HOUSE BILL 2702

State of Washington 61st Legislature 2010 Regular Session

By Representatives Takko, Blake, and Orcutt

Read first time 01/12/10. Referred to Committee on State Government & Tribal Affairs.

1 AN ACT Relating to ballot title information; and amending RCW 2 29A.36.071, 29A.36.210, 84.52.054, and 84.55.050.

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

4 Sec. 1. RCW 29A.36.071 and 2006 c 311 s 9 are each amended to read 5 as follows:

(1) Except as provided to the contrary in RCW 82.14.036, 82.46.021, 6 7 or 82.80.090, the ballot title of any referendum filed on an enactment or portion of an enactment of a local government and any other question 8 9 submitted to the voters of a local government consists of three 10 elements: (a) An identification of the enacting legislative body and 11 a statement of the subject matter; (b) a concise description of the 12 measure; and (c) a question. If the referendum or question relates to a property tax levy, the ballot title must state that the levy is new 13 14 or a replacement and include a comparison of the financial impact from a taxing district's prior year levy, if any, and the current ballot, in 15 both dollar and percentage change terms. Ballot questions related to 16 multiple year levies must include an estimate of the financial impact 17 18 in the first year of the proposed levy as compared to the taxing 19 district's prior year levy, if any, in both dollar and percentage

terms. Ballot questions under RCW 84.55.050 must include an estimate 1 2 of the financial impact in the first year of the levy increase as compared to the taxing district's last levy, in both dollar and 3 percentage terms. For all ballot titles relating to a property tax 4 levy, with the exception of specific levy rate questions posed under 5 RCW 84.55.050, any indicated levy rate must be described as advisory б 7 only. The ballot title must conform with the requirements and be 8 displayed substantially as provided under RCW 29A.72.050, except that the concise description must not exceed ((seventy)) eighty-five words; 9 10 however, a concise description submitted on behalf of a proposed or existing regional transportation investment district may exceed 11 12 ((seventy)) eighty-five words. If the local governmental unit is a city or a town, the concise statement shall be prepared by the city or 13 14 town attorney. If the local governmental unit is a county, the concise statement shall be prepared by the prosecuting attorney of the county. 15 If the unit is a unit of local government other than a city, town, or 16 17 county, the concise statement shall be prepared by the prosecuting 18 attorney of the county within which the majority area of the unit is 19 located.

20 (2) A referendum measure on the enactment of a unit of local 21 government shall be advertised in the manner provided for nominees for 22 elective office.

(3) Subsection (1) of this section does not apply if another
 provision of law specifies the ballot title for a specific type of
 ballot question or proposition.

26 **Sec. 2.** RCW 29A.36.210 and 2004 c 80 s 2 are each amended to read 27 as follows:

(1) The ballot proposition authorizing a taxing district to impose
the regular property tax levies authorized in RCW 36.69.145, 67.38.130,
84.52.069, or 84.52.135 shall contain in substance the following:

"Shall the (insert the name of the taxing district) be authorized to impose regular property tax levies of (insert the maximum rate) or less per thousand dollars of assessed valuation for each of (insert the maximum number of years allowable) consecutive years, an increase of (insert dollar amount), (insert # %), from the previous year's levy?

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

4 (2) The ballot proposition authorizing a taxing district to impose 5 a permanent regular tax levy under RCW 84.52.069 shall contain the 6 following:

7 "Shall the (insert the name of the taxing district) be 8 authorized to impose a PERMANENT regular property levy of 9 (insert the maximum rate) or less per thousand dollars of assessed 10 valuation, an increase of (insert dollar amount), (insert # %), from 11 the previous year's levy?

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14 (3) In addition to the requirements of subsections (1) and (2) of this section, the ballot proposition must include a comparison of the 15 16 financial impact from a taxing district's prior year levy, if any, and the current ballot, in both dollar and percentage change terms. Ballot 17 18 questions related to multiple year levies must include an estimate of the financial impact in the first year of the proposed levy as compared 19 20 to the taxing district's prior year levy, if any, in both dollar and 21 percentage terms.

