

HB 1940 - S COMM AMD - CORRECTED COPY
By Committee on Ways & Means

ADOPTED 4/14/2015

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature finds that flooding is a
4 critical problem in Washington. The legislature further finds that
5 flooding can result in loss of human life, damage to property,
6 destruction of infrastructure, and bring economic activity to a
7 standstill. The legislature further finds that flood control zone
8 districts offer critical services that protect our state by
9 mitigating the devastating impacts of flooding. It is the
10 legislature's public policy objective to maximize available financing
11 tools to flood control zone districts to continue their important
12 work. Therefore, it is the legislature's intent to exempt levies
13 imposed by a qualifying flood control zone district from certain
14 limitations upon regular property tax levies.

15 **Sec. 2.** RCW 84.52.010 and 2009 c 551 s 7 are each amended to
16 read as follows:

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

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

30 (3) When a county assessor finds that the aggregate rate of tax
31 levy on any property, that is subject to the limitations set forth in
32 RCW 84.52.043 or 84.52.050, exceeds the limitations provided in

1 either of these sections, the assessor (~~shall~~) must recompute and
2 establish a consolidated levy in the following manner:

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

18 (~~(a)~~) (i) The portion of the levy by a flood control zone
19 district that was protected under section 3 of this act must be
20 reduced until the combined rate no longer exceeds one percent of the
21 true and fair value of any property or must be eliminated;

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

28 (~~(b)~~) (iii) If the combined rate of regular property tax levies
29 that are subject to the one percent limitation still exceeds one
30 percent of the true and fair value of any property, the portion of
31 the levy by a fire protection district that is protected under RCW
32 84.52.125 (~~shall~~) must be reduced until the combined rate no longer
33 exceeds one percent of the true and fair value of any property or
34 (~~shall~~) must be eliminated;

35 (~~(c)~~) (iv) If the combined rate of regular property tax levies
36 that are subject to the one percent limitation still exceeds one
37 percent of the true and fair value of any property, the levy imposed
38 by a county under RCW 84.52.135 must be reduced until the combined
39 rate no longer exceeds one percent of the true and fair value of any
40 property or must be eliminated;

1 ~~((d))~~ (v) If the combined rate of regular property tax levies
2 that are subject to the one percent limitation still exceeds one
3 percent of the true and fair value of any property, the levy imposed
4 by a ferry district under RCW 36.54.130 must be reduced until the
5 combined rate no longer exceeds one percent of the true and fair
6 value of any property or must be eliminated;

7 ~~((e))~~ (vi) If the combined rate of regular property tax levies
8 that are subject to the one percent limitation still exceeds one
9 percent of the true and fair value of any property, the portion of
10 the levy by a metropolitan park district that is protected under RCW
11 84.52.120 ~~((shall))~~ must be reduced until the combined rate no longer
12 exceeds one percent of the true and fair value of any property or
13 ~~((shall))~~ must be eliminated;

14 ~~((f))~~ (vii) If the combined rate of regular property tax levies
15 that are subject to the one percent limitation still exceeds one
16 percent of the true and fair value of any property, then the levies
17 imposed under RCW 84.34.230, 84.52.105, and any portion of the levy
18 imposed under RCW 84.52.069 that is in excess of thirty cents per
19 thousand dollars of assessed value, ~~((shall))~~ must be reduced on a
20 pro rata basis until the combined rate no longer exceeds one percent
21 of the true and fair value of any property or ~~((shall))~~ must be
22 eliminated; and

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

30 ~~((2))~~ (b) The certified rates of tax levy subject to these
31 limitations by all junior taxing districts imposing taxes on such
32 property ~~((shall))~~ must be reduced or eliminated as follows to bring
33 the consolidated levy of taxes on such property within the provisions
34 of these limitations:

35 ~~((a))~~ (i) First, the certified property tax levy rates of those
36 junior taxing districts authorized under RCW 36.68.525, 36.69.145,
37 35.95A.100, and 67.38.130 ~~((shall))~~ must be reduced on a pro rata
38 basis or eliminated;

39 ~~((b))~~ (ii) Second, if the consolidated tax levy rate still
40 exceeds these limitations, the certified property tax levy rates of

1 flood control zone districts (~~shall~~) other than the portion of a
2 levy protected under section 3 of this act must be reduced on a pro
3 rata basis or eliminated;

