
SENATE BILL 5128

State of Washington

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By Senators Lias, Frockt, Hobbs, Pedersen, Habib, Kohl-Welles, Darneille, Keiser, Nelson, Rolfes, McAuliffe, Fraser, McCoy, Chase, Billig, Conway, Cleveland, Jayapal, Hasegawa, and Ranker

Read first time 01/14/15. Referred to Committee on Transportation.

1 AN ACT Relating to dedicated funding sources for high capacity
2 transportation service; amending RCW 81.104.140, 81.104.160,
3 84.52.043, 84.52.043, 84.52.010, 84.52.010, and 84.04.120; reenacting
4 and amending RCW 81.104.170; adding a new section to chapter 81.104
5 RCW; adding a new section to chapter 84.52 RCW; providing an
6 effective date; and providing an expiration date.

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

8 **Sec. 1.** RCW 81.104.140 and 2002 c 56 s 202 are each amended to
9 read as follows:

10 (1) Agencies authorized to provide high capacity transportation
11 service, including transit agencies and regional transit authorities,
12 and regional transportation investment districts acting with the
13 agreement of an agency, are hereby granted dedicated funding sources
14 for such systems. These dedicated funding sources, as set forth in
15 RCW 81.104.150, 81.104.160, (~~and~~) 81.104.170, and section 4 of this
16 act, are authorized only for agencies located in (a) each county with
17 a population of two hundred ten thousand or more and (b) each county
18 with a population of from one hundred twenty-five thousand to less
19 than two hundred ten thousand except for those counties that do not
20 border a county with a population as described under (a) of this
21 subsection. In any county with a population of one million or more or

1 in any county having a population of four hundred thousand or more
2 bordering a county with a population of one million or more, these
3 funding sources may be imposed only by a regional transit authority
4 or a regional transportation investment district. Regional
5 transportation investment districts may, with the approval of the
6 regional transit authority within its boundaries, impose the taxes
7 authorized under this chapter, but only upon approval of the voters
8 and to the extent that the maximum amount of taxes authorized under
9 this chapter have not been imposed.

10 (2) Agencies planning to construct and operate a high capacity
11 transportation system should also seek other funds, including
12 federal, state, local, and private sector assistance.

13 (3) Funding sources should satisfy each of the following criteria
14 to the greatest extent possible:

- 15 (a) Acceptability;
- 16 (b) Ease of administration;
- 17 (c) Equity;
- 18 (d) Implementation feasibility;
- 19 (e) Revenue reliability; and
- 20 (f) Revenue yield.

21 (4)(a) Agencies participating in regional high capacity
22 transportation system development are authorized to levy and collect
23 the following voter-approved local option funding sources:

24 ~~((a))~~ (i) Employer tax as provided in RCW 81.104.150, other
25 than by regional transportation investment districts;

26 ~~((b))~~ (ii) Special motor vehicle excise tax as provided in RCW
27 81.104.160; ~~((and~~

28 ~~(c))~~ (iii) Regular property tax as provided in section 4 of this
29 act; and

30 (iv) Sales and use tax as provided in RCW 81.104.170.

31 (b) Revenues from these taxes may be used only to support those
32 purposes prescribed in subsection (10) of this section. Before the
33 date of an election authorizing an agency to impose any of the taxes
34 enumerated in this section and authorized in RCW 81.104.150,
35 81.104.160, ~~((and))~~ 81.104.170, and section 4 of this act, the agency
36 must comply with the process prescribed in RCW 81.104.100 (1) and (2)
37 and 81.104.110. No construction on exclusive right-of-way may occur
38 before the requirements of RCW 81.104.100(3) are met.

39 (5) Authorization in subsection (4) of this section ~~((shall))~~ may
40 not adversely affect the funding authority of transit agencies not

1 provided for in this chapter. Local option funds may be used to
2 support implementation of interlocal agreements with respect to the
3 establishment of regional high capacity transportation service.
4 Except when a regional transit authority exists, local jurisdictions
5 (~~shall~~) must retain control over moneys generated within their
6 boundaries, although funds may be commingled with those generated in
7 other areas for planning, construction, and operation of high
8 capacity transportation systems as set forth in the agreements.

