

E2SHB 2006 - S COMM AMD
By Committee on Ways & Means

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

3 "Sec. 1. RCW 84.52.135 and 2004 c 80 s 1 are each amended to
4 read as follows:

5 (1) A county (~~((with a population of ninety thousand or less))~~) may
6 impose additional regular property tax levies in an amount equal to
7 fifty cents or less per thousand dollars of the assessed value of
8 property in the county in accordance with the terms of this section.

9 (2) The tax proposition may be submitted at a general or special
10 election.

11 (3) The tax may be imposed each year for six consecutive years
12 when specifically authorized by the registered voters voting on the
13 proposition, subject to the following:

14 (a) If the number of registered voters voting on the proposition
15 does not exceed forty percent of the total number of voters voting in
16 the taxing district at the last general election, the number of
17 persons voting "yes" on the proposition (~~((shall))~~) must constitute at
18 least three-fifths of a number equal to forty percent of the total
19 number of voters voting in the taxing district at the last general
20 election.

21 (b) If the number of registered voters voting on the proposition
22 exceeds forty percent of the total number of voters voting in the
23 taxing district at the last preceding general election, the number of
24 persons voting "yes" on the proposition (~~((shall))~~) must be at least
25 three-fifths of the registered voters voting on the proposition.

26 (4) Ballot propositions (~~((shall))~~) must conform with RCW
27 29A.36.210.

28 (5) Any tax imposed under this section (~~((shall))~~) must be used
29 exclusively for criminal justice purposes.

30 (6) The limitations in RCW 84.52.043 do not apply to the tax
31 authorized in this section.

1 (7) The limitation in RCW 84.55.010 does not apply to the first
2 tax levy imposed pursuant to this section following the approval of
3 the levy by the voters pursuant to subsection (3) of this section.

4 **Sec. 2.** RCW 84.55.050 and 2017 c 296 s 2 are each amended to
5 read as follows:

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

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

36 (~~(b)(i) Except as otherwise provided in this subsection (2)(b),~~
37 ~~funds raised by a levy under this subsection may not supplant~~
38 ~~existing funds used for the limited purpose specified in the ballot~~
39 ~~title. For purposes of this subsection, existing funds means the~~

1 actual operating expenditures for the calendar year in which the
2 ballot measure is approved by voters. Actual operating expenditures
3 excludes lost federal funds, lost or expired state grants or loans,
4 extraordinary events not likely to reoccur, changes in contract
5 provisions beyond the control of the taxing district receiving the
6 services, and major nonrecurring capital expenditures.

7 ~~(ii) The supplanting limitations in (b)(i) of this subsection do
8 not apply to levies approved by the voters in calendar years 2009,
9 2010, and 2011, in any county with a population of one million five
10 hundred thousand or more. This subsection (2)(b)(ii) only applies to
11 levies approved by the voters after July 26, 2009.~~

12 ~~(iii) The supplanting limitations in (b)(i) of this subsection do
13 not apply to levies approved by the voters in calendar year 2009 and
14 thereafter in any county with a population less than one million five
15 hundred thousand. This subsection (2)(b)(iii) only applies to levies
16 approved by the voters after July 26, 2009.)~~

17 (3) After a levy authorized pursuant to this section is made, the
18 dollar amount of such levy may not be used for the purpose of
19 computing the limitations for subsequent levies provided for in this
20 chapter, unless the ballot proposition expressly states that the levy
21 made under this section will be used for this purpose.

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

24 (a) Use the dollar amount of a levy under subsection (1) of this
25 section, or the dollar amount of the final levy under subsection (2)
26 of this section, for the purpose of computing the limitations for
27 subsequent levies provided for in this chapter;

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

30 (c) Limit the purpose for which the increased levy is to be made
31 under (a) of this subsection, but if the limited purpose includes
32 making redemption payments on bonds;

33 (i) For the county in which the state capitol is located, the
34 period for which the increased levies are made may not exceed twenty-
35 five years; and

36 (ii) For districts other than a district under (c)(i) of this
37 subsection, the period for which the increased levies are made may
38 not exceed nine years;

39 (d) Set the levy or levies at a rate less than the maximum rate
40 allowed for the district; or

1 (e) Include any combination of the conditions in this subsection.

