

2 **ESHB 2417** - S AMD to TRAN COMM AMD (S5471.1) - 981
3 By Senator Haugen

4 PULLED 3/11/98

5 On page 3, after line 15, insert the following:

6 "NEW SECTION. **Sec. 3.** (1) For the purpose of efficient
7 administration of the streets and for other transportation purposes of
8 each city or town, the legislative authority may establish in its
9 respective city or town a city street district, if authorized to do so
10 by a majority of its voters voting at a general or special election on
11 a proposition for that purpose, and shall cause its action in so doing
12 to be entered upon its records.

13 (2) A city street district may only be created to provide funds for
14 a specific transportation project. The ballot measure proposing the
15 creation of a city street district must contain, at a minimum:

16 (a) A description of the transportation project proposed for
17 funding, properly identified by mileposts or other designations that
18 specify the project parameters;

19 (b) The proposed number of months or years necessary to fund the
20 city or town's share of the project cost; and

21 (c) The amount of property tax per thousand dollars of assessed
22 value of the last assessed valuation of the taxable property in the
23 city street district.

24 (3) The city street district must be coterminous with the city or
25 town. Territory later annexed into the city or town automatically
26 becomes part of the city street district, and territory ceasing to be
27 part of the city or town automatically ceases to be part of the city
28 street district.

29 (4) When the specific project for which the city street district
30 was authorized is completed, the city or town legislative authority
31 must certify the completion and disestablish the city street district.
32 Upon disestablishment of the city street district, the city street
33 district property tax assessment shall cease.

34 NEW SECTION. **Sec. 4.** There is created in each city or town that
35 has established a city street district an account to be known as the

1 city street district account. Any funds accruing to and to be
2 deposited in the city street district account arising from a levy in a
3 city street district must be expended for the specific project that the
4 city street district was created to fund.

5 NEW SECTION. **Sec. 5.** For the purpose of raising revenue for
6 establishing, laying out, constructing, altering, repairing, improving,
7 and maintaining city streets and bridges, and for other proper city
8 transportation purposes in accordance with RCW 82.80.070, the county
9 legislative authority, or the city legislative authority in a city
10 having a population of three hundred thousand or more, shall annually
11 at the time of making the property tax levy for general purposes make
12 a uniform tax levy throughout each city street district of an amount
13 not to exceed fifty cents per thousand dollars of assessed value of the
14 last assessed valuation of the taxable property in the city street
15 district, unless other laws of the state require a lower maximum levy,
16 in which event the lower maximum levy controls. All funds accruing
17 from the levy must be credited to and deposited in the city street
18 district account. Revenues derived from the levy shall not supplant
19 any existing transportation funding.

20 **Sec. 6.** RCW 84.52.010 and 1995 2nd sp.s. c 13 s 4 are each amended
21 to read as follows:

22 Except as is permitted under RCW 84.55.050, all taxes shall be
23 levied or voted in specific amounts.

24 The rate percent of all taxes for state and county purposes, and
25 purposes of taxing districts coextensive with the county, shall be
26 determined, calculated and fixed by the county assessors of the
27 respective counties, within the limitations provided by law, upon the
28 assessed valuation of the property of the county, as shown by the
29 completed tax rolls of the county, and the rate percent of all taxes
30 levied for purposes of taxing districts within any county shall be
31 determined, calculated and fixed by the county assessors of the
32 respective counties, within the limitations provided by law, upon the
33 assessed valuation of the property of the taxing districts
34 respectively.

35 When a county assessor finds that the aggregate rate of tax levy on
36 any property, that is subject to the limitations set forth in RCW
37 84.52.043 or 84.52.050, exceeds the limitations provided in either of

1 these sections, the assessor shall recompute and establish a
2 consolidated levy in the following manner:

3 (1) The full certified rates of tax levy for state, county, county
4 road district, and city or town purposes shall be extended on the tax
5 rolls in amounts not exceeding the limitations established by law;
6 however any state levy shall take precedence over all other levies and
7 shall not be reduced for any purpose other than that required by RCW
8 84.55.010. If, as a result of the levies imposed under RCW 84.52.069,
9 84.34.230, the portion of the levy by a metropolitan park district that
10 was protected under RCW 84.52.120, and 84.52.105, the combined rate of
11 regular property tax levies that are subject to the one percent
12 limitation exceeds one percent of the true and fair value of any
13 property, then these levies shall be reduced as follows: (a) The
14 certified levy of a city street district shall be reduced until the
15 combined rate no longer exceeds one percent of the true and fair value
16 of any property or shall be eliminated; (b) if the combined rate of
17 regular property tax levies that are subject to the one percent
18 limitation still exceeds one percent of the true and fair value of any
19 property, then the portion of the levy by a metropolitan park district
20 that is protected under RCW 84.52.120 shall be reduced until the
21 combined rate no longer exceeds one percent of the true and fair value
22 of any property or shall be eliminated; (~~(b)~~) (c) if the combined
23 rate of regular property tax levies that are subject to the one percent
24 limitation still exceeds one percent of the true and fair value of any
25 property, then the levies imposed under RCW 84.34.230, 84.52.105, and
26 any portion of the levy imposed under RCW 84.52.069 that is in excess
27 of thirty cents per thousand dollars of assessed value, shall be
28 reduced on a pro rata basis until the combined rate no longer exceeds
29 one percent of the true and fair value of any property or shall be
30 eliminated; and (~~(e)~~) (d) if the combined rate of regular property
31 tax levies that are subject to the one percent limitation still exceeds
32 one percent of the true and fair value of any property, then the thirty
33 cents per thousand dollars of assessed value of tax levy imposed under
34 RCW 84.52.069 shall be reduced until the combined rate no longer
35 exceeds one percent of the true and fair value of any property or
36 eliminated.

