
SUBSTITUTE SENATE BILL 5720

State of Washington

57th Legislature

2001 Regular Session

By Senate Committee on Economic Development & Telecommunications
(originally sponsored by Senators Carlson, West, T. Sheldon, Sheahan,
Hewitt, B. Sheldon, Stevens, Winsley, McAuliffe and Rasmussen)

READ FIRST TIME 03/05/01.

1 AN ACT Relating to community revitalization financing; amending RCW
2 36.33.220, 36.79.140, 36.82.040, 46.68.124, and 82.03.130; adding a new
3 section to chapter 27.12 RCW; adding a new section to chapter 35.61
4 RCW; adding a new section to chapter 36.32 RCW; adding a new section to
5 chapter 36.68 RCW; adding a new section to chapter 36.69 RCW; adding a
6 new section to chapter 36.75 RCW; adding a new section to chapter 52.12
7 RCW; adding a new section to chapter 53.08 RCW; adding a new section to
8 chapter 54.16 RCW; adding a new section to chapter 67.38 RCW; adding a
9 new section to chapter 68.52 RCW; adding a new section to chapter 70.44
10 RCW; adding a new section to chapter 86.15 RCW; adding a new section to
11 chapter 84.55 RCW; adding a new chapter to Title 39 RCW; and providing
12 an expiration date.

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

14 NEW SECTION. **Sec. 1.** (1) It is declared to be the public policy
15 of the state of Washington to promote and facilitate the orderly
16 development and economic stability of its communities. Local
17 governments need the ability to raise revenue to finance public
18 improvements that are designed to encourage economic growth and
19 development in geographic areas characterized by high levels of

1 unemployment and stagnate employment and income growth. The
2 construction of necessary public improvements in accordance with local
3 economic development plans will encourage investment in job-producing
4 private development and expand the public tax base.

5 (2) It is the purpose of this chapter:

6 (a) To encourage taxing districts to cooperate in the allocation of
7 future tax revenues that are used to finance public improvements
8 designed to encourage private development in selected areas, in
9 particular in those local governments that are located adjacent to
10 another state or international border;

11 (b) To assist those local governments that have a competitive
12 disadvantage in its ability to attract business, private investment, or
13 commercial development due to its location near a state or
14 international border; and

15 (c) To prevent or arrest the decay of selected areas due to the
16 inability of existing financial methods to provide needed public
17 improvements, and to encourage private investment designed to promote
18 and facilitate the orderly redevelopment of selected areas.

19 NEW SECTION. **Sec. 2.** The definitions in this section apply
20 throughout this chapter unless the context clearly requires otherwise.

21 (1) "Assessed value of real property" means the valuation of real
22 property as placed on the last completed assessment roll.

23 (2) "Increment area" means the geographic area from which taxes are
24 to be appropriated to finance public improvements authorized under this
25 chapter.

26 (3) "Increment value" means seventy-five percent of any increase in
27 the true and fair value of real property in an increment area that is
28 placed on the tax rolls after the increment area is created.

29 (4) "Local government" means any sponsoring city, town, county, or
30 combination thereof.

31 (5) "Ordinance" means any appropriate method of taking legislative
32 action by a local government.

33 (6) "Public improvement costs" means the costs of: (a) Design,
34 planning, acquisition, site preparation, construction, reconstruction,
35 rehabilitation, improvement, and installation of public improvements;
36 (b) relocating, maintaining, and operating property pending
37 construction of public improvements; (c) relocating utilities as a
38 result of public improvements; (d) financing public improvements,

1 including interest during construction, legal and other professional
2 services, taxes, insurance, principal and interest costs on general
3 indebtedness issued to finance public improvements, and any necessary
4 reserves for general indebtedness; (e) assessments incurred in
5 revaluing real property for the purpose of determining the tax
6 allocation base value that are in excess of costs incurred by the
7 assessor in accordance with the revaluation plan under chapter 84.41
8 RCW, and the costs of apportioning the taxes and complying with this
9 chapter and other applicable law; and (f) administrative expenses and
10 feasibility studies reasonably necessary and related to these costs,
11 including related costs that may have been incurred before adoption of
12 the ordinance authorizing the public improvements and the use of
13 community revitalization financing to fund the costs of the public
14 improvements.