2 (5) Except as otherwise expressly stated in an approved ballot
3 measure under this section, subsequent levies (~~(shall)~~) must be
4 computed as if:

- 5 (a) The proposition under this section had not been approved; and
6 (b) The taxing district had made levies at the maximum rates
7 which would otherwise have been allowed under this chapter during the
8 years levies were made under the proposition.

9 **Sec. 3.** RCW 71.20.110 and 2013 c 123 s 1 are each amended to
10 read as follows:

11 (1) In order to provide additional funds for the coordination and
12 provision of community services for persons with developmental
13 disabilities or mental health services, the county governing
14 authority of each county in the state must (~~(budget and)~~) levy
15 annually a tax in a sum equal to the amount which would be raised by
16 (~~(a levy of)~~) two and one-half cents per thousand dollars of assessed
17 value against the taxable property in the county(~~(, or as such amount~~
18 ~~is modified pursuant to subsection (2) or (3) of this section,~~)
19 be used for such purposes. (~~(However,~~) The levy required in this
20 section must be imposed by the legislative authority of the county as
21 a separate levy, independent of the regular property tax levy
22 authorized in RCW 84.52.043(1)(b).

23 (2) All or part of the funds collected from the tax levied for
24 the purposes of this section may be transferred to the state of
25 Washington, department of social and health services, for the purpose
26 of obtaining federal matching funds to provide and coordinate
27 community services for persons with developmental disabilities and
28 mental health services. In the event a county elects to transfer such
29 tax funds to the state for this purpose, the state must grant these
30 moneys and the additional funds received as matching funds to
31 service-providing community agencies or community boards in the
32 county which has made such transfer, pursuant to the plan approved by
33 the county, as provided by chapters 71.24 and 71.28 RCW and by
34 chapter 71A.14 RCW, all as now or hereafter amended.

35 (~~((2) The amount of a levy allocated to the purposes specified in~~
36 ~~this section may be reduced in the same proportion as the regular~~
37 ~~property tax levy of the county is reduced by chapter 84.55 RCW.~~

1 ~~(3)(a) The amount of a levy allocated to the purposes specified~~
2 ~~in this section may be modified from the amount required by~~
3 ~~subsection (1) of this section as follows:~~

4 ~~(i) If the certified levy is reduced from the preceding year's~~
5 ~~certified levy, the amount of the levy allocated to the purposes~~
6 ~~specified in this section may be reduced by no more than the same~~
7 ~~percentage as the certified levy is reduced from the preceding year's~~
8 ~~certified levy;~~

9 ~~(ii) If the certified levy is increased from the preceding year's~~
10 ~~certified levy, the amount of the levy allocated to the purposes~~
11 ~~specified in this section must be increased from the amount of the~~
12 ~~levy so allocated in the previous year by at least the same~~
13 ~~percentage as the certified levy is increased from the preceding~~
14 ~~year's certified levy. However, the amount of the levy allocated to~~
15 ~~the purposes specified in this section does not have to be increased~~
16 ~~under this subsection (3)(a)(ii) for the portion of a certified levy~~
17 ~~increase resulting from a voter-approved increase under RCW 84.55.050~~
18 ~~that is dedicated to a specific purpose; or~~

19 ~~(iii) If the certified levy is unchanged from the preceding~~
20 ~~year's certified levy, the amount of the levy allocated to the~~
21 ~~purposes specified in this section must be equal to or greater than~~
22 ~~the amount of the levy so allocated in the preceding year.~~

