
HOUSE BILL 2212

State of Washington

63rd Legislature

2014 Regular Session

By Representatives Springer, Haler, Lytton, Habib, Tarleton, Appleton, Fitzgibbon, Roberts, Senn, Bergquist, Carlyle, Walkinshaw, Wylie, and Pollet

Read first time 01/14/14. Referred to Committee on Finance.

1 AN ACT Relating to access to and economic development of cultural
2 and heritage programs and facilities and authorizing the creation of
3 cultural access programs; amending RCW 84.52.010, 84.52.010, 84.52.043,
4 and 84.52.043; adding a new section to chapter 82.14 RCW; adding a new
5 section to chapter 84.52 RCW; adding a new chapter to Title 36 RCW;
6 creating new sections; providing an effective date; and providing an
7 expiration date.

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

9 **PART I**

10 **INTENT**

11 NEW SECTION. **Sec. 101.** INTENT. (1) The legislature finds that:
12 (a) The cultural organizations of the state provide numerous public
13 benefits. Providing support for the state's cultural organizations is
14 in the public interest and will serve multiple public purposes
15 including, among others, enhancing and extending the educational reach
16 and offerings of cultural organizations; ensuring continued and
17 expanded access to the facilities and programs of cultural
18 organizations by economically and geographically underserved

1 populations; and providing financial stability to the organizations to
2 enable them to focus on core missions as well as to continue and extend
3 the numerous public benefits they provide.

4 (b) Economic impact studies consistently confirm that cultural
5 institutions represent a multibillion dollar segment of the state's
6 overall economy and are directly responsible for tens of thousands of
7 jobs.

8 (2) The purpose of this chapter is to authorize the cultural access
9 program, under which counties authorize funding for public school
10 cultural access programs and support cultural organizations.

11 **PART II**
12 **DEFINITIONS**

13 NEW SECTION. **Sec. 201.** DEFINITIONS. The definitions in this
14 section apply throughout this chapter unless the context clearly
15 requires otherwise.

16 (1) "Administrative costs" means all operating, administrative, and
17 maintenance expenses for a program, a designated public agency, or a
18 designated entity.

19 (2) "Attendance" means the total number of visits by persons in
20 physical attendance during a year at cultural organization facilities
21 located or cultural organization programs provided within the county
22 creating a program, including attendance for which admission was paid,
23 discounted, or free, consistent with and verifiable under guidelines
24 adopted by the appropriate program.

25 (3) "Cultural organization" means a nonprofit corporation
26 incorporated under the laws of the state of Washington and recognized
27 by the internal revenue service as described in section 501(c)(3) of
28 the internal revenue code of 1986, as amended, with its principal
29 location or locations and conducting a majority of its activities
30 within the state, not including: Any agency of the state or any of its
31 political subdivisions; any municipal corporation; any organization
32 that raises funds for redistribution to multiple cultural
33 organizations; or any radio or television broadcasting network or
34 station, cable communications system, internet-based communications
35 venture or service, newspaper, or magazine. The primary purpose of the
36 organization must be the advancement and preservation of science or

1 technology, the visual or performing arts, zoology, botany,
2 anthropology, heritage, or natural history and any organization shall
3 directly provide programming or experiences available to the general
4 public. Any organization with the primary purpose of advancing and
5 preserving zoology such as zoos and aquariums must be or support a
6 facility that is accredited by the association of zoos and aquariums or
7 its functional successor. A state-related cultural organization may be
8 a cultural organization.

9 (4) "Designated entity" means the entity designated by the
10 legislative authority of a county creating the program, as required
11 under section 601(1)(d) of this act. The entity may be a public
12 agency, including the state arts commission established under chapter
13 43.46 RCW, or a Washington nonprofit corporation that is not a cultural
14 organization eligible for funding under this chapter.

15 (5) "Designated public agency" means the public agency designated
16 by the legislative authority of a county creating the program, as
17 required under section 601(2)(h) of this act.

18 (6) "Program" means a cultural access program established by a
19 county by ordinance.

20 (7) "Revenues" means revenues from all sources generated by a
21 cultural organization, consistent with generally accepted accounting
22 practices and any program guidelines, excluding: (a) Revenues
23 associated with capital projects other than major maintenance projects
24 including, but not limited to, capital campaign expenses; (b) funds
25 provided under this chapter; (c) revenue that would be considered
26 unrelated business taxable income under the internal revenue code of
27 1986, as amended; and (d) with respect to a state-related cultural
28 organization, state funding received by it or for the institution it
29 supports. Revenues include transfers from an organization's endowment
30 or reserves and may include the value of in-kind goods and services to
31 the extent permitted under any program guidelines.

