
SUBSTITUTE HOUSE BILL 2554

State of Washington 60th Legislature 2008 Regular Session

By House Finance (originally sponsored by Representatives Dickerson and McIntire)

READ FIRST TIME 02/08/08.

1 AN ACT Relating to levy lid lift ballot propositions; and amending
2 RCW 84.55.050.

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

4 **Sec. 1.** RCW 84.55.050 and 2007 c 380 s 2 are each amended to read
5 as follows:

6 (1) Subject to any otherwise applicable statutory dollar rate
7 limitations, regular property taxes may be levied by or for a taxing
8 district in an amount exceeding the limitations provided for in this
9 chapter if such levy is authorized by a proposition approved by a
10 majority of the voters of the taxing district voting on the proposition
11 at a general election held within the district or at a special election
12 within the taxing district called by the district for the purpose of
13 submitting such proposition to the voters. Any election held pursuant
14 to this section shall be held not more than twelve months prior to the
15 date on which the proposed levy is to be made, except as provided in
16 subsection (2) of this section. The ballot of the proposition shall
17 state the dollar rate proposed and shall clearly state the conditions,
18 if any, which are applicable under subsection (4) of this section.

1 (2) Subject to statutory dollar limitations, a proposition placed
2 before the voters under this section may authorize annual increases in
3 levies for multiple consecutive years, up to six consecutive years,
4 during which period each year's authorized maximum legal levy shall be
5 used as the base upon which an increased levy limit for the succeeding
6 year is computed, but the ballot proposition must state the dollar rate
7 proposed only for the first year of the consecutive years and must
8 state the limit factor, or a specified index to be used for determining
9 a limit factor, such as the consumer price index, which need not be the
10 same for all years, by which the regular tax levy for the district may
11 be increased in each of the subsequent consecutive years. Elections
12 for this purpose must be held at a primary or general election. The
13 title of each ballot measure must state the (~~specific~~) limited
14 purposes for which the proposed annual increases during the specified
15 period of up to six consecutive years shall be used, and funds raised
16 under the levy shall not supplant existing funds used for these
17 purposes. For purposes of this subsection, existing funds means the
18 actual operating expenditures for the calendar year in which the ballot
19 measure is approved by voters. Actual operating expenditures excludes
20 lost federal funds, lost or expired state grants or loans,
21 extraordinary events not likely to reoccur, changes in contract
22 provisions beyond the control of the taxing district receiving the
23 services, and major nonrecurring capital expenditures.

24 (3) After a levy authorized pursuant to this section is made, the
25 dollar amount of such levy (~~shall~~) may not be used for the purpose of
26 computing the limitations for subsequent levies provided for in this
27 chapter, (~~except as provided in subsection (5) of this section~~)
28 unless the ballot proposition expressly states that the levy made under
29 this section will be used for this purpose.

30 (4) If expressly stated, a proposition placed before the voters
31 under subsection (1) or (2) of this section may:

32 (a) Use the dollar amount of a levy under subsection (1) of this
33 section, or the dollar amount of the final levy under subsection (2) of
34 this section, for the purpose of computing the limitations for
35 subsequent levies provided for in this chapter;

36 (b) Limit the period for which the increased levy is to be made
37 under (a) of this subsection;

1 ~~((b))~~ (c) Limit the purpose for which the increased levy is to be
2 made under (a) of this subsection, but if the limited purpose includes
3 making redemption payments on bonds, the period for which the increased
4 levies are made shall not exceed nine years;

5 ~~((e))~~ (d) Set the levy or levies at a rate less than the maximum
6 rate allowed for the district; or

7 ~~((d))~~ (e) Include any combination of the conditions in this
8 subsection.

9 (5) Except as otherwise ~~((provided))~~ expressly stated in an
10 approved ballot measure under this section, ~~((after the expiration of
11 a limited period under subsection (4)(a) of this section or the
12 satisfaction of a limited purpose under subsection (4)(b) of this
13 section, whichever comes first,))~~ subsequent levies shall be computed
14 as if:

15 (a) The ~~((limited))~~ proposition under ~~((subsection (4) of))~~ this
16 section had not been approved; and

17 (b) The taxing district had made levies at the maximum rates which
18 would otherwise have been allowed under this chapter during the years
19 levies were made under the ~~((limited))~~ proposition.

--- END ---