9 (6) Agencies planning to construct and operate high capacity
10 transportation systems may contract with the state for collection and
11 transference of voter-approved local option revenue.

12 (7) Dedicated high capacity transportation funding sources
13 authorized in RCW 81.104.150, 81.104.160, (~~and~~) 81.104.170 (~~shall~~
14 ~~be~~), and section 4 of this act are subject to voter approval by a
15 simple majority. A single ballot proposition may seek approval for
16 one or more of the authorized taxing sources. The ballot title
17 (~~shall~~) must reference the document identified in subsection (8) of
18 this section.

19 (8) Agencies (~~shall~~) must provide to the registered voters in
20 the area a document describing the systems plan and the financing
21 plan set forth in RCW 81.104.100. It (~~shall~~) must also describe the
22 relationship of the system to regional issues such as development
23 density at station locations and activity centers, and the
24 interrelationship of the system to adopted land use and
25 transportation demand management goals within the region. This
26 document (~~shall~~) must be provided to the voters at least twenty
27 days prior to the date of the election.

28 (9) For any election in which voter approval is sought for a high
29 capacity transportation system plan and financing plan pursuant to
30 RCW 81.104.040, a local voter's pamphlet (~~shall~~) must be produced
31 as provided in chapter (~~29.81A~~) 29A.32 RCW.

32 (10) Agencies providing high capacity transportation service
33 (~~shall~~) must retain responsibility for revenue encumbrance,
34 disbursement, and bonding. Funds may be used for any purpose relating
35 to planning, construction, and operation of high capacity
36 transportation systems and commuter rail systems, personal rapid
37 transit, busways, bus sets, and entrained and linked buses.

38 **Sec. 2.** RCW 81.104.160 and 2010 c 161 s 903 are each amended to
39 read as follows:

1 (1) Cities that operate transit systems, county transportation
2 authorities, metropolitan municipal corporations, public
3 transportation benefit areas, and regional transit authorities may
4 submit an authorizing proposition to the voters, and if approved, may
5 levy and collect an excise tax, at a rate approved by the voters, but
6 not exceeding eighty one-hundredths of one percent on the value,
7 under chapter 82.44 RCW, of every motor vehicle owned by a resident
8 of the taxing district, solely for the purpose of providing high
9 capacity transportation service. The maximum tax rate under this
10 subsection does not include a motor vehicle excise tax approved
11 before the effective date of this section if the tax will terminate
12 on the date bond debt to which the tax is pledged is repaid. In any
13 county imposing a motor vehicle excise tax surcharge pursuant to RCW
14 81.100.060, the maximum tax rate under this section must be reduced
15 to a rate equal to eighty one-hundredths of one percent on the value
16 less the equivalent motor vehicle excise tax rate of the surcharge
17 imposed pursuant to RCW 81.100.060. This rate does not apply to
18 vehicles licensed under RCW 46.16A.455 except vehicles with an
19 unladen weight of six thousand pounds or less, RCW 46.16A.425 or
20 46.17.335(2). Notwithstanding any other provision of this subsection
21 or chapter 82.44 RCW, a motor vehicle excise tax imposed by a
22 regional transit authority before or after the effective date of this
23 section must comply with chapter 82.44 RCW as it existed on January
24 1, 1996, until December 31st of the year in which the regional
25 transit authority repays bond debt to which a motor vehicle excise
26 tax was pledged before the effective date of this section. Motor
27 vehicle taxes collected by regional transit authorities after
28 December 31st of the year in which a regional transit authority
29 repays bond debt to which a motor vehicle excise tax was pledged
30 before the effective date of this section must comply with chapter
31 82.44 RCW as it existed on the date the tax was approved by voters.

