Washington State House of Representatives

BILL ANALYSIS

Office of Program Research

Local Government Committee

HB 2276

Brief Description: Establishing aviation mitigation zones for large regional airports.

Sponsors: Representatives Upthegrove, Schual-Berke, Sommers, Sullivan, Veloria, Hudgins, Romero, Chase, Dunshee, McIntire, McDermott, Hunt, Santos, Cody, Simpson, O'Brien, Kenney, Dickerson, Quall and Haigh.

Brief Summary of Bill

- · Requires the Department of Community, Trade, and Economic Development to establish an aviation mitigation zone (AMZ) using specified criteria for any qualifying large regional airport.
- · Requires the Department of Revenue to develop an AMZ noise exposure map for any qualifying large regional airport using a specific methodology.
- Exempts real property within an AMZ from port taxes and state property taxes and prohibits higher port tax rates from occurring as a result of the exemptions.
- · Creates an aviation mitigation account for funds that may be used only for mitigation purposes within qualifying areas.

Hearing Date: 4/26/03

Staff: Ethan Moreno (786-7386).

Background:

Property taxes are imposed by state and local governments. All real and personal property in Washington is subject to property tax each year based on its value unless a specific exemption is provided by law. The county assessor determines assessed value for each property. The property tax bill for an individual property is determined by multiplying the assessed value of the property by the tax rate for each taxing district in which the property is located.

The U.S. Aviation Safety and Noise Abatement Act of 1979 (ASNA) required the Federal Aviation Administration (FAA) to established a system for: (1) measuring noise at airports and surrounding areas; and (2) determining exposure of individuals to noise resulting from

airport operations. The procedures, standards, and methodology governing compliance with the ASNA are codified in Title 14, Chapter I, Part 150 of the Code of Federal Regulations.

Airport operators seeking federal noise mitigation funds must, in part, develop noise exposure maps. Noise exposure maps must be prepared according to federal requirements and must identify a yearly day-night average sound level (Ldn or DNL) for the airport and surrounding areas. Noise exposure levels are displayed as Ldn contours on the exposure maps. The FAA generally identifies 65 Ldn as the eligibility threshold for funding noise mitigation actions.

Summary of Bill:

The Department of Community, Trade, and Economic Development (CTED) must establish an aviation mitigation zone (AMZ) on or before October 1, 2003, for any qualifying large regional airport. A "large regional airport" means an airport serving more than 20 scheduled jet aircraft flights per day operated by a port district in a county with a population greater than one million. An AMZ may only include:

- cities with a population fewer than 40,000 adjacent to the city within which the qualifying large regional airport is located;
- cities with a population fewer than 10,000 adjacent to a city qualifying for inclusion within an AMZ according to the previous criteria; and
- any portion of any incorporated or unincorporated area within a 60 Ldn noise level contour as determined by a specific methodology.

For the purposes of establishing an AMZ, on or before September 15, 2003, the Department of Revenue (DOR) must develop a noise exposure map for any qualifying large regional airport. The map must be prepared in accordance with applicable federal regulations and must include a 60 Ldn noise level contour. The DOR may use noise exposure data collected or produced by an applicable port district.

Any portion of a tract or parcel of real property within an AMZ is exempt from port taxes imposed by a port district operating a qualifying large regional airport, and property taxes levied for any state purpose. These exemptions apply to taxes levied for collection in 2004 and thereafter. Provisions for disputing and appealing exclusion from an AMZ are established.

The levy for an applicable port district in any year must be reduced as necessary to prevent the AMZ exemption from resulting in a higher tax rate than would have occurred in the absence of the exemption.

An aviation mitigation account is created as an appropriated fund account in the state treasury. Only the Director of CTED or the Director's designee may authorize expenditures from this account. Expenditures from the account may only be used for aviation mitigation purposes within:

House Bill Analysis - 2 - HB 2276

any city included wholly or partially within an established AMZ; and

· any unincorporated territory included with an established AMZ.

Appropriation: None.

Fiscal Note: Requested on April 25, 2003.

Effective Date: The bill contains an emergency clause and takes effect immediately.