

CHAPTER 91
[House Bill No. 142]
HIGHWAYS--APPROPRIATION

AN ACT Relating to highways; making an appropriation for the maintenance and operation of state highways; and declaring an emergency.

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

NEW SECTION. Section 1. There is hereby appropriated from the motor vehicle fund to the Washington state highway commission for the biennium ending June 30, 1971, the sum of two million two hundred seventy-three thousand dollars, or so much thereof as may be necessary for the maintenance and operation of state highways.

NEW SECTION. Sec. 2. This act is necessary for the immediate preservation of the public peace, health and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the House January 23, 1970
Passed the Senate February 10, 1970
Approved by the Governor February 20, 1970
Filed in Office of Secretary of State February 24, 1970

CHAPTER 92
[Substitute House Bill No. 180]
PROPERTY TAXES--
MILLAGES--LIMITATIONS

AN ACT Relating to property taxes; amending section 6, chapter 91, Laws of 1947 as last amended by section 1, chapter 45, Laws of 1965 ex. sess. and RCW 41.16.060; amending section 74.04.150, chapter 26, Laws of 1959 as amended by section 66, chapter 262, Laws of 1969 ex. sess. and RCW 74.04.150; amending section 84.52.010, chapter 15, Laws of 1961 and RCW 84.52.010; amending section 1, chapter 174, Laws of 1965 ex. sess. as amended by section 1, chapter 146, Laws of 1967 ex. sess. and RCW 84.54.010; amending section 2, chapter 174, Laws of 1965 ex. sess. as amended by section 2, chapter 146, Laws of 1967 ex. sess. and RCW 84.54.020; amending section 84.52.050, chapter 15, Laws of 1961 as last amended by section 4, chapter ...

Laws of 1970 1st ex. sess. (HB 34) and RCW 84.52.050; adding a new section to chapter 15, Laws of 1961 and to chapter 84-.52 RCW; repealing sections 3 through 6, chapter 174, Laws of 1965 ex.sess., sections 3 through 6, 8 and 9, chapter 146, Laws of 1967 ex. sess., section 1, chapter 242, Laws of 1969 ex.sess., and RCW 84.54.030 through 84.54.090; and repealing section 64, chapter 262, Laws of 1969 ex. sess. and RCW 84.52.051.

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

NEW SECTION. Section 1. It is the intent of this 1970 amendatory act to prevent a potential doubling of property taxes that might otherwise result from the enforcement of the constitutionally required fifty percent assessment ratio as of January 1, 1970, and to adjust property tax millage rates for subsequent years to levels which will conform to the requirements of any constitutional amendment imposing a one percent limitation on property taxes. It is the further intent of this 1970 amendatory act that the statutory authority of any taxing district to impose excess levies shall not be impaired by reason of the reduction in millage rates for regular property tax levies. This 1970 amendatory act shall be construed to effectuate the legislative intent expressed in this section.

Sec. 2. Section 6, chapter 91, Laws of 1947 as last amended by section 1, chapter 45, Laws of 1965 ex. sess. and RCW 41.16.060 are each amended to read as follows:

It shall be the duty of the legislative authority of each municipality, each year as a part of its annual tax levy, to levy and place in the fund a tax of one-half of one mill on all the taxable property of such municipality: PROVIDED, That if a report by a qualified actuary on the condition of the fund establishes that the whole or any part of said millage is not necessary to maintain the actuarial soundness of the fund, the levy of said one-half of one mill may be omitted, or the whole or any part of said millage may be levied and used for any other municipal purpose.

It shall be the duty of the legislative authority of each municipality, each year as a part of its annual tax levy and in addition to the city (~~the~~) levy limit (~~now provided by law~~) set forth in RCW 84.52.050, as now or hereafter amended, to levy and place in the fund an additional tax of one-half of one mill on all taxable property of such municipality: PROVIDED, That if a report by a qualified actuary establishes that all or any part of the additional one-half of one mill levy is unnecessary to meet the estimated demands on the fund under this chapter for the ensuing budget year, the levy of said additional one-half of one mill may be omitted, or the whole or any part of such millage may be levied and used for any other municipal purpose.

