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**SENATE BILL 6618**

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**State of Washington**

**66th Legislature**

**2020 Regular Session**

**By** Senators Lias and Kuderer

1 AN ACT Relating to housing benefit districts; amending RCW  
2 36.70A.600, 82.14.410, 84.52.010, and 29A.36.210; and adding a new  
3 chapter to Title 36 RCW.

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

5 NEW SECTION. **Sec. 1.** (1) The legislature finds the following:

6 (a) Housing for middle-income and workforce households with  
7 incomes up to two hundred percent of the area median income is a  
8 public purpose;

9 (b) Providing local governments with more options to increase  
10 residential capacity, especially in urban areas, consistent with  
11 chapter 348, Laws of 2019 is essential to fulfill this public  
12 purpose;

13 (c) Publicly funded salaried professionals and paraprofessionals,  
14 such as teachers, firefighters, public servants, law enforcement,  
15 nurses, social workers, and transit operators, especially professions  
16 historically underrepresented by persons and communities of color,  
17 cannot afford to live in the districts in which they serve due to  
18 increasing housing costs;

19 (d) Employees of nonprofit organizations who help deliver  
20 essential public services on contract, as well as those who help

1 provide essential services to the poor and infirm as part of their  
2 organizational mission, are similarly housing cost constrained;

3 (e) With the median home value in Washington over four hundred  
4 thousand dollars, the median rent price at two thousand dollars, and  
5 the average incomes of such publicly funded professional households  
6 ranging from fifty thousand to eighty thousand dollars, Washington  
7 public employee households are particularly cost burdened when paying  
8 their mortgage or rent;

9 (f) The failure to make adequate provision for low-income and  
10 middle-income housing pushes many households to seek housing further  
11 away from work, which leads to increased greenhouse gas emissions  
12 from transportation, as well as congestion on state managed  
13 transportation infrastructure, so providing for more low-income and  
14 middle-income housing would enable the state to better meet  
15 established goals for greenhouse gas emission reduction and commute  
16 trip reduction;

17 (g) Better public policy outcomes, including improvements and  
18 benefits to transportation infrastructure and business, will occur if  
19 public servants and nonprofit employees can afford to live in the  
20 districts they serve;

21 (h) Communities across the state are facing an affordable housing  
22 crisis and there is a particularly acute need for affordable housing  
23 in the Puget Sound region. With historic investments in transit in  
24 the Puget Sound region, communities have the unprecedented and urgent  
25 opportunity to plan for, invest in, and build additional affordable  
26 housing, ensuring the region gets the most out of these investments  
27 in transit while meeting critical economic, environmental, and equity  
28 goals; and

29 (i) Housing can drive economic growth within neighborhoods if  
30 developed with a focus on services, jobs, infrastructure  
31 improvements, open spaces, and other elements that make housing vital  
32 and economically additive to nearby residents and the region as a  
33 whole.

34 (2) The legislature intends with this act to authorize the  
35 creation of housing benefit districts in order to produce more  
36 affordable low-income and middle-income housing to enable all members  
37 of the workforce to live in the district in which they serve.

38 NEW SECTION. **Sec. 2.** (1) Subject to the requirements of  
39 subsection (5) of this section, the legislative authority of a county

1 or city may establish a housing benefit district within the county or  
2 city area or within the areas specified in subsection (2) of this  
3 section for the purpose of acquiring, land banking, predevelopment  
4 contracting, selling, improving, funding, and leasing land for the  
5 creation of affordable low-income and middle-income housing and  
6 community development projects within the district consistent with  
7 any existing state, regional, or county housing plans and the  
8 Washington housing policy act, chapter 43.185B RCW.

9 (2) The housing benefit district may include areas within two or  
10 more cities or counties, or combination of both, if the legislative  
11 authority of each participating jurisdiction has agreed to the  
12 inclusion as provided in an interlocal agreement adopted pursuant to  
13 chapter 39.34 RCW.

14 (3) The members of the legislative authority proposing to  
15 establish the district, acting ex officio and independently,  
16 constitute the governing body of the district. However, where a  
17 district includes area within more than one jurisdiction under  
18 subsection (2) of this section, the district must be governed under  
19 an interlocal agreement adopted pursuant to chapter 39.34 RCW, with  
20 the governing body being composed of (a) at least five members  
21 including at least one elected official from the legislative  
22 authority of each participating jurisdiction and any remaining  
23 members appointed by the legislative authority of the participating  
24 jurisdictions in a manner determined in the interlocal agreement and  
25 who are members having expertise in the areas described in section  
26 4(2) of this act, or (b) the governing body of the metropolitan  
27 planning organization serving the district, but only if the district  
28 boundaries are identical to the boundaries of the metropolitan  
29 planning organization serving the district.

