
SECOND SUBSTITUTE SENATE BILL 6165

State of Washington

62nd Legislature

2012 Regular Session

By Senate Ways & Means (originally sponsored by Senators Hargrove, Swecker, Ranker, Pridemore, Nelson, Rolfes, and Shin)

READ FIRST TIME 02/07/12.

1 AN ACT Relating to authorizing flexible conservation futures taxing
2 districts; amending RCW 84.52.010, 84.52.010, 84.52.043, and 84.52.043;
3 adding a new chapter to Title 36 RCW; providing an effective date; and
4 providing an expiration date.

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

6 NEW SECTION. **Sec. 1.** The definitions in this section apply
7 throughout this chapter unless the context clearly requires otherwise.

8 (1) "Conservation futures" means all rights and interests in real
9 property described in and acquired pursuant to RCW 84.34.210 through
10 84.34.250 and 64.04.130.

11 (2) "District" means a flexible conservation futures taxing
12 district created under this chapter.

13 NEW SECTION. **Sec. 2.** (1) In lieu of imposing a countywide levy
14 pursuant to RCW 84.34.230, a county may create a district to acquire
15 and manage conservation futures in an area encompassing less than the
16 entire county. A county may not create such a district if the county
17 imposes a countywide levy pursuant to RCW 84.34.230 prior to the
18 effective date of this legislation.

1 (2) A county may alter a district by:

2 (a) Enlarging or reducing the area of the district;

3 (b) Dividing the district into two or more districts; or

4 (c) Combining or consolidating two or more existing districts.

5 (3) To create or alter a district, a county legislative authority
6 must, in the following sequence:

7 (a) Adopt a resolution of intention as provided in section 4 of
8 this act;

9 (b) Conduct a public hearing to consider creating or altering a
10 district as provided in section 5 of this act; and

11 (c) Adopt a resolution creating or altering a district as provided
12 in section 6 of this act.

13 NEW SECTION. **Sec. 3.** (1) A county may impose a levy solely on
14 taxable property in a district in the same manner and subject to the
15 same limitations in which a county may impose a levy countywide
16 pursuant to RCW 84.34.230.

17 (2) Revenue from a district levy:

18 (a) Must be held in a special fund for the district;

19 (b) Can be spent only upon authorization by the county legislative
20 authority; and

21 (c) Can be spent only to acquire and manage conservation futures in
22 the district.

23 NEW SECTION. **Sec. 4.** A resolution of intention to create or alter
24 a district must specify:

25 (1) That any levy imposed in the district is in lieu of any levy
26 imposed pursuant to RCW 84.34.230;

27 (2) The boundaries of the district;

28 (3) The nature of activity currently conducted or proposed to be
29 conducted in the district using district funds; and

30 (4) The date, time, and place for a public hearing conducted
31 pursuant to section 5 of this act, which must be at least thirty days
32 and no more than ninety days after the date that the county legislative
33 authority adopted the resolution of intention.

34 NEW SECTION. **Sec. 5.** (1) A county legislative authority must
35 conduct a public hearing to consider creating or altering a district.

1 (2) Notice of the public hearing must:

2 (a) Include the resolution of intention provided in section 4 of
3 this act; and

4 (b) Be published in at least two consecutive issues of a newspaper
5 of general circulation in the proposed or altered district.

6 (3) The date of the first publication of notice of the public
7 hearing must be at least fifteen days prior to the date fixed for the
8 public hearing in the resolution of intention.

9 NEW SECTION. **Sec. 6.** (1) Following a public hearing conducted
10 pursuant to section 5 of this act, a county legislative authority may
11 create or alter a district by adopting a resolution finding that the
12 interests of the area within a proposed or altered district will be
13 benefited. The county legislative authority must enter the adopted
14 final resolution in its minutes.

15 (2) A resolution creating a district must designate the district as
16 "Flexible Conservation Futures Taxing District No. [insert number] for
17 [insert county name] County."

18 NEW SECTION. **Sec. 7.** (1) The county legislative authority must
19 designate a person to serve as supervisor of a district.

20 (2) The county legislative authority may designate a member of the
21 county legislative authority to serve as supervisor of a district if
22 the member represents a county commissioner district or county council
23 district that includes property within the district. A member of the
24 county legislative authority designated to serve as supervisor of a
25 district may receive compensation for expenses while conducting
26 district operations in the same manner in which the member receives
27 compensation for conducting other county operations.

