
ENGROSSED HOUSE BILL 2841

State of Washington

54th Legislature

1996 Regular Session

By Representatives Carrell, B. Thomas, Mulliken, Cooke, Hymes, Chandler, Foreman, Hargrove, McMorris, Lambert, Talcott, Mastin, Lisk, Johnson, Clements, Mitchell, Skinner, Sherstad, Koster, K. Schmidt, L. Thomas, Campbell, Smith, Goldsmith, Backlund, Elliot, Boldt, Thompson, McMahan, Dyer, Huff, Carlson, Robertson, Quall, Reams and Hickel

Read first time 01/22/96. Referred to Committee on Finance.

1 AN ACT Relating to limiting property taxes; amending RCW 84.55.012,
2 84.55.005, 84.55.010, 84.40.045, 84.56.050, 84.48.010, 35.61.210,
3 70.44.060, and 84.08.115; reenacting and amending RCW 84.56.020; adding
4 new sections to chapter 84.55 RCW; adding a new section to chapter
5 84.36 RCW; creating new sections; repealing RCW 84.56.022; and
6 providing for submission of this act to a vote of the people.

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

8 NEW SECTION. **Sec. 1.** (1) A joint select property tax reform study
9 committee is hereby created, composed of twelve members, with six
10 members of the senate, three from each of the two largest caucuses, to
11 be appointed by the president of the senate; and six members of the
12 house of representatives, three from each of the two largest caucuses,
13 to be appointed by the speaker of the house of representatives. The
14 speaker of the house of representatives and the president of the senate
15 shall designate cochair of the committee. Staff support for the
16 committee shall be provided by senate committee services and house of
17 representatives office of program research as mutually agreed by the
18 cochair of the committee. The committee may also use the research

1 services provided to the legislature by the department of revenue under
2 RCW 82.01.060(4).

3 (2) The committee shall complete a thorough review of Washington's
4 property tax system, addressing at least the following issues:

5 (a) The advisability of enacting a property tax deferral program as
6 a method of alleviating the effects of large and unanticipated
7 increases in taxes on residential property;

8 (b) The advisability of providing property tax relief by setting
9 base years for property tax valuation computation, limiting property
10 tax valuation increases to two percent per year over the base year
11 until ownership of the property changes, and limiting the tax assessed
12 on owner-occupied property claimed as a principal place of residence;
13 and

14 (c) The effect of any proposed property tax reforms on:

15 (i) The ability of local governments, including both senior and
16 junior taxing districts, to provide essential services;

17 (ii) The tax burdens upon commercial and residential taxpayers, and
18 upon residential taxpayers by age and income group; and

19 (iii) Real estate values, housing markets, and construction of and
20 access to new housing.

21 (3) The committee shall submit its final report to the legislature
22 before January 1, 1997.

23 NEW SECTION. **Sec. 2.** A new section is added to chapter 84.55 RCW
24 to read as follows:

25 (1) As used in this section, "full levy" means the levy amount that
26 would be allowed otherwise under this chapter without regard to RCW
27 84.55.012 or this section.

28 (2) The state levy for collection in 1997 shall be reduced by five
29 percent of the full levy for that year. The tax reduction provided in
30 this section is in addition to any other tax reduction legislation that
31 may be enacted by the legislature.

32 (3) Levies collected before 1997 shall not be used as a base for
33 calculating limits for state levies for collection after 1997.

34 **Sec. 3.** RCW 84.55.012 and 1995 2nd sp.s. c 13 s 2 are each amended
35 to read as follows:

36 (1) The state property tax levy for collection in 1996 shall be
37 reduced by 4.7187 percent of the levy amount that would otherwise be

1 allowed under this chapter without regard to this section or any other
2 tax reduction legislation enacted in 1995.

3 (2) The tax reduction provided in this section is in addition to
4 any other tax reduction legislation that may be enacted by the
5 legislature.