30 (4) The treasurer of the jurisdiction proposing to establish the  
31 district shall act as the ex officio treasurer of the district,  
32 unless an interlocal agreement states otherwise.

33 (5) Prior to the formation of any housing benefit district, the  
34 participating jurisdictions must meet the following criteria:

35 (a) Adopt a housing action plan as described in RCW 36.70A.600(2)  
36 that includes at least two of the actions listed under RCW  
37 36.70A.600(1); and

38 (b) For participating jurisdictions within a county of at least  
39 eight hundred thousand, develop station area plans that are  
40 consistent with accommodating sixty-five percent of future population

1 growth. Station area plans must be approved for consistency by the  
2 advisory board created in section 4 of this act.

3 (6) A housing benefit district is a quasi-municipal corporation,  
4 an independent taxing "authority" within the meaning of Article VII,  
5 section 1 of the state Constitution, and a "taxing district" within  
6 the meaning of Article VII, section 2 of the state Constitution.

7 NEW SECTION. **Sec. 3.** (1) A housing benefit district may submit  
8 an authorizing proposition to the voters within the district at a  
9 special or general election and, if the proposition is approved by a  
10 majority of persons voting, impose a sales and use tax in accordance  
11 with the terms of this chapter. The title of each ballot measure must  
12 clearly state the purposes for which the proposed sales and use tax  
13 will be used and the time period for the sales tax. Except as  
14 provided in subsection (2) of this section, the rate of tax under  
15 this section may not exceed two-tenths of one percent of the selling  
16 price in the case of a sales tax, or value of the article used, in  
17 the case of a use tax. The tax authorized in this section is in  
18 addition to any other taxes authorized by law and must be collected  
19 from those persons who are taxable by the state under chapters 82.08  
20 and 82.12 RCW upon the occurrence of any taxable event within the  
21 boundaries of the district.

22 (2) For housing benefit districts consisting of a single  
23 participating jurisdiction with a population greater than seven  
24 hundred fifty thousand or consisting of at least two participating  
25 jurisdictions with a combined population greater than two hundred  
26 fifty thousand, the rate of tax authorized under subsection (1) of  
27 this section may not exceed one-half of one percent of the selling  
28 price in the case of a sales tax, or value of the article used, in  
29 the case of a use tax.

30 (3) Beginning with taxes levied for collection in calendar year  
31 2021, a housing benefit district may impose an additional regular  
32 property tax levy, not to exceed one dollar per thousand dollars of  
33 the assessed value of property in the district, for the exclusive  
34 purpose of providing funding for the purposes described in  
35 subsections (9) and (10) of this section. The tax proposition may be  
36 submitted at a general or special election. The tax may be imposed  
37 for each year for six consecutive years when specifically authorized  
38 by a majority of the registered voters in the district voting on a  
39 proposition under this subsection. Ballot propositions must conform

1 with RCW 29A.36.210. For purposes of this section, "regular property  
2 tax levy" means a levy subject to the limitations provided for in  
3 Article VII, section 2 of the state Constitution or by statute. The  
4 limitation in RCW 84.55.010 does not apply to the first tax levy  
5 imposed pursuant to this section following the approval of the levy  
6 by the voters pursuant to this subsection.

7 (4) A housing benefit district may provide for the retirement of  
8 voter-approved general obligation bonds, issued for capital purposes  
9 only, by levying bond retirement ad valorem property tax levies in  
10 excess of the one percent limitation whenever authorized by the  
11 voters of the housing benefit district pursuant to Article VII,  
12 section 2(b) of the state Constitution and RCW 84.52.056.

