
SENATE BILL 6382

State of Washington 65th Legislature 2018 Regular Session

By Senators Carlyle, Chase, and Hunt

Read first time 01/15/18. Referred to Committee on Ways & Means.

1 AN ACT Relating to creating a task force on state and local
2 property tax reform; and creating a new section.

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

4 NEW SECTION. **Sec. 1.** (1) The legislature finds that state and
5 local property taxes are: Regressive through their disproportionate
6 impact on low-income households; administratively complicated; poorly
7 understood by taxpayers; artificially capped for many jurisdictions
8 thereby preventing tax revenues from growing at the same rate as the
9 general economy; and subject to certain constitutional constraints
10 that hinder legislative flexibility in establishing a property tax
11 system that is more equitable. The legislature further finds that the
12 enactment of Engrossed House Bill No. 2242 in 2017 made systemic
13 changes to the state property tax and local school levies creating
14 geographically disproportionate impacts. Therefore, it is the
15 legislature's intent to undergo a detailed and comprehensive
16 evaluation of our state's property tax system and to make
17 recommendations on improvements to this system by the beginning of
18 the 2020 legislative session.

19 (2) A legislative task force on state and local property tax
20 reform is established consisting of the following members:

1 (a) Two members from the house of representatives from each of
2 the two largest caucuses appointed by the speaker of the house of
3 representatives;

4 (b) Two members from the senate from each of the two largest
5 caucuses appointed by the president of the senate;

6 (c) The governor or the governor's designee;

7 (d) The director of the department of revenue or the department's
8 designee, who shall act as a nonvoting member;

9 (e) Two county assessors appointed by the governor with one
10 assessor from a county east of the crest of the Cascades and one
11 assessor from a county west of the crest of the Cascades, if approved
12 by a majority of the legislative members appointed to the task force;

13 (f) Two county treasurers appointed by the governor with one
14 treasurer from a county east of the crest of the Cascades and one
15 treasurer from a county west of the crest of the Cascades, if
16 approved by a majority of the legislative members appointed to the
17 task force;

18 (g) Two members of the academic community appointed by the
19 governor, if approved by a majority of the legislative members
20 appointed to the task force. The members must have expertise in
21 economics, taxation, public policy, or other relevant expertise; and

22 (h) Two members from the business community appointed by the
23 governor, if approved by a majority of the legislative members
24 appointed to the task force.

25 (3)(a) The task force must conduct a study of Washington's state
26 and local property tax system and make recommendations to the
27 legislature to improve the state's property tax system.

28 (b) More specifically, the task force must examine and provide
29 recommendations on improving the equity, adequacy, reliability,
30 transparency, and simplicity of Washington's property tax system with
31 regard to the following issues:

32 (i) Property taxes as a state and local government revenue
33 source;

34 (ii) The fiscal impacts and efficacy of current exclusions to the
35 state and local government property tax base in meeting public policy
36 objectives and potential modifications to the inclusion or exclusion
37 of properties in the property tax base based on such factors as the
38 residential or commercial character of the property and any other
39 factors the task force considers relevant in meeting the goals of
40 improved equity, adequacy, reliability, transparency, and simplicity;

1 (iii) Property tax assessment and collection procedures and
2 methods;

3 (iv) The tax burden and regressive nature of property taxes. This
4 includes an analysis of:

5 (A) The tax burden on homeowners contrasted with other types of
6 property owners;

7 (B) The regressive nature of property taxes in comparison with
8 other existing and potential state and local revenue sources; and

9 (C) Regional differences in the property tax burden across the
10 state; and

11 (v) Potential amendments to the state Constitution to provide
12 more legislative flexibility in designing a property tax system that
13 is more equitable, adequate, reliable, transparent, and simple.

14 (4) A majority of the voting members of the legislative task
15 force constitutes a quorum for the transaction of business.

16 (5) Official action by the task force requires the approval of a
17 majority of the voting members of the legislative task force.

18 (6) The legislative task force must elect one of its members to
19 serve as chair of the task force.

20 (7) If there is a vacancy for any cause, the appointing authority
21 must make an appointment to become immediately effective.

22 (8) The task force must meet at times and places specified by the
23 call of the chair or of a majority of the members of the legislative
24 task force.

25 (9) The legislative task force may adopt rules necessary for the
26 operation of the legislative task force.

27 (10) Legislative members of the legislative task force are
28 entitled to reimbursement for travel expenses in accordance with RCW
29 44.04.120. Nonlegislative members of the task force are entitled to
30 reimbursement for travel expenses in accordance with RCW 43.03.050
31 and 43.03.060.

32 (11) The expenses of the legislative task force must be paid
33 jointly by the senate and the house of representatives. Task force
34 expenditures are subject to approval by the senate facilities and
35 operations committee and the house of representatives executive rules
36 committee, or their successor committees.

37 (12) Staff support for the legislative task force must be
38 provided by the department of revenue, house of representatives
39 office of program research, and senate committee services. County
40 assessors and treasurers must provide any data or information

1 requested by the task force or the department in order for the task
2 force to perform its study of Washington's state and local property
3 tax system under this section.

4 (13) The task force must submit its findings, in compliance with
5 RCW 43.01.036, to the house finance committee and senate ways and
6 means committee of the legislature no later than January 14, 2020. A
7 minority report may be submitted along with the task force's report
8 if requested by any member of the task force.

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