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## HOUSE BILL 1158

By Representatives Orcutt, Takko, Rivers, Angel, Haler, McCune, Blake, and Harris

62nd Legislature

2011 Regular Session

Read first time 01/13/11. Referred to Committee on State Government & Tribal Affairs.

- AN ACT Relating to ballot title information; and amending RCW 29A.36.071, 29A.36.210, 84.52.054, and 84.55.050.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 29A.36.071 and 2006 c 311 s 9 are each amended to read 5 as follows:
  - (1) Except as provided to the contrary in RCW 82.14.036, 82.46.021, or 82.80.090, the ballot title of any referendum filed on an enactment or portion of an enactment of a local government and any other question submitted to the voters of a local government consists of three elements: (a) An identification of the enacting legislative body and a statement of the subject matter; (b) a concise description of the measure; and (c) a question. If the referendum or question relates to a property tax levy, the ballot title must state that the levy is new or a replacement and include a comparison of the financial impact from a taxing district's prior year levy, if any, and the current ballot, in both dollar and percentage change terms. Ballot questions related to multiple year levies must include an estimate of the financial impact in the first year of the proposed levy as compared to the taxing district's prior year levy, if any, in both dollar and percentage

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- terms. Ballot questions under RCW 84.55.050 must include an estimate 1 2 of the financial impact in the first year of the levy increase as compared to the taxing district's last levy, in both dollar and 3 4 percentage terms. The ballot title must conform with the requirements and be displayed substantially as provided under RCW 29A.72.050, except 5 that the concise description must not exceed ((seventy)) eighty-five 6 7 words; however, a concise description submitted on behalf of a proposed 8 or existing regional transportation investment district may exceed ((seventy)) eighty-five words. If the local governmental unit is a 9 10 city or a town, the concise statement shall be prepared by the city or town attorney. If the local governmental unit is a county, the concise 11 12 statement shall be prepared by the prosecuting attorney of the county. If the unit is a unit of local government other than a city, town, or 13 14 county, the concise statement shall be prepared by the prosecuting attorney of the county within which the majority area of the unit is 15 located. 16
- 17 (2) A referendum measure on the enactment of a unit of local 18 government shall be advertised in the manner provided for nominees for 19 elective office.
- 20 (3) Subsection (1) of this section does not apply if another 21 provision of law specifies the ballot title for a specific type of 22 ballot question or proposition.
- 23 **Sec. 2.** RCW 29A.36.210 and 2010 c 106 s 301 are each amended to 24 read as follows:
- (1) The ballot proposition authorizing a taxing district to impose the regular property tax levies authorized in RCW 36.68.525, 36.69.145, 67.38.130, 84.52.069, or 84.52.135 must contain in substance the following:
- "Will the . . . . . (insert the name of the taxing district) be authorized to impose regular property tax levies of . . . . . . (insert the maximum rate) or less per thousand dollars of assessed valuation for each of . . . . . (insert the maximum number of years allowable) consecutive years, an increase of . . . . (insert dollar amount), . .
- 34 . . (insert # %), from the previous year's levy?
- 35 Yes . . . . . . . . . . . . . . □

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Each voter may indicate either "Yes" or "No" on his or her ballot in accordance with the procedures established under this title.

3 (2) The ballot proposition authorizing a taxing district to impose 4 a permanent regular tax levy under RCW 84.52.069 must contain in 5 substance the following:

"Will the . . . . (insert the name of the taxing district) be authorized to impose a PERMANENT regular property levy of . . . . (insert the maximum rate) or less per thousand dollars of assessed valuation, an increase of . . . . (insert dollar amount), . . . .

10 <u>(insert # %), from the previous year's levy</u>?

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- (3) In addition to the requirements of subsections (1) and (2) of 13 this section, the ballot proposition must include a comparison of the 14 financial impact from a taxing district's prior year levy, if any, and 15 the current ballot, in both dollar and percentage change terms. Ballot 16 questions related to multiple year levies must include an estimate of 17 18 the financial impact in the first year of the proposed levy as compared to the taxing district's prior year levy, if any, in both dollar and 19 20 percentage terms.
- 21 **Sec. 3.** RCW 84.52.054 and 2007 c 54 s 27 are each amended to read 22 as follows:

The additional tax provided for in Article VII, section 2 of the state Constitution, and specifically authorized by RCW 84.52.052, 84.52.053, 84.52.0531, and 84.52.130, shall be set forth in terms of dollars on the ballot of the proposition to be submitted to the voters, together with an estimate of the dollar rate of tax levy that will be required to produce the dollar amount((; and)). The ballot proposition must state that the levy is new or a replacement and include a comparison of the financial impact from a taxing district's prior year levy, if any, and the current ballot, in both dollar and percentage change terms. Ballot questions related to multiple year levies must include an estimate of the financial impact in the first year of the proposed levy as compared to the taxing district's prior year's levy, if any, in both dollar and percentage terms. The county assessor, in spreading this tax upon the rolls, shall determine the eventual dollar

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rate required to produce the amount of dollars so voted upon, regardless of the estimate of dollar rate of tax levy carried in said In the case of a school district or fire protection district proposition for a particular period, the dollar amount and the corresponding estimate of the dollar rate of tax levy shall be set forth for each of the years in that period. The dollar amount for each annual levy in the particular period may be equal or in different amounts.

## Sec. 4. RCW 84.55.050 and 2009 c 551 s 3 are each amended to read as follows:

- (1) Subject to any otherwise applicable statutory dollar rate limitations, regular property taxes may be levied by or for a taxing district in an amount exceeding the limitations provided for in this chapter if such levy is authorized by a proposition approved by a majority of the voters of the taxing district voting on the proposition at a general election held within the district or at a special election within the taxing district called by the district for the purpose of submitting such proposition to the voters. Any election held pursuant to this section shall be held not more than twelve months prior to the date on which the proposed levy is to be made, except as provided in subsection (2) of this section. The ballot of the proposition shall state the dollar rate proposed and shall clearly state the conditions, if any, which are applicable under subsection (4) of this section and must conform with the requirements of RCW 29A.36.071.
- (2)(a) Subject to statutory dollar limitations, a proposition placed before the voters under this section may authorize annual increases in levies for multiple consecutive years, up to six consecutive years, during which period each year's authorized maximum legal levy shall be used as the base upon which an increased levy limit for the succeeding year is computed, but the ballot proposition must conform with the requirements of RCW 29A.36.071 and state the dollar rate proposed only for the first year of the consecutive years and must state the limit factor, or a specified index to be used for determining a limit factor, such as the consumer price index, which need not be the same for all years, by which the regular tax levy for the district may be increased in each of the subsequent consecutive years. Elections for this purpose must be held at a primary or general election. The

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title of each ballot measure must state the limited purposes for which the proposed annual increases during the specified period of up to six consecutive years shall be used.

- (b)(i) Except as otherwise provided in this subsection (2)(b), funds raised by a levy under this subsection may not supplant existing funds used for the limited purpose specified in the ballot title. For purposes of this subsection, existing funds means the actual operating expenditures for the calendar year in which the ballot measure is approved by voters. Actual operating expenditures excludes lost federal funds, lost or expired state grants or loans, extraordinary events not likely to reoccur, changes in contract provisions beyond the control of the taxing district receiving the services, and major nonrecurring capital expenditures.
- (ii) The supplanting limitations in (b)(i) of this subsection do not apply to levies approved by the voters in calendar years 2009, 2010, and 2011, in any county with a population of one million five hundred thousand or more. This subsection (2)(b)(ii) only applies to levies approved by the voters after July 26, 2009.
- (iii) The supplanting limitations in (b)(i) of this subsection do not apply to levies approved by the voters in calendar year 2009 and thereafter in any county with a population less than one million five hundred thousand. This subsection (2)(b)(iii) only applies to levies approved by the voters after July 26, 2009.
- (3) After a levy authorized pursuant to this section is made, the dollar amount of such levy may not be used for the purpose of computing the limitations for subsequent levies provided for in this chapter, unless the ballot proposition expressly states that the levy made under this section will be used for this purpose.
- (4) If expressly stated, a proposition placed before the voters under subsection (1) or (2) of this section may:
- (a) Use the dollar amount of a levy under subsection (1) of this section, or the dollar amount of the final levy under subsection (2) of this section, for the purpose of computing the limitations for subsequent levies provided for in this chapter;
- (b) Limit the period for which the increased levy is to be made under (a) of this subsection;
  - (c) Limit the purpose for which the increased levy is to be made

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under (a) of this subsection, but if the limited purpose includes making redemption payments on bonds, the period for which the increased levies are made shall not exceed nine years;

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- (d) Set the levy or levies at a rate less than the maximum rate allowed for the district; or
  - (e) Include any combination of the conditions in this subsection.
- (5) Except as otherwise expressly stated in an approved ballot measure under this section, subsequent levies shall be computed as if:
  - (a) The proposition under this section had not been approved; and
- (b) The taxing district had made levies at the maximum rates which would otherwise have been allowed under this chapter during the years levies were made under the proposition.

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