32 (2) An agency and high capacity transportation corridor area
33 ((may)) imposing a tax under subsection (1) of this section may also
34 impose a sales and use tax solely for the purpose of providing high
35 capacity transportation service, in addition to the tax authorized by
36 RCW 82.14.030, upon retail car rentals within the applicable
37 jurisdiction that are taxable by the state under chapters 82.08 and
38 82.12 RCW. The rate of tax ((shall)) may not exceed 2.172 percent.
39 The rate of tax imposed under this subsection must bear the same
40 ratio of the 2.172 percent authorized that the rate imposed under

1 subsection (1) of this section bears to the rate authorized under
2 subsection (1) of this section. The base of the tax (~~(shall be)~~) is
3 the selling price in the case of a sales tax or the rental value of
4 the vehicle used in the case of a use tax.

5 (~~Any motor vehicle excise tax previously imposed under the~~
6 ~~provisions of RCW 81.104.160(1) shall be repealed, terminated, and~~
7 ~~expire on December 5, 2002, except for a motor vehicle excise tax for~~
8 ~~which revenues have been contractually pledged to repay a bonded debt~~
9 ~~issued before December 5, 2002, as determined by *Pierce County et al.*~~
10 ~~*v. State*, 159 Wn.2d 16, 148 P.3d 1002 (2006). In the case of bonds~~
11 ~~that were previously issued, the motor vehicle excise tax must comply~~
12 ~~with chapter 82.44 RCW as it existed on January 1, 1996.))~~)

13 **Sec. 3.** RCW 81.104.170 and 2009 c 469 s 106 and 2009 c 280 s 5
14 are each reenacted and amended to read as follows:

15 (1) Cities that operate transit systems, county transportation
16 authorities, metropolitan municipal corporations, public
17 transportation benefit areas, high capacity transportation corridor
18 areas, and regional transit authorities may submit an authorizing
19 proposition to the voters and if approved by a majority of persons
20 voting, fix and impose a sales and use tax in accordance with the
21 terms of this chapter, solely for the purpose of providing high
22 capacity transportation service.

23 (2) The tax authorized pursuant to this section (~~(shall be)~~) is
24 in addition to the tax authorized by RCW 82.14.030 and (~~shall~~) must
25 be collected from those persons who are taxable by the state pursuant
26 to chapters 82.08 and 82.12 RCW upon the occurrence of any taxable
27 event within the taxing district. The maximum rate of such tax
28 (~~shall~~) must be approved by the voters and (~~shall~~) may not exceed
29 one percent of the selling price (in the case of a sales tax) or
30 value of the article used (in the case of a use tax). The maximum
31 rate of such tax that may be imposed (~~shall~~) may not exceed
32 (~~nine-tenths of one~~) 1.4 percent in any county that imposes a tax
33 under RCW 82.14.340, or within a regional transit authority if any
34 county within the authority imposes a tax under RCW 82.14.340.

35 (3)(a) The exemptions in RCW 82.08.820 and 82.12.820 are for the
36 state portion of the sales and use tax and do not extend to the tax
37 authorized in this section.

1 (b) The exemptions in RCW 82.08.962 and 82.12.962 are for the
2 state and local sales and use taxes and include the tax authorized by
3 this section.

4 NEW SECTION. **Sec. 4.** A new section is added to chapter 81.104
5 RCW to read as follows:

6 (1) A regional transit authority may impose a regular property
7 tax levy in an amount not to exceed twenty-five cents per thousand
8 dollars of the assessed value of property in the regional transit
9 authority district in accordance with the terms of this section.

10 (2) Any tax imposed under this section must be used for the
11 purpose of providing high capacity transportation service, as set
12 forth in a proposition that is approved by a majority of the persons
13 residing within the authority that vote on the proposition.

14 (3) Property taxes imposed under this section may be imposed for
15 the period of time required to pay the cost to plan, design,
16 construct, operate, and maintain the transit facilities set forth in
17 the approved proposition. Property taxes pledged to repay bonds may
18 be imposed at the pledged amount until the bonds are retired. After
19 the bonds are retired, property taxes authorized under this section
20 must be:

21 (a) Reduced to the level required to operate and maintain the
22 regional transit authority's transit facilities; or

23 (b) Terminated, unless the taxes have been extended by public
24 vote.