32 (8) "State-related cultural organization" means an organization
33 incorporated as a nonprofit corporation under the laws of the state of
34 Washington and recognized by the internal revenue service as described
35 in section 501(c)(3) of the internal revenue code of 1986, as amended,
36 with a primary purpose and directly providing programming or
37 experiences available to the general public consistent with the

1 requirements for recognition as a cultural organization under this
2 chapter operating in a facility owned and supported by the state, a
3 state agency, or state educational institution.

4 **PART III**

5 **CULTURAL ACCESS PROGRAM**

6 NEW SECTION. **Sec. 301.** CREATION. (1) Any county legislative
7 authority may create a cultural access program by ordinance.

8 (2) Any contiguous group of counties may create a program by
9 entering into an interlocal agreement under chapter 39.34 RCW, approved
10 by resolution of the county legislative authorities.

11 NEW SECTION. **Sec. 302.** START-UP FUNDING AND CONDITIONAL
12 FORMATION. (1) The county creating a program may advance to the
13 program funding for its administrative costs, including the cost of
14 informing the public about the formation of the program, how it is
15 proposed to be funded, and the public benefits to be realized if it is
16 successful. However, this subsection does not authorize the
17 preparation and distribution of information to the general public for
18 the purpose of influencing the outcome of any election called for voter
19 authorization of a proposed tax to support a program.

20 (2) The county creating a program may provide for repayment of any
21 start-up funding advanced to a program from the proceeds of taxes
22 authorized under sections 401 through 403 of this act and approved by
23 voters after the taxes are first collected. The funds may be repaid to
24 such county with interest at the internal rate of return on the
25 invested funds of such county.

26 NEW SECTION. **Sec. 303.** NONSUPPLANTATION. In creating a program
27 under this chapter, any county creating the program shall affirm that
28 any funding such county usually and customarily provides to cultural
29 organizations similar to funding that would be available to those
30 organizations under this chapter may not be replaced or materially
31 diminished as a result of funding becoming available under this
32 chapter.

1 credited to a special fund in the treasury of the county imposing such
2 tax and used solely for the purpose of paying all or any part of the
3 cost of cultural access programs as provided in this chapter.

4 NEW SECTION. **Sec. 402.** A new section is added to chapter 82.14
5 RCW to read as follows:

6 SALES AND USE TAXES. (1) The legislative authority of a county may
7 impose a sales and use tax of up to one-tenth of one percent of the
8 selling price in the case of a sales tax, or value of the article used,
9 in the case of a use tax, for the purposes authorized under chapter
10 36.--- RCW (the new chapter created in section 702 of this act). The
11 legislative authority of the county may impose the sales and use tax by
12 ordinance and, in its sole discretion, may condition its imposition on
13 the specific authorization of a majority of the voters voting on a
14 proposition submitted at a special election held after June 30, 2015.
15 The ordinance and ballot proposition, if any, may provide for the tax
16 to apply for a period of up to seven consecutive years.

17 (2) The tax authorized in this section is in addition to any other
18 taxes authorized by law and must be collected from those persons who
19 are taxable by the state under chapters 82.08 and 82.12 RCW upon the
20 occurrence of any taxable event.

21 (3) The legislative authority of a county may reimpose a tax
22 imposed under this section for one or more additional periods of up to
23 seven consecutive years. The legislative authority of the county may
24 reimpose the sales and use tax by ordinance and, in its sole
25 discretion, may condition its reimposition on the prior specific
26 authorization of a majority of the voters voting on a proposition
27 submitted at any special election.

28 (4) Moneys collected under this section may only be used for the
29 purposes set forth in section 601 of this act.

30 (5) The department must perform the collection of taxes under this
31 section on behalf of a county at no cost to the county, and the state
32 treasurer must distribute those taxes as available on a monthly basis
33 to the county or, upon the direction of the county, to its treasurer or
34 a fiscal agent, paying agent, or trustee for obligations issued or
35 incurred by the program.

36 (6) The definitions in section 201 of this act apply to this
37 section.

1 NEW SECTION. **Sec. 403.** A new section is added to chapter 84.52
2 RCW to read as follows:

3 PROPERTY TAX. (1) The legislative authority of a county may impose
4 an additional regular property tax levy for the purposes authorized
5 under chapter 36.--- RCW (the new chapter created in section 702 of
6 this act). The legislative authority of the county may impose the
7 additional levy by ordinance and, in its sole discretion, may condition
8 its imposition of the levy upon prior specific authorization of a
9 majority of the voters voting on a proposition submitted at a special
10 election held after June 30, 2015. The ordinance and the ballot
11 proposition, if any, must set forth the total dollar amount to be
12 collected in the first year of the levy and may provide for a levy for
13 a period of up to seven consecutive years. The total dollar amount to
14 be set forth in the ordinance and the ballot proposition, if any, may
15 not exceed an amount equal to: (a) The total taxable retail sales and
16 taxable uses for the most recent calendar year as reported by the
17 department; multiplied by (b) one-tenth of one percent.

