

CERTIFICATION OF ENROLLMENT

HOUSE BILL 1034

67th Legislature
2021 Regular Session

Passed by the House April 12, 2021
Yeas 54 Nays 44

**Speaker of the House of
Representatives**

Passed by the Senate April 6, 2021
Yeas 31 Nays 18

President of the Senate

Approved

Governor of the State of Washington

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1034** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

FILED

**Secretary of State
State of Washington**

HOUSE BILL 1034

AS AMENDED BY THE SENATE

Passed Legislature - 2021 Regular Session

State of Washington **67th Legislature** **2021 Regular Session**

By Representatives Fitzgibbon, Cody, Ortiz-Self, and Wylie

Prefiled 12/18/20. Read first time 01/11/21. Referred to Committee on Finance.

1 AN ACT Relating to park and recreation district levies; amending
2 RCW 36.69.145, 84.52.010, and 84.52.043; creating a new section; and
3 providing an expiration date.

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

5 **Sec. 1.** RCW 36.69.145 and 2010 c 106 s 303 are each amended to
6 read as follows:

7 (1) A park and recreation district may impose regular property
8 tax levies in an amount equal to (~~sixty~~) 60 cents or less per
9 (~~thousand dollars~~) \$1,000 of assessed value of property in the
10 district in each year for six consecutive years when specifically
11 authorized so to do by a majority of at least three-fifths of the
12 voters thereof approving a proposition authorizing the levies
13 submitted at a special election or at the regular election of the
14 district, at which election the number of voters voting "yes" on the
15 proposition must constitute three-fifths of a number equal to
16 (~~forty~~) 40 per centum of the number of voters voting in such
17 district at the last preceding general election when the number of
18 voters voting on the proposition does not exceed (~~forty~~) 40 per
19 centum of the number of voters voting in such taxing district in the
20 last preceding general election; or by a majority of at least three-
21 fifths of the voters thereof voting on the proposition if the number

1 of voters voting on the proposition exceeds (~~forty~~) 40 per centum
2 of the number of voters voting in such taxing district in the last
3 preceding general election. A proposition authorizing the tax levies
4 may not be submitted by a park and recreation district more than
5 twice in any (~~twelve~~) 12-month period. Ballot propositions must
6 conform with RCW 29A.36.210. (~~In the event a park and recreation~~
7 ~~district is levying property taxes, which in combination with~~
8 ~~property taxes levied by other taxing districts subject to the one~~
9 ~~percent limitation provided for in Article 7, section 2, of our state~~
10 ~~Constitution result in taxes in excess of the limitation provided for~~
11 ~~in RCW 84.52.043(2), the park and recreation district property tax~~
12 ~~levy must be reduced or eliminated as provided in RCW 84.52.010.))~~

13 (2) The limitation in RCW 84.55.010 does not apply to the first
14 levy imposed under this section following the approval of the levies
15 by the voters under subsection (1) of this section.

16 **Sec. 2.** RCW 84.52.010 and 2017 c 196 s 10 are each amended to
17 read as follows:

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

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

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

36 (a) The full certified rates of tax levy for state, county,
37 county road district, regional transit authority, and city or town
38 purposes must be extended on the tax rolls in amounts not exceeding
39 the limitations established by law; however, any state levy takes

1 precedence over all other levies and may not be reduced for any
2 purpose other than that required by RCW 84.55.010. If, as a result of
3 the levies imposed under RCW 36.54.130, 36.69.145 by a park and
4 recreation district described under (a)(vii) of this subsection (3),
5 84.34.230, 84.52.069, 84.52.105, the portion of the levy by a
6 metropolitan park district that was protected under RCW 84.52.120,
7 84.52.125, 84.52.135, and 84.52.140, and the portion of the levy by a
8 flood control zone district that was protected under RCW 84.52.816,
9 the combined rate of regular property tax levies that are subject to
10 the one percent limitation exceeds one percent of the true and fair
11 value of any property, then these levies must be reduced as follows:

