
HOUSE BILL 2688

State of Washington

64th Legislature

2016 Regular Session

By Representatives Pettigrew and Santos

Read first time 01/18/16. Referred to Committee on Community Development, Housing & Tribal Affairs.

1 AN ACT Relating to authorizing cities to impose a temporary
2 property tax increase to fund historic building rehabilitation; and
3 amending RCW 84.55.050.

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

5 **Sec. 1.** RCW 84.55.050 and 2009 c 551 s 3 are each amended to
6 read as follows:

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

1 (2)(a) Subject to statutory dollar limitations, a proposition
2 placed before the voters under this section may authorize annual
3 increases in levies for multiple consecutive years, up to six
4 consecutive years, during which period each year's authorized maximum
5 legal levy (~~shall~~) must be used as the base upon which an increased
6 levy limit for the succeeding year is computed, but the ballot
7 proposition must state the dollar rate proposed only for the first
8 year of the consecutive years and must state the limit factor, or a
9 specified index to be used for determining a limit factor, such as
10 the consumer price index, which need not be the same for all years,
11 by which the regular tax levy for the district may be increased in
12 each of the subsequent consecutive years. Elections for this purpose
13 must be held at a primary or general election. The title of each
14 ballot measure must state the limited purposes for which the proposed
15 annual increases during the specified period of up to six consecutive
16 years (~~shall~~) must be used.

17 (b)(i) Except as otherwise provided in this subsection (2)(b),
18 funds raised by a levy under this subsection may not supplant
19 existing funds used for the limited purpose specified in the ballot
20 title. For purposes of this subsection, existing funds means the
21 actual operating expenditures for the calendar year in which the
22 ballot measure is approved by voters. Actual operating expenditures
23 excludes lost federal funds, lost or expired state grants or loans,
24 extraordinary events not likely to reoccur, changes in contract
25 provisions beyond the control of the taxing district receiving the
26 services, and major nonrecurring capital expenditures.

27 (ii) The supplanting limitations in (b)(i) of this subsection do
28 not apply to levies approved by the voters in calendar years 2009,
29 2010, and 2011, in any county with a population of one million five
30 hundred thousand or more. This subsection (2)(b)(ii) only applies to
31 levies approved by the voters after July 26, 2009.

32 (iii) The supplanting limitations in (b)(i) of this subsection do
33 not apply to levies approved by the voters in calendar year 2009 and
34 thereafter in any county with a population less than one million five
35 hundred thousand. This subsection (2)(b)(iii) only applies to levies
36 approved by the voters after July 26, 2009.

37 (3) After a levy authorized pursuant to this section is made, the
38 dollar amount of such levy may not be used for the purpose of
39 computing the limitations for subsequent levies provided for in this

1 chapter, unless the ballot proposition expressly states that the levy
2 made under this section will be used for this purpose.

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

5 (a) Use the dollar amount of a levy under subsection (1) of this
6 section, or the dollar amount of the final levy under subsection (2)
7 of this section, for the purpose of computing the limitations for
8 subsequent levies provided for in this chapter;

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

11 (c) Limit the purpose for which the increased levy is to be made
12 under (a) of this subsection, but if the limited purpose includes
13 making redemption payments on bonds, the period for which the
14 increased levies are made (~~shall~~) may not exceed nine years;

15 (d) Set the levy or levies at a rate less than the maximum rate
16 allowed for the district; or

17 (e) Include any combination of the conditions in this subsection.

18 (5) Except as otherwise expressly stated in an approved ballot
19 measure under this section, subsequent levies (~~shall~~) must be
20 computed as if:

21 (a) The proposition under this section had not been approved; and

22 (b) The taxing district had made levies at the maximum rates
23 which would otherwise have been allowed under this chapter during the
24 years levies were made under the proposition.

25 (6)(a) Subject to any otherwise applicable statutory dollar rate
26 limitations, the legislative authority of any city may impose regular
27 property taxes in an amount exceeding the limitations provided for in
28 this chapter. The increased levy under this subsection (6) does not
29 require voter approval. The provisions of subsections (1) through (5)
30 of this section do not apply to an increased levy made under this
31 subsection (6).

32 (b) The period for which the increased levy is to be made under
33 this subsection (6) may not exceed ten years.

34 (c) During the years in which increased levies are made under
35 this subsection (6), annual increases in such levies must be made in
36 accordance with the general limitations of this chapter.

37 (d) At the conclusion of the increased levy period under (b) of
38 this subsection (6), subsequent levies must be computed as if:

39 (i) The increased levy authorized under this subsection (6) had
40 not been imposed; and

1 (ii) The city had made levies at the maximum rates which would
2 otherwise have been allowed under this chapter during the years
3 increased levies were made under this subsection (6).

4 (e) A city increasing its levy under this subsection (6) must use
5 the additional funds exclusively for the rehabilitation of historic
6 buildings where there is a finding by the appropriate city official
7 that designated buildings pose a significant risk to the public
8 safety in the event of an earthquake.

9 (f) The maximum amount of funds that can be collected under this
10 subsection (6) may not exceed the estimated cost of historic building
11 rehabilitation expenditures within the city.

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