18 (2) The legislative authority of a county may reimpose an
19 additional regular property tax levy imposed under subsection (1) of
20 this section for one or more additional periods of up to seven
21 consecutive years. The legislative authority of the county may
22 reimpose the levy by ordinance and, in its sole discretion, may
23 condition the reimposition of the levy upon the specific authorization
24 of a majority of the voters voting on a proposition submitted at any
25 special election. The ordinance and the ballot proposition, if any,
26 must set forth the total dollar amount to be collected in the first
27 year of the reimposed levy, which dollar amount may not exceed an
28 amount equal to: (a) The total number of taxable retail sales and
29 taxable uses for the most recent calendar year as reported by the
30 department; multiplied by (b) one-tenth of one percent.

31 (3) In the event a county is levying property taxes for its program
32 that, in combination with property taxes levied by other taxing
33 districts exceed the limitation in RCW 84.52.050, the county's property
34 tax levy for such a program must be reduced or eliminated consistent
35 with RCW 84.52.010.

36 (4) The limitation in RCW 84.55.010 does not apply to the first
37 levy imposed under subsection (1) of this section or to the first levy
38 reimposed under subsection (2) of this section.

1 (5) The limitations in RCW 84.52.043 do not apply to the tax levy
2 authorized in this section.

3 (6) Moneys collected under this section may only be used for the
4 purposes set forth in section 601 of this act.

5 (7) The definitions in section 201 of this act apply to this
6 section.

7 **Sec. 404.** RCW 84.52.010 and 2011 1st sp.s. c 28 s 2 are each
8 amended to read as follows:

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

11 (2) The rate percent of all taxes for state and county purposes,
12 and purposes of taxing districts coextensive with the county, must be
13 determined, calculated and fixed by the county assessors of the
14 respective counties, within the limitations provided by law, upon the
15 assessed valuation of the property of the county, as shown by the
16 completed tax rolls of the county, and the rate percent of all taxes
17 levied for purposes of taxing districts within any county must be
18 determined, calculated and fixed by the county assessors of the
19 respective counties, within the limitations provided by law, upon the
20 assessed valuation of the property of the taxing districts
21 respectively.

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

27 (a) The full certified rates of tax levy for state, county, county
28 road district, and city or town purposes must be extended on the tax
29 rolls in amounts not exceeding the limitations established by law;
30 however any state levy takes precedence over all other levies and may
31 not be reduced for any purpose other than that required by RCW
32 84.55.010. If, as a result of the levies imposed under RCW 36.54.130,
33 84.34.230, 84.52.069, 84.52.105, section 403 of this act, the portion
34 of the levy by a metropolitan park district that was protected under
35 RCW 84.52.120, 84.52.125, 84.52.135, 84.52.140, and the protected
36 portion of the levy under RCW 86.15.160 by flood control zone districts
37 in a county with a population of seven hundred seventy-five thousand or

1 more that are coextensive with a county, the combined rate of regular
2 property tax levies that are subject to the one percent limitation
3 exceeds one percent of the true and fair value of any property, then
4 these levies must be reduced as follows:

5 (i) The portion of the levy by a metropolitan park district that
6 has a population of less than one hundred fifty thousand and is located
7 in a county with a population of one million five hundred thousand or
8 more that is protected under RCW 84.52.120 must be reduced until the
9 combined rate no longer exceeds one percent of the true and fair value
10 of any property or must be eliminated;

11 (ii) 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 protected portion of the levy
14 imposed under RCW 86.15.160 by a flood control zone district in a
15 county with a population of seven hundred seventy-five thousand or more
16 that is coextensive with a county must be reduced until the combined
17 rate no longer exceeds one percent of the true and fair value of any
18 property or must be eliminated;

19 (iii) If the combined rate of regular property tax levies that are
20 subject to the one percent limitation still exceeds one percent of the
21 true and fair value of any property, the levy imposed by a county under
22 RCW 84.52.140 must be reduced until the combined rate no longer exceeds
23 one percent of the true and fair value of any property or must be
24 eliminated;

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

31 (v) If the combined rate of regular property tax levies that are
32 subject to the one percent limitation still exceeds one percent of the
33 true and fair value of any property, the levy imposed by a county under
34 RCW 84.52.135 must be reduced until the combined rate no longer exceeds
35 one percent of the true and fair value of any property or must be
36 eliminated;

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

1 true and fair value of any property, the levy imposed by a ferry
2 district under RCW 36.54.130 must be reduced until the combined rate no
3 longer exceeds one percent of the true and fair value of any property
4 or must be eliminated;

5 (vii) If the combined rate of regular property tax levies that are
6 subject to the one percent limitation still exceeds one percent of the
7 true and fair value of any property, the portion of the levy by a
8 metropolitan park district with a population of one hundred fifty
9 thousand or more that is protected under RCW 84.52.120 must be reduced
10 until the combined rate no longer exceeds one percent of the true and
11 fair value of any property or must be eliminated;

