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SENATE BILL 5720

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State of Washington

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By Senators Carlson, West, T. Sheldon, Sheahan, Hewitt, B. Sheldon, Stevens, Winsley, McAuliffe and Rasmussen

Read first time 01/31/2001. Referred to Committee on Economic Development & Telecommunications.

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) "Local government" means any city, town, or county.

24 (3) "Ordinance" means any appropriate method of taking legislative  
25 action by a local government.

26 (4) "Public improvements" means:

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

29 (i) Street and road construction and maintenance;

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

31 (iii) Sidewalks and streetlights;

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

33 (v) Public transportation facilities; and

34 (vi) Park facilities and recreational areas;

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

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

1 (i) Providing environmental analysis, professional management,  
2 planning, and promotion within the apportionment district, including  
3 the management and promotion of retail trade activities in the  
4 apportionment district;

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

7 (iii) Historic preservation activities authorized under RCW  
8 35.21.395.

9 (5) "Public improvement costs" means the costs of: (a) Design,  
10 planning, acquisition, site preparation, construction, reconstruction,  
11 rehabilitation, improvement, and installation of public improvements;  
12 (b) relocating, maintaining, and operating property pending  
13 construction of public improvements; (c) relocating utilities as a  
14 result of public improvements; (d) financing public improvements,  
15 including interest during construction, legal and other professional  
16 services, taxes, insurance, principal and interest costs on general  
17 indebtedness issued to finance public improvements, and any necessary  
18 reserves for general indebtedness; (e) assessments incurred in  
19 revaluing real property for the purpose of determining the tax  
20 allocation base value that are in excess of costs incurred by the  
21 assessor in accordance with the revaluation plan under chapter 84.41  
22 RCW, and the costs of apportioning the taxes and complying with this  
23 chapter and other applicable law; and (f) administrative expenses and  
24 feasibility studies reasonably necessary and related to these costs,  
25 including related costs that may have been incurred before adoption of  
26 the ordinance authorizing the public improvements and the use of  
27 community revitalization financing to fund the costs of the public  
28 improvements.

29 (6) "Regular property taxes" means regular property taxes as  
30 defined in RCW 84.04.140, except: (a) Regular property taxes levied by  
31 port districts or public utility districts specifically for the purpose  
32 of making required payments of principal and interest on general  
33 indebtedness; and (b) regular property taxes levied by the state for  
34 the support of the common schools under RCW 84.52.065.

35 (7) "Tax allocation base value" means the true and fair value of  
36 real property located within an increment area for taxes imposed in the  
37 year in which the increment area is created, plus seventy-five percent  
38 of any increase in the true and fair value of real property located

1 within an increment area that is placed on the assessment rolls after  
2 the increment area is created.

3 (8) "Tax allocation revenues" means those tax revenues derived from  
4 the imposition of regular property taxes on the increment value and  
5 distributed to finance public improvements.

6 (9) "Increment area" means the geographic area from which taxes are  
7 to be appropriated to finance public improvements authorized under this  
8 chapter.

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

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

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

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

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

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

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

33 (4) Taxing districts, in the aggregate, that levy at least sixty  
34 percent of the regular property tax within which the increment area is  
35 located approves the community revitalization financing of the project  
36 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 the  
25 official local government newspaper at least ten days before the public  
26 hearing and posted in at least six conspicuous public places located in  
27 the proposed increment area. Notices must describe the contemplated  
28 public improvements, estimate the costs of the public improvements,  
29 describe the portion of the costs of the public improvements to be  
30 borne by community revitalization financing, describe any other sources  
31 of revenue to finance the public improvements, describe the boundaries  
32 of the proposed community revitalization area, and estimate the period  
33 during which community revitalization financing is contemplated to be  
34 used. The public hearing may be held by either the governing body of  
35 the local government, or a committee of the governing body that  
36 includes at least a majority of the whole governing body; and

37        (3) Adopt an ordinance establishing the community revitalization  
38 area that describes the public improvements, describes the boundaries

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

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

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

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

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

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

30 (b) The local government that created the increment area shall  
31 receive an additional portion of the regular property taxes levied by  
32 or for each taxing district upon the increment value within the  
33 increment area. However, the local government that created the  
34 increment area may agree to receive less than the full amount of this  
35 portion as long as bond debt service, reserve, and other bond covenant  
36 requirements are satisfied, in which case the balance of these tax  
37 receipts shall be allocated to the taxing districts that imposed

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

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

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

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

35 (a) The ordinance adopted by the local government creating the  
36 increment area and authorizing the use of community revitalization  
37 financing indicates an intent to incur this indebtedness and the  
38 maximum amount of this indebtedness that is contemplated; and

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

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

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

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

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

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

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

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

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

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

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

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

20 NEW SECTION. Sec. 13. A new section is added to chapter 36.32 RCW  
21 to read as follows:

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

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

30 NEW SECTION. Sec. 14. A new section is added to chapter 36.68 RCW  
31 to read as follows:

32 In addition to other authority that a park and recreation service  
33 area possesses, a park and recreation service area may provide any  
34 public improvement as defined under section 2 of this act, but this  
35 additional authority is limited to participating in the financing of  
36 the public improvements as provided under section 5 of this act.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

32 In addition to other authority that a cemetery district possesses,  
33 a cemetery district may provide any public improvement as defined under  
34 section 2 of this act, but this additional authority is limited to  
35 participating in the financing of the public improvements as provided  
36 under section 5 of this act.

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

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

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

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

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

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

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

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

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

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

32 The legislative authority of any county may budget, in accordance  
33 with the provisions of chapter 36.40 RCW, and expend any portion of the  
34 county road property tax revenues for any service to be provided in the  
35 unincorporated area of the county notwithstanding any other provision

1 of law, including chapter 36.82 RCW and RCW 84.52.050 and 84.52.043.  
2 County road property tax revenues that are diverted under chapter 39.--  
3 RCW (sections 1 through 10 and 30 of this act) may be expended as  
4 provided under chapter 39.-- RCW (sections 1 through 10 and 30 of this  
5 act).

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

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

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

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

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

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

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

35 (2) The total annual road cost for each county shall be computed as  
36 the sum of one twenty-fifth of the total estimated county road  
37 replacement cost, plus the total estimated annual maintenance cost.

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

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

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

23 (b) One-half the sum of all funds received by the county road fund  
24 from the federal forest reserve fund pursuant to RCW 28A.520.010 and  
25 28A.520.020 during the two calendar years next preceding the year of  
26 computation of the allocation amounts as certified by the state  
27 treasurer;

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

32 (d) One-half the sum of motor vehicle license fees and motor  
33 vehicle and special fuel taxes refunded to the county, pursuant to RCW  
34 46.68.080 during the two calendar years next preceding the year of  
35 computation of the allocation amounts as certified by the state  
36 treasurer.

37 (4) The state treasurer and the department of revenue shall furnish  
38 to the county road administration board the information required by

1 subsection (3) of this section on or before July 1st of each odd-  
2 numbered year.

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

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

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

20 (a) Appeals taken pursuant to RCW 82.03.190.

21 (b) Appeals from a county board of equalization pursuant to RCW  
22 84.08.130.

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

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

35 (e) Appeals by an assessor, landowner, or owner of an intercounty  
36 public utility or private car company from a determination of any  
37 county indicated ratio for such county compiled by the department of  
38 revenue pursuant to RCW 84.48.075: PROVIDED, That

1 (i) Said appeal be filed after review of the ratio under RCW  
2 84.48.075(3) and not later than fifteen days after the mailing of the  
3 certification; and

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

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

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

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

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

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

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

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

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

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

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

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