13 (5) To carry out the purposes of this chapter and notwithstanding  
14 RCW 39.36.020(1), a housing benefit district may issue general  
15 obligation bonds, not to exceed an amount, together with any other  
16 outstanding nonvoter-approved general obligation indebtedness of the  
17 district, equal to one and one-half percent of the value of taxable  
18 property within the housing benefit district, as the term "value of  
19 the taxable property" is defined in RCW 39.36.015. A housing benefit  
20 district may additionally issue general obligation bonds for capital  
21 purposes only, together with any outstanding general obligation  
22 indebtedness, not to exceed an amount equal to five percent of the  
23 value of the taxable property within the housing benefit district, as  
24 the term "value of the taxable property" is defined in RCW 39.36.015,  
25 when authorized by the voters of the housing benefit district  
26 pursuant to Article VIII, section 6 of the state Constitution, and  
27 may also provide for the retirement thereof by excess property tax  
28 levies as provided in subsection (4) of this section. The housing  
29 benefit district may, if applicable, submit a single proposition to  
30 the voters that, if approved, authorizes both the issuance of the  
31 bonds and the bond retirement property tax levies.

32 (6) General obligation bonds with a maturity in excess of forty  
33 years shall not be issued and shall conform to the requirements of  
34 chapter 39.46 RCW.

35 (7) Whenever general obligation bonds are issued to fund specific  
36 projects or enterprises that generate revenues, the housing benefit  
37 district may specifically pledge all or a portion of the revenues to  
38 pay the principal of and interest on the general obligation bonds.  
39 The housing benefit district may also pledge any other revenues that  
40 may be available to the district.

1 (8) In addition to general obligation bonds, a housing benefit  
2 district may issue revenue bonds to be issued and sold in accordance  
3 with chapter 39.46 RCW.

4 (9) Any moneys received from the taxes imposed or bonds issued  
5 under this section must be spent in accordance with the requirements  
6 of this chapter, including the following:

7 (a) Station area planning strategies, including creating new or  
8 updating existing plans, identifying a community vision, assessing  
9 the current regulatory environment and identify possible barriers to  
10 affordable housing development, assessing displacement risk for  
11 current low-income residents, creating a displacement mitigation  
12 plan, and assessing alternate pathways to ownership models such as  
13 community land trusts and limited or shared equity cooperatives;

14 (b) Land acquisition, based on station area plans and working  
15 with local jurisdictions and both nonprofit and for-profit developers  
16 to acquire, assemble, lease, land bank parcels, or sell, in cases  
17 where the station area plan clearly demonstrates that it is not  
18 financially feasible to lease all development parcels, with the net  
19 proceeds directed to subsidies for affordable housing and to promote  
20 community land trusts and infrastructure costs; and

21 (c) Infrastructure development, such as area-wide environmental  
22 plans, sewers, and sidewalks.

23 (10) Up to one percent of revenue generated by the taxes imposed  
24 under this section must be used to (a) cover the actual costs  
25 incurred by the advisory board created in section 4 of this act in  
26 the performance of its oversight and technical assistance duties and  
27 (b) compensate housing finance commission staff providing support to  
28 the advisory board.

29 NEW SECTION. **Sec. 4.** (1) There is hereby established a housing  
30 benefit district advisory board, to be appointed by the governor, to  
31 provide oversight and technical assistance to housing benefit  
32 districts.

33 (2)(a) The governor shall appoint seven members of the advisory  
34 board, one of whom appointed by the governor as chair. The advisory  
35 board shall consist of the following voting members:

36 (i) One member with public or private real estate finance  
37 experience;

38 (ii) One member with affordable housing development experience;

39 (iii) One member with market rate housing development experience;

- 1 (iv) One member with experience in neighborhood and community  
2 planning;
- 3 (v) One member with design and architecture experience;
- 4 (vi) One member with experience in transit-oriented development;  
5 and
- 6 (vii) One member with economic development experience.

7 (b) The term of the persons appointed by the governor, other than  
8 the chair, is four years from the date of their appointment, except  
9 that the terms of three of the initial appointees are for two years  
10 from the date of their appointment.

11 (3) The advisory board must review and approve the station area  
12 plans submitted by the housing benefit districts pursuant to section  
13 2(5)(b) of this act to confirm compliance with regional growth  
14 strategies. A housing benefit district submitting a station area plan  
15 must receive approval from the advisory board before any proposition  
16 for a tax is submitted to the voters.

17 (4) Staff to the housing finance commission under chapter 43.180  
18 RCW must provide administrative and staff support to the advisory  
19 board and must be compensated for its services as prescribed under  
20 section 3(10) of this act. In performing administrative and staff  
21 support to the advisory board, housing finance commission staff must:

- 22 (a) Employ permanent and temporary staff with expertise in  
23 housing finance, land use and planning, transit, and project  
24 development; and
- 25 (b) Provide all administrative and information technology  
26 services required for the advisory board.