6 ~~((3) State levies for collection after 1996 shall be set at the
7 amount that would be allowed otherwise under this chapter if the state
8 levy for collection in 1996 had been set without the reduction under
9 subsection (1) of this section.))~~

10 **Sec. 4.** RCW 84.55.005 and 1994 c 301 s 49 are each amended to read
11 as follows:

12 As used in this chapter(~~(, the term)~~):

13 (1) "Regular property taxes" has the meaning given it in RCW
14 84.04.140, and also includes amounts received in lieu of regular
15 property taxes.

16 (2) "Inflation" means the percentage change in the United States
17 consumer price index for the calendar year during which the taxes are
18 payable, as forecast by the economic and revenue forecast council in
19 the official forecast adopted in September of the year before the taxes
20 are payable.

21 NEW SECTION. **Sec. 5.** A new section is added to chapter 84.55 RCW
22 to read as follows:

23 Except as provided in this chapter, the levy for districts other
24 than junior districts, as defined in RCW 84.52.043, in any year shall
25 be set so that the regular property taxes payable in the following year
26 shall not exceed the lesser of one hundred six percent or one hundred
27 percent plus inflation, multiplied by the amount of regular property
28 taxes lawfully levied for the state in the highest of the three most
29 recent years in which such taxes were levied for such district, plus an
30 additional dollar amount calculated by multiplying the increase in
31 assessed value in that district resulting from new construction,
32 improvements to property, and any increase in the assessed value of
33 state-assessed property by the regular property tax levy rate of the
34 state for the preceding year.

35 **Sec. 6.** RCW 84.55.010 and 1979 ex.s. c 218 s 2 are each amended to
36 read as follows:

1 Except as provided in this chapter, the levy for a junior taxing
2 district, as defined in RCW 84.52.043, in any year shall be set so that
3 the regular property taxes payable in the following year shall not
4 exceed one hundred six percent of the amount of regular property taxes
5 lawfully levied for such district in the highest of the three most
6 recent years in which such taxes were levied for such district plus an
7 additional dollar amount calculated by multiplying the increase in
8 assessed value in that district resulting from new construction,
9 improvements to property, and any increase in the assessed value of
10 state-assessed property by the regular property tax levy rate of that
11 district for the preceding year.

12 NEW SECTION. **Sec. 7.** The legislature finds that large and
13 unanticipated increases in taxes on residential property cause
14 hardships for many homeowners. The legislature intends to allow
15 distressed taxpayers to defer taxes due so that they will be able to
16 remain in their homes while still paying an equitable share of the
17 overall property tax burden. The legislature also finds that
18 infrequent revaluations are inconsistent with the purposes of
19 maintaining an equitable and uniform property tax system, and often
20 result in sharp and unanticipated increases in assessments that cause
21 unnecessary financial distress for taxpayers. The legislature intends
22 that more frequent revaluations be conducted in all areas of the state
23 to prevent or mitigate such increases in assessments. The legislature
24 finds that taxation of property by numerous taxing districts makes
25 difficult public understanding of the amounts and purposes of property
26 taxes, and intends that the taxpayer be provided with sufficient
27 information to understand a property tax bill and to make informed
28 decisions on proposed property tax levies. The legislature intends
29 that taxpayers not be dissuaded from exercising the right to appeal a
30 property tax assessment by fear that such an appeal will result in a
31 higher assessment.

32 **Sec. 8.** RCW 84.40.045 and 1994 c 301 s 36 are each amended to read
33 as follows:

34 (1) The assessor shall give notice of any change in the true and
35 fair value of real property for the tract or lot of land and any
36 improvements thereon no later than thirty days after appraisal:
37 PROVIDED, That no such notice shall be mailed during the period from

1 January 15 to February 15 of each year: PROVIDED FURTHER, That no
2 notice need be sent with respect to changes in valuation of forest land
3 made pursuant to chapter 84.33 RCW.

4 (2) The notice shall contain a statement of both the prior and the
5 new true and fair value and the ratio of the assessed value to the true
6 and fair value on which the assessment of the property is based,
7 stating separately land and improvement values, and a brief statement
8 of the procedure for appeal to the board of equalization and the time,
9 date, and place of the meetings of the board.

