
HOUSE BILL 3041

State of Washington 61st Legislature 2010 Regular Session

By Representatives Haigh and Appleton

Read first time 01/21/10. Referred to Committee on Finance.

1 AN ACT Relating to adjusting the property tax levy lid limits for
2 certain local services; amending RCW 84.55.0101, 71.20.110, 73.08.080,
3 84.52.069, 84.52.043, and 84.52.010; and creating a new section.

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

5 **Sec. 1.** RCW 84.55.0101 and 2007 sp.s. c 1 s 2 are each amended to
6 read as follows:

7 (1) Upon a finding of substantial need, the legislative authority
8 of a taxing district other than the state may provide for the use of a
9 limit factor under this chapter of one hundred one percent or less,
10 unless provided otherwise in subsection (2) of this section. In
11 districts with legislative authorities of four members or less, two-
12 thirds of the members must approve an ordinance or resolution under
13 this section. In districts with more than four members, a majority
14 plus one vote must approve an ordinance or resolution under this
15 section. The new limit factor (~~(shall be)~~) is effective for taxes
16 collected in the following year only.

17 (2) A taxing district imposing a levy under RCW 71.20.110,
18 73.08.080, and 84.34.230, or a permanent levy under RCW 84.52.069, as

1 of or after the effective date of this act, may provide for the use of
2 a limit factor under this chapter of the greater of one hundred one
3 percent or inflation.

4 **Sec. 2.** RCW 71.20.110 and 1988 c 176 s 910 are each amended to
5 read as follows:

6 (1) In order to provide additional funds for the coordination and
7 provision of community services for persons with developmental
8 disabilities or mental health services, the county governing authority
9 of each county in the state (~~(shall)~~) must budget and levy, in addition
10 to the county general levy, annually a tax in a sum equal to the amount
11 which would be raised by a levy of two and one-half cents per thousand
12 dollars of assessed value against the taxable property in the county to
13 be used for (~~(such)~~) these purposes(~~(÷ PROVIDED, That)~~). All or part
14 of the funds collected from the tax levied for the purposes of this
15 section may be transferred to the state of Washington, department of
16 social and health services, for the purpose of obtaining federal
17 matching funds to provide and coordinate community services for persons
18 with developmental disabilities and mental health services. In the
19 event a county elects to transfer (~~(such)~~) the tax funds to the state
20 for this purpose, the state (~~(shall)~~) must grant these moneys and the
21 additional funds received as matching funds to service-providing
22 community agencies or community boards in the county which has made
23 (~~(such)~~) the transfer, (~~(pursuant to)~~) under the plan approved by the
24 county, as provided by chapters 71.24 and 71.28 RCW and by chapter
25 71A.14 RCW, all as now or hereafter amended.

26 (2) The (~~(amount of a)~~) levy allocated to the purposes specified in
27 this section may be reduced in the same proportion as the regular
28 property tax levy of the county is reduced by chapter (~~(84.55)~~) 84.52
29 RCW.

30 **Sec. 3.** RCW 73.08.080 and 2005 c 250 s 6 are each amended to read
31 as follows:

32 (1) The legislative authority in each county (~~(shall)~~) must budget
33 and levy, in addition to the county general levy and the taxes now
34 levied by law, a tax in a sum equal to the amount which would be raised
35 by not less than one and one-eighth cents per thousand dollars of
36 assessed value, and not greater than twenty-seven cents per thousand

1 dollars of assessed value against the taxable property of their
2 respective counties, to be levied and collected as now prescribed by
3 law for the assessment and collection of taxes, for the purpose of
4 creating a veterans' assistance fund. Expenditures from the veterans'
5 assistance fund, and interest earned on balances from the fund, may be
6 used only for:

7 (a) The veterans' assistance programs authorized by RCW 73.08.010;

8 (b) The burial or cremation of a deceased indigent veteran or
9 deceased family member of an indigent veteran as authorized by RCW
10 73.08.070; and

11 (c) The direct and indirect costs incurred in the administration of
12 the fund as authorized by subsection (2) of this section.