27 **Sec. 5.** RCW 36.70A.600 and 2019 c 348 s 1 are each amended to  
28 read as follows:

29 (1) A city planning pursuant to RCW 36.70A.040 is encouraged to  
30 take the following actions in order to increase its residential  
31 building capacity:

32 (a) Authorize development in one or more areas of not fewer than  
33 five hundred acres that include at least one train station served by  
34 commuter rail or light rail with an average of at least fifty  
35 residential units per acre that require no more than an average of  
36 one on-site parking space per two bedrooms in the portions of  
37 multifamily zones that are located within the areas;

38 (b) Authorize development in one or more areas of not fewer than  
39 five hundred acres in cities with a population greater than forty

1 thousand or not fewer than two hundred fifty acres in cities with a  
2 population less than forty thousand that include at least one bus  
3 stop served by scheduled bus service of at least four times per hour  
4 for twelve or more hours per day with an average of at least twenty-  
5 five residential units per acre that require no more than an average  
6 of one on-site parking space per two bedrooms in portions of the  
7 multifamily zones that are located within the areas;

8 (c) Authorize at least one duplex, triplex, or courtyard  
9 apartment on each parcel in one or more zoning districts that permit  
10 single-family residences unless a city documents a specific  
11 infrastructure of physical constraint that would make this  
12 requirement unfeasible for a particular parcel;

13 (d) Authorize cluster zoning or lot size averaging in all zoning  
14 districts that permit single-family residences;

15 (e) Authorize attached accessory dwelling units on all parcels  
16 containing single-family homes where the lot is at least three  
17 thousand two hundred square feet in size, and permit both attached  
18 and detached accessory dwelling units on all parcels containing  
19 single-family homes, provided lots are at least four thousand three  
20 hundred fifty-six square feet in size. Qualifying city ordinances or  
21 regulations may not provide for on-site parking requirements, owner  
22 occupancy requirements, or square footage limitations below one  
23 thousand square feet for the accessory dwelling unit, and must not  
24 prohibit the separate rental or sale of accessory dwelling units and  
25 the primary residence. Cities must set applicable impact fees at no  
26 more than the projected impact of the accessory dwelling unit. To  
27 allow local flexibility, other than these factors, accessory dwelling  
28 units may be subject to such regulations, conditions, procedures, and  
29 limitations as determined by the local legislative authority, and  
30 must follow all applicable state and federal laws and local  
31 ordinances;

32 (f) Adopt a subarea plan pursuant to RCW 43.21C.420;

33 (g) Adopt a planned action pursuant to RCW 43.21C.440(1)(b)(ii),  
34 except that an environmental impact statement pursuant to RCW  
35 43.21C.030 is not required for such an action;

36 (h) Adopt increases in categorical exemptions pursuant to RCW  
37 43.21C.229 for residential or mixed-use development;

38 (i) Adopt a form-based code in one or more zoning districts that  
39 permit residential uses. "Form-based code" means a land development



1 regulation that uses physical form, rather than separation of use, as  
2 the organizing principle for the code;

3 (j) Authorize a duplex on each corner lot within all zoning  
4 districts that permit single-family residences;

5 (k) Allow for the division or redivision of land into the maximum  
6 number of lots through the short subdivision process provided in  
7 chapter 58.17 RCW; and

8 (l) Authorize a minimum net density of six dwelling units per  
9 acre in all residential zones, where the residential development  
10 capacity will increase within the city.

11 (2) A city planning pursuant to RCW 36.70A.040 may adopt a  
12 housing action plan as described in this subsection. The goal of any  
13 such housing plan must be to encourage construction of additional  
14 affordable and market rate housing in a greater variety of housing  
15 types and at prices that are accessible to a greater variety of  
16 incomes, including strategies aimed at the for-profit single-family  
17 home market. A housing action plan may utilize data compiled pursuant  
18 to RCW 36.70A.610. The housing action plan should:

19 (a) Quantify existing and projected housing needs for all income  
20 levels, including extremely low-income households, with documentation  
21 of housing and household characteristics, and cost-burdened  
22 households;

23 (b) Develop strategies to increase the supply of housing, and  
24 variety of housing types, needed to serve the housing needs  
25 identified in (a) of this subsection;