12 (viii) 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 levies imposed under RCW
15 84.34.230, 84.52.105, section 403 of this act, and any portion of the
16 levy imposed under RCW 84.52.069 that is in excess of thirty cents per
17 thousand dollars of assessed value, must be reduced on a pro rata basis
18 until the combined rate no longer exceeds one percent of the true and
19 fair value of any property or must be eliminated; and

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

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

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

33 (ii) Second, if the consolidated tax levy rate still exceeds these
34 limitations, the certified property tax levy rates of flood control
35 zone districts other than the portion of a levy protected under RCW
36 84.52.815 must be reduced on a pro rata basis or eliminated;

37 (iii) Third, if the consolidated tax levy rate still exceeds these
38 limitations, the certified property tax levy rates of all other junior

1 taxing districts, other than fire protection districts, regional fire
2 protection service authorities, library districts, the first fifty cent
3 per thousand dollars of assessed valuation levies for metropolitan park
4 districts, and the first fifty cent per thousand dollars of assessed
5 valuation levies for public hospital districts, must be reduced on a
6 pro rata basis or eliminated;

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

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

16 (vi) Sixth, if the consolidated tax levy rate still exceeds these
17 limitations, the certified property tax levy rates authorized for fire
18 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, must be reduced on a pro rata basis
24 or eliminated.

25 **Sec. 405.** RCW 84.52.010 and 2009 c 551 s 7 are each amended to
26 read as follows:

27 Except as is permitted under RCW 84.55.050, all taxes shall be
28 levied or voted in specific amounts.

29 The rate percent of all taxes for state and county purposes, and
30 purposes of taxing districts coextensive with the county, shall be
31 determined, calculated and fixed by the county assessors of the
32 respective counties, within the limitations provided by law, upon the
33 assessed valuation of the property of the county, as shown by the
34 completed tax rolls of the county, and the rate percent of all taxes
35 levied for purposes of taxing districts within any county shall be
36 determined, calculated and fixed by the county assessors of the

1 respective counties, within the limitations provided by law, upon the
2 assessed valuation of the property of the taxing districts
3 respectively.

4 When a county assessor finds that the aggregate rate of tax levy on
5 any property, that is subject to the limitations set forth in RCW
6 84.52.043 or 84.52.050, exceeds the limitations provided in either of
7 these sections, the assessor shall recompute and establish a
8 consolidated levy in the following manner:

9 (1) The full certified rates of tax levy for state, county, county
10 road district, and city or town purposes shall be extended on the tax
11 rolls in amounts not exceeding the limitations established by law;
12 however any state levy shall take precedence over all other levies and
13 shall not be reduced for any purpose other than that required by RCW
14 84.55.010. If, as a result of the levies imposed under RCW 36.54.130,
15 84.34.230, 84.52.069, 84.52.105, section 403 of this act, the portion
16 of the levy by a metropolitan park district that was protected under
17 RCW 84.52.120, 84.52.125, 84.52.135, and 84.52.140, the combined rate
18 of regular property tax levies that are subject to the one percent
19 limitation exceeds one percent of the true and fair value of any
20 property, then these levies shall be reduced as follows:

21 (a) The levy imposed by a county under RCW 84.52.140 shall be
22 reduced until the combined rate no longer exceeds one percent of the
23 true and fair value of any property or shall be eliminated;

24 (b) If the combined rate of regular property tax levies that are
25 subject to the one percent limitation still exceeds one percent of the
26 true and fair value of any property, the portion of the levy by a fire
27 protection district that is protected under RCW 84.52.125 shall be
28 reduced until the combined rate no longer exceeds one percent of the
29 true and fair value of any property or shall be eliminated;

30 (c) If the combined rate of regular property tax levies that are
31 subject to the one percent limitation still exceeds one percent of the
32 true and fair value of any property, the levy imposed by a county under
33 RCW 84.52.135 must be reduced until the combined rate no longer exceeds
34 one percent of the true and fair value of any property or must be
35 eliminated;

36 (d) If the combined rate of regular property tax levies that are
37 subject to the one percent limitation still exceeds one percent of the
38 true and fair value of any property, the levy imposed by a ferry

1 district under RCW 36.54.130 must be reduced until the combined rate no
2 longer exceeds one percent of the true and fair value of any property
3 or must be eliminated;

4 (e) 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, the portion of the levy by a
7 metropolitan park district that is protected under RCW 84.52.120 shall
8 be reduced until the combined rate no longer exceeds one percent of the
9 true and fair value of any property or shall be eliminated;

10 (f) If the combined rate of regular property tax levies that are
11 subject to the one percent limitation still exceeds one percent of the
12 true and fair value of any property, then the levies imposed under RCW
13 84.34.230, 84.52.105, section 403 of this act, and any portion of the
14 levy imposed under RCW 84.52.069 that is in excess of thirty cents per
15 thousand dollars of assessed value, shall be reduced on a pro rata
16 basis until the combined rate no longer exceeds one percent of the true
17 and fair value of any property or shall be eliminated; and