23 ~~(b) For purposes of this subsection, "certified levy" means the~~
24 ~~property tax levy for general county purposes certified to the county~~
25 ~~assessor as required by RCW 84.52.070, excluding any amounts~~
26 ~~certified under chapters 84.69 and 84.68 RCW.~~

27 ~~(4) Subsections (2) and (3) of this section do not preclude a~~
28 ~~county from increasing the levy amount in subsection (1) of this~~
29 ~~section to an amount that is greater than the change in the regular~~
30 ~~county levy.)~~

31 **Sec. 4.** RCW 73.08.080 and 2013 c 123 s 2 are each amended to
32 read as follows:

33 (1) The legislative authority in each county must levy, in
34 addition to the taxes now levied by law, a tax in a sum equal to the
35 amount which would be raised by not less than one and one-eighth
36 cents per thousand dollars of assessed value, and not greater than
37 twenty-seven cents per thousand dollars of assessed value against the
38 taxable property of their respective counties, to be levied and
39 collected as now prescribed by law for the assessment and collection

1 of taxes, for the purpose of creating a veterans' assistance fund.
2 The levy must be imposed as an additional levy, independent of the
3 regular property tax levy of the county. Expenditures from the
4 veterans' assistance fund, and interest earned on balances from the
5 fund, may be used only for:

6 (a) The veterans' assistance programs authorized by RCW
7 73.08.010;

8 (b) The burial or cremation of a deceased indigent veteran or
9 deceased family member of an indigent veteran as authorized by RCW
10 73.08.070; and

11 (c) The direct and indirect costs incurred in the administration
12 of the fund as authorized by subsection (2) of this section.

13 (2) If the funds on deposit in the veterans' assistance fund,
14 less outstanding warrants, on the first Tuesday in September exceed
15 the lesser of the expected yield of one and one-eighth cents per
16 thousand dollars of assessed value against the taxable property of
17 the county or the expected yield of a levy determined as set forth in
18 subsection ~~((+5))~~ (4) of this section, the county legislative
19 authority may levy a lesser amount than would otherwise be required
20 under subsection (1) or ~~((+5))~~ (4) of this section.

21 (3) The direct and indirect costs incurred in the administration
22 of the veterans' assistance fund must be computed by the county
23 auditor, or the chief financial officer in a county operating under a
24 charter, not less than annually. Following the computation of these
25 direct and indirect costs, an amount equal to these costs may then be
26 transferred from the veterans' assistance fund to the county current
27 expense fund.

28 ~~(4) ((The amount of a levy allocated to the purposes specified in~~
29 ~~this section may be reduced in the same proportion as the regular~~
30 ~~property tax levy of the county is reduced by chapter 84.55 RCW-~~

31 ~~+5))~~(a) The amount of a levy allocated to the purposes specified
32 in this section may be modified from the amount required by
33 subsection (1) of this section as follows:

34 (i) If the certified levy is reduced from the preceding year's
35 certified levy, the amount of the levy allocated to the purposes
36 specified in this section may be reduced by no more than the same
37 percentage as the certified levy is reduced from the preceding year's
38 certified levy;

39 (ii) If the certified levy is increased from the preceding year's
40 certified levy, the amount of the levy allocated to the purposes

1 specified in this section may not be less than the base allocation
2 increased by the same percentage as the certified levy is increased
3 from the preceding year's certified levy. However, the amount of the
4 levy allocated to the purposes specified in this section does not
5 have to be increased under this subsection (~~((+5+))~~) (4)(a)(ii) for the
6 portion of a certified levy increase resulting from a voter-approved
7 increase under RCW 84.55.050 that is dedicated to a specific purpose;
8 or

9 (iii) If the certified levy is unchanged from the preceding
10 year's certified levy, the amount of the levy allocated to the
11 purposes specified in this section must be equal to or greater than
12 the base allocation.