26 (c) Analyze population and employment trends, with documentation  
27 of projections;

28 (d) Consider strategies to minimize displacement of low-income  
29 residents resulting from redevelopment;

30 (e) Review and evaluate the current housing element adopted  
31 pursuant to RCW 36.70A.070, including an evaluation of success in  
32 attaining planned housing types and units, achievement of goals and  
33 policies, and implementation of the schedule of programs and actions;

34 (f) Provide for participation and input from community members,  
35 community groups, local builders, local realtors, nonprofit housing  
36 advocates, and local religious groups; and

37 (g) Include a schedule of programs and actions to implement the  
38 recommendations of the housing action plan.

39 (3) If adopted by April 1, 2021, ordinances, amendments to  
40 development regulations, and other nonproject actions taken by a city

1 to implement the actions specified in subsection (1) of this section,  
2 with the exception of the action specified in subsection (1)(f) of  
3 this section, are not subject to administrative or judicial appeal  
4 under chapter 43.21C RCW.

5 (4) Any action taken by a city prior to April 1, 2021, to amend  
6 their comprehensive plan, or adopt or amend ordinances or development  
7 regulations, solely to enact provisions under subsection (1) of this  
8 section is not subject to legal challenge under this chapter.

9 (5) In taking action under subsection (1) of this section, cities  
10 are encouraged to utilize strategies that increase residential  
11 building capacity in areas with frequent transit service and with the  
12 transportation and utility infrastructure that supports the  
13 additional residential building capacity.

14 (6) A city with a population over twenty thousand that is  
15 planning to take at least two actions under subsection (1) of this  
16 section, and that action will occur between July 28, 2019, and April  
17 1, 2021, is eligible to apply to the department for planning grant  
18 assistance of up to one hundred thousand dollars, subject to the  
19 availability of funds appropriated for that purpose. The department  
20 shall develop grant criteria to ensure that grant funds awarded are  
21 proportionate to the level of effort proposed by a city, and the  
22 potential increase in housing supply or regulatory streamlining that  
23 could be achieved. Funding may be provided in advance of, and to  
24 support, adoption of policies or ordinances consistent with this  
25 section. A city can request, and the department may award, more than  
26 one hundred thousand dollars for applications that demonstrate  
27 extraordinary potential to increase housing supply or regulatory  
28 streamlining.

29 (7) A city seeking to develop a housing action plan under  
30 subsection (2) of this section (~~(is)~~) or participating jurisdictions  
31 required to adopt a housing action plan under section 2(5) of this  
32 act are eligible to apply to the department for up to one hundred  
33 thousand dollars.

34 (8) The department shall establish grant award amounts under  
35 subsections (6) and (7) of this section based on the expected number  
36 of cities or participating jurisdictions that will seek or require  
37 grant assistance, to ensure that all cities and participating  
38 jurisdictions can receive some level of grant support. If funding  
39 capacity allows, the department may consider accepting and funding  
40 applications from cities with a population of less than twenty

1 thousand if the actions proposed in the application will create a  
2 significant amount of housing capacity or regulatory streamlining and  
3 are consistent with the actions in this section.

4 (9) In implementing chapter 348, Laws of 2019, cities are  
5 encouraged to prioritize the creation of affordable, inclusive  
6 neighborhoods and to consider the risk of residential displacement,  
7 particularly in neighborhoods with communities at high risk of  
8 displacement.

9 **Sec. 6.** RCW 82.14.410 and 2015 3rd sp.s. c 24 s 704 are each  
10 amended to read as follows:

11 (1) A local sales and use tax change adopted after December 1,  
12 2000, must provide an exemption for those sales of lodging for which,  
13 but for the exemption, the total sales tax rate imposed on sales of  
14 lodging would exceed the greater of:

15 (a) Twelve percent; or

16 (b) The total sales tax rate that would have applied to the sale  
17 of lodging if the sale were made on December 1, 2000.

18 (2) For the purposes of this section:

19 (a) "Local sales and use tax change" is defined as provided in  
20 RCW 82.14.055.

21 (b) "Sale of lodging" means the sale of or charge made for the  
22 furnishing of lodging and all other services by a hotel, rooming  
23 house, tourist court, motel, trailer camp, and the granting of any  
24 similar license to use real property.