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

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

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

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

35 (v) If the combined rate of regular property tax levies that are
36 subject to the one percent limitation still exceeds one percent of
37 the true and fair value of any property, the levy imposed by a ferry
38 district under RCW 36.54.130 must be reduced until the combined rate
39 no longer exceeds one percent of the true and fair value of any
40 property or must be eliminated;

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

7 (vii) If the combined rate of regular property tax levies that
8 are subject to the one percent limitation still exceeds one percent
9 of the true and fair value of any property, then the levies imposed
10 under RCW 36.69.145 must be reduced until the combined rate no longer
11 exceeds one percent of the true and fair value of any property or
12 must be eliminated. This subsection (3)(a)(vii) only applies to a
13 park and recreation district located on an island and within a county
14 with a population exceeding 2,000,000;

15 (viii) If the combined rate of regular property tax levies that
16 are subject to the one percent limitation still exceeds one percent
17 of the true and fair value of any property, then the levies imposed
18 under RCW 84.34.230, 84.52.105, and any portion of the levy imposed
19 under RCW 84.52.069 that is in excess of (~~thirty~~) 30 cents per
20 (~~thousand dollars~~) \$1,000 of assessed value, must be reduced on a
21 pro rata basis until the combined rate no longer exceeds one percent
22 of the true and fair value of any property or must be eliminated; and

23 (~~(viii)~~) (ix) 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~~) 30 cents per (~~thousand dollars~~) \$1,000 of assessed value
27 of tax levy imposed under RCW 84.52.069 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 (b) The certified rates of tax levy subject to these limitations
31 by all junior taxing districts imposing taxes on such property must
32 be reduced or eliminated as follows to bring the consolidated levy of
33 taxes on such property within the provisions of these limitations:

34 (i) First, the certified property tax levy authorized under RCW
35 84.52.821 must be reduced on a pro rata basis or eliminated;

36 (ii) Second, if the consolidated tax levy rate still exceeds
37 these limitations, the certified property tax levy rates of those
38 junior taxing districts authorized under RCW 36.68.525, 36.69.145
39 except a park and recreation district described under (a)(vii) of

1 this subsection, 35.95A.100, and 67.38.130 must be reduced on a pro
2 rata basis or eliminated;

3 (iii) Third, if the consolidated tax levy rate still exceeds
4 these limitations, the certified property tax levy rates of flood
5 control zone districts other than the portion of a levy protected
6 under RCW 84.52.816 must be reduced on a pro rata basis or
7 eliminated;

8 (iv) Fourth, if the consolidated tax levy rate still exceeds
9 these limitations, the certified property tax levy rates of all other
10 junior taxing districts, other than fire protection districts,
11 regional fire protection service authorities, library districts, the
12 first ~~((fifty))~~ 50 cent per ~~((thousand-dollars))~~ \$1,000 of assessed
13 valuation levies for metropolitan park districts, and the first
14 ~~((fifty))~~ 50 cent per ~~((thousand-dollars))~~ \$1,000 of assessed
15 valuation levies for public hospital districts, must be reduced on a
16 pro rata basis or eliminated;

17 (v) Fifth, if the consolidated tax levy rate still exceeds these
18 limitations, the first ~~((fifty))~~ 50 cent per ~~((thousand-dollars))~~
19 \$1,000 of assessed valuation levies for metropolitan park districts
20 created on or after January 1, 2002, must be reduced on a pro rata
21 basis or eliminated;

22 (vi) Sixth, if the consolidated tax levy rate still exceeds these
23 limitations, the certified property tax levy rates authorized to fire
24 protection districts under RCW 52.16.140 and 52.16.160 and regional
25 fire protection service authorities under RCW 52.26.140(1) (b) and
26 (c) must be reduced on a pro rata basis or eliminated; and

