
ENGROSSED HOUSE BILL 1663

State of Washington

68th Legislature

2023 Regular Session

By Representatives Goehner and Steele

Read first time 01/30/23. Referred to Committee on Local Government.

1 AN ACT Relating to allowing port districts that have been
2 functionally consolidated to adopt a unified levy; and adding a new
3 section to chapter 53.08 RCW.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 53.08
6 RCW to read as follows:

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

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

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

18 (c) The joint property tax levy has been approved by a majority
19 of voters at special elections called under RCW 29A.04.330 by the
20 port district commissioners of the port districts that propose to
21 conduct the joint property tax levy. The special elections within

1 each port district must be held on the same day. If the certified
2 election results show that a majority of the total votes cast among
3 all the port districts participating in the special elections approve
4 the joint property tax levy, then the joint levy shall be deemed
5 approved. Once voters have approved the conduct of a joint property
6 tax levy, the conduct of a joint levy in subsequent consecutive years
7 does not require voter approval; and

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

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

13 (b) The commissioners of the port districts that are jointly
14 levying and collecting property taxes under subsection (1) of this
15 section are considered the governing body of the districts for the
16 purposes of RCW 84.55.120.

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

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

25 (4) (a) Notwithstanding RCW 84.55.035, when conducting a joint
26 property tax levy, the first joint levy amount must be set as
27 provided for in RCW 84.55.020 as if the port districts had
28 consolidated. Subsequent joint levies are subject to the limitations
29 in RCW 84.55.010.

30 (b) Any increase in the property tax revenue by the jointly
31 taxing port districts may only be authorized pursuant to RCW
32 84.55.120, except that any such increase must be approved by at least
33 two-thirds of the commissioners of each of the port districts.

34 (c) Port districts that are jointly levying and collecting
35 property taxes may conduct a levy in an amount exceeding the
36 limitations provided for in chapter 84.55 RCW as provided for in RCW
37 84.55.050, except that such a levy may only be conducted if approved
38 by a majority of voters in each port district participating in the
39 joint property tax levy.

1 (5) The separate obligations of each of the port districts
2 conducting a joint property tax levy shall not be affected by the
3 conduct of the joint levy, and shall remain the responsibility of the
4 individual port district subject to the obligation. Taxes and
5 assessments for payment of such obligations shall continue to be
6 levied and collected as provided for in subsection (3)(b) of this
7 section in each port district notwithstanding the joint property tax
8 levy. While any such obligations remain outstanding, funds subject to
9 such obligations shall be kept separate.

10 (6)(a) In the event that two or more port districts operating
11 under a mutual agreement pursuant to RCW 53.08.240 cease to operate
12 under the agreement, the joint debts and assets of the port districts
13 must be divided as provided for in the agreement. If no provision for
14 such division was made, the debts and assets must be divided amongst
15 the port districts in the same proportion as the property tax
16 assessments were divided amongst the districts.

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

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