25 (c) "Total sales tax rate" means the combined rates of all state  
26 and local taxes imposed under this chapter and chapters 36.100,  
27 67.28, 67.40, and 82.08 RCW, and any other tax authorized after March  
28 29, 2001, if the tax is in the nature of a sales tax collected from  
29 the buyer, but excluding taxes imposed under RCW 81.104.170 before  
30 December 1, 2000, and taxes imposed under RCW 82.14.530 and section  
31 3(1) of this act.

32 **Sec. 7.** RCW 84.52.010 and 2017 c 196 s 10 are each amended to  
33 read as follows:

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

36 (2) The rate percent of all taxes for state and county purposes,  
37 and purposes of taxing districts coextensive with the county, must be  
38 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 county, as shown by the  
3 completed tax rolls of the county, and the rate percent of all taxes  
4 levied for purposes of taxing districts within any 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 taxing districts  
8 respectively.

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

14 (a) The full certified rates of tax levy for state, county,  
15 county road district, regional transit authority, and city or town  
16 purposes must be extended on the tax rolls in amounts not exceeding  
17 the limitations established by law; however any state levy takes  
18 precedence over all other levies and may not be reduced for any  
19 purpose other than that required by RCW 84.55.010. If, as a result of  
20 the levies imposed under RCW 36.54.130, 84.34.230, 84.52.069,  
21 84.52.105, the portion of the levy by a metropolitan park district  
22 that was protected under RCW 84.52.120, 84.52.125, 84.52.135, and  
23 84.52.140, and the portion of the levy by a flood control zone  
24 district that was protected under RCW 84.52.816, the combined rate of  
25 regular property tax levies that are subject to the one percent  
26 limitation exceeds one percent of the true and fair value of any  
27 property, then these levies must be reduced as follows:

28 (i) The portion of the levy by a flood control zone district that  
29 was protected under RCW 84.52.816 must be reduced until the combined  
30 rate no longer exceeds one percent of the true and fair value of any  
31 property or must be eliminated;

32 (ii) If the combined rate of regular property tax levies that are  
33 subject to the one percent limitation still exceeds one percent of  
34 the true and fair value of any property, the levy imposed by a county  
35 under RCW 84.52.140 must be reduced until the combined rate no longer  
36 exceeds one percent of the true and fair value of any property or  
37 must be eliminated;

38 (iii) If the combined rate of regular property tax levies that  
39 are subject to the one percent limitation still exceeds one percent  
40 of the true and fair value of any property, the portion of the levy

1 by a fire protection district or regional fire protection service  
2 authority that is protected under RCW 84.52.125 must be reduced until  
3 the combined rate no longer exceeds one percent of the true and fair  
4 value of any property or must be eliminated;

5 (iv) If the combined rate of regular property tax levies that are  
6 subject to the one percent limitation still exceeds one percent of  
7 the true and fair value of any property, the levy imposed by a county  
8 under RCW 84.52.135 must be reduced until the combined rate no longer  
9 exceeds one percent of the true and fair value of any property or  
10 must be eliminated;

11 (v) If the combined rate of regular property tax levies that are  
12 subject to the one percent limitation still exceeds one percent of  
13 the true and fair value of any property, the levy imposed by a ferry  
14 district under RCW 36.54.130 must be reduced until the combined rate  
15 no longer exceeds one percent of the true and fair value of any  
16 property or must be eliminated;

17 (vi) If the combined rate of regular property tax levies that are  
18 subject to the one percent limitation still exceeds one percent of  
19 the true and fair value of any property, the portion of the levy by a  
20 metropolitan park district that is protected under RCW 84.52.120 must  
21 be reduced until the combined rate no longer exceeds one percent of  
22 the true and fair value of any property or must be eliminated;

23 (vii) If the combined rate of regular property tax levies that  
24 are subject to the one percent limitation still exceeds one percent  
25 of the true and fair value of any property, then the levies imposed  
26 under RCW 84.34.230, 84.52.105, and any portion of the levy imposed  
27 under RCW 84.52.069 that is in excess of thirty cents per thousand  
28 dollars of assessed value, must be reduced on a pro rata basis until  
29 the combined rate no longer exceeds one percent of the true and fair  
30 value of any property or must be eliminated; and

31 (viii) If the combined rate of regular property tax levies that  
32 are subject to the one percent limitation still exceeds one percent  
33 of the true and fair value of any property, then the thirty cents per  
34 thousand dollars of assessed value of tax levy imposed under RCW  
35 84.52.069 must be reduced until the combined rate no longer exceeds  
36 one percent of the true and fair value of any property or eliminated.