13 (2) If the funds on deposit in the veterans' assistance fund, less
14 outstanding warrants, on the first Tuesday in September exceed the
15 expected yield of one and one-eighth cents per thousand dollars of
16 assessed value against the taxable property of the county, the county
17 legislative authority may levy a lesser amount. The direct and
18 indirect costs incurred in the administration of the veterans'
19 assistance fund (~~(shall)~~) must be computed by the county auditor, or
20 the chief financial officer in a county operating under a charter, not
21 less than annually. Following the computation of these direct and
22 indirect costs, an amount equal to these costs may then be transferred
23 from the veterans' assistance fund to the county current expense fund.

24 (3) The (~~amount of a~~) levy allocated to the purposes specified in
25 this section may be reduced in the same proportion as the regular
26 property tax levy of the county is reduced by chapter (~~(84.55)~~) 84.52
27 RCW.

28 **Sec. 4.** RCW 84.52.069 and 2004 c 129 s 23 are each amended to read
29 as follows:

30 (1) As used in this section, "taxing district" means a county,
31 emergency medical service district, city or town, public hospital
32 district, urban emergency medical service district, regional fire
33 protection service authority, or fire protection district.

34 (2) A taxing district may impose additional regular property tax
35 levies in an amount equal to fifty cents or less per thousand dollars
36 of the assessed value of property in the taxing district. The tax
37 (~~(shall be)~~) is imposed (a) each year for six consecutive years, (b)

1 each year for ten consecutive years, or (c) permanently. A tax levy
2 under this section must be specifically authorized by a majority of
3 (~~at least three fifths of the~~) registered voters thereof approving a
4 proposition authorizing the levies submitted at a general or special
5 election(~~, at which election the number of persons voting "yes" on the~~
6 ~~proposition shall constitute three fifths of a number equal to forty~~
7 ~~percent of the total number of voters voting in such taxing district at~~
8 ~~the last preceding general election when the number of registered~~
9 ~~voters voting on the proposition does not exceed forty percent of the~~
10 ~~total number of voters voting in such taxing district in the last~~
11 ~~preceding general election; or by a majority of at least three fifths~~
12 ~~of the registered voters thereof voting on the proposition when the~~
13 ~~number of registered voters voting on the proposition exceeds forty~~
14 ~~percent of the total number of voters voting in such taxing district in~~
15 ~~the last preceding general election)). Ballot propositions (~~shall~~)
16 must conform with RCW 29A.36.210. A taxing district (~~shall~~) may not
17 submit to the voters at the same election multiple propositions to
18 impose a levy under this section.~~

19 (3) A taxing district imposing a permanent levy under this section
20 shall provide for separate accounting of expenditures of the revenues
21 generated by the levy. The taxing district (~~shall~~) must maintain a
22 statement of the accounting which (~~shall~~) must be updated at least
23 every two years and (~~shall~~) must be available to the public upon
24 request at no charge.

25 (4)(a) A taxing district imposing a permanent levy under this
26 section (~~shall~~) must provide for a referendum procedure to apply to
27 the ordinance or resolution imposing the tax. This referendum
28 procedure (~~shall~~) must specify that a referendum petition may be
29 filed at any time with a filing officer, as identified in the ordinance
30 or resolution. Within ten days, the filing officer (~~shall~~) must
31 confer with the petitioner concerning form and style of the petition,
32 issue the petition an identification number, and secure an accurate,
33 concise, and positive ballot title from the designated local official.
34 The petitioner (~~shall have~~) has thirty days in which to secure the
35 signatures of not less than fifteen percent of the registered voters of
36 the taxing district, as of the last general election, upon petition
37 forms which contain the ballot title and the full text of the measure
38 to be referred. The filing officer (~~shall~~) must verify the

1 sufficiency of the signatures on the petition and, if sufficient valid
2 signatures are properly submitted, (~~shall~~) must certify the
3 referendum measure to the next election within the taxing district if
4 one is to be held within one hundred eighty days from the date of
5 filing of the referendum petition, or at a special election to be
6 called for that purpose in accordance with RCW 29A.04.330.

