

SENATE BILL REPORT

SB 6071

AS REPORTED BY COMMITTEE ON WAYS & MEANS, FEBRUARY 2, 1994

**Brief Description:** Authorizing an additional six-year industrial development levy.

**SPONSORS:** Senators Snyder and Hargrove

**SENATE COMMITTEE ON WAYS & MEANS**

**Majority Report:** That Substitute Senate Bill No. 6071 be substituted therefor, and the substitute bill do pass.

Signed by Senators Rinehart, Chairman; Bauer, Bluechel, Gaspard, Hargrove, Ludwig, Moyer, Owen, Pelz, Snyder, Talmadge and Williams.

**Staff:** Terry Wilson (786-7715)

**Hearing Dates:** January 27, 1994; February 2, 1994

**BACKGROUND:**

All real and personal property in this state is subject to the property tax every year based on its value unless a specific exemption is provided by law.

The Constitution limits the amount of property taxes that may be imposed on an individual parcel of property without voter approval to 1 percent of its true and fair value, except levies by port districts and public utility districts.

Port districts are authorized to levy up to \$0.45 per \$1,000 of assessed value for general port purposes. Port districts are also authorized to levy up to \$0.45 per \$1,000 of assessed value for dredging, canal construction, and land leveling and filling purposes if approved by a majority vote of the voters voting on the proposition. In addition, port districts that have adopted a comprehensive scheme of harbor improvements and industrial developments are authorized to levy, for 12 years only, up to \$0.45 per \$1,000 of assessed value for these industrial development purposes. To impose this levy for more than six years, the port district must provide notice to voters in the district of such an intent in the first year in which the second six-year levy is to be made. If a petition is received by the county auditor within 90 days with signatures at least equal to 8 percent of the votes cast in the district in the last gubernatorial election, the proposition must be referred to the people at a special election and the levy can only be made if approved by a majority of the votes.

**SUMMARY:**

A third six-year industrial development levy is authorized for port districts, subject to the same voter approval requirements as the second six-year industrial development levy.

**EFFECT OF PROPOSED SUBSTITUTE:**

A technical change is made.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** available

**TESTIMONY FOR:**

The industrial development levy is a shot in the arm for port districts. The need is great now. Only two districts are interested in the levy now. Grays Harbor needs the levy to complete a \$64 million project.

**TESTIMONY AGAINST:** None

**TESTIFIED:** Lew Holcomb, Cliff Muller, Port of Grays Harbor (pro)