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

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

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

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

34 (c) Third, if the consolidated tax levy rate still exceeds these
35 limitations, the certified property tax levy rates of all other junior
36 taxing districts, other than fire protection districts, regional fire
37 protection service authorities, library districts, the first fifty cent
38 per thousand dollars of assessed valuation levies for metropolitan park

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

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

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

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

22 **Sec. 406.** RCW 84.52.043 and 2011 c 275 s 2 are each amended to
23 read as follows:

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

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

1 authorized to increase its levy from one dollar and eighty cents to a
2 rate not to exceed two dollars and forty-seven and one-half cents per
3 thousand dollars of assessed value for general county purposes if the
4 total levies for both the county and any road district within the
5 county do not exceed four dollars and five cents per thousand dollars
6 of assessed value, and no other taxing district has its levy reduced as
7 a result of the increased county levy.

8 (2) The aggregate levies of junior taxing districts and senior
9 taxing districts, other than the state, may not exceed five dollars and
10 ninety cents per thousand dollars of assessed valuation. The term
11 "junior taxing districts" includes all taxing districts other than the
12 state, counties, road districts, cities, towns, port districts, and
13 public utility districts. The limitations provided in this subsection
14 do not apply to: (a) Levies at the rates provided by existing law by
15 or for any port or public utility district; (b) excess property tax
16 levies authorized in Article VII, section 2 of the state Constitution;
17 (c) levies for acquiring conservation futures as authorized under RCW
18 84.34.230; (d) levies for emergency medical care or emergency medical
19 services imposed under RCW 84.52.069; (e) levies to finance affordable
20 housing for very low-income housing imposed under RCW 84.52.105; (f)
21 the portions of levies by metropolitan park districts that are
22 protected under RCW 84.52.120; (g) levies imposed by ferry districts
23 under RCW 36.54.130; (h) levies for criminal justice purposes under RCW
24 84.52.135; (i) the portions of levies by fire protection districts that
25 are protected under RCW 84.52.125; (j) levies by counties for transit-
26 related purposes under RCW 84.52.140; (~~and~~) (k) the protected portion
27 of the levies imposed under RCW 86.15.160 by flood control zone
28 districts in a county with a population of seven hundred seventy-five
29 thousand or more that are coextensive with a county; and (l) levies for
30 cultural access program purposes under section 403 of this act.

31 **Sec. 407.** RCW 84.52.043 and 2009 c 551 s 6 are each amended to
32 read as follows:

33 Within and subject to the limitations imposed by RCW 84.52.050 as
34 amended, the regular ad valorem tax levies upon real and personal
35 property by the taxing districts hereafter named shall be as follows:

36 (1) Levies of the senior taxing districts shall be as follows: (a)
37 The levy by the state shall not exceed three dollars and sixty cents

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

17 (2) The aggregate levies of junior taxing districts and senior
18 taxing districts, other than the state, shall not exceed five dollars
19 and ninety cents per thousand dollars of assessed valuation. The term
20 "junior taxing districts" includes all taxing districts other than the
21 state, counties, road districts, cities, towns, port districts, and
22 public utility districts. The limitations provided in this subsection
23 shall not apply to: (a) Levies at the rates provided by existing law
24 by or for any port or public utility district; (b) excess property tax
25 levies authorized in Article VII, section 2 of the state Constitution;
26 (c) levies for acquiring conservation futures as authorized under RCW
27 84.34.230; (d) levies for emergency medical care or emergency medical
28 services imposed under RCW 84.52.069; (e) levies to finance affordable
29 housing for very low-income housing imposed under RCW 84.52.105; (f)
30 the portions of levies by metropolitan park districts that are
31 protected under RCW 84.52.120; (g) levies imposed by ferry districts
32 under RCW 36.54.130; (h) levies for criminal justice purposes under RCW
33 84.52.135; (i) the portions of levies by fire protection districts that
34 are protected under RCW 84.52.125; ~~((and))~~ (j) levies by counties for
35 transit-related purposes under RCW 84.52.140; and (k) levies for
36 cultural access program purposes under section 403 of this act.

1 NEW SECTION. **Sec. 502.** PUBLIC SCHOOL CULTURAL ACCESS PROGRAM.

2 (1) A program created under this chapter shall develop and provide a
3 public school cultural access program, as provided in section 601 of
4 this act.