15 (7) "Public improvements" means:

16 (a) Infrastructure improvements within the increment area that
17 include, but are not limited to:

18 (i) Street and road construction and maintenance;

19 (ii) Water and sewer system construction and improvements;

20 (iii) Sidewalks and streetlights;

21 (iv) Parking, terminal, and dock facilities;

22 (v) Public transportation facilities; and

23 (vi) Park facilities and recreational areas;

24 (b) Publicly owned or leased facilities within the jurisdiction of
25 a local government which the sponsor has authority to provide; and

26 (c) Expenditures for any of the following purposes:

27 (i) Providing environmental analysis, professional management,
28 planning, and promotion within the apportionment district, including
29 the management and promotion of retail trade activities in the
30 apportionment district;

31 (ii) Providing maintenance and security for common or public areas
32 in the apportionment district; or

33 (iii) Historic preservation activities authorized under RCW
34 35.21.395.

35 (8) "Regular property taxes" means regular property taxes as
36 defined in RCW 84.04.140, except: (a) Regular property taxes levied by
37 port districts or public utility districts specifically for the purpose
38 of making required payments of principal and interest on general
39 indebtedness; and (b) regular property taxes levied by the state for

1 the support of the common schools under RCW 84.52.065. Regular
2 property taxes do not include excess property tax levies that are
3 exempt from the aggregate limits for junior and senior taxing districts
4 as provided in RCW 84.52.043.

5 (9) "Tax allocation base value" means the true and fair value of
6 real property located within an increment area for taxes imposed in the
7 year in which the increment area is created, plus seventy-five percent
8 of any increase in the true and fair value of real property located
9 within an increment area that is placed on the assessment rolls after
10 the increment area is created.

11 (10) "Tax allocation revenues" means those tax revenues derived
12 from the imposition of regular property taxes on the increment value
13 and distributed to finance public improvements.

14 (11) "Taxing districts" means a governmental entity that levies or
15 has levied for it regular property taxes upon real property located
16 within a proposed or approved increment area.

17 (12) "Value of taxable property" means the value of the taxable
18 property as defined in RCW 39.36.015.

19 NEW SECTION. **Sec. 3.** A sponsoring local government may finance
20 public improvements using community revitalization financing subject to
21 the following conditions:

22 (1) The local government adopts an ordinance designating an
23 increment area within its boundaries and specifying the public
24 improvements proposed to be financed in whole or in part with the use
25 of community revitalization financing;

26 (2) The public improvements proposed to be financed in whole or in
27 part using community revitalization financing are expected to encourage
28 private development within the increment area and to increase the fair
29 market value of real property within the increment area;

30 (3) Private development that is anticipated to occur within the
31 increment area, as a result of the public improvements, will be
32 consistent with the countywide planning policy adopted by the county
33 under RCW 36.70A.210 and the local government's comprehensive plan and
34 development regulations adopted under chapter 36.70A RCW; and

35 (4) Taxing districts, in the aggregate, that levy at least sixty
36 percent of the regular property tax within which the increment area is
37 located approves the community revitalization financing of the project
38 under section 5(1) of this act.

1 NEW SECTION. **Sec. 4.** Public improvements that are financed with
2 community revitalization financing may be undertaken and coordinated
3 with other programs or efforts undertaken by the local government and
4 other taxing districts and may be funded in part from revenue sources
5 other than community revitalization financing.