Sec. 3. Section 74.04.150, chapter 26, Laws of 1959 as amended by section 66, chapter 262, Laws of 1969 ex. sess. and RCW 74.04.150 are each amended to read as follows:

The state shall levy annually a tax not to exceed two mills upon the assessed valuation of all taxable property within the state for public assistance purposes.

~~((This section shall expire upon the date the provisions of this 1969 amendatory act which impose a tax upon net income become effective))~~ The authority of the state to make such levy shall expire as provided in RCW 84.52.050, as now or hereafter amended.

Sec. 4. Section 84.52.010, chapter 15, Laws of 1961 and RCW 84.52.010 are each amended to read as follows:

All taxes shall be levied or voted in specific amounts, and the rate percent of all taxes for state and county purposes, and purposes of taxing districts coextensive with the county, shall be determined, calculated and fixed by the county assessors of the respective counties, within the limitations provided by law, upon the assessed valuation of the property of the county, as shown by the completed tax rolls of the county, and the rate percent of all taxes levied for purposes of taxing districts within any county shall be determined, calculated and fixed by the county assessors of the re-

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spective counties, within the limitations provided by law, upon the assessed valuation of the property of the taxing districts respectively: PROVIDED, That when any such county assessor shall find that the aggregate rate of levy on any property will exceed the limitation (~~((fixed by section 27, article 7 of the state Constitution, as enacted by the seventeenth amendment))~~) set forth in RCW 84.52-.050 as now or hereafter amended, he shall recompute and establish a consolidated levy in the following manner:

(1) He shall include for extension on the tax rolls the full rates of levy certified to him for state, county, county road districts, city and school district purposes in amounts not exceeding the limitations established by law, and

(2) He shall include for extension on the tax rolls the rates percent of the tax levies certified to him by all other taxing districts imposing taxes on such property, other than port districts and public utility districts, reduced by him in such uniform percentages as will bring the consolidated tax levy on such property within the provisions of (~~(the constitutional)~~) such limitation.

Sec. 5. Section 84.52.050, chapter 15, Laws of 1961 as last amended by section 4, chapter ..., Laws of 1970 1st ex. sess. (HB 34) and RCW 84.52.050 are each amended to read as follows:

Except as hereinafter provided, the aggregate of all tax levies upon real and personal property by the state, municipal corporations, taxing districts and governmental agencies, now existing or hereafter created, shall not (~~(in any year)~~) exceed (~~(forty)~~) twenty-two mills on the dollar of assessed valuation with respect to levies made in 1970 and twenty-one mills on the dollar of assessed valuation with respect to levies made in subsequent years, which assessed valuation shall be fifty percent of the true and fair value of such property in money: PROVIDED, That if an amendment to Article VII, section 2 of the state Constitution, as amended by Amendment 17, imposing a limit on property taxes of, in effect, one percent of the true and fair value of property is approved

by the voters, such aggregate of all tax levies shall not exceed twenty mills on the dollar of assessed valuation with respect to levies made in years subsequent to such voter approval; and within and subject to the aforesaid limitation the levy by the state shall not exceed two mills to be used exclusively for the public assistance program of the state (~~((--PROVIDED, That upon and after the effective date of the provisions of chapter 262, Laws of 1969 ex. sess., as now or hereafter amended, which impose a tax upon net income, the authority of the state to levy not to exceed two mills to be used exclusively for the public assistance program of the state shall expire and such millage may be levied by any county as authorized in RCW 84.52.051,))~~) and the levy by any county shall not exceed ((eight)) four mills: PROVIDED, That if such constitutional amendment is so approved, the authority of the state to levy not to exceed two mills to be used exclusively for the public assistance program of the state shall be reduced to not to exceed one mill; and upon and after the effective date of the provisions of chapter 262, Laws of 1969 ex. sess., which impose a tax upon net income, such authority of the state shall expire and the levy by any county may exceed four mills but shall not exceed five mills; the levy by or for any school district shall not exceed (~~(fourteen))~~ seven mills: PROVIDED, That in each of the years 1967 and 1968 and 1969 and 1970 the state shall levy a property tax of four mills of which two mills shall be used exclusively for the public assistance program of the state and of which two mills shall be used exclusively for the support of the common schools; and in such years in which the state shall validly levy a property tax of two mills for the support of the common schools, the levy by or for any school district shall not exceed (~~(twelve))~~ six mills: PROVIDED FURTHER, That the levy by or for any union high school district shall not exceed two-fifths of the maximum levy permissible for any school district without a vote of the electors thereof and the levy by or for any component district within a union high school district shall not exceed three-