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

1 (i) First, the certified property tax levy authorized under  
2 section 3(3) of this act must be reduced on a pro rata basis or  
3 eliminated;

4 (ii) Second, the certified property tax levy authorized under RCW  
5 84.52.821 must be reduced on a pro rata basis or eliminated;

6 (~~(ii) Second~~) (iii) Third, if the consolidated tax levy rate  
7 still exceeds these limitations, the certified property tax levy  
8 rates of those junior taxing districts authorized under RCW  
9 36.68.525, 36.69.145, 35.95A.100, and 67.38.130 must be reduced on a  
10 pro rata basis or eliminated;

11 (~~(iii) Third~~) (iv) Fourth, if the consolidated tax levy rate  
12 still exceeds these limitations, the certified property tax levy  
13 rates of flood control zone districts other than the portion of a  
14 levy protected under RCW 84.52.816 must be reduced on a pro rata  
15 basis or eliminated;

16 (~~(iv) Fourth~~) (v) Fifth, if the consolidated tax levy rate  
17 still exceeds these limitations, the certified property tax levy  
18 rates of all other junior taxing districts, other than fire  
19 protection districts, regional fire protection service authorities,  
20 library districts, the first fifty cent per thousand dollars of  
21 assessed valuation levies for metropolitan park districts, and the  
22 first fifty cent per thousand dollars of assessed valuation levies  
23 for public hospital districts, must be reduced on a pro rata basis or  
24 eliminated;

25 (~~(v) Fifth~~) (vi) Sixth, if the consolidated tax levy rate still  
26 exceeds these limitations, the first fifty cent per thousand dollars  
27 of assessed valuation levies for metropolitan park districts created  
28 on or after January 1, 2002, must be reduced on a pro rata basis or  
29 eliminated;

30 (~~(vi) Sixth~~) (vii) Seventh, if the consolidated tax levy rate  
31 still exceeds these limitations, the certified property tax levy  
32 rates authorized to fire protection districts under RCW 52.16.140 and  
33 52.16.160 and regional fire protection service authorities under RCW  
34 52.26.140(1) (b) and (c) must be reduced on a pro rata basis or  
35 eliminated; and

36 (~~(vii) Seventh~~) (viii) Eighth, if the consolidated tax levy  
37 rate still exceeds these limitations, the certified property tax levy  
38 rates authorized for fire protection districts under RCW 52.16.130,  
39 regional fire protection service authorities under RCW  
40 52.26.140(1) (a), library districts, metropolitan park districts

1 created before January 1, 2002, under their first fifty cent per  
2 thousand dollars of assessed valuation levy, and public hospital  
3 districts under their first fifty cent per thousand dollars of  
4 assessed valuation levy, must be reduced on a pro rata basis or  
5 eliminated.

6 **Sec. 8.** RCW 29A.36.210 and 2010 c 106 s 301 are each amended to  
7 read as follows:

8 (1) The ballot proposition authorizing a taxing district to  
9 impose the regular property tax levies authorized in RCW 36.68.525,  
10 36.69.145, 67.38.130, 84.52.069, section 3(3) of this act, or  
11 84.52.135 must contain in substance the following:

12 "Will the . . . . . (insert the name of the taxing district) be  
13 authorized to impose regular property tax levies of . . . . .  
14 (insert the maximum rate) or less per thousand dollars of assessed  
15 valuation for each of . . . . . (insert the maximum number of years  
16 allowable) consecutive years?

17 Yes . . . . .

18 No . . . . .

19 Each voter may indicate either "Yes" or "No" on his or her ballot  
20 in accordance with the procedures established under this title.

21 (2) The ballot proposition authorizing a taxing district to  
22 impose a permanent regular tax levy under RCW 84.52.069 must contain  
23 in substance the following:

24 "Will the . . . . . (insert the name of the taxing district) be  
25 authorized to impose a PERMANENT regular property levy of . . . . .  
26 (insert the maximum rate) or less per thousand dollars of assessed  
27 valuation?

28 Yes . . . . .

29 No . . . . .

30 NEW SECTION. **Sec. 9.** Sections 1 through 4 of this act  
31 constitute a new chapter in Title 36 RCW.

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