6 NEW SECTION. **Sec. 5.** Before adopting an ordinance creating the
7 increment area, a local government must:

8 (1) Obtain written agreement for the use of community
9 revitalization financing to finance all or a portion of the costs of
10 the designated public improvements from taxing districts that, in the
11 aggregate, levy at least sixty percent of the regular property tax on
12 property within the increment area. A signed, written agreement from
13 taxing districts that in the aggregate levy at least sixty percent of
14 the regular property tax within the increment area, constitutes
15 concurrence by all taxing districts in the increment district in the
16 public improvement and participation in the public improvement to the
17 extent of providing limited funding under community revitalization
18 financing authorized under this chapter. The agreement must be
19 authorized by the governing body of taxing districts that in the
20 aggregate levy at least sixty percent of the regular property tax on
21 property within the increment area;

22 (2) Hold a public hearing on the proposed financing of the public
23 improvement in whole or in part with community revitalization
24 financing. Notice of the public hearing must be published in a legal
25 newspaper of general circulation within the proposed increment area at
26 least ten days before the public hearing and posted in at least six
27 conspicuous public places located in the proposed increment area.
28 Notices must describe the contemplated public improvements, estimate
29 the costs of the public improvements, describe the portion of the costs
30 of the public improvements to be borne by community revitalization
31 financing, describe any other sources of revenue to finance the public
32 improvements, describe the boundaries of the proposed community
33 revitalization area, and estimate the period during which community
34 revitalization financing is contemplated to be used. The public
35 hearing may be held by either the governing body of the local
36 government, or a committee of the governing body that includes at least
37 a majority of the whole governing body; and

1 (3) Adopt an ordinance establishing the community revitalization
2 area that describes the public improvements, describes the boundaries
3 of the community revitalization area, estimates the cost of the public
4 improvements and the portion of these costs to be financed by community
5 revitalization financing, estimates the time during which regular
6 property taxes are to be apportioned, provides the date when the
7 apportionment of the regular property taxes will commence, and finds
8 that the conditions of section 3 of this act are met.

9 NEW SECTION. **Sec. 6.** Within fifteen days after a local government
10 adopts an ordinance creating the increment area and authorizing
11 community revitalization financing, the local government shall:

12 (1) Publish notice in a legal newspaper of general circulation
13 within the increment area that describes the public improvement,
14 describes the boundaries of the increment area, and identifies the
15 location and times where the ordinance and other public information
16 concerning the public improvement may be inspected; and

17 (2) Deliver a certified copy of the ordinance to the county
18 treasurer, the county assessor, and the governing body of each taxing
19 district within which the increment area is located.

20 NEW SECTION. **Sec. 7.** (1) Commencing on the later of either the
21 date established in the ordinance creating the increment area, or the
22 first day of the calendar year following the passage of the ordinance,
23 the county treasurer shall distribute receipts from regular property
24 taxes imposed on real property located in the community revitalization
25 area as follows:

26 (a) Each taxing district shall receive that portion of its regular
27 property taxes produced by the rate of tax levied by or for the taxing
28 district on the tax allocation base value for that community
29 revitalization financing project in the taxing district, or upon the
30 total assessed value of real property in the taxing district, whichever
31 is smaller; and

32 (b) The local government that created the increment area shall
33 receive an additional portion of the regular property taxes levied by
34 or for each taxing district upon the increment value within the
35 increment area. However, the local government that created the
36 increment area may agree to receive less than the full amount of this
37 portion as long as bond debt service, reserve, and other bond covenant

1 requirements are satisfied, in which case the balance of these tax
2 receipts shall be allocated to the taxing districts that imposed
3 regular property taxes, or have regular property taxes imposed for
4 them, in the increment area for collection that year in proportion to
5 their regular tax levy rates for collection that year. The local
6 government may request that the treasurer transfer this additional
7 portion of the property taxes to its designated agent. The portion of
8 the tax receipts distributed to the local government or its agent under
9 this subsection (1)(b) may only be expended to finance public
10 improvement costs associated with the public improvements financed in
11 whole or in part by community revitalization financing.

12 (2) The county assessor shall allocate twenty-five percent of any
13 increased real property value occurring in the increment area to the
14 tax allocation base value and seventy-five percent to the increment
15 value. This section does not authorize revaluations of real property
16 by the assessor for property taxation that are not made in accordance
17 with the assessor's revaluation plan under chapter 84.41 RCW or under
18 other authorized revaluation procedures.

