General obligation bonds shall be issued and sold in accordance with  
29 chapter 39.46 RCW. Revenue bonds, revenue warrants, or other revenue  
30 obligations may be issued and sold in accordance with chapter 39.46  
31 RCW.

32 (6) To raise revenue by the levy of an annual tax on all taxable  
33 property within such public hospital district not to exceed fifty cents  
34 per thousand dollars of assessed value, and an additional annual tax on  
35 all taxable property within such public hospital district not to exceed  
36 twenty-five cents per thousand dollars of assessed value, or such  
37 further amount as has been or shall be authorized by a vote of the  
38 people. Although public hospital districts are authorized to impose  
39 two separate regular property tax levies, the levies shall be

1 considered to be a single levy for purposes of the (~~one hundred six~~  
2 ~~percent~~)) limitation provided for in chapter 84.55 RCW. Public  
3 hospital districts are authorized to levy such a general tax in excess  
4 of their regular property taxes when authorized so to do at a special  
5 election conducted in accordance with and subject to all of the  
6 requirements of the Constitution and the laws of the state of  
7 Washington now in force or hereafter enacted governing the limitation  
8 of tax levies. The said board of district commissioners is authorized  
9 and empowered to call a special election for the purpose of submitting  
10 to the qualified voters of the hospital district a proposition or  
11 propositions to levy taxes in excess of its regular property taxes.  
12 The superintendent shall prepare a proposed budget of the contemplated  
13 financial transactions for the ensuing year and file the same in the  
14 records of the commission on or before the first Monday in September.  
15 Notice of the filing of said proposed budget and the date and place of  
16 hearing on the same shall be published for at least two consecutive  
17 weeks in a newspaper printed and of general circulation in said county.  
18 On the first Monday in October the commission shall hold a public  
19 hearing on said proposed budget at which any taxpayer may appear and be  
20 heard against the whole or any part of the proposed budget. Upon the  
21 conclusion of said hearing, the commission shall, by resolution, adopt  
22 the budget as finally determined and fix the final amount of  
23 expenditures for the ensuing year. Taxes levied by the commission  
24 shall be certified to and collected by the proper county officer of the  
25 county in which such public hospital district is located in the same  
26 manner as is or may be provided by law for the certification and  
27 collection of port district taxes. The commission is authorized, prior  
28 to the receipt of taxes raised by levy, to borrow money or issue  
29 warrants of the district in anticipation of the revenue to be derived  
30 by such district from the levy of taxes for the purpose of such  
31 district, and such warrants shall be redeemed from the first money  
32 available from such taxes when collected, and such warrants shall not  
33 exceed the anticipated revenues of one year, and shall bear interest at  
34 a rate or rates as authorized by the commission.

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

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

4 (9) To pay actual necessary travel expenses and living expenses  
5 incurred while in travel status for (a) qualified physicians who are  
6 candidates for medical staff positions, and (b) other qualified persons  
7 who are candidates for superintendent or other managerial and technical  
8 positions, when the district finds that hospitals or other health care  
9 facilities owned and operated by it are not adequately staffed and  
10 determines that personal interviews with said candidates to be held in  
11 the district are necessary or desirable for the adequate staffing of  
12 said facilities.

13 (10) To make contracts, employ superintendents, attorneys, and  
14 other technical or professional assistants and all other employees; to  
15 make contracts with private or public institutions for employee  
16 retirement programs; to print and publish information or literature;  
17 and to do all other things necessary to carry out the provisions of  
18 this chapter.

19 **Sec. 14.** RCW 84.08.115 and 1991 c 218 s 2 are each amended to read  
20 as follows:

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

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

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

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

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

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

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

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

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

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

1        NEW SECTION.    **Sec. 15.**    RCW 84.56.022 and 1995 c 180 s 1 & 1994 c  
2    301 s 48 are each repealed.

3        NEW SECTION.    **Sec. 16.**    Sections 5, 6, 8 through 11, and 15 of this  
4    act are effective for taxes levied for collection in 1997 and  
5    thereafter.

6        NEW SECTION.    **Sec. 17.**    A new section is added to chapter 84.36 RCW  
7    to read as follows:

8        Farm and agricultural land and timber land that is included under  
9    the current use taxation in chapter 84.34 RCW, or the forest land  
10    valuation system in chapter 84.33 RCW, is exempt from taxation if  
11    chapter 76.09 or 36.70A RCW precludes or substantially limits either:

12        (1) The harvesting of timber on the land as a result of the land  
13    being included within a buffer area adjacent to a body of water or  
14    being part of, or included within a buffer area adjacent to, a wetland;  
15    or

16        (2) The production of horticultural or agricultural produce or crop  
17    as a result of the land being part of, or included within a buffer area  
18    adjacent to, a wetland.

19        NEW SECTION.    **Sec. 18.**    This act shall be submitted to the people  
20    for their adoption and ratification, or rejection, at the next  
21    succeeding general election to be held in this state, in accordance  
22    with Article II, section 1 of the state Constitution, as amended, and  
23    the laws adopted to facilitate the operation thereof.

--- END ---