28 (3) The county legislative authority may designate a person who is
29 not a member of the county legislative authority to serve as supervisor
30 of a district and fix compensation of that person.

31 (4) The county treasurer is treasurer of a district. The county
32 assessor and other county officers must provide assistance in
33 administering a district.

34 **Sec. 8.** RCW 84.52.010 and 2011 1st sp.s. c 28 s 2 are each amended
35 to read as follows:

1 (1) Except as is permitted under RCW 84.55.050, all taxes must be
2 levied or voted in specific amounts.

3 (2) The rate percent of all taxes for state and county purposes,
4 and purposes of taxing districts coextensive with the county, must be
5 determined, calculated and fixed by the county assessors of the
6 respective counties, within the limitations provided by law, upon the
7 assessed valuation of the property of the county, as shown by the
8 completed tax rolls of the county, and the rate percent of all taxes
9 levied for purposes of taxing districts within any county must be
10 determined, calculated and fixed by the county assessors of the
11 respective counties, within the limitations provided by law, upon the
12 assessed valuation of the property of the taxing districts
13 respectively.

14 (3) When a county assessor finds that the aggregate rate of tax
15 levy on any property, that is subject to the limitations set forth in
16 RCW 84.52.043 or 84.52.050, exceeds the limitations provided in either
17 of these sections, the assessor must recompute and establish a
18 consolidated levy in the following manner:

19 (a) The full certified rates of tax levy for state, county, county
20 road district, and city or town purposes must be extended on the tax
21 rolls in amounts not exceeding the limitations established by law;
22 however any state levy takes precedence over all other levies and may
23 not be reduced for any purpose other than that required by RCW
24 84.55.010. If, as a result of the levies imposed under RCW 36.54.130,
25 84.34.230, section 3 of this act, 84.52.069, 84.52.105, the portion of
26 the levy by a metropolitan park district that was protected under RCW
27 84.52.120, 84.52.125, 84.52.135, 84.52.140, and the protected portion
28 of the levy under RCW 86.15.160 by flood control zone districts in a
29 county with a population of seven hundred seventy-five thousand or more
30 that are coextensive with a county, the combined rate of regular
31 property tax levies that are subject to the one percent limitation
32 exceeds one percent of the true and fair value of any property, then
33 these levies must be reduced as follows:

34 (i) The portion of the levy by a metropolitan park district that
35 has a population of less than one hundred fifty thousand and is located
36 in a county with a population of one million five hundred thousand or
37 more that is protected under RCW 84.52.120 must be reduced until the

1 combined rate no longer exceeds one percent of the true and fair value
2 of any property or must be eliminated;

3 (ii) If the combined rate of regular property tax levies that are
4 subject to the one percent limitation still exceeds one percent of the
5 true and fair value of any property, the protected portion of the levy
6 imposed under RCW 86.15.160 by a flood control zone district in a
7 county with a population of seven hundred seventy-five thousand or more
8 that is coextensive with a county must be reduced until the combined
9 rate no longer exceeds one percent of the true and fair value of any
10 property or must be eliminated;

11 (iii) If the combined rate of regular property tax levies that are
12 subject to the one percent limitation still exceeds one percent of the
13 true and fair value of any property, the levy imposed by a county under
14 RCW 84.52.140 must be reduced until the combined rate no longer exceeds
15 one percent of the true and fair value of any property or must be
16 eliminated;

17 (iv) If the combined rate of regular property tax levies that are
18 subject to the one percent limitation still exceeds one percent of the
19 true and fair value of any property, the portion of the levy by a fire
20 protection district that is protected under RCW 84.52.125 must be
21 reduced until the combined rate no longer exceeds one percent of the
22 true and fair value of any property or must be eliminated;

23 (v) If the combined rate of regular property tax levies that are
24 subject to the one percent limitation still exceeds one percent of the
25 true and fair value of any property, the levy imposed by a county under
26 RCW 84.52.135 must be reduced until the combined rate no longer exceeds
27 one percent of the true and fair value of any property or must be
28 eliminated;

