

SB 6641 - S AMD 131

By Senator Regala and Zarelli

ADOPTED 02/19/2008

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

3 "Sec. 1. RCW 84.55.050 and 2007 c 380 s 2 are each amended to read
4 as follows:

5 (1) Subject to any otherwise applicable statutory dollar rate
6 limitations, regular property taxes may be levied by or for a taxing
7 district in an amount exceeding the limitations provided for in this
8 chapter if such levy is authorized by a proposition approved by a
9 majority of the voters of the taxing district voting on the proposition
10 at a general election held within the district or at a special election
11 within the taxing district called by the district for the purpose of
12 submitting such proposition to the voters. Any election held pursuant
13 to this section shall be held not more than twelve months prior to the
14 date on which the proposed levy is to be made, except as provided in
15 subsection (2) of this section. The ballot of the proposition shall
16 state the dollar rate proposed and shall clearly state the conditions,
17 if any, which are applicable under subsection (4) of this section.

18 (2) Subject to statutory dollar limitations, a proposition placed
19 before the voters under this section may authorize annual increases in
20 levies for multiple consecutive years, up to six consecutive years,
21 during which period each year's authorized maximum legal levy shall be
22 used as the base upon which an increased levy limit for the succeeding
23 year is computed, but the ballot proposition must state the dollar rate
24 proposed only for the first year of the consecutive years and must
25 state the limit factor, or a specified index to be used for determining
26 a limit factor, such as the consumer price index, which need not be the
27 same for all years, by which the regular tax levy for the district may
28 be increased in each of the subsequent consecutive years. Elections
29 for this purpose must be held at a primary or general election. The
30 title of each ballot measure must state the (~~specific~~) limited

1 purposes for which the proposed annual increases during the specified
2 period of up to six consecutive years shall be used, and funds raised
3 under the levy shall not supplant existing funds used for these
4 purposes. For purposes of this subsection, existing funds means the
5 actual operating expenditures for the calendar year in which the ballot
6 measure is approved by voters. Actual operating expenditures excludes
7 lost federal funds, lost or expired state grants or loans,
8 extraordinary events not likely to reoccur, changes in contract
9 provisions beyond the control of the taxing district receiving the
10 services, and major nonrecurring capital expenditures.

11 (3) After a levy authorized pursuant to this section is made, the
12 dollar amount of such levy (~~shall~~) may not be used for the purpose of
13 computing the limitations for subsequent levies provided for in this
14 chapter, (~~except as provided in subsection (5) of this section~~)
15 unless the ballot proposition expressly states that the levy made under
16 this section will be used for this purpose.

17 (4) If expressly stated, a proposition placed before the voters
18 under subsection (1) or (2) of this section may:

19 (a) Use the dollar amount of a levy under subsection (1) of this
20 section, or the dollar amount of the final levy under subsection (2) of
21 this section, for the purpose of computing the limitations for
22 subsequent levies provided for in this chapter;

23 (b) Limit the period for which the increased levy is to be made
24 under (a) of this subsection;

25 (~~(b)~~) (c) Limit the purpose for which the increased levy is to be
26 made under (a) of this subsection, but if the limited purpose includes
27 making redemption payments on bonds, the period for which the increased
28 levies are made shall not exceed nine years;

29 (~~(c)~~) (d) Set the levy or levies at a rate less than the maximum
30 rate allowed for the district; or

31 (~~(d)~~) (e) Include any combination of the conditions in this
32 subsection.

33 (5) Except as otherwise (~~provided~~) expressly stated in an
34 approved ballot measure under this section, (~~after the expiration of~~
35 ~~a limited period under subsection (4)(a) of this section or the~~
36 ~~satisfaction of a limited purpose under subsection (4)(b) of this~~
37 ~~section, whichever comes first,)~~ subsequent levies shall be computed
38 as if:

1 (a) The ((~~limited~~)) proposition under ((~~subsection (4) of~~)) this
2 section had not been approved; and

3 (b) The taxing district had made levies at the maximum rates which
4 would otherwise have been allowed under this chapter during the years
5 levies were made under the ((~~limited~~)) proposition.

6 NEW SECTION. **Sec. 2.** This act applies prospectively only to levy
7 lid lift ballot propositions under RCW 84.55.050 that receive voter
8 approval on or after the effective date of this act.

9 NEW SECTION. **Sec. 3.** This act is necessary for the immediate
10 preservation of the public peace, health, or safety, or support of the
11 state government and its existing public institutions, and takes effect
12 immediately."

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13 On page 1, line 1 of the title, after "Relating to" strike the
14 remainder of the title and insert "providing that voter-approved
15 property tax increases do not permanently increase a taxing district's
16 levy base, unless expressly stated in the ballot proposition; amending
17 RCW 84.55.050; creating a new section; and declaring an emergency."

EFFECT: Adds single-year lid lifts to multiyear lid lifts in
which taxing districts are required to explicitly indicate in any lid
lift ballot proposition that the district's levy base will be
permanently increased. If the ballot proposition does not expressly
indicate that the final levy will be used for the purpose of computing
subsequent levies, the levy base increase is presumed temporary.

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