22 **Sec. 3.** RCW 84.52.054 and 2007 c 54 s 27 are each amended to read 23 as follows:

24 The additional tax provided for in Article VII, section 2 of the state Constitution, and specifically authorized by RCW 84.52.052, 25 84.52.053, 84.52.0531, and 84.52.130, shall be set forth in terms of 26 27 dollars on the ballot of the proposition to be submitted to the voters, 28 together with an estimate of the dollar rate of tax levy that will be required to produce the dollar amount((; and)). The ballot proposition 29 30 must state that the levy is new or a replacement and include a comparison of the financial impact from a taxing district's prior year 31 levy if any, and the current ballot, in both dollar and percentage 32 change terms. Ballot questions related to multiple year levies must 33 34 include an estimate of the financial impact in the first year of the 35 proposed levy as compared to the taxing district's prior year's levy, if any, in both dollar and percentage terms. The estimated levy rate 36

must be described as advisory only. The county assessor, in spreading 1 2 this tax upon the rolls, shall determine the eventual dollar rate required to produce the amount of dollars so voted upon, regardless of 3 4 the estimate of dollar rate of tax levy carried in said proposition. In the case of a school district or fire protection district 5 proposition for a particular period, the dollar amount and the б corresponding estimate of the dollar rate of tax levy shall be set 7 8 forth for each of the years in that period. The dollar amount for each 9 annual levy in the particular period may be equal or in different 10 amounts.

11 **Sec. 4.** RCW 84.55.050 and 2009 c 551 s 3 are each amended to read 12 as follows:

(1) Subject to any otherwise applicable statutory dollar rate 13 14 limitations, regular property taxes may be levied by or for a taxing district in an amount exceeding the limitations provided for in this 15 16 chapter if such levy is authorized by a proposition approved by a 17 majority of the voters of the taxing district voting on the proposition at a general election held within the district or at a special election 18 within the taxing district called by the district for the purpose of 19 20 submitting such proposition to the voters. Any election held pursuant 21 to this section shall be held not more than twelve months prior to the 22 date on which the proposed levy is to be made, except as provided in 23 subsection (2) of this section. The ballot of the proposition shall 24 state the dollar rate proposed and shall clearly state the conditions, 25 if any, which are applicable under subsection (4) of this section and 26 must conform with the requirements of RCW 29A.36.071.

(2)(a) Subject to statutory dollar limitations, a proposition 27 placed before the voters under this section may authorize annual 28 29 increases in levies for multiple consecutive years, up to six consecutive years, during which period each year's authorized maximum 30 31 legal levy shall be used as the base upon which an increased levy limit 32 for the succeeding year is computed, but the ballot proposition must conform with the requirements of RCW 29A.36.071 and state the dollar 33 34 rate proposed only for the first year of the consecutive years and must 35 state the limit factor, or a specified index to be used for determining 36 a limit factor, such as the consumer price index, which need not be the 37 same for all years, by which the regular tax levy for the district may

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be increased in each of the subsequent consecutive years. Elections for this purpose must be held at a primary or general election. The title of each ballot measure must state the limited purposes for which the proposed annual increases during the specified period of up to six consecutive years shall be used.

(b)(i) Except as otherwise provided in this subsection (2)(b), б 7 funds raised by a levy under this subsection may not supplant existing 8 funds used for the limited purpose specified in the ballot title. For 9 purposes of this subsection, existing funds means the actual operating expenditures for the calendar year in which the ballot measure is 10 approved by voters. Actual operating expenditures excludes lost 11 12 federal funds, lost or expired state grants or loans, extraordinary 13 events not likely to reoccur, changes in contract provisions beyond the control of the taxing district receiving the services, and major 14 nonrecurring capital expenditures. 15

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

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

(3) After a levy authorized pursuant to this section is made, the dollar amount of such levy may not be used for the purpose of computing the limitations for subsequent levies provided for in this chapter, unless the ballot proposition expressly states that the levy made under this section will be used for this purpose.

31 (4) If expressly stated, a proposition placed before the voters 32 under subsection (1) or (2) of this section may:

33 (a) Use the dollar amount of a levy under subsection (1) of this 34 section, or the dollar amount of the final levy under subsection (2) of 35 this section, for the purpose of computing the limitations for 36 subsequent levies provided for in this chapter;

(b) Limit the period for which the increased levy is to be madeunder (a) of this subsection;

1 (c) Limit the purpose for which the increased levy is to be made 2 under (a) of this subsection, but if the limited purpose includes 3 making redemption payments on bonds, the period for which the increased 4 levies are made shall not exceed nine years;

5 (d) Set the levy or levies at a rate less than the maximum rate 6 allowed for the district; or

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

8 (5) Except as otherwise expressly stated in an approved ballot 9 measure under this section, subsequent levies shall be computed as if:

(a) The proposition under this section had not been approved; and(b) The taxing district had made levies at the maximum rates which

12 would otherwise have been allowed under this chapter during the years 13 levies were made under the proposition.

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