29 (vi) If the combined rate of regular property tax levies that are
30 subject to the one percent limitation still exceeds one percent of the
31 true and fair value of any property, the levy imposed by a ferry
32 district under RCW 36.54.130 must be reduced until the combined rate no
33 longer exceeds one percent of the true and fair value of any property
34 or must be eliminated;

35 (vii) If the combined rate of regular property tax levies that are
36 subject to the one percent limitation still exceeds one percent of the
37 true and fair value of any property, the portion of the levy by a
38 metropolitan park district with a population of one hundred fifty

1 thousand or more that is protected under RCW 84.52.120 must be reduced
2 until the combined rate no longer exceeds one percent of the true and
3 fair value of any property or must be eliminated;

4 (viii) If the combined rate of regular property tax levies that are
5 subject to the one percent limitation still exceeds one percent of the
6 true and fair value of any property, then the levies imposed under RCW
7 84.34.230, section 3 of this act, 84.52.105, and any portion of the
8 levy imposed under RCW 84.52.069 that is in excess of thirty cents per
9 thousand dollars of assessed value, must be reduced on a pro rata basis
10 until the combined rate no longer exceeds one percent of the true and
11 fair value of any property or must be eliminated; and

12 (ix) If the combined rate of regular property tax levies that are
13 subject to the one percent limitation still exceeds one percent of the
14 true and fair value of any property, then the thirty cents per thousand
15 dollars of assessed value of tax levy imposed under RCW 84.52.069 must
16 be reduced until the combined rate no longer exceeds one percent of the
17 true and fair value of any property or must be eliminated.

18 (b) The certified rates of tax levy subject to these limitations by
19 all junior taxing districts imposing taxes on such property must be
20 reduced or eliminated as follows to bring the consolidated levy of
21 taxes on such property within the provisions of these limitations:

22 (i) First, the certified property tax levy rates of those junior
23 taxing districts authorized under RCW 36.68.525, 36.69.145, 35.95A.100,
24 and 67.38.130 must be reduced on a pro rata basis or eliminated;

25 (ii) Second, if the consolidated tax levy rate still exceeds these
26 limitations, the certified property tax levy rates of flood control
27 zone districts other than the portion of a levy protected under RCW
28 84.52.815 must be reduced on a pro rata basis or eliminated;

29 (iii) Third, if the consolidated tax levy rate still exceeds these
30 limitations, the certified property tax levy rates of all other junior
31 taxing districts, other than fire protection districts, regional fire
32 protection service authorities, library districts, the first fifty cent
33 per thousand dollars of assessed valuation levies for metropolitan park
34 districts, and the first fifty cent per thousand dollars of assessed
35 valuation levies for public hospital districts, must be reduced on a
36 pro rata basis or eliminated;

37 (iv) Fourth, if the consolidated tax levy rate still exceeds these

1 limitations, the first fifty cent per thousand dollars of assessed
2 valuation levies for metropolitan park districts created on or after
3 January 1, 2002, must be reduced on a pro rata basis or eliminated;

4 (v) Fifth, if the consolidated tax levy rate still exceeds these
5 limitations, the certified property tax levy rates authorized to fire
6 protection districts under RCW 52.16.140 and 52.16.160 and regional
7 fire protection service authorities under RCW 52.26.140(1) (b) and (c)
8 must be reduced on a pro rata basis or eliminated; and

9 (vi) Sixth, if the consolidated tax levy rate still exceeds these
10 limitations, the certified property tax levy rates authorized for fire
11 protection districts under RCW 52.16.130, regional fire protection
12 service authorities under RCW 52.26.140(1)(a), library districts,
13 metropolitan park districts created before January 1, 2002, under their
14 first fifty cent per thousand dollars of assessed valuation levy, and
15 public hospital districts under their first fifty cent per thousand
16 dollars of assessed valuation levy, must be reduced on a pro rata basis
17 or eliminated.

18 **Sec. 9.** RCW 84.52.010 and 2009 c 551 s 7 are each amended to read
19 as follows:

20 (1) Except as is permitted under RCW 84.55.050, all taxes (~~shall~~)
21 must be levied or voted in specific amounts.

