
SUBSTITUTE HOUSE BILL 1484

State of Washington 59th Legislature 2005 Regular Session

By House Committee on Education (originally sponsored by Representatives Hunter, Jarrett, Haigh, Tom, McDermott, McIntire, Simpson, P. Sullivan, Kagi and Chase)

READ FIRST TIME 03/04/05.

1 AN ACT Relating to county property tax levies for school purposes;
2 amending RCW 29A.36.210, 84.52.043, 84.55.005, and 41.59.935; adding a
3 new section to chapter 84.52 RCW; and creating a new section.

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

5 NEW SECTION. **Sec. 1.** It is the intent of the legislature that
6 additional funding provided under section 2 of this act be used by
7 school districts to provide regional cost-of-living salary supplements
8 to school district employees, as determined through collective
9 bargaining.

10 NEW SECTION. **Sec. 2.** A new section is added to chapter 84.52 RCW
11 to read as follows:

12 (1) A county may impose a regular property tax levy for the
13 maintenance and operation of schools within the county in accordance
14 with this section.

15 (2) Upon receiving resolutions requesting a levy under this section
16 from the board of directors of school districts within the county where
17 the petitioning school districts represent a majority of the students

1 within the county, the county legislative authority shall submit an
2 authorizing proposition to the county voters.

3 (3) If the proposition is approved by a majority of the voters
4 voting on the proposition, the county shall impose a levy not to exceed
5 the lesser of the amount necessary to fully fund the cost-of-living
6 supplements defined in subsection (5) of this section or seventy-five
7 cents per thousand dollars of assessed value.

8 (4) Ballot propositions shall conform with RCW 29A.36.210.

9 (5) Any tax imposed under this section shall be used to provide
10 regional cost-of-living salary supplements to school district
11 employees, as determined through collective bargaining. The county
12 shall distribute levy proceeds to each school district within the
13 county in an amount equal to the number of the district's full-time
14 equivalent employees in the prior school year multiplied by the cost-
15 of-living salary supplement for the county. The cost-of-living salary
16 supplement for each county shall be calculated by the superintendent of
17 public instruction. The cost-of-living salary supplement for a county
18 is the difference between the weighted average housing and urban
19 development rent for the county and the smallest weighted average
20 housing and urban development rent for any county. The weighted
21 average housing and urban development rent for a county is equal to the
22 housing and urban development rent for the county weighted by fifty
23 percent plus the housing and urban development rent for the two
24 neighboring counties weighted by twenty-five percent each. For each
25 county, the superintendent shall select the two contiguous counties
26 with the highest housing and urban development rent as the neighboring
27 counties. Except for Skamania county, counties located west of the
28 crest of the Cascade mountains shall not be selected as neighbors for
29 counties located east of the crest of the Cascade mountains and
30 counties located east of the crest of the Cascade mountains shall not
31 be selected as neighbors for counties located west of the crest of the
32 Cascade mountains. The housing and urban development rent for a county
33 is the most recently available fair market rent for two-bedroom units
34 published by the federal department of housing and urban development
35 under section 8 of the United States housing act of 1937 annualized for
36 a twelve-month period. For school districts not wholly contained
37 within a county in which the tax is levied, the district's number of
38 full-time equivalent employees shall be prorated based on the

1 percentage of the school district's total assessed value that is
2 contained within the county as adjusted to one hundred percent by the
3 county indicated ratio established in RCW 84.48.075. The cost-of-
4 living salary supplement shall be reduced as necessary so that the
5 total distributed to school districts does not exceed the levy amount.

6 (6) The tax levy authorized in this section is not part of the
7 county levy in RCW 84.52.043(1) and the limitations in RCW 84.52.043(2)
8 do not apply.

9 (7) The limitation in RCW 84.55.010 does not apply to the tax levy
10 authorized in this section.

11 **Sec. 3.** RCW 29A.36.210 and 2004 c 80 s 2 are each amended to read
12 as follows:

13 (1) The ballot proposition authorizing a taxing district to impose
14 the regular property tax levies authorized in RCW 36.69.145, 67.38.130,
15 84.52.069, or 84.52.135 shall contain in substance the following:

16 "Shall the (insert the name of the taxing district) be
17 authorized to impose regular property tax levies of (insert
18 the maximum rate) or less per thousand dollars of assessed valuation
19 for each of (insert the maximum number of years allowable)
20 consecutive years?

