
Finance Committee

HB 1578

Brief Description: Authorizing additional taxing districts to seek voter approval for multi year excess property tax levies.

Sponsors: Representatives McIntire, Ahern, Simpson, Santos, Schindler, Eickmeyer and Lantz.

Brief Summary of Bill

- Allows all taxing districts to ask their voters to approve multi-year levies in excess of the Constitutional one percent property tax rate limit
- Limits the number of excess levy elections to two a year.

Hearing Date: 2/8/05

Staff: Rick Peterson (786-7150).

Background:

The Washington State Constitution caps the total property tax rate at 1 percent (\$10 per \$1,000 of value.) With at least a 60 percent majority vote of the people a district can impose taxes above the 1 percent cap. Levies above the 1 percent cap are called "excess" levies. The elections must occur not more than twelve months before the tax levy is to be made. A proposition may be submitted twice in a twelve month period.

Generally, districts may only impose excess levies for one year at a time. However, school districts and fire districts may ask voters to approve excess levies for up to four years for operations and up to six years for construction, modernization, or remodeling of facilities.

Summary of Bill:

All property taxing districts are allowed to ask their voters to approve excess levies for up to four years for operating purposes and up to six years for the construction, modernization, or remodeling of facilities. The election must be held within twelve months of the time the first levy in the series is made. No more than two propositions may be presented to the voters within a year. Once a two through four year excess levy is approved for maintenance and operation purposes then additional maintenance and operation levies may not be imposed for the same time period.

The bill implements HJR 4206 and is contingent on the adoption of HJR 4206 at the November 2005 general election. HJR 4206 amends the Constitution to allow multi year excess property tax levies for all taxing districts.

Appropriation: None.

Fiscal Note: Requested on January 29, 2005.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.