27 (vii) Seventh, if the consolidated tax levy rate still exceeds
28 these limitations, the certified property tax levy rates authorized
29 for fire protection districts under RCW 52.16.130, regional fire
30 protection service authorities under RCW 52.26.140(1)(a), library
31 districts, metropolitan park districts created before January 1,
32 2002, under their first ~~((fifty))~~ 50 cent per ~~((thousand-dollars))~~
33 \$1,000 of assessed valuation levy, and public hospital districts
34 under their first ~~((fifty))~~ 50 cent per ~~((thousand-dollars))~~ \$1,000
35 of assessed valuation levy, must be reduced on a pro rata basis or
36 eliminated.

37 **Sec. 3.** RCW 84.52.043 and 2020 c 253 s 3 are each amended to
38 read as follows:

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

4 (1) Levies of the senior taxing districts are as follows: (a) The
5 levies by the state may not exceed the applicable aggregate rate
6 limit specified in RCW 84.52.065 (2) or (4) adjusted to the state
7 equalized value in accordance with the indicated ratio fixed by the
8 state department of revenue to be used exclusively for the support of
9 the common schools; (b) the levy by any county may not exceed one
10 dollar and (~~eighty~~) 80 cents per (~~thousand dollars~~) \$1,000 of
11 assessed value; (c) the levy by any road district may not exceed two
12 dollars and (~~twenty-five~~) 25 cents per (~~thousand dollars~~) \$1,000
13 of assessed value; and (d) the levy by any city or town may not
14 exceed three dollars and (~~thirty-seven and one-half~~) 37.5 cents per
15 (~~thousand dollars~~) \$1,000 of assessed value. However, any county is
16 hereby authorized to increase its levy from one dollar and (~~eighty~~)
17 80 cents to a rate not to exceed two dollars and (~~forty-seven and~~
18 ~~one-half~~) 47.5 cents per (~~thousand dollars~~) \$1,000 of assessed
19 value for general county purposes if the total levies for both the
20 county and any road district within the county do not exceed four
21 dollars and five cents per (~~thousand dollars~~) \$1,000 of assessed
22 value, and no other taxing district has its levy reduced as a result
23 of the increased county levy.

24 (2) The aggregate levies of junior taxing districts and senior
25 taxing districts, other than the state, may not exceed five dollars
26 and (~~ninety~~) 90 cents per (~~thousand dollars~~) \$1,000 of assessed
27 valuation. The term "junior taxing districts" includes all taxing
28 districts other than the state, counties, road districts, cities,
29 towns, port districts, and public utility districts. The limitations
30 provided in this subsection do not apply to: (a) Levies at the rates
31 provided by existing law by or for any port or public utility
32 district; (b) excess property tax levies authorized in Article VII,
33 section 2 of the state Constitution; (c) levies for acquiring
34 conservation futures as authorized under RCW 84.34.230; (d) levies
35 for emergency medical care or emergency medical services imposed
36 under RCW 84.52.069; (e) levies to finance affordable housing imposed
37 under RCW 84.52.105; (f) the portions of levies by metropolitan park
38 districts that are protected under RCW 84.52.120; (g) levies imposed
39 by ferry districts under RCW 36.54.130; (h) levies for criminal
40 justice purposes under RCW 84.52.135; (i) the portions of levies by

1 fire protection districts and regional fire protection service
2 authorities that are protected under RCW 84.52.125; (j) levies by
3 counties for transit-related purposes under RCW 84.52.140; (k) the
4 portion of the levy by flood control zone districts that are
5 protected under RCW 84.52.816; ~~((and))~~ (l) levies imposed by a
6 regional transit authority under RCW 81.104.175; and (m) levies
7 imposed by any park and recreation district described under RCW
8 84.52.010(3)(a)(vii).

9 NEW SECTION. **Sec. 4.** This act applies to taxes levied for
10 collection in calendar years 2022 through 2026.

11 NEW SECTION. **Sec. 5.** This act expires January 1, 2027.

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