19 (3) The apportionment of increases in assessed valuation in an
20 increment area, and the associated distribution to the local government
21 of receipts from regular property taxes that are imposed on the
22 increment value, must cease when tax allocation revenues are no longer
23 necessary or obligated to pay the costs of the public improvements.
24 Any excess tax allocation revenues and earnings on the tax allocation
25 revenues remaining at the time the apportionment of tax receipts
26 terminates must be returned to the county treasurer and distributed to
27 the taxing districts that imposed regular property taxes, or had
28 regular property taxes imposed for it, in the increment area for
29 collection that year, in proportion to the rates of their regular
30 property tax levies for collection that year.

31 NEW SECTION. **Sec. 8.** (1) A local government designating an
32 increment area and authorizing the use of community revitalization
33 financing may incur general indebtedness, and issue general obligation
34 bonds, to finance the public improvements and retire the indebtedness
35 in whole or in part from tax allocation revenues it receives, subject
36 to the following requirements:

37 (a) The ordinance adopted by the local government creating the
38 increment area and authorizing the use of community revitalization

1 financing indicates an intent to incur this indebtedness and the
2 maximum amount of this indebtedness that is contemplated; and

3 (b) The local government includes this statement of the intent in
4 all notices required by section 5 of this act.

5 (2) The general indebtedness incurred under subsection (1) of this
6 section may be payable from other tax revenues, the full faith and
7 credit of the local government, and nontax income, revenues, fees, and
8 rents from the public improvements, as well as contributions, grants,
9 and nontax money available to the local government for payment of costs
10 of the public improvements or associated debt service on the general
11 indebtedness.

12 (3) In addition to the requirements in subsection (1) of this
13 section, a local government designating an increment area and
14 authorizing the use of community revitalization financing may require
15 the nonpublic participant to provide adequate security to protect the
16 public investment in the public improvement within the increment area.

17 (4) The ordinance creating the increment area and authorizing the
18 use of community revitalization financing is subject to potential
19 referendum action by the voters of the local government if the
20 ordinance authorizes the local government to incur nonvoter-approved
21 general indebtedness payable from increment receipts. If the voters of
22 the local government otherwise possess the general power of referendum
23 on local government matters, the ordinance is subject to that
24 procedure. If the voters of the local government do not otherwise
25 possess the general power of referendum on local government matters,
26 the referendum shall conform to the requirements and procedures for
27 referendum petitions provided for code cities in RCW 35A.11.100.

28 NEW SECTION. **Sec. 9.** A direct or collateral attack on a public
29 improvement, public improvement ordinance, or increment area purported
30 to be authorized or created in conformance with applicable legal
31 requirements, including this chapter, may not be commenced more than
32 thirty days after publication of notice as required by section 6 of
33 this act.

34 NEW SECTION. **Sec. 10.** This chapter supplements and neither
35 restricts nor limits any powers which the state or any local government
36 might otherwise have under any laws of this state.

1 NEW SECTION. **Sec. 11.** A new section is added to chapter 27.12 RCW
2 to read as follows:

3 In addition to other authority that a rural county library district
4 or intercounty rural library district possesses, a rural county library
5 district or an intercounty rural library district may provide any
6 public improvement as defined under section 2 of this act, but this
7 additional authority is limited to participating in the financing of
8 the public improvements as provided under section 5 of this act.

9 This section does not limit the authority of a rural county library
10 district or intercounty rural library district to otherwise participate
11 in the public improvements if that authority exists elsewhere.

12 NEW SECTION. **Sec. 12.** A new section is added to chapter 35.61 RCW
13 to read as follows:

14 In addition to other authority that a metropolitan park district
15 possesses, a metropolitan park district may provide any public
16 improvement as defined under section 2 of this act, but this additional
17 authority is limited to participating in the financing of the public
18 improvements as provided under section 5 of this act.

19 This section does not limit the authority of a metropolitan park
20 district to otherwise participate in the public improvements if that
21 authority exists elsewhere.

