
SENATE BILL 5237

State of Washington

54th Legislature

1995 Regular Session

By Senators Oke, Owen, Cantu, Long, Schow, McDonald, Finkbeiner, Hochstatter, Deccio and West

Read first time 01/16/95. Referred to Committee on Ways & Means.

1 AN ACT Relating to limiting the increase in taxing district levies
2 to the inflation rate; and amending RCW 84.55.010, 84.55.020,
3 35.61.210, 70.44.060, and 84.08.115.

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

5 **Sec. 1.** RCW 84.55.010 and 1979 ex.s. c 218 s 2 are each amended to
6 read as follows:

7 Except as provided in this chapter, the levy for a taxing district
8 in any year shall be set so that the regular property taxes payable in
9 the following year shall not exceed either one hundred six percent or
10 one hundred percent plus inflation calculated as the percentage change
11 in the implicit price deflator for the United States for the fiscal
12 year as published by the federal bureau of labor and statistics,
13 whichever is lower, of the amount of regular property taxes lawfully
14 levied for such district in the highest of the three most recent years
15 in which such taxes were levied for such district plus an additional
16 dollar amount calculated by multiplying the increase in assessed value
17 in that district resulting from new construction, improvements to
18 property, and any increase in the assessed value of state-assessed

1 property by the regular property tax levy rate of that district for the
2 preceding year.

3 **Sec. 2.** RCW 84.55.020 and 1971 ex.s. c 288 s 21 are each amended
4 to read as follows:

5 Notwithstanding the limitation set forth in RCW 84.55.010, the
6 first levy for a taxing district created from consolidation of similar
7 taxing districts shall be set so that the regular property taxes
8 payable in the following year shall not exceed either one hundred six
9 percent or one hundred percent plus inflation calculated as the
10 percentage change in the implicit price deflator for the United States
11 for fiscal year as published by the federal bureau of labor and
12 statistics, whichever is lower, of the sum of the amount of regular
13 property taxes lawfully levied for each component taxing district in
14 the highest of the three most recent years in which such taxes were
15 levied for such district plus the additional dollar amount calculated
16 by multiplying the increase in assessed value in each component
17 district resulting from new construction and improvements to property
18 by the regular property tax rate of each component district for the
19 preceding year.

20 **Sec. 3.** RCW 35.61.210 and 1990 c 234 s 3 are each amended to read
21 as follows:

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

33 The board is hereby authorized to levy a general tax in excess of
34 its regular property tax levy or levies when authorized so to do at a
35 special election conducted in accordance with and subject to all the
36 requirements of the Constitution and laws of the state now in force or
37 hereafter enacted governing the limitation of tax levies. The board is

1 hereby authorized to call a special election for the purpose of
2 submitting to the qualified voters of the park district a proposition
3 to levy a tax in excess of the seventy-five cents per thousand dollars
4 of assessed value herein specifically authorized. The manner of
5 submitting any such proposition, of certifying the same, and of giving
6 or publishing notice thereof, shall be as provided by law for the
7 submission of propositions by cities or towns.

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

16 **Sec. 4.** RCW 70.44.060 and 1990 c 234 s 2 are each amended to read
17 as follows:

18 All public hospital districts organized under the provisions of
19 this chapter shall have power:

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

22 (2) To construct, condemn and purchase, purchase, acquire, lease,
23 add to, maintain, operate, develop and regulate, sell and convey all
24 lands, property, property rights, equipment, hospital and other health
25 care facilities and systems for the maintenance of hospitals,
26 buildings, structures, and any and all other facilities, and to
27 exercise the right of eminent domain to effectuate the foregoing
28 purposes or for the acquisition and damaging of the same or property of
29 any kind appurtenant thereto, and such right of eminent domain shall be
30 exercised and instituted pursuant to a resolution of the commission and
31 conducted in the same manner and by the same procedure as in or may be
32 provided by law for the exercise of the power of eminent domain by
33 incorporated cities and towns of the state of Washington in the
34 acquisition of property rights: PROVIDED, That no public hospital
35 district shall have the right of eminent domain and the power of
36 condemnation against any health care facility.

37 (3) To lease existing hospital and other health care facilities and
38 equipment and/or other property used in connection therewith, including

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

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

24 (5) To contract indebtedness or borrow money for corporate purposes
25 on the credit of the corporation or the revenues of the hospitals
26 thereof, and the revenues of any other facilities or services that the
27 district is or hereafter may be authorized by law to provide, and to
28 issue and sell: (a) Revenue bonds, revenue warrants, or other revenue
29 obligations therefor payable solely out of a special fund or funds into
30 which the district may pledge such amount of the revenues of the
31 hospitals thereof, and the revenues of any other facilities or services
32 that the district is or hereafter may be authorized by law to provide,
33 to pay the same as the commissioners of the district may determine,
34 such revenue bonds, warrants, or other obligations to be issued and
35 sold in the same manner and subject to the same provisions as provided
36 for the issuance of revenue bonds, warrants, or other obligations by
37 cities or towns under the Municipal Revenue Bond Act, chapter 35.41
38 RCW, as may hereafter be amended; (b) general obligation bonds therefor
39 in the manner and form as provided in RCW 70.44.110 and 70.44.130, as

1 may hereafter be amended; or (c) interest-bearing warrants to be drawn
2 on a fund pending deposit in such fund of money sufficient to redeem
3 such warrants and to be issued and paid in such manner and upon such
4 terms and conditions as the board of commissioners may deem to be in
5 the best interest of the district; and to assign or sell hospital
6 accounts receivable, and accounts receivable for the use of other
7 facilities or services that the district is or hereafter may be
8 authorized by law to provide, for collection with or without recourse.
9 General obligation bonds shall be issued and sold in accordance with
10 chapter 39.46 RCW. Revenue bonds, revenue warrants, or other revenue
11 obligations may be issued and sold in accordance with chapter 39.46
12 RCW.

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

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

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

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

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

32 (10) To make contracts, employ superintendents, attorneys, and
33 other technical or professional assistants and all other employees; to
34 make contracts with private or public institutions for employee
35 retirement programs; to print and publish information or literature;
36 and to do all other things necessary to carry out the provisions of
37 this chapter.

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

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

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

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

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

9 (d) How district levy rates are determined, including the one
10 hundred six percent or one hundred percent plus inflation limit under
11 chapter 84.55 RCW.

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

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

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

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

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

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