13 (b) For purposes of this subsection, the following definitions
14 apply:

15 (i) "Base allocation" means the most recent allocation that was
16 not reduced under subsection (2) of this section.

17 (ii) "Certified levy" means the property tax levy for general
18 county purposes certified to the county assessor as required by RCW
19 84.52.070, excluding any amounts certified under chapters 84.69 and
20 84.68 RCW.

21 (~~((+6+))~~) (5) Subsections (2)(~~(7)~~) and (4)(~~(7—and—(5+))~~) of this
22 section do not preclude a county from increasing the levy amount in
23 subsection (1) of this section to an amount that is greater than the
24 change in the regular county levy.

25 **Sec. 5.** RCW 84.52.010 and 2017 c 196 s 10 are each amended to
26 read as follows:

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

29 (2) The rate percent of all taxes for state and county purposes,
30 and purposes of taxing districts coextensive with the county, must be
31 determined, calculated and fixed by the county assessors of the
32 respective counties, within the limitations provided by law, upon the
33 assessed valuation of the property of the county, as shown by the
34 completed tax rolls of the county, and the rate percent of all taxes
35 levied for purposes of taxing districts within any 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 taxing districts
39 respectively.

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

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

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

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

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

37 (iv) If the combined rate of regular property tax levies that are
38 subject to the one percent limitation still exceeds one percent of
39 the true and fair value of any property, the levy imposed by a county
40 under RCW 84.52.135 must be reduced until the combined rate no longer

1 exceeds one percent of the true and fair value of any property or
2 must be eliminated;

3 (v) 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 ferry
6 district under RCW 36.54.130 must be reduced until the combined rate
7 no longer exceeds one percent of the true and fair value of any
8 property or must be eliminated;

9 (vi) 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 portion of the levy by a
12 metropolitan park district that is protected under RCW 84.52.120 must
13 be reduced until the combined rate no longer exceeds one percent of
14 the true and fair value of any property or must be eliminated;

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

23 (viii) If the combined rate of regular property tax levies that
24 are subject to the one percent limitation still exceeds one percent
25 of the true and fair value of any property, then the thirty cents per
26 thousand dollars of assessed value of tax levy imposed under RCW
27 84.52.069 must be reduced until the combined rate no longer exceeds
28 one percent of the true and fair value of any property or eliminated.

29 (b) The certified rates of tax levy subject to these limitations
30 by all junior taxing districts imposing taxes on such property and
31 the tax levies under RCW 71.20.110 and 73.08.080 must be reduced or
32 eliminated as follows to bring the consolidated levy of taxes on such
33 property within the provisions of these limitations:

34 (i) First, the certified property tax levies authorized under RCW
35 71.20.110 and 73.08.080 must be reduced on a pro rata basis or
36 eliminated;

37 (ii) Second, the certified property tax levy authorized under RCW
38 84.52.821 must be reduced on a pro rata basis or eliminated;

39 ~~((ii) Second,))~~ (iii) Third, if the consolidated tax levy rate
40 still exceeds these limitations, the certified property tax levy

1 rates of those junior taxing districts authorized under RCW
2 36.68.525, 36.69.145, 35.95A.100, and 67.38.130 must be reduced on a
3 pro rata basis or eliminated;

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

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

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

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

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

E2SHB 2006 - S COMM AMD
By Committee on Ways & Means

1 On page 1, line 2 of the title, after "resources;" strike the
2 remainder of the title and insert "and amending RCW 84.52.135,
3 84.55.050, 71.20.110, 73.08.080, and 84.52.010."

EFFECT: (1) Removes the section eliminating the prohibition on replacing existing local government expenditures with proceeds from a locally imposed 0.1 percent sales and use tax dedicated to mental health and substance.

(2) Maintains provisions establishing the Veterans Assistance Levy as an additional levy that is separate from the county general levy. Restores language specifying levy allocations. Removes prohibitions on the ability to use Veterans Assistance Levy revenue for indirect administrative costs.

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