22 NEW SECTION. **Sec. 13.** A new section is added to chapter 36.32 RCW
23 to read as follows:

24 In addition to other authority that a county possesses, a county
25 may provide any public improvement as defined under section 2 of this
26 act, but this additional authority is limited to participating in the
27 financing of the public improvements as provided under section 5 of
28 this act.

29 This section does not limit the authority of a county to otherwise
30 participate in the public improvements if that authority exists
31 elsewhere.

32 NEW SECTION. **Sec. 14.** A new section is added to chapter 36.68 RCW
33 to read as follows:

34 In addition to other authority that a park and recreation service
35 area possesses, a park and recreation service area may provide any
36 public improvement as defined under section 2 of this act, but this

1 additional authority is limited to participating in the financing of
2 the public improvements as provided under section 5 of this act.

3 This section does not limit the authority of a park and recreation
4 service area to otherwise participate in the public improvements if
5 that authority exists elsewhere.

6 NEW SECTION. **Sec. 15.** A new section is added to chapter 36.69 RCW
7 to read as follows:

8 In addition to other authority that a park and recreation district
9 possesses, a park and recreation district may provide any public
10 improvement as defined under section 2 of this act, but this additional
11 authority is limited to participating in the financing of the public
12 improvements as provided under section 5 of this act.

13 This section does not limit the authority of a park and recreation
14 district to otherwise participate in the public improvements if that
15 authority exists elsewhere.

16 NEW SECTION. **Sec. 16.** A new section is added to chapter 36.75 RCW
17 to read as follows:

18 In addition to other authority that a road district possesses, a
19 road district may provide any public improvement as defined under
20 section 2 of this act, but this additional authority is limited to
21 participating in the financing of the public improvements as provided
22 under section 5 of this act.

23 This section does not limit the authority of a road district to
24 otherwise participate in the public improvements if that authority
25 exists elsewhere.

26 NEW SECTION. **Sec. 17.** A new section is added to chapter 52.12 RCW
27 to read as follows:

28 In addition to other authority that a fire protection district
29 possesses, a fire protection district may provide any public
30 improvement as defined under section 2 of this act, but this additional
31 authority is limited to participating in the financing of the public
32 improvements as provided under section 5 of this act.

33 This section does not limit the authority of a fire protection
34 district to otherwise participate in the public improvements if that
35 authority exists elsewhere.

1 NEW SECTION. **Sec. 18.** A new section is added to chapter 53.08 RCW
2 to read as follows:

3 In addition to other authority that a port district possesses, a
4 port district may provide any public improvement as defined under
5 section 2 of this act, but this additional authority is limited to
6 participating in the financing of the public improvements as provided
7 under section 5 of this act.

8 This section does not limit the authority of a port district to
9 otherwise participate in the public improvements if that authority
10 exists elsewhere.

11 NEW SECTION. **Sec. 19.** A new section is added to chapter 54.16 RCW
12 to read as follows:

13 In addition to other authority that a public utility district
14 possesses, a public utility district may provide any public improvement
15 as defined under section 2 of this act, but this additional authority
16 is limited to participating in the financing of the public improvements
17 as provided under section 5 of this act.

18 This section does not limit the authority of a public utility
19 district to otherwise participate in the public improvements if that
20 authority exists elsewhere.

21 NEW SECTION. **Sec. 20.** A new section is added to chapter 67.38 RCW
22 to read as follows:

23 In addition to other authority that a cultural arts, stadium, and
24 convention center district possesses, a cultural arts, stadium, and
25 convention center district may provide any public improvement as
26 defined under section 2 of this act, but this additional authority is
27 limited to participating in the financing of the public improvements as
28 provided under section 5 of this act.

29 This section does not limit the authority of a cultural arts,
30 stadium, and convention center district to otherwise participate in the
31 public improvements if that authority exists elsewhere.

