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SENATE BILL 6640

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State of Washington                      56th Legislature                      2000 Regular Session

By Senators Swecker, Bauer, Jacobsen and Rasmussen

Read first time 01/21/2000. Referred to Committee on Education.

1            AN ACT Relating to regular property tax levies for school  
2 districts; amending RCW 84.52.010, 84.52.043, and 28A.500.030; adding  
3 a new section to chapter 84.52 RCW; and providing for submission of  
4 this act to a vote of the people.

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

6            NEW SECTION.    **Sec. 1.** A new section is added to chapter 84.52 RCW  
7 to read as follows:

8            (1) A school district may impose an annual regular property tax not  
9 exceeding the difference between three dollars and sixty cents per  
10 thousand dollars of assessed valuation and the dollar rate of tax  
11 levied by the state under RCW 84.52.065 for that year. If a school  
12 district imposes a regular property tax under this section which, in  
13 combination with the regular property taxes imposed by other taxing  
14 districts, will result in property taxes in excess of the limitation on  
15 regular property taxes contained in RCW 84.52.050, the regular property  
16 tax levy of the school district under this section shall be reduced or  
17 eliminated before the regular property tax levies of the other taxing  
18 districts are reduced.

1 (2) No tax may be imposed under this section by a school district  
2 unless the maximum dollar rate to be levied under this section is  
3 authorized by a proposition approved by a majority of the voters of the  
4 district voting on the proposition at a general election held within  
5 the district or at a special election within the district called by the  
6 district for the purpose of submitting such proposition to the voters.

7 (3) No school district may increase the dollar rate of tax levied  
8 under this section over the rate authorized under subsection (2) of  
9 this section unless the higher rate is also authorized under subsection  
10 (2) of this section.

11 (4) Any tax imposed under this section shall only be used for the  
12 maintenance and operation support of the school district.

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

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

17 The rate percent of all taxes for state and county purposes, and  
18 purposes of taxing districts coextensive with the county, shall be  
19 determined, calculated and fixed by the county assessors of the  
20 respective counties, within the limitations provided by law, upon the  
21 assessed valuation of the property of the county, as shown by the  
22 completed tax rolls of the county, and the rate percent of all taxes  
23 levied for purposes of taxing districts within any county shall be  
24 determined, calculated and fixed by the county assessors of the  
25 respective counties, within the limitations provided by law, upon the  
26 assessed valuation of the property of the taxing districts  
27 respectively.

28 When a county assessor finds that the aggregate rate of tax levy on  
29 any property, that is subject to the limitations set forth in RCW  
30 84.52.043 or 84.52.050, exceeds the limitations provided in either of  
31 these sections, the assessor shall recompute and establish a  
32 consolidated levy in the following manner:

33 (1) The full certified rates of tax levy for state, county, county  
34 road district, and city or town purposes shall be extended on the tax  
35 rolls in amounts not exceeding the limitations established by law;  
36 however any state levy shall take precedence over all other levies and  
37 shall not be reduced for any purpose other than that required by RCW  
38 84.55.010.

1       (2) If, as a result of the levies imposed under section 1 of this  
2 act, the combined rate of regular property tax levies that are subject  
3 to the one percent limitation exceeds one percent of the true and fair  
4 value of any property, then the levy under section 1 of this act shall  
5 be reduced until the combined rate no longer exceeds one percent of the  
6 true and fair value of any property or shall be eliminated.

7       (3) If, as a result of the levies imposed under RCW 84.52.069,  
8 84.34.230, the portion of the levy by a metropolitan park district that  
9 was protected under RCW 84.52.120, and 84.52.105, the combined rate of  
10 regular property tax levies that are subject to the one percent  
11 limitation exceeds one percent of the true and fair value of any  
12 property, then these levies shall be reduced as follows: (a) The  
13 portion of the levy by a metropolitan park district that is protected  
14 under RCW 84.52.120 shall be reduced until the combined rate no longer  
15 exceeds one percent of the true and fair value of any property or shall  
16 be eliminated; (b) if the combined rate of regular property tax levies  
17 that are subject to the one percent limitation still exceeds one  
18 percent of the true and fair value of any property, then the levies  
19 imposed under RCW 84.34.230, 84.52.105, and any portion of the levy  
20 imposed under RCW 84.52.069 that is in excess of thirty cents per  
21 thousand dollars of assessed value, shall be reduced on a pro rata  
22 basis until the combined rate no longer exceeds one percent of the true  
23 and fair value of any property or shall be eliminated; and (c) if the  
24 combined rate of regular property tax levies that are subject to the  
25 one percent limitation still exceeds one percent of the true and fair  
26 value of any property, then the thirty cents per thousand dollars of  
27 assessed value of tax levy imposed under RCW 84.52.069 shall be reduced  
28 until the combined rate no longer exceeds one percent of the true and  
29 fair value of any property or eliminated.