10 (3) The notice shall be mailed by the assessor to the taxpayer. If
11 any taxpayer, as shown by the tax rolls, holds solely a security
12 interest in the real property which is the subject of the notice,
13 pursuant to a mortgage, contract of sale, or deed of trust, such
14 taxpayer shall(~~(, upon written request of the assessor,)~~) supply,
15 within thirty days of (~~(receipt of such request)~~) entering into the
16 security agreement, to the assessor the name and address of the person
17 making payments pursuant to the mortgage, contract of sale, or deed of
18 trust(~~(, and thereafter such person shall also receive a copy of the~~
19 ~~notice provided for in this section)~~). Within thirty days of receipt
20 of the notice, such taxpayer shall transmit a copy of the notice to the
21 person making payments under the security agreement. The copy shall
22 clearly state that it is not a bill and is for informational purposes
23 only. Willful failure to comply with (~~(such request)~~) this subsection
24 within the time limitation provided for herein shall make such taxpayer
25 subject to a maximum civil penalty of five thousand dollars. The
26 penalties provided for herein shall be recoverable in an action by the
27 county prosecutor, and when recovered shall be deposited in the county
28 current expense fund. (~~(The assessor shall make the request provided~~
29 ~~for by this section during the month of January.)~~)

30 **Sec. 9.** RCW 84.56.050 and 1991 c 245 s 17 are each amended to read
31 as follows:

32 (1) On receiving the tax rolls the treasurer shall post all real
33 and personal property taxes from the rolls to the treasurer's tax roll,
34 and shall carry forward to the current tax rolls a memorandum of all
35 delinquent taxes on each and every description of property, and enter
36 the same on the property upon which the taxes are delinquent showing
37 the amounts for each year.

1 (2) The treasurer shall notify each taxpayer in the county, at the
2 expense of the county, of the amount of the real and personal
3 property(~~(, and the current and delinquent amount of tax due on the~~
4 ~~same; and the treasurer shall have printed on the notice the name of~~
5 ~~each tax and the levy made on the same)) taxes due and payable. The
6 notice mailed to the taxpayer shall at a minimum contain the following
7 information and this information must be separately stated on the
8 notice:~~

9 (a) The name and address of the taxpayer;

10 (b) The name, address, and telephone number of the county issuing
11 the notice;

12 (c) The parcel number as noted in the county records;

13 (d) The legal property address and description;

14 (e) The year for which the assessment is being made;

15 (f) The assessed valuation for the identified parcel's land and
16 improvement value as reported by the county assessor's office;

17 (g) Except when multiple parcels are included on the same tax bill,
18 billing information containing the name of each taxing jurisdiction
19 levying a tax on the identified parcel, the amount of that
20 jurisdiction's levy rate, or the total amount due for each taxing
21 jurisdiction;

22 (h) The total taxes due and payable from the taxpayer, including
23 any delinquent taxes and any interest or penalties due; and

24 (i) A notice of the payment due dates and possible delinquency
25 penalties and interest.

26 (3) The county treasurer shall be the sole collector of all
27 delinquent taxes and all other taxes due and collectible on the tax
28 rolls of the county(~~(: PROVIDED, That the term "taxpayer" as used in~~
29 ~~this section shall mean any person charged, or whose property is~~
30 ~~charged, with property tax; and)).~~

31 (4) The person to be notified under this section is that person
32 whose name appears on the tax roll ((herein mentioned: PROVIDED,
33 FURTHER, That)). If no name ((se)) appears on the tax roll the person
34 to be notified is that person shown by the treasurer's tax rolls or
35 duplicate tax receipts of any preceding year as the payer of the tax
36 last paid on the property in question. If any taxpayer, as shown by
37 the tax rolls, holds solely a security interest in the real property
38 that is the subject of the notice, the person making payments under the

1 security agreement, as identified under RCW 84.40.045, shall also
2 receive a copy of the notice provided for in this section.