25 (4) The limitations in RCW 84.52.043 do not apply to the tax
26 authorized in this section.

27 (5) The limitation in RCW 84.55.010 does not apply to the first
28 levy imposed under this section.

29 **Sec. 5.** RCW 84.52.043 and 2011 c 275 s 2 are each amended to
30 read as follows:

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

34 (1) Levies of the senior taxing districts are as follows: (a) The
35 levy by the state may not exceed three dollars and sixty cents per
36 thousand dollars of assessed value adjusted to the state equalized
37 value in accordance with the indicated ratio fixed by the state
38 department of revenue to be used exclusively for the support of the

1 common schools; (b) the levy by any county may not exceed one dollar
2 and eighty cents per thousand dollars of assessed value; (c) the levy
3 by any road district may not exceed two dollars and twenty-five cents
4 per thousand dollars of assessed value; and (d) the levy by any city
5 or town may not exceed three dollars and thirty-seven and one-half
6 cents per thousand dollars of assessed value. However any county is
7 hereby authorized to increase its levy from one dollar and eighty
8 cents to a rate not to exceed two dollars and forty-seven and one-
9 half cents per thousand dollars of assessed value for general county
10 purposes if the total levies for both the county and any road
11 district within the county do not exceed four dollars and five cents
12 per thousand dollars of assessed value, and no other taxing district
13 has its levy reduced as a result of the increased county levy.

14 (2) The aggregate levies of junior taxing districts and senior
15 taxing districts, other than the state, may not exceed five dollars
16 and ninety cents per thousand dollars of assessed valuation. The term
17 "junior taxing districts" includes all taxing districts other than
18 the state, counties, road districts, cities, towns, port districts,
19 and public utility districts. The limitations provided in this
20 subsection do not apply to: (a) Levies at the rates provided by
21 existing law by or for any port or public utility district; (b)
22 excess property tax levies authorized in Article VII, section 2 of
23 the state Constitution; (c) levies for acquiring conservation futures
24 as authorized under RCW 84.34.230; (d) levies for emergency medical
25 care or emergency medical services imposed under RCW 84.52.069; (e)
26 levies to finance affordable housing for very low-income housing
27 imposed under RCW 84.52.105; (f) the portions of levies by
28 metropolitan park districts that are protected under RCW 84.52.120;
29 (g) levies imposed by ferry districts under RCW 36.54.130; (h) levies
30 for criminal justice purposes under RCW 84.52.135; (i) the portions
31 of levies by fire protection districts that are protected under RCW
32 84.52.125; (j) levies by counties for transit-related purposes under
33 RCW 84.52.140; ~~((and))~~ (k) the protected portion of the levies
34 imposed under RCW 86.15.160 by flood control zone districts in a
35 county with a population of seven hundred seventy-five thousand or
36 more that are coextensive with a county; and (l) levies imposed by a
37 regional transit authority under section 4 of this act.

38 **Sec. 6.** RCW 84.52.043 and 2009 c 551 s 6 are each amended to
39 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 (~~shall be~~) are as
4 follows:

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

24 (2) The aggregate levies of junior taxing districts and senior
25 taxing districts, other than the state, (~~shall~~) may not exceed five
26 dollars and ninety cents per thousand dollars of assessed valuation.
27 The term "junior taxing districts" includes all taxing districts
28 other than the state, counties, road districts, cities, towns, port
29 districts, and public utility districts. The limitations provided in
30 this subsection (~~shall~~) 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 for
37 very low-income housing imposed under RCW 84.52.105; (f) the portions
38 of levies by metropolitan park districts that are protected under RCW
39 84.52.120; (g) levies imposed by ferry districts under RCW 36.54.130;
40 (h) levies for criminal justice purposes under RCW 84.52.135; (i) the

1 portions of levies by fire protection districts that are protected
2 under RCW 84.52.125; ~~((and))~~ (j) levies by counties for transit-
3 related purposes under RCW 84.52.140; and (k) levies imposed by a
4 regional transit authority under section 4 of this act.

