

HB 1663 - H AMD 298

By Representative Goehner

ADOPTED 03/06/2023

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

3 "NEW SECTION. **Sec. 1.** A new section is added to chapter 53.08
4 RCW to read as follows:

5 (1) Two or more port districts, operating under a mutual
6 agreement pursuant to RCW 53.08.240, may levy and collect jointly the
7 property tax assessments authorized under RCW 53.36.020 under the
8 following conditions:

9 (a) The port districts are adjacent, and the boundaries of the
10 port districts are coextensive with county boundaries;

11 (b) The commissioners of each port district have, no later than
12 July 1st, and by at least a two-thirds margin, voted to conduct a
13 joint property tax levy for collection in the following year and for
14 subsequent years, until such time as the commissioners of each port
15 district have voted to discontinue the joint property tax levy;

16 (c) The joint property tax levy has been approved by a majority
17 of voters at special elections called under RCW 29A.04.330 by the
18 port district commissioners of the port districts that propose to
19 conduct the joint property tax levy. The special elections within
20 each port district must be held on the same day. If the certified
21 election results show that a majority of the total votes cast among
22 all the port districts participating in the special elections approve
23 the joint property tax levy, then the joint levy shall be deemed
24 approved. Once voters have approved the conduct of a joint property
25 tax levy, the conduct of a joint levy in subsequent consecutive years
26 does not require voter approval; and

27 (d) The joint property tax rate imposed is the same in each
28 participating port district.

29 (2)(a) Two or more port districts that are jointly levying and
30 collecting property taxes as provided for under subsection (1) of
31 this section are considered a "taxing district" under RCW 84.04.120.

32 (b) The commissioners of the port districts that are jointly
33 levying and collecting property taxes under subsection (1) of this

1 section are considered the governing body of the districts for the
2 purposes of RCW 84.55.120.

3 (3) (a) Port districts that are jointly levying and collecting
4 property taxes as provided for in subsection (1) of this section may
5 not independently conduct a property tax levy under RCW 53.36.020,
6 except as provided in (b) of this subsection.

7 (b) Port districts conducting a joint levy may independently
8 approve a property tax levy under RCW 53.36.020 to the extent needed
9 to provide for payment of principal and interest on general bonded
10 indebtedness.

11 (4) (a) Notwithstanding RCW 84.55.035, when conducting a joint
12 property tax levy, the first joint levy amount must be set as
13 provided for in RCW 84.55.020 as if the port districts had
14 consolidated. Subsequent joint levies are subject to the limitations
15 in RCW 84.55.010.

16 (b) Any increase in the property tax revenue by the jointly
17 taxing port districts may only be authorized pursuant to RCW
18 84.55.120, except that any such increase must be approved by at least
19 two-thirds of the commissioners of each of the port districts.

20 (c) Port districts that are jointly levying and collecting
21 property taxes may conduct a levy in an amount exceeding the
22 limitations provided for in chapter 84.55 RCW as provided for in RCW
23 84.55.050, except that such a levy may only be conducted if approved
24 by a majority of voters in each port district participating in the
25 joint property tax levy.

26 (5) The separate obligations of each of the port districts
27 conducting a joint property tax levy shall not be affected by the
28 conduct of the joint levy, and shall remain the responsibility of the
29 individual port district subject to the obligation. Taxes and
30 assessments for payment of such obligations shall continue to be
31 levied and collected as provided for in subsection (3) (b) of this
32 section in each port district notwithstanding the joint property tax
33 levy. While any such obligations remain outstanding, funds subject to
34 such obligations shall be kept separate.

35 (6) (a) In the event that two or more port districts operating
36 under a mutual agreement pursuant to RCW 53.08.240 cease to operate
37 under the agreement, the joint debts and assets of the port districts
38 must be divided as provided for in the agreement. If no provision for
39 such division was made, the debts and assets must be divided amongst

1 the port districts in the same proportion as the property tax
2 assessments were divided amongst the districts.

3 (b) The first property tax levy conducted by a port district
4 after it ceases to conduct a joint property tax levy with another
5 port district must be set so that the levy does not exceed the port
6 district's proportional share of the last levy jointly conducted with
7 one or more other port districts plus additional increases allowed
8 under RCW 84.55.010.

9 Correct the title.

EFFECT: (1) Specifies that the property tax levy that port districts may conduct jointly is the regular port district levy.

(2) Provides that the vote of port district commissioners required to authorize a joint property tax levy may authorize the collection of such a levy in the following year and in subsequent years, until the port district commissioners vote to discontinue the joint property tax levy.

(3) Requires that in order for a joint property tax levy to be conducted, a majority of the total number of voters among all of the port districts that propose to participate in the joint levy approve the joint levy at special elections called for the purpose, and provides that, once approved, subsequent voter approval is not needed to authorize joint levies in subsequent consecutive years.

(4) Removes provision requiring that the joint property tax levy imposed within the port districts not exceed the rate at which a port district could conduct an individual levy.

(5) Provides that the commissioners of the port districts that are jointly levying and collecting property taxes are considered the governing body of the districts for the purposes of authorizing property tax increases.

(6) Prohibits port districts conducting a joint property tax levy from independently conducting a regular property tax levy, except that such taxes and assessments must continue to the extent needed to provide for payment on principal and interest of general bonded indebtedness.

(7) Requires that the initial amount of the joint property tax levy be set using the procedures applicable to taxing districts that consolidate.

(8) Authorizes a joint property tax levy to exceed statutory levy limitations if a majority of voters in each port district participating in the joint levy approve the proposal to exceed the limitations.

(9) Removes provisions specifying how a joint property tax levy is conducted.

(10) Provides that the separate obligations of each of the port districts conducting a joint property tax levy are unaffected by the joint levy and remain the responsibility of the port district subject to the obligation, and requires that funds subject to such obligations be kept separate.

(11) Provides that the first property tax levy conducted by an individual port district after it ceases to conduct a joint property tax levy with another district be set so that the levy does not exceed the port district's proportional share of the last joint levy

plus additional increases in assessed property value that are calculated outside of the property tax limit factor.

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