7 (b) The referendum procedure provided in this subsection (~~shall~~
8 ~~be~~) is exclusive in all instances for any taxing district imposing the
9 tax under this section and (~~shall~~) supersedes the procedures provided
10 under all other statutory or charter provisions for initiative or
11 referendum which might otherwise apply.

12 (5) Any tax imposed under this section (~~shall~~) may be used only
13 for the provision of emergency medical care or emergency medical
14 services, including related personnel costs, training for such
15 personnel, and related equipment, supplies, vehicles and structures
16 needed for the provision of emergency medical care or emergency medical
17 services.

18 (6)(a) If a county levies a tax under this section, no taxing
19 district within the county may levy a tax under this section. If a
20 regional fire protection service authority imposes a tax under this
21 section, no other taxing district that is a participating fire
22 protection jurisdiction in the regional fire protection service
23 authority may levy a tax under this section.

24 (b)(i) Except as provided otherwise in this subsection, no other
25 taxing district may levy a tax under this section if another taxing
26 district has levied a tax under this section within its boundaries(~~(+~~
27 PROVIDED, That));

28 (ii) If a county levies less than fifty cents per thousand dollars
29 of the assessed value of property, then any other taxing district may
30 levy a tax under this section equal to the difference between the rate
31 of the levy by the county and fifty cents(~~(+~~PROVIDED FURTHER, That));

32 (iii) If a taxing district within a county levies this tax, and the
33 voters of the county subsequently approve a levying of this tax, then
34 the amount of the taxing district levy within the county (~~shall~~) must
35 be reduced, when the combined levies exceed fifty cents. Whenever a
36 tax is levied countywide, the service (~~shall~~) must, insofar as is
37 feasible, be provided throughout the county(~~(+~~PROVIDED FURTHER,
38 That));

1 (iv) No countywide levy proposal may be placed on the ballot
2 without the approval of the legislative authority of each city
3 exceeding fifty thousand population within the county(~~(+ AND PROVIDED~~
4 ~~FURTHER, That)~~);

5 (v) This section and RCW 36.32.480 (~~shall~~) do not prohibit any
6 city or town from levying an annual excess levy to fund emergency
7 medical services(~~(+ AND PROVIDED, FURTHER, That)~~);

8 (vi) If a county proposes to impose tax levies under this section,
9 no other ballot proposition authorizing tax levies under this section
10 by another taxing district in the county may be placed before the
11 voters at the same election at which the county ballot proposition is
12 placed(~~(+ AND PROVIDED FURTHER, That)~~); and

13 (vii) Any taxing district emergency medical service levy that is
14 limited in duration and that is authorized subsequent to a county
15 emergency medical service levy that is limited in duration, (~~shall~~)
16 expires concurrently with the county emergency medical service levy.

17 (7) The limitations in RCW 84.52.043 (~~shall~~) do not apply to the
18 tax levy authorized in this section.

19 (8) If a ballot proposition approved under subsection (2) of this
20 section did not impose the maximum allowable levy amount authorized for
21 the taxing district under this section, any future increase up to the
22 maximum allowable levy amount must be specifically authorized by the
23 voters in accordance with subsection (2) of this section at a general
24 or special election.

25 (9) The limitation in RCW 84.55.010 (~~shall~~) does not apply to the
26 first levy imposed pursuant to this section following the approval of
27 such levy by the voters pursuant to subsection (2) of this section.

28 (10) For purposes of this section, the following definitions apply:

29 (a) "Fire protection jurisdiction" means a fire protection
30 district, city, town, Indian tribe, or port district; and

31 (b) "Participating fire protection jurisdiction" means a fire
32 protection district, city, town, Indian tribe, or port district that is
33 represented on the governing board of a regional fire protection
34 service authority.

