

VETO MESSAGE ON SB 6533-S

April 3, 1998

To the Honorable President and Members,
The Senate of the State of Washington
Ladies and Gentlemen:

I am returning herewith, without my approval as to sections 2 and 3 of Engrossed Substitute Senate Bill No. 6533 entitled:

"AN ACT Relating to property tax exemptions and deferrals for senior citizens and persons retired for reasons of physical disability;"

In order to make property tax exemptions available to more of our senior citizens, ESSB 6533 raises the income levels below which a senior's income must be to qualify for the exemption. Under the bill, if a senior's annual income is \$18,000 or less, the senior is exempted from all excess levies and regular levies on the greater of \$50,000 or 60% of assessed valuation. For seniors with annual income of \$18,001 to \$24,000, the exemption is from all excess levies and regular levies on the greater of \$40,000 or 35% of assessed valuation. All seniors with annual income below \$30,000 are exempted from all excess levies. The income limit to qualify for the property assessment freeze is raised from \$28,000 to \$30,000.

I strongly support these increases to help our senior citizens cope with rising property values. However, section 2 of the bill would allow health care insurance and veterans' military disability benefits to be deducted from the calculation of disposable income. This disability provision would create a special and preferred source of income since other disabled seniors would not qualify. It would also represent a precedent that others would likely seek in the future. Section 2 also would change the definition of residence to include land up to five acres, if local land use regulations require. Section 3 of the bill contained a technical change in the definition of residence required by the amendment in section 2.

For these reasons, I have vetoed sections 2 and 3 of Engrossed Substitute Senate Bill No. 6533.

With the exception of sections 2 and 3, Engrossed Substitute Senate Bill No. 6533 is approved.

Respectfully submitted,
Gary Locke
Governor