32 NEW SECTION. **Sec. 21.** A new section is added to chapter 68.52 RCW
33 to read as follows:

34 In addition to other authority that a cemetery district possesses,
35 a cemetery district may provide any public improvement as defined under
36 section 2 of this act, but this additional authority is limited to

1 participating in the financing of the public improvements as provided
2 under section 5 of this act.

3 This section does not limit the authority of a cemetery district to
4 otherwise participate in the public improvements if that authority
5 exists elsewhere.

6 NEW SECTION. **Sec. 22.** A new section is added to chapter 70.44 RCW
7 to read as follows:

8 In addition to other authority that a public hospital district
9 possesses, a public hospital district may provide any public
10 improvement as defined under section 2 of this act, but this additional
11 authority is limited to participating in the financing of the public
12 improvements as provided under section 5 of this act.

13 This section does not limit the authority of a public hospital
14 district to otherwise participate in the public improvements if that
15 authority exists elsewhere.

16 NEW SECTION. **Sec. 23.** A new section is added to chapter 86.15 RCW
17 to read as follows:

18 In addition to other authority that a flood control zone district
19 possesses, a flood control zone district may provide any public
20 improvement as defined under section 2 of this act, but this additional
21 authority is limited to participating in the financing of the public
22 improvements as provided under section 5 of this act.

23 This section does not limit the authority of a flood control zone
24 district to otherwise participate in the public improvements if that
25 authority exists elsewhere.

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

28 Limitations on regular property taxes that are provided in this
29 chapter shall continue in a taxing district whether or not an increment
30 area exists within the taxing district as provided under chapter 39.--
31 RCW (sections 1 through 10 and 30 of this act).

32 **Sec. 25.** RCW 36.33.220 and 1973 1st ex.s. c 195 s 142 are each
33 amended to read as follows:

34 The legislative authority of any county may budget, in accordance
35 with the provisions of chapter 36.40 RCW, and expend any portion of the

1 county road property tax revenues for any service to be provided in the
2 unincorporated area of the county notwithstanding any other provision
3 of law, including chapter 36.82 RCW and RCW 84.52.050 and 84.52.043.
4 County road property tax revenues that are diverted under chapter 39.--
5 RCW (sections 1 through 10 and 30 of this act) may be expended as
6 provided under chapter 39.-- RCW (sections 1 through 10 and 30 of this
7 act).

8 **Sec. 26.** RCW 36.79.140 and 1997 c 81 s 6 are each amended to read
9 as follows:

10 At the time the board reviews the six-year program of each county
11 each even-numbered year, it shall consider and shall approve for
12 inclusion in its recommended budget, as required by RCW 36.79.130, the
13 portion of the rural arterial construction program scheduled to be
14 performed during the biennial period beginning the following July 1st.
15 Subject to the appropriations actually approved by the legislature, the
16 board shall as soon as feasible approve rural arterial trust account
17 funds to be spent during the ensuing biennium for preliminary proposals
18 in priority sequence as established pursuant to RCW 36.79.090. Only
19 those counties that during the preceding twelve months have spent all
20 revenues collected for road purposes only for such purposes, including
21 traffic law enforcement, as are allowed to the state by Article II,
22 section 40 of the state Constitution are eligible to receive funds from
23 the rural arterial trust account(~~(: PROVIDED HOWEVER)~~), except that:
24 (1) Counties with a population of less than eight thousand are exempt
25 from this eligibility restriction(~~(: AND PROVIDED FURTHER, That)~~); (2)
26 counties expending revenues collected for road purposes only on other
27 governmental services after authorization from the voters of that
28 county under RCW 84.55.050 are also exempt from this eligibility
29 restriction; and (3) this restriction shall not apply to any moneys
30 diverted from the road district levy under chapter 39.-- RCW (sections
31 1 through 10 and 30 of this act). The board shall authorize rural
32 arterial trust account funds for the construction project portion of a
33 project previously authorized for a preliminary proposal in the
34 sequence in which the preliminary proposal has been completed and the
35 construction project is to be placed under contract. At such time the
36 board may reserve rural arterial trust account funds for expenditure in
37 future years as may be necessary for completion of preliminary

1 proposals and construction projects to be commenced in the ensuing
2 biennium.