3 **Sec. 10.** RCW 84.48.010 and 1988 c 222 s 20 are each amended to
4 read as follows:

5 Prior to July 15th, the county legislative authority shall form a
6 board for the equalization of the assessment of the property of the
7 county. The members of said board shall receive a per diem amount as
8 set by the county legislative authority for each day of actual
9 attendance of the meeting of the board of equalization to be paid out
10 of the current expense fund of the county: PROVIDED, That when the
11 county legislative authority constitute the board they shall only
12 receive their compensation as members of the county legislative
13 authority. The board of equalization shall meet in open session for
14 this purpose annually on the 15th day of July and, having each taken an
15 oath fairly and impartially to perform their duties as members of such
16 board, they shall examine and compare the returns of the assessment of
17 the property of the county and proceed to equalize the same, so that
18 each tract or lot of real property and each article or class of
19 personal property shall be entered on the assessment list at its true
20 and fair value, according to the measure of value used by the county
21 assessor in such assessment year, which is presumed to be correct
22 pursuant to RCW 84.40.0301, and subject to the following rules:

23 First. They shall raise the valuation of each tract or lot or item
24 of real property which is returned below its true and fair value to
25 such price or sum as to be the true and fair value thereof, after at
26 least five days' notice shall have been given in writing to the owner
27 or agent. The board shall not raise the valuation of any property that
28 is the subject of a petition filed under RCW 84.40.038 by the owner or
29 person responsible for payment of taxes.

30 Second. They shall reduce the valuation of each tract or lot or
31 item which is returned above its true and fair value to such price or
32 sum as to be the true and fair value thereof.

33 Third. They shall raise the valuation of each class of personal
34 property which is returned below its true and fair value to such price
35 or sum as to be the true and fair value thereof, and they shall raise
36 the aggregate value of the personal property of each individual
37 whenever the aggregate value is less than the true valuation of the
38 taxable personal property possessed by such individual, to such sum or

1 amount as to be the true value thereof, after at least five days'
2 notice shall have been given in writing to the owner or agent thereof.
3 The board shall not raise the valuation of any property that is the
4 subject of a petition filed under RCW 84.40.038 by the owner or person
5 responsible for payment of taxes.

6 Fourth. They shall reduce the valuation of each class of personal
7 property enumerated on the detail and assessment list of the current
8 year, which is returned above its true and fair value, to such price or
9 sum as to be the true and fair value thereof; and they shall reduce the
10 aggregate valuation of the personal property of such individual who has
11 been assessed at too large a sum to such sum or amount as was the true
12 and fair value of the personal property.

13 Fifth. The board may review all claims for either real or personal
14 property tax exemption as determined by the county assessor, and shall
15 consider any taxpayer appeals from the decision of the assessor thereon
16 to determine (1) if the taxpayer is entitled to an exemption, and (2)
17 if so, the amount thereof.

18 The clerk of the board shall keep an accurate journal or record of
19 the proceedings and orders of said board showing the facts and evidence
20 upon which their action is based, and the said record shall be
21 published the same as other proceedings of county legislative
22 authority, and shall make a true record of the changes of the
23 descriptions and assessed values ordered by the county board of
24 equalization. The assessor shall correct the real and personal
25 assessment rolls in accordance with the changes made by the said county
26 board of equalization, and the assessor shall make duplicate abstracts
27 of such corrected values, one copy of which shall be retained in the
28 office, and one copy forwarded to the department of revenue on or
29 before the eighteenth day of August next following the meeting of the
30 county board of equalization.

31 The county board of equalization shall meet on the 15th day of July
32 and may continue in session and adjourn from time to time during a
33 period not to exceed four weeks, but shall remain in session not less
34 than three days: PROVIDED, That the county board of equalization with
35 the approval of the county legislative authority may convene at any
36 time when petitions filed exceed twenty-five, or ten percent of the
37 number of appeals filed in the preceding year, whichever is greater.

1 No taxes, except special taxes, shall be extended upon the tax
2 rolls until the property valuations are equalized by the department of
3 revenue for the purpose of raising the state revenue.