5 (2) To the extent practicable consistent with available resources,
6 the public school cultural access element of a program of a county
7 described in section 601(2) of this act must include the following
8 attributes:

9 (a) Provide benefits designed to increase public school student
10 access to the programming offered and facilities operated by regional
11 and community-based cultural organizations receiving funding under this
12 chapter;

13 (b) Offer benefits to every public school in the county while
14 scaling the range of benefits available to and the frequency of
15 opportunities to participate by any particular school to coincide with
16 the relative percentage of students attending the school who
17 participate in the national free or reduced-price school meals program;

18 (c) Benefits provided under the public school cultural access
19 program must include, without limitation:

20 (i) Establishing and operating, within funding provided to support
21 the public school cultural access program under this subsection, of a
22 centralized service available to regional and community-based cultural
23 organizations receiving funding under this chapter and public schools
24 in the county to coordinate opportunities for public school student
25 access to the programs and activities offered by the organizations both
26 at the facilities and venues operated by the organizations and through
27 programs and experiences provided by the organizations at schools and
28 elsewhere;

29 (ii) Providing directly or otherwise funding and arranging for
30 transportation for public school students to attend and participate in
31 the programs and activities offered by such organizations;

32 (iii) In consultation with cultural organizations located within
33 the county, preparing and maintaining a readily accessible and current
34 guide cataloging access opportunities and facilitating scheduling;

35 (iv) Coordinating closely with cultural organizations to maximize
36 student utilization of available opportunities in a cost-efficient
37 manner including possible scheduling on a single day opportunities for

1 different grade levels at any one school and participation in multiple
2 programs or activities in the same general area for which program-
3 funded transportation is provided;

4 (v) Supporting the development of tools, materials, and media by
5 cultural organizations to ensure that school access programs and
6 activities correlate with school curricula and extend the reach of
7 access programs and activities for classroom use with or without direct
8 on-site participation, to the extent practicable;

9 (vi) Building meaningful partnerships with public schools and
10 cultural organizations in order to maximize participation in school
11 access programs and activities and ensure their relevance and
12 effectiveness;

13 (d) When a program determines that its program element required
14 under (c)(i) through (vi) of this subsection has achieved sufficient
15 scale and participation among public schools located within its
16 boundaries and that it has resources remaining to devote to additional
17 public school cultural access programs without diminishing such
18 participation, the county may develop and financially support other
19 public school cultural access activities in conjunction with cultural
20 organizations receiving funds under this chapter; public school
21 districts; and other public or nonprofit organizations that support
22 cultural access. Any funding for development and support of such
23 activities provided to cultural organizations receiving funds under
24 this subsection must only be used to supplement the public benefits
25 provided by such organizations as required under this chapter and may
26 not be used by such organizations to replace or diminish funding for
27 such required public benefits;

28 (e) Preparation of an annual public school cultural access plan for
29 authority board review and adoption prior to implementation; and

30 (f) Compilation of an annual report documenting the reach and
31 evaluating the effectiveness of program-funded public school cultural
32 access efforts, including recommendations to the county for
33 improvements.

34 **PART VI**
35 **USE OF FUNDS**

1 NEW SECTION. **Sec. 601.** ALLOCATION. (1) A program in a county
2 with a population of less than one million five hundred thousand must
3 allocate the proceeds of taxes authorized under sections 402 and 403 of
4 this act as follows:

5 (a) If any start-up funding has been provided to the program under
6 section 302 of this act with the expectation that the funding will be
7 repaid, the program must annually reserve from total funds available
8 funding sufficient to provide for repayment of such start-up funding
9 until any such start-up funding has been fully repaid;

10 (b) The funding determined by the county forming such a program to
11 be reserved for program costs, including direct administrative costs,
12 and repaying any start-up funding provided under section 303 of this
13 act. Information disclosing the amount of funding to be reserved for
14 program administrative costs must be included in any proposition
15 submitted to voters under section 402 or 403 of this act;

16 (c) The county must determine the percentage of total funds
17 available annually to be reserved for a public school cultural access
18 program established and managed by the county to increase access to
19 cultural activities and programming for public school students resident
20 in the county. The activities and programming need not be located or
21 provided within the county. In developing its program, the county may
22 consider the attributes prescribed for a public school cultural access
23 program required to be undertaken under section 502(2) of this act;

24 (d) Remaining funds available annually, including all funds not
25 initially reserved under (a), (b), and (c) of this subsection as well
26 as funds not distributed by the county from the reserved funds must be
27 distributed by the county to the entity designated by the legislative
28 authority of the county creating the program. The county shall
29 determine:

30 (i) Guidelines, consistent with the requirements of this chapter,
31 it deems necessary or appropriate for determining the eligibility of
32 cultural organizations to receive funding under this chapter;

33 (ii) Criteria for the award of funds to eligible cultural
34 organizations, including the public benefits to be derived from
35 projects submitted for funding;

36 (iii) The amount of funding to be allocated to support designated
37 entity administrative costs;

1 (iv) Criteria for the identification by the county or, if so
2 directed by the county, by the designated entity of any cultural
3 organization or organizations that would receive annual distributions
4 of funds in such amounts determined by the county or, if so directed by
5 the county, the designated entity; and