5 NEW SECTION. **Sec. 7.** A new section is added to chapter 84.52
6 RCW to read as follows:

7 (1) A regional transit authority may impose a regular property
8 tax levy in an amount not to exceed twenty-five cents per thousand
9 dollars of the assessed value of property in the regional transit
10 authority district in accordance with the terms of this section.

11 (2) Any tax imposed under this section must be used for the
12 purpose of providing high capacity transportation service, as set
13 forth in a proposition that is approved by a majority of the persons
14 residing within the authority that vote on the proposition.

15 (3) Property taxes imposed under this section may be imposed for
16 the period of time required to pay the cost to plan, design,
17 construct, operate, and maintain the transit facilities set forth in
18 the approved proposition. Property taxes pledged to repay bonds may
19 be imposed at the pledged amount until the bonds are retired. After
20 the bonds are retired, property taxes authorized under this section
21 must be:

22 (a) Reduced to the level required to operate and maintain the
23 regional transit authority's transit facilities; or

24 (b) Terminated, unless the taxes have been extended by public
25 vote.

26 (4) The limitations in RCW 84.52.043 do not apply to the tax
27 authorized in this section.

28 (5) The limitation in RCW 84.55.010 does not apply to the first
29 levy imposed under this section.

30 **Sec. 8.** RCW 84.52.010 and 2011 1st sp.s. c 28 s 2 are each
31 amended to read as follows:

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

34 (2) The rate percent of all taxes for state and county purposes,
35 and purposes of taxing districts coextensive with the county, must be
36 determined, calculated and fixed by the county assessors of the
37 respective counties, within the limitations provided by law, upon the
38 assessed valuation of the property of the county, as shown by the

1 completed tax rolls of the county, and the rate percent of all taxes
2 levied for purposes of taxing districts within any county must be
3 determined, calculated and fixed by the county assessors of the
4 respective counties, within the limitations provided by law, upon the
5 assessed valuation of the property of the taxing districts
6 respectively.

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

12 (a) The full certified rates of tax levy for state, county,
13 county road district, regional transit authority, and city or town
14 purposes must be extended on the tax rolls in amounts not exceeding
15 the limitations established by law; however any state levy takes
16 precedence over all other levies and may not be reduced for any
17 purpose other than that required by RCW 84.55.010. If, as a result of
18 the levies imposed under RCW 36.54.130, 84.34.230, 84.52.069,
19 84.52.105, the portion of the levy by a metropolitan park district
20 that was protected under RCW 84.52.120, 84.52.125, 84.52.135,
21 84.52.140, and the protected portion of the levy under RCW 86.15.160
22 by flood control zone districts in a county with a population of
23 seven hundred seventy-five thousand or more that are coextensive with
24 a county, the combined rate of regular property tax levies that are
25 subject to the one percent limitation exceeds one percent of the true
26 and fair value of any property, then these levies must be reduced as
27 follows:

28 (i) The portion of the levy by a metropolitan park district that
29 has a population of less than one hundred fifty thousand and is
30 located in a county with a population of one million five hundred
31 thousand or more that is protected under RCW 84.52.120 must be
32 reduced until the combined rate no longer exceeds one percent of the
33 true and fair value of any property or must be eliminated;

34 (ii) If the combined rate of regular property tax levies that are
35 subject to the one percent limitation still exceeds one percent of
36 the true and fair value of any property, the protected portion of the
37 levy imposed under RCW 86.15.160 by a flood control zone district in
38 a county with a population of seven hundred seventy-five thousand or
39 more that is coextensive with a county must be reduced until the

1 combined rate no longer exceeds one percent of the true and fair
2 value of any property or must be eliminated;