4 County legislative authorities as such shall at no time have any
5 authority to change the valuation of the property of any person or to
6 release or commute in whole or in part the taxes due on the property of
7 any person.

8 **Sec. 11.** RCW 84.56.020 and 1991 c 245 s 16 and 1991 c 52 s 1 are
9 each reenacted and amended to read as follows:

10 (1) The county treasurer shall be the receiver and collector of all
11 taxes extended upon the tax rolls of the county, whether levied for
12 state, county, school, bridge, road, municipal or other purposes, and
13 also of all fines, forfeitures or penalties received by any person or
14 officer for the use of his or her county.

15 (2) All taxes upon real and personal property made payable by the
16 provisions of this title shall be due and payable to the county
17 treasurer ((on or before the thirtieth day of April and shall be
18 delinquent after that date: PROVIDED, That)) as follows:

19 (a) One-half of the taxes shall be due and payable on or before the
20 thirtieth day of April and shall be delinquent after that date.

21 (b) The remaining one-half of the taxes plus any applicable
22 interest and penalties shall be due and payable on or before the
23 thirty-first day of October and shall be delinquent after that date.

24 (c) If, however, the total amount of taxes due on real and personal
25 property by one person is less than thirty dollars, the total amount
26 must be paid on or before the thirtieth day of April and shall be
27 delinquent after that date.

28 (3) Each tax statement shall include a notice that checks for
29 payment of taxes due under this title may be made payable to "Treasurer
30 of County" or other appropriate office, but tax statements
31 shall not include any suggestion that checks may be made payable to the
32 name of the individual holding the office of treasurer nor any other
33 individual(~~(: PROVIDED FURTHER, That when the total amount of tax or~~
34 ~~special assessments on personal property or on any lot, block or tract~~
35 ~~of real property payable by one person is thirty dollars or more, and~~
36 ~~if one half of such tax be paid on or before the thirtieth day of~~
37 ~~April, the remainder of such tax shall be due and payable on or before~~
38 ~~the thirty first day of October following and shall be delinquent after~~

1 that date:— PROVIDED FURTHER, That when the total amount of tax or
2 special assessments on any lot, block or tract of real property payable
3 by one person is thirty dollars or more, and if one half of such tax be
4 paid after the thirtieth day of April but before the thirty first day
5 of October, together with the applicable interest and penalty on the
6 full amount of such tax, the remainder of such tax shall be due and
7 payable on or before the thirty first day of October following and
8 shall be delinquent after that date)).

9 ((+2)) (4) Delinquent taxes under this section are subject to
10 interest at the rate of twelve percent per annum computed on a monthly
11 basis from the date of delinquency until paid. Interest shall be
12 calculated at the rate in effect at the time of payment of the tax,
13 regardless of when the taxes were first delinquent. In addition,
14 delinquent taxes under this section are subject to penalties as
15 follows:

16 (a) A penalty of three percent shall be assessed on the amount of
17 tax delinquent on June 1st of the year in which the tax is due.

18 (b) An additional penalty of eight percent shall be assessed on the
19 total amount of tax delinquent on December 1st of the year in which the
20 tax is due.

21 ((+3) Subsection (2) of this section notwithstanding, no interest
22 or penalties may be assessed for the period April 30, 1991, through
23 December 31, 1991, on delinquent 1991 taxes which are imposed on
24 personal residences owned by military personnel who participated in the
25 situation known as "Operation Desert Shield," "Operation Desert Storm,"
26 or any following operation from August 2, 1990, to a date specified by
27 an agency of the federal government as the end of such operations.

28 (+4)) (5) For purposes of this chapter, "interest" means both
29 interest and penalties.

30 ((+5)) (6) All collections of interest on delinquent taxes shall
31 be credited to the county current expense fund; but the cost of
32 foreclosure and sale of real property, and the fees and costs of
33 distraint and sale of personal property, for delinquent taxes, shall,
34 when collected, be credited to the operation and maintenance fund of
35 the county treasurer prosecuting the foreclosure or distraint or sale;
36 and shall be used by the county treasurer as a revolving fund to defray
37 the cost of further foreclosure, distraint and sale for delinquent
38 taxes without regard to budget limitations.