4 (~~(c)~~) (iii) Third, if the consolidated tax levy rate still
5 exceeds these limitations, the certified property tax levy rates of
6 all other junior taxing districts, other than fire protection
7 districts, regional fire protection service authorities, library
8 districts, the first fifty cent per thousand dollars of assessed
9 valuation levies for metropolitan park districts, and the first fifty
10 cent per thousand dollars of assessed valuation levies for public
11 hospital districts, (~~shall~~) must be reduced on a pro rata basis or
12 eliminated;

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

18 (~~(e)~~) (v) Fifth, if the consolidated tax levy rate still
19 exceeds these limitations, the certified property tax levy rates
20 authorized to fire protection districts under RCW 52.16.140 and
21 52.16.160 and regional fire protection service authorities under RCW
22 52.26.140(1) (b) and (c) (~~shall~~) must be reduced on a pro rata
23 basis or eliminated; and

24 (~~(f)~~) (vi) Sixth, if the consolidated tax levy rate still
25 exceeds these limitations, the certified property tax levy rates
26 authorized for fire protection districts under RCW 52.16.130,
27 regional fire protection service authorities under RCW
28 52.26.140(1)(a), library districts, metropolitan park districts
29 created before January 1, 2002, under their first fifty cent per
30 thousand dollars of assessed valuation levy, and public hospital
31 districts under their first fifty cent per thousand dollars of
32 assessed valuation levy, (~~shall~~) must be reduced on a pro rata
33 basis or eliminated.

34 NEW SECTION. Sec. 3. A new section is added to chapter 84.52
35 RCW to read as follows:

36 A flood control zone district in a county with a population of
37 seven hundred seventy-five thousand or more, or a county within the
38 Chehalis river basin, that is coextensive with a county may protect
39 the levy under RCW 86.15.160 from prorationing under RCW

1 84.52.010(3)(b)(ii) by imposing up to a total of twenty-five cents
2 per thousand dollars of assessed value of the tax levy authorized
3 under RCW 86.15.160 outside of the five dollars and ninety cents per
4 thousand dollars of assessed value limitation under RCW 84.52.043(2),
5 if those taxes otherwise would be prorated under RCW
6 84.52.010(3)(b)(ii).

7 **Sec. 4.** RCW 84.52.043 and 2009 c 551 s 6 are each amended to
8 read as follows:

9 Within and subject to the limitations imposed by RCW 84.52.050 as
10 amended, the regular ad valorem tax levies upon real and personal
11 property by the taxing districts hereafter named (~~shall be~~) are as
12 follows:

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

32 (2) The aggregate levies of junior taxing districts and senior
33 taxing districts, other than the state, (~~shall~~) may not exceed five
34 dollars and ninety cents per thousand dollars of assessed valuation.
35 The term "junior taxing districts" includes all taxing districts
36 other than the state, counties, road districts, cities, towns, port
37 districts, and public utility districts. The limitations provided in
38 this subsection (~~shall~~) do not apply to: (a) Levies at the rates
39 provided by existing law by or for any port or public utility

1 district; (b) excess property tax levies authorized in Article VII,
2 section 2 of the state Constitution; (c) levies for acquiring
3 conservation futures as authorized under RCW 84.34.230; (d) levies
4 for emergency medical care or emergency medical services imposed
5 under RCW 84.52.069; (e) levies to finance affordable housing for
6 very low-income housing imposed under RCW 84.52.105; (f) the portions
7 of levies by metropolitan park districts that are protected under RCW
8 84.52.120; (g) levies imposed by ferry districts under RCW 36.54.130;
9 (h) levies for criminal justice purposes under RCW 84.52.135; (i) the
10 portions of levies by fire protection districts that are protected
11 under RCW 84.52.125; (~~and~~) (j) levies by counties for transit-
12 related purposes under RCW 84.52.140; and (k) the portion of the levy
13 by flood control zone districts that are protected under section 3 of
14 this act.

15 NEW SECTION. **Sec. 5.** This act applies to taxes levied for
16 collection in 2018 and thereafter.

17 NEW SECTION. **Sec. 6.** This act takes effect January 1, 2018.

18 NEW SECTION. **Sec. 7.** This act expires January 1, 2023."

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19 On page 1, line 3 of the title, after "levies;" strike the
20 remainder of the title and insert "amending RCW 84.52.010 and
21 84.52.043; adding a new section to chapter 84.52 RCW; creating new
22 sections; providing an effective date; and providing an expiration
23 date."

EFFECT: Expands the 25-cent protection to those counties within
the Chehalis River basin. Provides that the authority to protect 25
cents expires January 1, 2023, rather than having permanent authority
to do so.

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