3 (iii) If the combined rate of regular property tax levies that
4 are subject to the one percent limitation still exceeds one percent
5 of the true and fair value of any property, the levy imposed by a
6 county under RCW 84.52.140 must be reduced until the combined rate no
7 longer exceeds one percent of the true and fair value of any property
8 or must be eliminated;

9 (iv) If the combined rate of regular property tax levies that are
10 subject to the one percent limitation still exceeds one percent of
11 the true and fair value of any property, the portion of the levy by a
12 fire protection district that is protected under RCW 84.52.125 must
13 be reduced until the combined rate no longer exceeds one percent of
14 the true and fair value of any property or must be eliminated;

15 (v) If the combined rate of regular property tax levies that are
16 subject to the one percent limitation still exceeds one percent of
17 the true and fair value of any property, the levy imposed by a county
18 under RCW 84.52.135 must be reduced until the combined rate no longer
19 exceeds one percent of the true and fair value of any property or
20 must be eliminated;

21 (vi) If the combined rate of regular property tax levies that are
22 subject to the one percent limitation still exceeds one percent of
23 the true and fair value of any property, the levy imposed by a ferry
24 district under RCW 36.54.130 must be reduced until the combined rate
25 no longer exceeds one percent of the true and fair value of any
26 property or must be eliminated;

27 (vii) If the combined rate of regular property tax levies that
28 are subject to the one percent limitation still exceeds one percent
29 of the true and fair value of any property, the portion of the levy
30 by a metropolitan park district with a population of one hundred
31 fifty thousand or more that is protected under RCW 84.52.120 must be
32 reduced until the combined rate no longer exceeds one percent of the
33 true and fair value of any property or must be eliminated;

34 (viii) If the combined rate of regular property tax levies that
35 are subject to the one percent limitation still exceeds one percent
36 of the true and fair value of any property, then the levies imposed
37 under RCW 84.34.230, 84.52.105, and any portion of the levy imposed
38 under RCW 84.52.069 that is in excess of thirty cents per thousand
39 dollars of assessed value, must be reduced on a pro rata basis until

1 the combined rate no longer exceeds one percent of the true and fair
2 value of any property or must be eliminated; and

3 (ix) If the combined rate of regular property tax levies that are
4 subject to the one percent limitation still exceeds one percent of
5 the true and fair value of any property, then the thirty cents per
6 thousand dollars of assessed value of tax levy imposed under RCW
7 84.52.069 must be reduced until the combined rate no longer exceeds
8 one percent of the true and fair value of any property or must be
9 eliminated.

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

14 (i) First, the certified property tax levy rates of those junior
15 taxing districts authorized under RCW 36.68.525, 36.69.145,
16 35.95A.100, and 67.38.130 must be reduced on a pro rata basis or
17 eliminated;

18 (ii) Second, if the consolidated tax levy rate still exceeds
19 these limitations, the certified property tax levy rates of flood
20 control zone districts other than the portion of a levy protected
21 under RCW 84.52.815 must be reduced on a pro rata basis or
22 eliminated;

23 (iii) Third, if the consolidated tax levy rate still exceeds
24 these limitations, the certified property tax levy rates of all other
25 junior taxing districts, other than fire protection districts,
26 regional fire protection service authorities, library districts, the
27 first fifty cent per thousand dollars of assessed valuation levies
28 for metropolitan park districts, and the first fifty cent per
29 thousand dollars of assessed valuation levies for public hospital
30 districts, must be reduced on a pro rata basis or eliminated;

31 (iv) Fourth, if the consolidated tax levy rate still exceeds
32 these limitations, the first fifty cent per thousand dollars of
33 assessed valuation levies for metropolitan park districts created on
34 or after January 1, 2002, must be reduced on a pro rata basis or
35 eliminated;

36 (v) Fifth, if the consolidated tax levy rate still exceeds these
37 limitations, the certified property tax levy rates authorized to fire
38 protection districts under RCW 52.16.140 and 52.16.160 and regional
39 fire protection service authorities under RCW 52.26.140(1) (b) and
40 (c) must be reduced on a pro rata basis or eliminated; and