39 (7) As used in this section, "tax" includes special assessments.

1 **Sec. 12.** RCW 35.61.210 and 1990 c 234 s 3 are each amended to read
2 as follows:

3 The board of park commissioners may levy or cause to be levied a
4 general tax on all the property located in said park district each year
5 not to exceed fifty cents per thousand dollars of assessed value of the
6 property in such park district. In addition, the board of park
7 commissioners may levy or cause to be levied a general tax on all
8 property located in said park district each year not to exceed twenty-
9 five cents per thousand dollars of assessed valuation. Although park
10 districts are authorized to impose two separate regular property tax
11 levies, the levies shall be considered to be a single levy for purposes
12 of the ((one hundred six percent)) limitation provided for in chapter
13 84.55 RCW.

14 The board is hereby authorized to levy a general tax in excess of
15 its regular property tax levy or levies when authorized so to do at a
16 special election conducted in accordance with and subject to all the
17 requirements of the Constitution and laws of the state now in force or
18 hereafter enacted governing the limitation of tax levies. The board is
19 hereby authorized to call a special election for the purpose of
20 submitting to the qualified voters of the park district a proposition
21 to levy a tax in excess of the seventy-five cents per thousand dollars
22 of assessed value herein specifically authorized. The manner of
23 submitting any such proposition, of certifying the same, and of giving
24 or publishing notice thereof, shall be as provided by law for the
25 submission of propositions by cities or towns.

26 The board shall include in its general tax levy for each year a
27 sufficient sum to pay the interest on all outstanding bonds and may
28 include a sufficient amount to create a sinking fund for the redemption
29 of all outstanding bonds. The levy shall be certified to the proper
30 county officials for collection the same as other general taxes and
31 when collected, the general tax shall be placed in a separate fund in
32 the office of the county treasurer to be known as the "metropolitan
33 park district fund" and paid out on warrants.

34 **Sec. 13.** RCW 70.44.060 and 1990 c 234 s 2 are each amended to read
35 as follows:

36 All public hospital districts organized under the provisions of
37 this chapter shall have power:

1 (1) To make a survey of existing hospital and other health care
2 facilities within and without such district.

3 (2) To construct, condemn and purchase, purchase, acquire, lease,
4 add to, maintain, operate, develop and regulate, sell and convey all
5 lands, property, property rights, equipment, hospital and other health
6 care facilities and systems for the maintenance of hospitals,
7 buildings, structures, and any and all other facilities, and to
8 exercise the right of eminent domain to effectuate the foregoing
9 purposes or for the acquisition and damaging of the same or property of
10 any kind appurtenant thereto, and such right of eminent domain shall be
11 exercised and instituted pursuant to a resolution of the commission and
12 conducted in the same manner and by the same procedure as in or may be
13 provided by law for the exercise of the power of eminent domain by
14 incorporated cities and towns of the state of Washington in the
15 acquisition of property rights: PROVIDED, That no public hospital
16 district shall have the right of eminent domain and the power of
17 condemnation against any health care facility.

18 (3) To lease existing hospital and other health care facilities and
19 equipment and/or other property used in connection therewith, including
20 ambulances, and to pay such rental therefor as the commissioners shall
21 deem proper; to provide hospital and other health care services for
22 residents of said district by facilities located outside the boundaries
23 of said district, by contract or in any other manner said commissioners
24 may deem expedient or necessary under the existing conditions; and said
25 hospital district shall have the power to contract with other
26 communities, corporations, or individuals for the services provided by
27 said hospital district; and they may further receive in said hospitals
28 and other health care facilities and furnish proper and adequate
29 services to all persons not residents of said district at such
30 reasonable and fair compensation as may be considered proper:
31 PROVIDED, That it must at all times make adequate provision for the
32 needs of the district and residents of said district shall have prior
33 rights to the available hospital and other health care facilities of
34 said district, at rates set by the district commissioners.