37 (2) The certified rates of tax levy subject to these limitations by
38 all junior taxing districts imposing taxes on such property shall be

1 reduced or eliminated as follows to bring the consolidated levy of
2 taxes on such property within the provisions of these limitations:

3 (a) First, the certified levy of a city street district shall be
4 reduced or eliminated;

5 (b) Second, the certified property tax levy rates of those junior
6 taxing districts authorized under RCW 36.68.525, 36.69.145, and
7 67.38.130 shall be reduced on a pro rata basis or eliminated;

8 (~~(b) Second~~) (c) Third, if the consolidated tax levy rate still
9 exceeds these limitations, the certified property tax levy rates of
10 flood control zone districts shall be reduced on a pro rata basis or
11 eliminated;

12 (~~(c) Third~~) (d) Fourth, if the consolidated tax levy rate still
13 exceeds these limitations, the certified property tax levy rates of all
14 other junior taxing districts, other than fire protection districts,
15 library districts, the first fifty cent per thousand dollars of
16 assessed valuation levies for metropolitan park districts, and the
17 first fifty cent per thousand dollars of assessed valuation levies for
18 public hospital districts, shall be reduced on a pro rata basis or
19 eliminated;

20 (~~(d) Fourth~~) (e) Fifth, if the consolidated tax levy rate still
21 exceeds these limitations, the certified property tax levy rates
22 authorized to fire protection districts under RCW 52.16.140 and
23 52.16.160 shall be reduced on a pro rata basis or eliminated; and

24 (~~(e) Fifth~~) (f) Sixth, if the consolidated tax levy rate still
25 exceeds these limitations, the certified property tax levy rates
26 authorized for fire protection districts under RCW 52.16.130, library
27 districts, metropolitan park districts under their first fifty cent per
28 thousand dollars of assessed valuation levy, and public hospital
29 districts under their first fifty cent per thousand dollars of assessed
30 valuation levy, shall be reduced on a pro rata basis or eliminated.

31 In determining whether the aggregate rate of tax levy on any
32 property, that is subject to the limitations set forth in RCW
33 84.52.050, exceeds the limitations provided in that section, the
34 assessor shall use the hypothetical state levy, as apportioned to the
35 county under RCW 84.48.080, that was computed under RCW 84.48.080
36 without regard to the reduction under RCW 84.55.012.

37 **Sec. 7.** RCW 84.52.120 and 1995 c 99 s 1 are each amended to read
38 as follows:

1 A metropolitan park district with a population of one hundred fifty
2 thousand or more may submit a ballot proposition to voters of the
3 district authorizing the protection of the district's tax levy from
4 prorationing under RCW 84.52.010(2) by imposing all or any portion of
5 the district's twenty-five cent per thousand dollars of assessed
6 valuation tax levy outside of the five dollar and ninety cent per
7 thousand dollar of assessed valuation limitation established under RCW
8 84.52.043(2), if those taxes otherwise would be prorated under RCW
9 84.52.010(2)((+e+)) (d), for taxes imposed in any year on or before the
10 first day of January six years after the ballot proposition is
11 approved. A simple majority vote of voters voting on the proposition
12 is required for approval.

13 NEW SECTION. **Sec. 8.** Sections 3 through 5 of this act constitute
14 a new chapter in Title 35 RCW."

15 **ESHB 2417** - S AMD to TRAN COMM AMD (S5471.1) - 981

16 By Senator Haugen

17 On page 3, line 20, after "82.80.020" strike "and" and insert ","

18 On page 3, line 21, after "82.80.080" insert "84.52.010, 84.52.120, creating a new section, and
19 creating a new chapter in title 35"

20 Renumber the sections consecutively and correct any internal references accordingly.

--- END ---

EFFECT: Authorizes the creation of city street districts for the purposes providing funding for local transportation needs through an additional local option property tax.