1 (vi) Sixth, if the consolidated tax levy rate still exceeds these
2 limitations, the certified property tax levy rates authorized for
3 fire protection districts under RCW 52.16.130, regional fire
4 protection service authorities under RCW 52.26.140(1)(a), library
5 districts, metropolitan park districts created before January 1,
6 2002, under their first fifty cent per thousand dollars of assessed
7 valuation levy, and public hospital districts under their first fifty
8 cent per thousand dollars of assessed valuation levy, must be reduced
9 on a pro rata basis or eliminated.

10 **Sec. 9.** RCW 84.52.010 and 2009 c 551 s 7 are each amended to
11 read as follows:

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

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

25 (3) When a county assessor finds that the aggregate rate of tax
26 levy on any property, that is subject to the limitations set forth in
27 RCW 84.52.043 or 84.52.050, exceeds the limitations provided in
28 either of these sections, the assessor (~~shall~~) must recompute and
29 establish a consolidated levy in the following manner:

30 (~~(1)~~) (a) The full certified rates of tax levy for state,
31 county, county road district, regional transit authority, and city or
32 town purposes (~~shall~~) must be extended on the tax rolls in amounts
33 not exceeding the limitations established by law; however any state
34 levy (~~shall~~) takes precedence over all other levies and (~~shall~~)
35 may not be reduced for any purpose other than that required by RCW
36 84.55.010. If, as a result of the levies imposed under RCW 36.54.130,
37 84.34.230, 84.52.069, 84.52.105, the portion of the levy by a
38 metropolitan park district that was protected under RCW 84.52.120,
39 84.52.125, 84.52.135, and 84.52.140, the combined rate of regular

1 property tax levies that are subject to the one percent limitation
2 exceeds one percent of the true and fair value of any property, then
3 these levies (~~(shall)~~) must be reduced as follows:

4 ~~((a))~~ (i) The levy imposed by a county under RCW 84.52.140
5 (~~(shall)~~) must be reduced until the combined rate no longer exceeds
6 one percent of the true and fair value of any property or (~~(shall)~~)
7 must be eliminated;

8 ~~((b))~~ (ii) If the combined rate of regular property tax levies
9 that are subject to the one percent limitation still exceeds one
10 percent of the true and fair value of any property, the portion of
11 the levy by a fire protection district that is protected under RCW
12 84.52.125 (~~(shall)~~) must be reduced until the combined rate no longer
13 exceeds one percent of the true and fair value of any property or
14 (~~(shall)~~) must be eliminated;

15 ~~((c))~~ (iii) If the combined rate of regular property tax levies
16 that are subject to the one percent limitation still exceeds one
17 percent of the true and fair value of any property, the levy imposed
18 by a county under RCW 84.52.135 must be reduced until the combined
19 rate no longer exceeds one percent of the true and fair value of any
20 property or must be eliminated;

21 ~~((d))~~ (iv) If the combined rate of regular property tax levies
22 that are subject to the one percent limitation still exceeds one
23 percent of the true and fair value of any property, the levy imposed
24 by a ferry district under RCW 36.54.130 must be reduced until the
25 combined rate no longer exceeds one percent of the true and fair
26 value of any property or must be eliminated;

27 ~~((e))~~ (v) If the combined rate of regular property tax levies
28 that are subject to the one percent limitation still exceeds one
29 percent of the true and fair value of any property, the portion of
30 the levy by a metropolitan park district that is protected under RCW
31 84.52.120 (~~(shall)~~) must be reduced until the combined rate no longer
32 exceeds one percent of the true and fair value of any property or
33 (~~(shall)~~) must be eliminated;