35 (4) For the purpose aforesaid, it shall be lawful for any district
36 so organized to take, condemn and purchase, lease, or acquire, any and
37 all property, and property rights, including state and county lands,
38 for any of the purposes aforesaid, and any and all other facilities
39 necessary or convenient, and in connection with the construction,

1 maintenance, and operation of any such hospitals and other health care
2 facilities, subject, however, to the applicable limitations provided in
3 subsection (2) of this section.

4 (5) To contract indebtedness or borrow money for corporate purposes
5 on the credit of the corporation or the revenues of the hospitals
6 thereof, and the revenues of any other facilities or services that the
7 district is or hereafter may be authorized by law to provide, and to
8 issue and sell: (a) Revenue bonds, revenue warrants, or other revenue
9 obligations therefor payable solely out of a special fund or funds into
10 which the district may pledge such amount of the revenues of the
11 hospitals thereof, and the revenues of any other facilities or services
12 that the district is or hereafter may be authorized by law to provide,
13 to pay the same as the commissioners of the district may determine,
14 such revenue bonds, warrants, or other obligations to be issued and
15 sold in the same manner and subject to the same provisions as provided
16 for the issuance of revenue bonds, warrants, or other obligations by
17 cities or towns under the Municipal Revenue Bond Act, chapter 35.41
18 RCW, as may hereafter be amended; (b) general obligation bonds therefor
19 in the manner and form as provided in RCW 70.44.110 and 70.44.130, as
20 may hereafter be amended; or (c) interest-bearing warrants to be drawn
21 on a fund pending deposit in such fund of money sufficient to redeem
22 such warrants and to be issued and paid in such manner and upon such
23 terms and conditions as the board of commissioners may deem to be in
24 the best interest of the district; and to assign or sell hospital
25 accounts receivable, and accounts receivable for the use of other
26 facilities or services that the district is or hereafter may be
27 authorized by law to provide, for collection with or without recourse.
28 General obligation bonds shall be issued and sold in accordance with
29 chapter 39.46 RCW. Revenue bonds, revenue warrants, or other revenue
30 obligations may be issued and sold in accordance with chapter 39.46
31 RCW.

32 (6) To raise revenue by the levy of an annual tax on all taxable
33 property within such public hospital district not to exceed fifty cents
34 per thousand dollars of assessed value, and an additional annual tax on
35 all taxable property within such public hospital district not to exceed
36 twenty-five cents per thousand dollars of assessed value, or such
37 further amount as has been or shall be authorized by a vote of the
38 people. Although public hospital districts are authorized to impose
39 two separate regular property tax levies, the levies shall be

1 considered to be a single levy for purposes of the (~~one hundred six~~
2 ~~percent~~)) limitation provided for in chapter 84.55 RCW. Public
3 hospital districts are authorized to levy such a general tax in excess
4 of their regular property taxes when authorized so to do at a special
5 election conducted in accordance with and subject to all of the
6 requirements of the Constitution and the laws of the state of
7 Washington now in force or hereafter enacted governing the limitation
8 of tax levies. The said board of district commissioners is authorized
9 and empowered to call a special election for the purpose of submitting
10 to the qualified voters of the hospital district a proposition or
11 propositions to levy taxes in excess of its regular property taxes.
12 The superintendent shall prepare a proposed budget of the contemplated
13 financial transactions for the ensuing year and file the same in the
14 records of the commission on or before the first Monday in September.
15 Notice of the filing of said proposed budget and the date and place of
16 hearing on the same shall be published for at least two consecutive
17 weeks in a newspaper printed and of general circulation in said county.
18 On the first Monday in October the commission shall hold a public
19 hearing on said proposed budget at which any taxpayer may appear and be
20 heard against the whole or any part of the proposed budget. Upon the
21 conclusion of said hearing, the commission shall, by resolution, adopt
22 the budget as finally determined and fix the final amount of
23 expenditures for the ensuing year. Taxes levied by the commission
24 shall be certified to and collected by the proper county officer of the
25 county in which such public hospital district is located in the same
26 manner as is or may be provided by law for the certification and
27 collection of port district taxes. The commission is authorized, prior
28 to the receipt of taxes raised by levy, to borrow money or issue
29 warrants of the district in anticipation of the revenue to be derived
30 by such district from the levy of taxes for the purpose of such
31 district, and such warrants shall be redeemed from the first money
32 available from such taxes when collected, and such warrants shall not
33 exceed the anticipated revenues of one year, and shall bear interest at
34 a rate or rates as authorized by the commission.