35 **Sec. 5.** RCW 84.52.043 and 2009 c 551 s 6 are each amended to read
36 as follows:

37 Within and subject to the limitations imposed by RCW 84.52.050 as

1 amended, the regular ad valorem tax levies upon real and personal
2 property by the taxing districts hereafter named (~~shall be~~) are as
3 follows:

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

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

1 justice purposes under RCW 84.52.135; (i) the portions of levies by
2 fire protection districts that are protected under RCW 84.52.125;
3 (~~and~~) (j) levies by counties for transit-related purposes under RCW
4 84.52.140; (k) levies for developmental disabilities or mental health
5 services under RCW 71.20.110; and (l) levies for veterans' assistance
6 under RCW 73.08.080.

7 **Sec. 6.** RCW 84.52.010 and 2009 c 551 s 7 are each amended to read
8 as follows:

9 (1) Except as is permitted under RCW 84.55.050, all taxes (~~shall~~)
10 must be levied or voted in specific amounts.

11 (2) The rate percent of all taxes for state and county purposes,
12 and purposes of taxing districts coextensive with the county, (~~shall~~)
13 must be determined, calculated and fixed by the county assessors of the
14 respective counties, within the limitations provided by law, upon the
15 assessed valuation of the property of the county, as shown by the
16 completed tax rolls of the county, and the rate percent of all taxes
17 levied for purposes of taxing districts within any county (~~shall~~)
18 must be determined, calculated and fixed by the county assessors of the
19 respective counties, within the limitations provided by law, upon the
20 assessed valuation of the property of the taxing districts
21 respectively.

22 (3) When a county assessor finds that the aggregate rate of tax
23 levy on any property, that is subject to the limitations set forth in
24 RCW 84.52.043 or 84.52.050, exceeds the limitations provided in either
25 of these sections, the assessor (~~shall~~) must recompute and establish
26 a consolidated levy in the following manner:

27 (~~(1)~~) (a) The full certified rates of tax levy for state, county,
28 county road district, and city or town purposes (~~shall~~) must be
29 extended on the tax rolls in amounts not exceeding the limitations
30 established by law; however any state levy (~~shall~~) takes precedence
31 over all other levies and shall not be reduced for any purpose other
32 than that required by RCW 84.55.010. If, as a result of the levies
33 imposed under RCW 36.54.130, 71.20.110, 73.08.080, 84.34.230,
34 84.52.069, 84.52.105, the portion of the levy by a metropolitan park
35 district that was protected under RCW 84.52.120, 84.52.125, 84.52.135,
36 and 84.52.140, the combined rate of regular property tax levies that

1 are subject to the one percent limitation exceeds one percent of the
2 true and fair value of any property, then these levies (~~((shall))~~) must
3 be reduced as follows:

4 (~~((a))~~) (i) The levy imposed by a county under RCW 84.52.140
5 (~~((shall))~~) must be reduced until the combined rate no longer exceeds one
6 percent of the true and fair value of any property or (~~((shall))~~) must be
7 eliminated;

8 (~~((b))~~) (ii) If the combined rate of regular property tax levies
9 that are subject to the one percent limitation still exceeds one
10 percent of the true and fair value of any property, the portion of the
11 levy by a fire protection district that is protected under RCW
12 84.52.125 (~~((shall))~~) must be reduced until the combined rate no longer
13 exceeds one percent of the true and fair value of any property or
14 (~~((shall))~~) must be eliminated;

15 (~~((c))~~) (iii) If the combined rate of regular property tax levies
16 that are subject to the one percent limitation still exceeds one
17 percent of the true and fair value of any property, the levy imposed by
18 a county under RCW 84.52.135 must be reduced until the combined rate no
19 longer exceeds one percent of the true and fair value of any property
20 or must be eliminated;

21 (~~((d))~~) (iv) If the combined rate of regular property tax levies
22 that are subject to the one percent limitation still exceeds one
23 percent of the true and fair value of any property, the levy imposed by
24 a ferry district under RCW 36.54.130 must be reduced until the combined
25 rate no longer exceeds one percent of the true and fair value of any
26 property or must be eliminated;