34 ~~((f))~~ (vi) If the combined rate of regular property tax levies
35 that are subject to the one percent limitation still exceeds one
36 percent of the true and fair value of any property, then the levies
37 imposed under RCW 84.34.230, 84.52.105, and any portion of the levy
38 imposed under RCW 84.52.069 that is in excess of thirty cents per
39 thousand dollars of assessed value, (~~(shall)~~) must be reduced on a
40 pro rata basis until the combined rate no longer exceeds one percent

1 of the true and fair value of any property or (~~shall~~) must be
2 eliminated; and

3 (~~(g)~~) (vii) If the combined rate of regular property tax levies
4 that are subject to the one percent limitation still exceeds one
5 percent of the true and fair value of any property, then the thirty
6 cents per thousand dollars of assessed value of tax levy imposed
7 under RCW 84.52.069 (~~shall~~) must be reduced until the combined rate
8 no longer exceeds one percent of the true and fair value of any
9 property or eliminated.

10 (~~(2)~~) (b) The certified rates of tax levy subject to these
11 limitations by all junior taxing districts imposing taxes on such
12 property (~~shall~~) must be reduced or eliminated as follows to bring
13 the consolidated levy of taxes on such property within the provisions
14 of these limitations:

15 (~~(a)~~) (i) First, the certified property tax levy rates of those
16 junior taxing districts authorized under RCW 36.68.525, 36.69.145,
17 35.95A.100, and 67.38.130 (~~shall~~) must be reduced on a pro rata
18 basis or eliminated;

19 (~~(b)~~) (ii) Second, if the consolidated tax levy rate still
20 exceeds these limitations, the certified property tax levy rates of
21 flood control zone districts (~~shall~~) must be reduced on a pro rata
22 basis or eliminated;

23 (~~(c)~~) (iii) Third, if the consolidated tax levy rate still
24 exceeds these limitations, the certified property tax levy rates of
25 all other junior taxing districts, other than fire protection
26 districts, regional fire protection service authorities, library
27 districts, the first fifty cent per thousand dollars of assessed
28 valuation levies for metropolitan park districts, and the first fifty
29 cent per thousand dollars of assessed valuation levies for public
30 hospital districts, (~~shall~~) must be reduced on a pro rata basis or
31 eliminated;

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

37 (~~(e)~~) (v) Fifth, if the consolidated tax levy rate still
38 exceeds these limitations, the certified property tax levy rates
39 authorized to fire protection districts under RCW 52.16.140 and
40 52.16.160 and regional fire protection service authorities under RCW

1 52.26.140(1) (b) and (c) (~~shall~~) must be reduced on a pro rata
2 basis or eliminated; and

3 (~~(f)~~) (vi) Sixth, if the consolidated tax levy rate still
4 exceeds these limitations, the certified property tax levy rates
5 authorized for fire protection districts under RCW 52.16.130,
6 regional fire protection service authorities under RCW
7 52.26.140(1)(a), library districts, metropolitan park districts
8 created before January 1, 2002, under their first fifty cent per
9 thousand dollars of assessed valuation levy, and public hospital
10 districts under their first fifty cent per thousand dollars of
11 assessed valuation levy, (~~shall~~) must be reduced on a pro rata
12 basis or eliminated.

13 **Sec. 10.** RCW 84.04.120 and 1999 c 153 s 69 are each amended to
14 read as follows:

15 "Taxing district" (~~shall be held and construed to mean and~~
16 ~~include~~) means the state and any county, city, town, port district,
17 school district, road district, metropolitan park district, regional
18 transit authority, water-sewer district, or other municipal
19 corporation, now or hereafter existing, having the power or
20 authorized by law to impose burdens upon property within the district
21 in proportion to the value thereof, for the purpose of obtaining
22 revenue for public purposes, as distinguished from municipal
23 corporations authorized to impose burdens, or for which burdens may
24 be imposed, for such purposes, upon property in proportion to the
25 benefits accruing thereto.

26 NEW SECTION. **Sec. 11.** Sections 5 and 8 of this act expire
27 January 1, 2018.

28 NEW SECTION. **Sec. 12.** Sections 6 and 9 of this act take effect
29 January 1, 2018.

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