6 (v) Procedures to be used by the designated entity in awarding
7 funding to other cultural organizations that may, but are not required
8 to include a periodic competitive process for awarding funds for
9 particular purposes or projects proposed by eligible cultural
10 organizations;

11 (e) In evaluating requests for funding authorized under this
12 chapter, the designated entity responsible for the distribution of the
13 funds shall consider the public benefits that any cultural
14 organizations represented will be derived from proposed projects. At
15 the conclusion of a project approved for funding, such organization is
16 required to report to the designated entity on the public benefits
17 realized;

18 (f) Funds distributed to cultural organizations may be used to
19 support cultural and educational activities, programs, and initiatives;
20 public benefits and communications; and basic operations. Funds may
21 also be used for: (i) Capital expenditures or acquisitions including,
22 but not limited to, the acquisition of or construction of improvements
23 to real property; and (ii) technology, equipment, and supplies
24 reasonably related to or necessary for a project otherwise eligible for
25 funding under this chapter. Program guidelines may also determine the
26 circumstances under which funds may be used to fund start-up expenses
27 of new community-based cultural organizations;

28 (g) If the county or designated entity determine the eligibility of
29 a cultural organization to receive funding or the relative magnitude of
30 the funding it receives on the basis of its budget, revenues, or
31 expenses, any determination with respect to a qualifying state-related
32 cultural organization must exclude any state funding received by the
33 organization or for the institution it supports.

34 (2) A county with a population of more than one million five
35 hundred thousand must allocate the proceeds of the taxes authorized
36 under sections 402 and 403 of this act as follows:

37 (a) If any start-up funding has been provided to the program under
38 section 302 of this act with the expectation that the funding will be

1 repaid, the program must annually reserve from total funds available
2 annually funding sufficient to provide for repayment of such start-up
3 funding until any such start-up funding has been fully repaid;

4 (b) After allocating any funds as required in (a) of this
5 subsection, up to one and one-fourth percent of total funds available
6 annually may be used for program administrative costs;

7 (c) After allocating funds as required in (a) and (b) of this
8 subsection, ten percent of remaining funds available annually must be
9 used to fund a public school cultural access program to be administered
10 by the program;

11 (d) Seventy-five percent of total remaining funds available
12 annually excluding funds initially reserved under (a), (b), and (c) of
13 this subsection must be reserved for distribution by the program to
14 regional cultural organizations that are cultural organizations that
15 own, operate, or support cultural facilities or provide performances,
16 exhibits, educational programs, experiences, or entertainment that
17 widely benefit and are broadly attended by the public, subject to
18 further definition under guidelines adopted by the program. A regional
19 cultural organization may also generally be characterized under program
20 guidelines as a financially stable, substantial organization with full-
21 time support and program staff, maintaining a broad-based membership,
22 having year-round or enduring seasonal operations, being a substantial
23 financial contributor to the development, operation, and maintenance of
24 the organization's principal venue or venues, and providing substantial
25 public benefits. The funding must be provided only to those regional
26 cultural organizations that the program determines, on an annual basis,
27 to have met the following guidelines:

28 (i) For at least the preceding three years, the organization has
29 been continuously in good standing as a nonprofit corporation under the
30 laws of the state of Washington;

31 (ii) The organization has its principal location or locations and
32 conducts the majority of its activities within the county area
33 primarily for the benefit of county residents;

34 (iii) The organization has not declared bankruptcy or suspended or
35 substantially curtailed operations for a period longer than six months
36 during the preceding two years;

37 (iv) The organization provided to the program audited annual
38 financial statements for at least its two most recent fiscal years;

1 (v) Over the three preceding years, the organization has minimum
2 average annual revenues of at least one million two hundred fifty
3 thousand dollars. The program shall annually and cumulatively adjust
4 the minimum revenues by the annual percentage change in the consumer
5 price index for the prior year for the Seattle-Tacoma-Bellevue,
6 Washington metropolitan statistical area for all urban consumer, all
7 goods, as published by the United States department of labor, bureau of
8 labor statistics. The minimum revenues requirement, adjusted for
9 inflation as provided in this section, remains effective through the
10 date on which the initial tax authorized by the voters under section
11 402 or 403 of this act expires. Thereafter, the program must, at the
12 beginning of each subsequent period of funding as approved by the
13 voters, establish initial minimum average annual revenues of not less
14 than the amount of the minimum revenues required during the final year
15 of the immediately preceding period of funding;

16 (vi) For purposes of determining the eligibility of a regional
17 organization to receive funding or the relative magnitude of the
18 funding it receives on the basis of its revenues, any determination
19 with respect to a qualifying state-related cultural organization must
20 exclude any state funding received by the organization or for the
21 institution it supports; and

22 (vii) Any additional guidelines, consistent with section 201 of
23 this act and this section, as the program deems necessary or
24 appropriate for determining the eligibility of prospective regional
25 cultural organizations to receive funding under this section and for
26 establishing the amount of funding any organization may receive;