22 (2) The rate percent of all taxes for state and county purposes,
23 and purposes of taxing districts coextensive with the county, (~~shall~~)
24 must be determined, calculated and fixed by the county assessors of the
25 respective counties, within the limitations provided by law, upon the
26 assessed valuation of the property of the county, as shown by the
27 completed tax rolls of the county, and the rate percent of all taxes
28 levied for purposes of taxing districts within any county (~~shall~~)
29 must be determined, calculated and fixed by the county assessors of the
30 respective counties, within the limitations provided by law, upon the
31 assessed valuation of the property of the taxing districts
32 respectively.

33 (3) When a county assessor finds that the aggregate rate of tax
34 levy on any property, that is subject to the limitations set forth in
35 RCW 84.52.043 or 84.52.050, exceeds the limitations provided in either
36 of these sections, the assessor (~~shall~~) must recompute and establish
37 a consolidated levy in the following manner:

1 ~~((1))~~ (a) The full certified rates of tax levy for state, county,
2 county road district, and city or town purposes ~~((shall))~~ must be
3 extended on the tax rolls in amounts not exceeding the limitations
4 established by law; however any state levy ~~((shall))~~ takes precedence
5 over all other levies and ~~((shall))~~ may not be reduced for any purpose
6 other than that required by RCW 84.55.010. If, as a result of the
7 levies imposed under RCW 36.54.130, 84.34.230, section 3 of this act,
8 84.52.069, 84.52.105, the portion of the levy by a metropolitan park
9 district that was protected under RCW 84.52.120, 84.52.125, 84.52.135,
10 and 84.52.140, the combined rate of regular property tax levies that
11 are subject to the one percent limitation exceeds one percent of the
12 true and fair value of any property, then these levies ~~((shall))~~ must
13 be reduced as follows:

14 ~~((a))~~ (i) The levy imposed by a county under RCW 84.52.140
15 ~~((shall))~~ must be reduced until the combined rate no longer exceeds one
16 percent of the true and fair value of any property or ~~((shall))~~ must be
17 eliminated;

18 ~~((b))~~ (ii) If the combined rate of regular property tax levies
19 that are subject to the one percent limitation still exceeds one
20 percent of the true and fair value of any property, the portion of the
21 levy by a fire protection district that is protected under RCW
22 84.52.125 ~~((shall))~~ must be reduced until the combined rate no longer
23 exceeds one percent of the true and fair value of any property or
24 ~~((shall))~~ must be eliminated;

25 ~~((c))~~ (iii) If the combined rate of regular property tax levies
26 that are subject to the one percent limitation still exceeds one
27 percent of the true and fair value of any property, the levy imposed by
28 a county under RCW 84.52.135 must be reduced until the combined rate no
29 longer exceeds one percent of the true and fair value of any property
30 or must be eliminated;

31 ~~((d))~~ (iv) If the combined rate of regular property tax levies
32 that are subject to the one percent limitation still exceeds one
33 percent of the true and fair value of any property, the levy imposed by
34 a ferry district under RCW 36.54.130 must be reduced until the combined
35 rate no longer exceeds one percent of the true and fair value of any
36 property or must be eliminated;

37 ~~((e))~~ (v) If the combined rate of regular property tax levies
38 that are subject to the one percent limitation still exceeds one

1 percent of the true and fair value of any property, the portion of the
2 levy by a metropolitan park district that is protected under RCW
3 84.52.120 (~~shall~~) must be reduced until the combined rate no longer
4 exceeds one percent of the true and fair value of any property or
5 (~~shall~~) must be eliminated;

6 ((+f)) (vi) If the combined rate of regular property tax levies
7 that are subject to the one percent limitation still exceeds one
8 percent of the true and fair value of any property, then the levies
9 imposed under RCW 84.34.230, section 3 of this act, 84.52.105, and any
10 portion of the levy imposed under RCW 84.52.069 that is in excess of
11 thirty cents per thousand dollars of assessed value, (~~shall~~) must be
12 reduced on a pro rata basis until the combined rate no longer exceeds
13 one percent of the true and fair value of any property or (~~shall~~)
14 must be eliminated; and

15 ((+g)) (vii) If the combined rate of regular property tax levies
16 that are subject to the one percent limitation still exceeds one
17 percent of the true and fair value of any property, then the thirty
18 cents per thousand dollars of assessed value of tax levy imposed under
19 RCW 84.52.069 (~~shall~~) must be reduced until the combined rate no
20 longer exceeds one percent of the true and fair value of any property
21 or eliminated.

