

SENATE BILL REPORT

SJR 8207

As of February 23, 2017

Brief Description: Amending the Constitution to exempt regular local school district levies from the one percent constitutional limitation.

Sponsors: Senators Mullet, Hobbs, Takko, Hunt and Conway.

Brief History:

Committee Activity: Ways & Means: 2/27/17.

Brief Summary of Joint Resolution

- Amends the Constitution to exempt regular local school district property taxes from the 1 percent aggregate tax rate limitation.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Jeffrey Mitchell (786-7438)

Background: The sum of property tax rates is limited by the state Constitution to a maximum of 1 percent of the true and fair value of property, or \$10 per \$1,000 of value. Most property taxes are subject to this limit and these taxes are referred to as regular levies. School districts do not currently have authority to impose regular levies. The Constitution provides a procedure for voter approval for property taxes not subject to the 1 percent constitutional limit. These taxes are called excess levies. Excess levies require voter approval and are limited in duration. The most common excess levies are maintenance and operation (M&O) levies for school districts, which can be levied for up to four years before requiring voter reauthorization. The Constitution specifically exempts port districts and public utility districts from this 1 percent constitutional limit.

To amend the Constitution, a Joint Resolution must be passed by a two-thirds majority of both houses of the Legislature and approved by a majority of the people at the next general election.

Summary of Joint Resolution: The Constitution is amended to allow the Legislature to authorize school districts to impose regular levies that are exempt from the 1 percent constitutional property tax limit similar to port districts and public utility districts.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Appropriation: None.

Fiscal Note: Not requested.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: The Joint Resolution takes effect if approved by the voters at the next general election.