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fifths of the maximum levy permissible for any school district without a vote of the electors thereof: PROVIDED FURTHER, That the levy against any nonhigh school district for the high school district fund shall not exceed two-fifths of the maximum levy permissible for any school district without a vote of the electors thereof and the levy by or for any such nonhigh school district shall not exceed the balance of such maximum permissible levy; the levy for any road district shall not exceed ~~((ten))~~ five mills; and the levy by or for any city or town shall not exceed ~~((fifteen))~~ seven and one-half mills: PROVIDED FURTHER, That counties of the fifth class and under are hereby authorized to levy from ~~((eight-ten-eleven))~~ four to five and one-half mills for general county purposes and from ~~((seven-ten-ten))~~ three and one-half to five mills for county road purposes if the total levy for both purposes does not exceed ~~((eighteen))~~ nine mills: PROVIDED FURTHER, That counties of the fourth and the ninth class are hereby authorized to levy ~~((nine))~~ four and one-half mills until such time as the junior taxing agencies are utilizing all the millage available to them.

Nothing herein shall prevent levies at the rates provided by existing law by or for any port or power district.

Sec. 6. Section 1, chapter 174, Laws of 1965 ex. sess. as amended by section 1, chapter 146, Laws of 1967 ex. sess. and RCW 84.54.010 are each amended to read as follows:

As used in this chapter:

(1) The term "regular property tax levy" shall mean ~~((the-total-dollar-amount-of))~~ all property tax levies ~~((on-property-in))~~ by or for the taxing district ~~((-excluding-excess-levies-levied-under-the-provisions-of-Article-VII,-section-2-of-the-Constitution-of-the-state-of-Washington-and-chapter-84-52--RCW,excluding-levies-for-bond-debt-retirement,-and-excluding-levies-pursuant-to-RCW-53-36-100))~~ which are subject to the aggregate limitation set forth in RCW 84.52.050, as now or hereafter amended, or which are imposed by or for a port district or a public utility district;

~~((2))--The-term-"revalue"-or-"revalued"-shall-mean-such~~

~~changes-as-are-made-on-the-county-assessor's-valuation-of-the-prop-
erty-because-of-changes-pertaining-to-the-particular-property-includ-
ing,-but-not-limited-to,-construction-improvements,-other-changes-in
value,-and-similar-changes-made-as-to-the-property-or-properties-in
the-immediate-area;~~

~~(3))~~ (2) The term "taxing district" shall mean any taxing dis-
trict as defined in RCW 84.04.120 ((except-the-state-of-Washington)).

Sec. 7. Section 2, chapter 174, Laws of 1965 ex. sess. as
amended by section 2, chapter 146, Laws of 1967 ex. sess. and RCW
84.54.020 are each amended to read as follows:

In addition to the other limitations provided by law, ((a-tax-
ing-district's)) the regular property tax levy of a taxing district
other than the state, a county, county road district, city or town,
or school district, in any year for taxes payable in the following
year shall not exceed ((the-total-of-the-following):

~~(1)--The-regular-property-tax-levy-in-that-taxing-district-in
the-preceding-year-for-taxes-payable-in-the-current-year;~~

~~(2)--A-dollar-amount-calculated-by-multiplying-the-net-in-
crease-or-decrease-of-assessed-value-in-that-taxing-district-result-
ing-from-the-appraisal-and-valuation-of-property-improved,-construe-
ted,-or-revalued,-and-resulting-from-the-addition-of-property--in
areas-annexed,-during-the-period-from-March-2-of-the-preceding-year
to-March-1-of-the-current-year-such-assessed-value-to-be-at-the-same
assessment-rate-as-utilized-in-the-preceding-year-by-the-maximum
millage-rate-of-that-taxing-district-authorized-by-law-for-taxes
levied-the-preceding-year;~~