22 ((+2)) (b) The certified rates of tax levy subject to these
23 limitations by all junior taxing districts imposing taxes on such
24 property (~~shall~~) must be reduced or eliminated as follows to bring
25 the consolidated levy of taxes on such property within the provisions
26 of these limitations:

27 ((+a)) (i) First, the certified property tax levy rates of those
28 junior taxing districts authorized under RCW 36.68.525, 36.69.145,
29 35.95A.100, and 67.38.130 (~~shall~~) must be reduced on a pro rata basis
30 or eliminated;

31 ((+b)) (ii) Second, if the consolidated tax levy rate still
32 exceeds these limitations, the certified property tax levy rates of
33 flood control zone districts (~~shall~~) must be reduced on a pro rata
34 basis or eliminated;

35 ((+c)) (iii) Third, if the consolidated tax levy rate still
36 exceeds these limitations, the certified property tax levy rates of all
37 other junior taxing districts, other than fire protection districts,
38 regional fire protection service authorities, library districts, the

1 first fifty cent per thousand dollars of assessed valuation levies for
2 metropolitan park districts, and the first fifty cent per thousand
3 dollars of assessed valuation levies for public hospital districts,
4 (~~shall~~) must be reduced on a pro rata basis or eliminated;

5 (~~(d)~~) (iv) Fourth, if the consolidated tax levy rate still
6 exceeds these limitations, the first fifty cent per thousand dollars of
7 assessed valuation levies for metropolitan park districts created on or
8 after January 1, 2002, (~~shall~~) must be reduced on a pro rata basis or
9 eliminated;

10 (~~(e)~~) (v) Fifth, if the consolidated tax levy rate still exceeds
11 these limitations, the certified property tax levy rates authorized to
12 fire protection districts under RCW 52.16.140 and 52.16.160 and
13 regional fire protection service authorities under RCW 52.26.140(1) (b)
14 and (c) (~~shall~~) must be reduced on a pro rata basis or eliminated;
15 and

16 (~~(f)~~) (vi) Sixth, if the consolidated tax levy rate still exceeds
17 these limitations, the certified property tax levy rates authorized for
18 fire protection districts under RCW 52.16.130, regional fire protection
19 service authorities under RCW 52.26.140(1)(a), library districts,
20 metropolitan park districts created before January 1, 2002, under their
21 first fifty cent per thousand dollars of assessed valuation levy, and
22 public hospital districts under their first fifty cent per thousand
23 dollars of assessed valuation levy, (~~shall~~) must be reduced on a pro
24 rata basis or eliminated.

25 **Sec. 10.** RCW 84.52.043 and 2011 c 275 s 2 are each amended to read
26 as follows:

27 Within and subject to the limitations imposed by RCW 84.52.050 as
28 amended, the regular ad valorem tax levies upon real and personal
29 property by the taxing districts hereafter named are as follows:

30 (1) Levies of the senior taxing districts are as follows: (a) The
31 levy by the state may not exceed three dollars and sixty cents per
32 thousand dollars of assessed value adjusted to the state equalized
33 value in accordance with the indicated ratio fixed by the state
34 department of revenue to be used exclusively for the support of the
35 common schools; (b) the levy by any county may not exceed one dollar
36 and eighty cents per thousand dollars of assessed value; (c) the levy
37 by any road district may not exceed two dollars and twenty-five cents

1 per thousand dollars of assessed value; and (d) the levy by any city or
2 town may not exceed three dollars and thirty-seven and one-half cents
3 per thousand dollars of assessed value. However any county is hereby
4 authorized to increase its levy from one dollar and eighty cents to a
5 rate not to exceed two dollars and forty-seven and one-half cents per
6 thousand dollars of assessed value for general county purposes if the
7 total levies for both the county and any road district within the
8 county do not exceed four dollars and five cents per thousand dollars
9 of assessed value, and no other taxing district has its levy reduced as
10 a result of the increased county levy.