35 (7) To enter into any contract with the United States government or
36 any state, municipality, or other hospital district, or any department
37 of those governing bodies, for carrying out any of the powers
38 authorized by this chapter.

1 (8) To sue and be sued in any court of competent jurisdiction:
2 PROVIDED, That all suits against the public hospital district shall be
3 brought in the county in which the public hospital district is located.

4 (9) To pay actual necessary travel expenses and living expenses
5 incurred while in travel status for (a) qualified physicians who are
6 candidates for medical staff positions, and (b) other qualified persons
7 who are candidates for superintendent or other managerial and technical
8 positions, when the district finds that hospitals or other health care
9 facilities owned and operated by it are not adequately staffed and
10 determines that personal interviews with said candidates to be held in
11 the district are necessary or desirable for the adequate staffing of
12 said facilities.

13 (10) To make contracts, employ superintendents, attorneys, and
14 other technical or professional assistants and all other employees; to
15 make contracts with private or public institutions for employee
16 retirement programs; to print and publish information or literature;
17 and to do all other things necessary to carry out the provisions of
18 this chapter.

19 **Sec. 14.** RCW 84.08.115 and 1991 c 218 s 2 are each amended to read
20 as follows:

21 (1) The department shall prepare a clear and succinct explanation
22 of the property tax system, including but not limited to:

23 (a) The standard of true and fair value as the basis of the
24 property tax.

25 (b) How the assessed value for particular parcels is determined.

26 (c) The procedures and timing of the assessment process.

27 (d) How district levy rates are determined, including the ((~~one~~
28 ~~hundred six percent~~)) limit under chapter 84.55 RCW.

29 (e) How the composite tax rate is determined.

30 (f) How the amount of tax is calculated.

31 (g) How a taxpayer may appeal an assessment, and what issues are
32 appropriate as a basis of appeal.

33 (h) A summary of tax exemption and relief programs, along with the
34 eligibility standards and application processes.

35 (2) Each county assessor shall provide copies of the explanation to
36 taxpayers on request, free of charge. Each revaluation notice shall
37 include information regarding the availability of the explanation.

1 NEW SECTION. **Sec. 15.** RCW 84.56.022 and 1995 c 180 s 1 & 1994 c
2 301 s 48 are each repealed.

3 NEW SECTION. **Sec. 16.** Sections 5, 6, 8 through 11, and 15 of this
4 act are effective for taxes levied for collection in 1997 and
5 thereafter.

6 NEW SECTION. **Sec. 17.** A new section is added to chapter 84.36 RCW
7 to read as follows:

8 Farm and agricultural land and timber land that is included under
9 the current use taxation in chapter 84.34 RCW, or the forest land
10 valuation system in chapter 84.33 RCW, is exempt from taxation if
11 chapter 76.09 or 36.70A RCW precludes or substantially limits either:

12 (1) The harvesting of timber on the land as a result of the land
13 being included within a buffer area adjacent to a body of water or
14 being part of, or included within a buffer area adjacent to, a wetland;
15 or

16 (2) The production of horticultural or agricultural produce or crop
17 as a result of the land being part of, or included within a buffer area
18 adjacent to, a wetland.

19 NEW SECTION. **Sec. 18.** This act shall be submitted to the people
20 for their adoption and ratification, or rejection, at the next
21 succeeding general election to be held in this state, in accordance
22 with Article II, section 1 of the state Constitution, as amended, and
23 the laws adopted to facilitate the operation thereof.

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