27 (~~((e))~~) (v) If the combined rate of regular property tax levies
28 that are subject to the one percent limitation still exceeds one
29 percent of the true and fair value of any property, the portion of the
30 levy by a metropolitan park district that is protected under RCW
31 84.52.120 (~~((shall))~~) must be reduced until the combined rate no longer
32 exceeds one percent of the true and fair value of any property or
33 (~~((shall))~~) must be eliminated;

34 (~~((f))~~) (vi) If the combined rate of regular property tax levies
35 that are subject to the one percent limitation still exceeds one
36 percent of the true and fair value of any property, then the levies
37 imposed under RCW 84.34.230, 84.52.105, and any portion of the levy
38 imposed under RCW 84.52.069 that is in excess of thirty cents per

1 thousand dollars of assessed value, (~~shall~~) must be reduced on a pro
2 rata basis until the combined rate no longer exceeds one percent of the
3 true and fair value of any property or (~~shall~~) must be eliminated;
4 and

5 (~~(g)~~) (vii) If the combined rate of regular property tax levies
6 that are subject to the one percent limitation still exceeds one
7 percent of the true and fair value of any property, then the thirty
8 cents per thousand dollars of assessed value of tax levy imposed under
9 RCW 84.52.069 (~~shall~~) must be reduced until the combined rate no
10 longer exceeds one percent of the true and fair value of any property
11 or eliminated.

12 (~~(2)~~) (b) The certified rates of tax levy subject to these
13 limitations by all junior taxing districts imposing taxes on such
14 property (~~shall~~) must be reduced or eliminated as follows to bring
15 the consolidated levy of taxes on such property within the provisions
16 of these limitations:

17 (~~(a)~~) (i) First, the certified property tax levy rates of those
18 junior taxing districts authorized under RCW 36.68.525, 36.69.145,
19 35.95A.100, and 67.38.130 (~~shall~~) must be reduced on a pro rata basis
20 or eliminated;

21 (~~(b)~~) (ii) Second, if the consolidated tax levy rate still
22 exceeds these limitations, the certified property tax levy rates of
23 flood control zone districts (~~shall~~) must be reduced on a pro rata
24 basis or eliminated;

25 (~~(c)~~) (iii) Third, if the consolidated tax levy rate still
26 exceeds these limitations, the certified property tax levy rates of all
27 other junior taxing districts, other than fire protection districts,
28 regional fire protection service authorities, library districts, the
29 first fifty cent per thousand dollars of assessed valuation levies for
30 metropolitan park districts, and the first fifty cent per thousand
31 dollars of assessed valuation levies for public hospital districts,
32 (~~shall~~) must be reduced on a pro rata basis or eliminated;

33 (~~(d)~~) (iv) Fourth, if the consolidated tax levy rate still
34 exceeds these limitations, the first fifty cent per thousand dollars of
35 assessed valuation levies for metropolitan park districts created on or
36 after January 1, 2002, (~~shall~~) must be reduced on a pro rata basis or
37 eliminated;

1 (~~(e)~~) (v) Fifth, if the consolidated tax levy rate still exceeds
2 these limitations, the certified property tax levy rates authorized to
3 fire protection districts under RCW 52.16.140 and 52.16.160 and
4 regional fire protection service authorities under RCW 52.26.140(1) (b)
5 and (c) (~~(shall)~~) must be reduced on a pro rata basis or eliminated;
6 and

7 (~~(f)~~) (vi) Sixth, if the consolidated tax levy rate still exceeds
8 these limitations, the certified property tax levy rates authorized for
9 fire protection districts under RCW 52.16.130, regional fire protection
10 service authorities under RCW 52.26.140(1)(a), library districts,
11 metropolitan park districts created before January 1, 2002, under their
12 first fifty cent per thousand dollars of assessed valuation levy, and
13 public hospital districts under their first fifty cent per thousand
14 dollars of assessed valuation levy, (~~(shall)~~) must be reduced on a pro
15 rata basis or eliminated.

16 NEW SECTION. **Sec. 7.** Sections 1 through 3, 5, and 6 of this act
17 apply to taxes levied for collection in 2011 and thereafter.

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