11 (2) The aggregate levies of junior taxing districts and senior
12 taxing districts, other than the state, may not exceed five dollars and
13 ninety cents per thousand dollars of assessed valuation. The term
14 "junior taxing districts" includes all taxing districts other than the
15 state, counties, road districts, cities, towns, port districts, and
16 public utility districts. The limitations provided in this subsection
17 do not apply to: (a) Levies at the rates provided by existing law by
18 or for any port or public utility district; (b) excess property tax
19 levies authorized in Article VII, section 2 of the state Constitution;
20 (c) levies for acquiring conservation futures as authorized under RCW
21 84.34.230 and section 3 of this act; (d) levies for emergency medical
22 care or emergency medical services imposed under RCW 84.52.069; (e)
23 levies to finance affordable housing for very low-income housing
24 imposed under RCW 84.52.105; (f) the portions of levies by metropolitan
25 park districts that are protected under RCW 84.52.120; (g) levies
26 imposed by ferry districts under RCW 36.54.130; (h) levies for criminal
27 justice purposes under RCW 84.52.135; (i) the portions of levies by
28 fire protection districts that are protected under RCW 84.52.125; (j)
29 levies by counties for transit-related purposes under RCW 84.52.140;
30 and (k) the protected portion of the levies imposed under RCW 86.15.160
31 by flood control zone districts in a county with a population of seven
32 hundred seventy-five thousand or more that are coextensive with a
33 county.

34 **Sec. 11.** RCW 84.52.043 and 2009 c 551 s 6 are each amended to read
35 as follows:

36 Within and subject to the limitations imposed by RCW 84.52.050 as

1 amended, the regular ad valorem tax levies upon real and personal
2 property by the taxing districts hereafter named (~~shall~~) must be as
3 follows:

4 (1) Levies of the senior taxing districts (~~shall~~) must be as
5 follows: (a) The levy by the state (~~shall~~) may not exceed three
6 dollars and sixty cents per thousand dollars of assessed value adjusted
7 to the state equalized value in accordance with the indicated ratio
8 fixed by the state department of revenue to be used exclusively for the
9 support of the common schools; (b) the levy by any county (~~shall~~) may
10 not exceed one dollar and eighty cents per thousand dollars of assessed
11 value; (c) the levy by any road district (~~shall~~) may not exceed two
12 dollars and twenty-five cents per thousand dollars of assessed value;
13 and (d) the levy by any city or town (~~shall~~) may not exceed three
14 dollars and thirty-seven and one-half cents per thousand dollars of
15 assessed value. However any county is hereby authorized to increase
16 its levy from one dollar and eighty cents to a rate not to exceed two
17 dollars and forty-seven and one-half cents per thousand dollars of
18 assessed value for general county purposes if the total levies for both
19 the county and any road district within the county do not exceed four
20 dollars and five cents per thousand dollars of assessed value, and no
21 other taxing district has its levy reduced as a result of the increased
22 county levy.

23 (2) The aggregate levies of junior taxing districts and senior
24 taxing districts, other than the state, (~~shall~~) may not exceed five
25 dollars and ninety cents per thousand dollars of assessed valuation.
26 The term "junior taxing districts" includes all taxing districts other
27 than the state, counties, road districts, cities, towns, port
28 districts, and public utility districts. The limitations provided in
29 this subsection (~~shall~~) do not apply to: (a) Levies at the rates
30 provided by existing law by or for any port or public utility district;
31 (b) excess property tax levies authorized in Article VII, section 2 of
32 the state Constitution; (c) levies for acquiring conservation futures
33 as authorized under RCW 84.34.230 and section 3 of this act; (d) levies
34 for emergency medical care or emergency medical services imposed under
35 RCW 84.52.069; (e) levies to finance affordable housing for very low-
36 income housing imposed under RCW 84.52.105; (f) the portions of levies
37 by metropolitan park districts that are protected under RCW 84.52.120;
38 (g) levies imposed by ferry districts under RCW 36.54.130; (h) levies

1 for criminal justice purposes under RCW 84.52.135; (i) the portions of
2 levies by fire protection districts that are protected under RCW
3 84.52.125; and (j) levies by counties for transit-related purposes
4 under RCW 84.52.140.

5 NEW SECTION. **Sec. 12.** Sections 1 through 7 of this act constitute
6 a new chapter in Title 36 RCW.

7 NEW SECTION. **Sec. 13.** Sections 8 and 10 of this act expire
8 January 1, 2018.

9 NEW SECTION. **Sec. 14.** Sections 9 and 11 of this act take effect
10 January 1, 2018.

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