27 (e) Funds available under (d) of this subsection must be
28 distributed among eligible regional cultural organizations based on an
29 annual ranking of eligible organizations by the combined size of their
30 average annual revenues and their average annual attendance, both over
31 the three preceding years. However, an organization's attendance must
32 have twice the weight of the organization's revenues in determining its
33 relative ranking. Available funds must be distributed proportionally
34 among eligible organizations, consistent with the ranking, such that
35 the organization with the largest combined revenues and weighted
36 attendance would receive the most funding and the organization with the
37 smallest combined revenues and weighted attendance would receive the
38 least funding. However, no organization may receive funds in excess of

1 fifteen percent of its average annual revenues over the three preceding
2 years. Any funds available under (d) of this subsection not
3 distributed to regional cultural organizations as a result of
4 application of the formula provided under this subsection (2)(e) must
5 be allocated by the program for distribution under (g) of this
6 subsection;

7 (f) Funds distributed to regional cultural organizations under (d)
8 of this subsection must be used to support cultural and educational
9 activities, programs and initiatives, public benefits and
10 communications, and basic operations. No funds distributed to regional
11 cultural organizations under (d) of this subsection may be used for
12 capital expenditures or acquisitions including, but not limited to, the
13 acquisition of or the construction of improvements to real property.

14 (g) In addition to providing or continuing to provide public
15 benefits identified by the program under this section, regional
16 cultural organizations receiving funding under this subsection (2)
17 shall participate in good faith in the program's public school cultural
18 access program required under section 502 of this act. The regional
19 cultural organizations shall provide or continue to provide public
20 benefits under this section in addition to participating in the public
21 school cultural access program. Each regional cultural organization
22 receiving funds authorized under this chapter pursuant to a program
23 allocation formula shall annually, prior to year end, preview for the
24 program public benefits the organization's plans to provide or continue
25 to provide in the following year and report on public benefits it
26 provided or continued to provide during the current year;

27 (h) Remaining funds available annually, including funds not
28 initially reserved under (a) through (d) of this subsection as well as
29 funds not distributed by the program from the reserved funds must be
30 distributed by the program to the public agency designated by the
31 legislative authority of the county creating such a program;

32 (i) Funds distributed by the designated public agencies under (h)
33 of this subsection must be applied as follows:

34 (i) Not more than eight percent of such funds must be used for
35 administrative costs of the public agency designated by a county
36 creating the program; and

37 (ii) The balance must be used to fund community-based cultural
38 organizations that are cultural organizations or a community

1 preservation and development authority formed under chapter 43.167 RCW
2 prior to January 1, 2011, that primarily function, focus their
3 activities, and are supported or patronized within a local community
4 and are not a regional cultural organization, subject to further
5 definition under guidelines adopted by the designated public agency.
6 Designated public agencies shall adopt:

7 (A) Guidelines, consistent with the requirements of this chapter,
8 it deems necessary or appropriate for determining the eligibility of
9 community-based cultural organizations to receive funding under this
10 chapter and for establishing the amount of funding any organization may
11 receive;

12 (B) Criteria for the award of funds to eligible community-based
13 cultural organizations, including the public benefits to be derived
14 from projects submitted for funding; and

15 (C) Procedures for conducting, at least annually, a competitive
16 process for the award of available funding;

17 (j) Funds distributed to community-based cultural organizations may
18 be used to support cultural and educational activities, programs, and
19 initiatives; public benefits and communications; and basic operations.
20 Funds may also be used for: (i) Capital expenditures or acquisitions
21 including, but not limited to, the acquisition of or construction of
22 improvements to real property; and (ii) technology, equipment, and
23 supplies reasonably related to or necessary for a project otherwise
24 eligible for funding under this chapter. Program guidelines may also
25 determine the circumstances under which funds may be used to fund
26 start-up expenses of new community-based cultural organizations.

27 **PART VII**

28 **MISCELLANEOUS**

29 NEW SECTION. **Sec. 701.** No direct or collateral attack on any
30 program purported to be authorized or created in conformance with this
31 chapter may be commenced more than thirty days after creation.

32 NEW SECTION. **Sec. 702.** Sections 101 through 305, 401, 501, 502,
33 and 601 of this act constitute a new chapter in Title 36 RCW.

1 NEW SECTION. **Sec. 703.** If any provision of this act or its
2 application to any person or circumstance is held invalid, the
3 remainder of the act or the application of the provision to other
4 persons or circumstances is not affected.

5 NEW SECTION. **Sec. 704.** The provisions of this act must be
6 liberally construed to effectuate the policies and purposes of this
7 act.

8 NEW SECTION. **Sec. 705.** Sections 404 and 406 of this act expire
9 January 1, 2018.

10 NEW SECTION. **Sec. 706.** Sections 405 and 407 of this act take
11 effect January 1, 2018.

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