3 The board may, within the constraints of available rural arterial
4 trust funds, consider additional projects for authorization upon a
5 clear and conclusive showing by the submitting county that the proposed
6 project is of an emergent nature and that its need was unable to be
7 anticipated at the time the six-year program of the county was
8 developed. The proposed projects shall be evaluated on the basis of
9 the priority rating factors specified in RCW 36.79.080.

10 **Sec. 27.** RCW 36.82.040 and 1973 1st ex.s. c 195 s 41 are each
11 amended to read as follows:

12 For the purpose of raising revenue for establishing, laying out,
13 constructing, altering, repairing, improving, and maintaining county
14 roads, bridges, and wharves necessary for vehicle ferriage and for
15 other proper county purposes, the board shall annually at the time of
16 making the levy for general purposes make a uniform tax levy throughout
17 the county, or any road district thereof, of not to exceed two dollars
18 and twenty-five cents per thousand dollars of assessed value of the
19 last assessed valuation of the taxable property in the county, or road
20 district thereof, unless other law of the state requires a lower
21 maximum levy, in which event such lower maximum levy shall control.
22 All funds accruing from such levy shall be credited to and deposited in
23 the county road fund except that revenue diverted under RCW 36.33.220
24 shall be placed in a separate and identifiable account within the
25 county current expense fund and except that revenue diverted under
26 chapter 39.-- RCW (sections 1 through 10 and 30 of this act) shall be
27 expended as provided under chapter 39.-- RCW (sections 1 through 10 and
28 30 of this act).

29 **Sec. 28.** RCW 46.68.124 and 1990 c 33 s 586 are each amended to
30 read as follows:

31 (1) The equivalent population for each county shall be computed as
32 the sum of the population residing in the county's unincorporated area
33 plus twenty-five percent of the population residing in the county's
34 incorporated area. Population figures required for the computations in
35 this subsection shall be certified by the director of the office of
36 financial management on or before July 1st of each odd-numbered year.

1 (2) The total annual road cost for each county shall be computed as
2 the sum of one twenty-fifth of the total estimated county road
3 replacement cost, plus the total estimated annual maintenance cost.
4 Appropriate costs for bridges and ferries shall be included. The
5 county road administration board shall be responsible for establishing
6 a uniform system of roadway categories for both maintenance and
7 construction and also for establishing a single statewide cost per mile
8 rate for each roadway category. The total annual cost for each county
9 will be based on the established statewide cost per mile and associated
10 mileage for each category. The mileage to be used for these
11 computations shall be as shown in the county road log as maintained by
12 the county road administration board as of July 1, 1985, and each two
13 years thereafter. Each county shall be responsible for submitting
14 changes, corrections, and deletions as regards the county road log to
15 the county road administration board. Such changes, corrections, and
16 deletions shall be subject to verification and approval by the county
17 road administration board prior to inclusion in the county road log.

18 (3) The money need factor for each county shall be the county's
19 total annual road cost less the following four amounts:

20 (a) One-half the sum of the actual county road tax levied upon the
21 valuation of all taxable property within the county road districts
22 pursuant to RCW 36.82.040, including any amount of such tax diverted
23 under chapter 39.-- RCW (sections 1 through 10 and 30 of this act), for
24 the two calendar years next preceding the year of computation of the
25 allocation amounts as certified by the department of revenue;

26 (b) One-half the sum of all funds received by the county road fund
27 from the federal forest reserve fund pursuant to RCW 28A.520.010 and
28 28A.520.020 during the two calendar years next preceding the year of
29 computation of the allocation amounts as certified by the state
30 treasurer;

31 (c) One-half the sum of timber excise taxes received by the county
32 road fund pursuant to chapter 84.33 RCW in the two calendar years next
33 preceding the year of computation of the allocation amounts as
34 certified by the state treasurer;

35 (d) One-half the sum of motor vehicle license fees and motor
36 vehicle and special fuel taxes refunded to the county, pursuant to RCW
37 46.68.080 during the two calendar years next preceding the year of
38 computation of the allocation amounts as certified by the state
39 treasurer.

