

2 SSB 6600 - H COMM AMD
3 By Committee on Revenue

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5 Strike everything after the enacting clause and insert the
6 following:

7 "NEW SECTION. **Sec. 1.** The sum of one hundred thousand dollars, or
8 as much thereof as may be necessary, is appropriated to the
9 legislature, to be divided equally between the senate and the house of
10 representatives, from the general fund for the biennium ending June 30,
11 1995, for the purpose of conducting a study of the property tax system
12 of Washington and other states. The goal of the study shall be to
13 analyze the existing system with an emphasis on the problems resulting
14 from changes in economic conditions and actual impacts on residential
15 property taxes. The study shall consider possible changes to the
16 system, including the adoption of an alternative system, that would
17 alleviate the problems of the current system and operate to enhance the
18 confidence of persons in the property tax system beyond that confidence
19 level that now exists. Alternative systems considered may include two-
20 tiered property tax systems, property classification systems, tax or
21 value limitations, homestead or other exemptions, or alternative tax
22 bases.

23 The appropriation shall be used to contract with a private
24 consultant to conduct the study.

25 The study shall examine the current and possible alternative
26 systems in terms of the following:

27 (1) What are the major strengths and deficiencies of the current
28 system?

29 (2) What problems are caused by the current system, including
30 problems perceived by property taxpayers, and to what extent do the
31 problems exist?

32 (3) How can the problems be reduced or eliminated?

33 (4) How would a proposed change shift the burden among property tax
34 payers, both short and long-term? What will be the consequence of any
35 proposed change on individual taxpayers?

1 (5) What will be the consequence of any proposed change on the
2 stability and predictability of local government revenues?

3 (6) Does the current or any alternate system proposed provide an
4 equitable, predictable, and easily administered property tax system?

5 (7) For any alternative system proposed, what are the major
6 strengths and deficiencies? What are the costs, both state and local,
7 associated with making the change?

8 (8) Are the alternative systems consistent with state policies,
9 including growth management, transportation planning, and the
10 environment?

11 (9) Are the alternative systems likely to promote business growth
12 and economic activity?

13 A legislative oversight committee is hereby created to monitor and
14 consult with the contractor selected to conduct the study. The
15 committee shall consist of six legislators, three from the senate and
16 three from the house of representatives. Not more than two members
17 from each chamber shall be from the same political party. The members
18 from the senate shall be appointed by the president of the senate and
19 the members from the house of representatives shall be appointed by the
20 speaker of the house of representatives.

21 The department of revenue, and all local governments, shall provide
22 all technical assistance and data required by the contractor to perform
23 the study.

24 The contractor shall prepare and provide a final report, together
25 with recommendations, to the oversight committee and the fiscal
26 committees of the legislature by December 1, 1994.

27 NEW SECTION. **Sec. 2.** This act is necessary for the immediate
28 preservation of the public peace, health, or safety, or support of the
29 state government and its existing public institutions, and shall take
30 effect immediately."

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