- 21 Yes
22 No

23 Each voter shall indicate either "Yes" or "No" on his or her ballot
24 in accordance with the procedures established under this title.

25 (2) The ballot proposition authorizing a taxing district to impose
26 a permanent regular tax levy under RCW 84.52.069 or section 2 of this
27 act shall contain the following:

28 "Shall the (insert the name of the taxing district) be
29 authorized to impose a PERMANENT regular property levy of
30 (insert the maximum rate) or less per thousand dollars of assessed
31 valuation?

- 32 Yes
33 No

34 **Sec. 4.** RCW 84.52.043 and 2004 c 80 s 4 are each amended to read
35 as follows:

1 Within and subject to the limitations imposed by RCW 84.52.050 as
2 amended, the regular ad valorem tax levies upon real and personal
3 property by the taxing districts hereafter named shall be as follows:

4 (1) Levies of the senior taxing districts shall be as follows: (a)
5 The levy by the state shall not exceed three dollars and sixty cents
6 per thousand dollars of assessed value adjusted to the state equalized
7 value in accordance with the indicated ratio fixed by the state
8 department of revenue to be used exclusively for the support of the
9 common schools; (b) the levy by any county shall not exceed one dollar
10 and eighty cents per thousand dollars of assessed value; (c) the levy
11 by any road district shall not exceed two dollars and twenty-five cents
12 per thousand dollars of assessed value; and (d) the levy by any city or
13 town shall not exceed three dollars and thirty-seven and one-half cents
14 per thousand dollars of assessed value. However any county is hereby
15 authorized to increase its levy from one dollar and eighty cents to a
16 rate not to exceed two dollars and forty-seven and one-half cents per
17 thousand dollars of assessed value for general county purposes if the
18 total levies for both the county and any road district within the
19 county do not exceed four dollars and five cents per thousand dollars
20 of assessed value, and no other taxing district has its levy reduced as
21 a result of the increased county levy.

22 (2) The aggregate levies of junior taxing districts and senior
23 taxing districts, other than the state, shall not exceed five dollars
24 and ninety cents per thousand dollars of assessed valuation. The term
25 "junior taxing districts" includes all taxing districts other than the
26 state, counties, road districts, cities, towns, port districts, and
27 public utility districts. The limitations provided in this subsection
28 shall not apply to: (a) Levies at the rates provided by existing law
29 by or for any port or public utility district; (b) excess property tax
30 levies authorized in Article VII, section 2 of the state Constitution;
31 (c) levies for acquiring conservation futures as authorized under RCW
32 84.34.230; (d) levies for emergency medical care or emergency medical
33 services imposed under RCW 84.52.069; (e) levies to finance affordable
34 housing for very low-income housing imposed under RCW 84.52.105; (f)
35 the portions of levies by metropolitan park districts that are
36 protected under RCW 84.52.120; (g) levies imposed by ferry districts
37 under RCW 36.54.130; (~~and~~) (h) levies for criminal justice purposes

1 under RCW 84.52.135; and (i) levies by counties for school purposes
2 under section 2 of this act.

3 **Sec. 5.** RCW 84.55.005 and 2002 c 1 s 2 are each amended to read as
4 follows:

5 As used in this chapter:

6 (1) "Inflation" means the percentage change in the implicit price
7 deflator for personal consumption expenditures for the United States as
8 published for the most recent twelve-month period by the bureau of
9 economic analysis of the federal department of commerce in September of
10 the year before the taxes are payable;

11 (2) "Limit factor" means:

12 (a) For taxing districts with a population of less than ten
13 thousand in the calendar year prior to the assessment year, one hundred
14 one percent;

15 (b) For taxing districts for which a limit factor is authorized
16 under RCW 84.55.0101, the lesser of the limit factor under that section
17 or one hundred one percent;

18 (c) For all other districts, the lesser of one hundred one percent
19 or one hundred percent plus inflation; and

20 (3) "Regular property taxes" has the meaning given it in RCW
21 84.04.140, except does not include tax levies under section 2 of this
22 act.

23 **Sec. 6.** RCW 41.59.935 and 1990 c 33 s 571 are each amended to read
24 as follows:

25 Nothing in this chapter shall be construed to grant employers or
26 employees the right to reach agreements regarding salary or
27 compensation increases in excess of those authorized in accordance with
28 RCW 28A.150.410, section 2 of this act, and 28A.400.200.

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