30       (~~((2))~~) (4) The certified rates of tax levy subject to these  
31 limitations by all junior taxing districts imposing taxes on such  
32 property shall be reduced or eliminated as follows to bring the  
33 consolidated levy of taxes on such property within the provisions of  
34 these limitations:

35       (a) First, the certified property tax levy rates of those junior  
36 taxing districts authorized under RCW 36.68.525, 36.69.145, and  
37 67.38.130 shall be reduced on a pro rata basis or eliminated;

1 (b) Second, if the consolidated tax levy rate still exceeds these  
2 limitations, the certified property tax levy rates of flood control  
3 zone districts shall be reduced on a pro rata basis or eliminated;

4 (c) Third, if the consolidated tax levy rate still exceeds these  
5 limitations, the certified property tax levy rates of all other junior  
6 taxing districts, other than fire protection districts, library  
7 districts, the first fifty cent per thousand dollars of assessed  
8 valuation levies for metropolitan park districts, and the first fifty  
9 cent per thousand dollars of assessed valuation levies for public  
10 hospital districts, shall be reduced on a pro rata basis or eliminated;

11 (d) Fourth, if the consolidated tax levy rate still exceeds these  
12 limitations, the certified property tax levy rates authorized to fire  
13 protection districts under RCW 52.16.140 and 52.16.160 shall be reduced  
14 on a pro rata basis or eliminated; and

15 (e) Fifth, if the consolidated tax levy rate still exceeds these  
16 limitations, the certified property tax levy rates authorized for fire  
17 protection districts under RCW 52.16.130, library districts,  
18 metropolitan park districts under their first fifty cent per thousand  
19 dollars of assessed valuation levy, and public hospital districts under  
20 their first fifty cent per thousand dollars of assessed valuation levy,  
21 shall be reduced on a pro rata basis or eliminated.

22 (~~In determining whether the aggregate rate of tax levy on any  
23 property, that is subject to the limitations set forth in RCW  
24 84.52.050, exceeds the limitations provided in that section, the  
25 assessor shall use the hypothetical state levy, as apportioned to the  
26 county under RCW 84.48.080, that was computed under RCW 84.48.080  
27 without regard to the reduction under RCW 84.55.012.~~)

28 **Sec. 3.** RCW 84.52.043 and 1995 c 99 s 3 are each amended to read  
29 as follows:

30 Within and subject to the limitations imposed by RCW 84.52.050 as  
31 amended, the regular ad valorem tax levies upon real and personal  
32 property by the taxing districts hereafter named shall be as follows:

33 (1) Levies of the senior taxing districts shall be as follows: (a)  
34 The levy by the state shall not exceed three dollars and sixty cents  
35 per thousand dollars of assessed value adjusted to the state equalized  
36 value in accordance with the indicated ratio fixed by the state  
37 department of revenue to be used exclusively for the support of the  
38 common schools; (b) the levy by any county shall not exceed one dollar

1 and eighty cents per thousand dollars of assessed value; (c) the levy  
2 by any road district shall not exceed two dollars and twenty-five cents  
3 per thousand dollars of assessed value; and (d) the levy by any city or  
4 town shall not exceed three dollars and thirty-seven and one-half cents  
5 per thousand dollars of assessed value. However any county is hereby  
6 authorized to increase its levy from one dollar and eighty cents to a  
7 rate not to exceed two dollars and forty-seven and one-half cents per  
8 thousand dollars of assessed value for general county purposes if the  
9 total levies for both the county and any road district within the  
10 county do not exceed four dollars and five cents per thousand dollars  
11 of assessed value, and no other taxing district has its levy reduced as  
12 a result of the increased county levy.

13 (2) The aggregate levies of junior taxing districts and senior  
14 taxing districts, other than the state, shall not exceed five dollars  
15 and ninety cents per thousand dollars of assessed valuation. The term  
16 "junior taxing districts" includes all taxing districts other than the  
17 state, counties, road districts, cities, towns, port districts, and  
18 public utility districts. The limitations provided in this subsection  
19 shall not apply to: (a) Levies at the rates provided by existing law  
20 by or for any port or public utility district; (b) excess property tax  
21 levies authorized in Article VII, section 2 of the state Constitution;  
22 (c) levies for acquiring conservation futures as authorized under RCW  
23 84.34.230; (d) levies for emergency medical care or emergency medical  
24 services imposed under RCW 84.52.069; (e) levies to finance affordable  
25 housing for very low-income housing imposed under RCW 84.52.105;  
26 (~~and~~) (f) the portions of levies by metropolitan park districts that  
27 are protected under RCW 84.52.120; and (g) levies by school districts  
28 under section 1 of this act.

29 **Sec. 4.** RCW 28A.500.030 and 1999 c 317 s 3 are each amended to  
30 read as follows:

31 Allocation of state matching funds to eligible districts for local  
32 effort assistance shall be determined as follows:

33 (1) Funds raised by the district through maintenance and operation  
34 levies under RCW 84.52.053 and section 1 of this act shall be matched  
35 with state funds using the following ratio of state funds to levy  
36 funds:

37 (a) The difference between the district's twelve percent levy rate  
38 and the state-wide average twelve percent levy rate; to

1 (b) The state-wide average twelve percent levy rate.

2 (2) The maximum amount of state matching funds for districts  
3 eligible for local effort assistance shall be the district's twelve  
4 percent levy amount, multiplied by the following percentage:

5 (a) The difference between the district's twelve percent levy rate  
6 and the state-wide average twelve percent levy rate; divided by

7 (b) The district's twelve percent levy rate.

8 NEW SECTION. **Sec. 5.** The secretary of state shall submit this act  
9 to the people for their adoption and ratification, or rejection, at the  
10 next general election to be held in this state, in accordance with  
11 Article II, section 1 of the state Constitution and the laws adopted to  
12 facilitate its operation.

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