~~(3)--An-additional-dollar-amount-calculated-by-multiplying
the-excess-of-the-maximum-millage-as-authorized-by-this-1967-amenda-
tory-act-{1967-ex.s.,-e-146}-for-such-taxing-district-(plus-in-the
case-of-cities-and-towns-the-additional-millage-required-to-be-levied
pursuant-to-RCW-41,16,060)-over-the-millage-for-the-regular-property
tax-levy-of-that-taxing-district-for-taxes-levied-the-preceding-year
by-the-total-assessed-valuation-of-the-property-as-of-March-1-of-the~~

preceeding year,

~~(4) -- And an additional dollar amount, in the case of a county, representing the increased and additional costs to be expended by the county assessor to enable the county assessor of that county to carry out any program of assessments, appraisal and valuation of property within the county required by the Constitution or laws of the state.~~

~~Unless the maximum regular property tax levy is otherwise altered as authorized by RCW 84.54.050 as amended in section 5 of this 1967 amendatory act [1967 ex. s. e-146], the maximum millage rate shall be determined by dividing the total dollar amount authorized by this section by the assessed valuation) an amount equal to one-half the amount which would be produced by a regular property tax levy if such levy was imposed at the maximum amount allowable under any otherwise applicable millage limitation. Subsection (2) of RCW 84.52.010 shall not be considered a millage limitation within the meaning of this section.~~

NEW SECTION. Sec. 8. There is added to chapter 15, Laws of 1961 and to chapter 84.52 RCW a new section to read as follows:

Any taxing district, as defined in RCW 84.04.120, authorized by provisions of law other than RCW 84.52.052 to levy taxes in excess of the forty mill limitation provided for in Article VII, section 2 of the state Constitution, as amended by Amendment 17, or in excess of a statutory millage limitation specifically applicable to such district, is hereby authorized to levy taxes in any year in excess of the applicable general limitation contained in RCW 84.52.050, as now or hereafter amended, or in excess of one-half of such specific statutory millage limitation, under the same conditions applicable to a levy by such district in excess of the forty mill limitation or in excess of such specific statutory millage limitation.

NEW SECTION. Sec. 9. There is added to chapter 15, Laws of 1961 and to chapter 84.52 RCW a new section to read as follows:

A rural library district may impose, notwithstanding the millage

limitations provided for in sections 5 and 7 of this act, a regular property tax levy in an amount equal to that which would be produced by a levy of two mills multiplied by an assessed valuation equal to twenty-five percent of the true and fair value of the taxable property in the rural library district, as determined by the department of revenue's indicated county ratio. For purposes of this section "regular property tax levy" shall mean a levy subject to the forty mill limitation provided for in Article VII, section 2 of the state Constitution.

NEW SECTION. Sec. 10. The following acts or parts of acts are each repealed:

(1) Sections 3 through 6, chapter 174, Laws of 1965 ex. sess., sections 3 through 6, 8 and 9, chapter 146, Laws of 1967 ex. sess., section 1, chapter 242, Laws of 1969 ex. sess. and RCW 84.54.030 through 84.54.090; and

(2) Section 64, chapter 262, Laws of 1969 ex. sess. and RCW 84.52.051.

NEW SECTION. Sec. 11. This act shall take effect July 1, 1970 but shall not affect property taxes levied in 1969 or prior years.

Passed the House February 10, 1970
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CHAPTER 93
[House Bill No. 326]
FUNDS--INVESTMENT--
LOCAL IMPROVEMENT INSTALLMENT NOTES

AN ACT Relating to the investment of funds; amending section 35.45-.150, chapter 7, Laws of 1965 and RCW 35.45.150; adding a new section to chapter 39.60 RCW; and declaring an emergency.

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

NEW SECTION. Section 1. There is added to chapter 39.60 RCW a new section to read as follows:

Notwithstanding the provisions of any other statute of the state of Washington to the contrary, it shall be lawful for the state of Washington and any of its departments, institutions and agencies,