1 (4) The state treasurer and the department of revenue shall furnish
2 to the county road administration board the information required by
3 subsection (3) of this section on or before July 1st of each odd-
4 numbered year.

5 (5) The county road administration board, shall compute and provide
6 to the counties the allocation factors of the several counties on or
7 before September 1st of each year based solely upon the sources of
8 information herein before required: PROVIDED, That the allocation
9 factor shall be held to a level not more than five percent above or
10 five percent below the allocation factor in use during the previous
11 calendar year. Upon computation of the actual allocation factors of
12 the several counties, the county road administration board shall
13 provide such factors to the state treasurer to be used in the
14 computation of the counties' fuel tax allocation for the succeeding
15 calendar year. The state treasurer shall adjust the fuel tax
16 allocation of each county on January 1st of every year based solely
17 upon the information provided by the county road administration board.

18 **Sec. 29.** RCW 82.03.130 and 1998 c 54 s 1 are each amended to read
19 as follows:

20 (1) The board shall have jurisdiction to decide the following types
21 of appeals:

22 (a) Appeals taken pursuant to RCW 82.03.190.

23 (b) Appeals from a county board of equalization pursuant to RCW
24 84.08.130.

25 (c) Appeals by an assessor or landowner from an order of the
26 director of revenue made pursuant to RCW 84.08.010 and 84.08.060, if
27 filed with the board of tax appeals within thirty days after the
28 mailing of the order, the right to such an appeal being hereby
29 established.

30 (d) Appeals by an assessor or owner of an intercounty public
31 utility or private car company from determinations by the director of
32 revenue of equalized assessed valuation of property and the
33 apportionment thereof to a county made pursuant to chapter 84.12 and
34 84.16 RCW, if filed with the board of tax appeals within thirty days
35 after mailing of the determination, the right to such appeal being
36 hereby established.

37 (e) Appeals by an assessor, landowner, or owner of an intercounty
38 public utility or private car company from a determination of any

1 county indicated ratio for such county compiled by the department of
2 revenue pursuant to RCW 84.48.075: PROVIDED, That

3 (i) Said appeal be filed after review of the ratio under RCW
4 84.48.075(3) and not later than fifteen days after the mailing of the
5 certification; and

6 (ii) The hearing before the board shall be expeditiously held in
7 accordance with rules prescribed by the board and shall take precedence
8 over all matters of the same character.

9 (f) Appeals from the decisions of sale price of second class
10 shorelands on navigable lakes by the department of natural resources
11 pursuant to RCW 79.94.210.

12 ~~(g) ((Appeals from urban redevelopment property tax apportionment
13 district proposals established by governmental ordinances pursuant to
14 RCW 39.88.060.~~

15 ~~(h))~~ Appeals from interest rates as determined by the department
16 of revenue for use in valuing farmland under current use assessment
17 pursuant to RCW 84.34.065.

18 ~~((+i))~~ (h) Appeals from revisions to stumpage value tables used to
19 determine value by the department of revenue pursuant to RCW 84.33.091.

20 ~~((+j))~~ (i) Appeals from denial of tax exemption application by the
21 department of revenue pursuant to RCW 84.36.850.

22 ~~((+k))~~ (j) Appeals pursuant to RCW 84.40.038(3).

23 (2) Except as otherwise specifically provided by law hereafter, the
24 provisions of RCW 1.12.070 shall apply to all notices of appeal filed
25 with the board of tax appeals.

26 NEW SECTION. Sec. 30. Sections 1 through 10 of this act expire
27 July 1, 2010.

28 NEW SECTION. Sec. 31. Sections 1 through 10 and 30 of this act
29 constitute a new chapter in Title 39 RCW.

30 NEW SECTION. Sec. 32. If any provision of this act or its
31 application to any person or circumstance is held invalid, the
32 remainder of the act or the application of the provision to other
33 persons or circumstances is not affected.

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