

## CHAPTER 107

[Engrossed Substitute House Bill No. 1270]

## TAXING DISTRICTS—CONTRACTS BETWEEN DISTRICTS—TRANSFER OF FUNDS—LEVY SETTING—STUDY FINANCING OF JUNIOR DISTRICTS

AN ACT Relating to local government; adding a new section to chapter 84.55 RCW; adding a new chapter to Title 39 RCW; creating new sections; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

**NEW SECTION.** Sec. 1. Any agreement or contract between two taxing districts other than the state which is otherwise authorized by law may be made contingent upon a particular property tax levy rate of an identified taxing district other than the state where such rate affects the regular property tax rate of one of the parties to the contract and therefore affects the party's resources with which to perform under the contract.

This section shall expire December 31, 1988.

**NEW SECTION.** Sec. 2. Any taxing district other than the state may transfer funds to another taxing district other than the state where the regular property tax levy rate of the second district may affect the regular property tax levy rate of the first district and where such transfer is part of an agreement whereby proration or reduction of property taxes is lessened or avoided.

This section shall expire December 31, 1988.

**NEW SECTION.** Sec. 3. A new section is added to chapter 84.55 RCW to read as follows:

The regular property tax levies for each taxing district other than the state for taxes due in 1987 through 1991 may be set at the amount which would otherwise be allowed under this chapter if the regular property tax levy for the district for taxes due in 1986 and 1987 had been set at the full amount allowed under this chapter.

This section shall expire December 31, 1991.

**NEW SECTION.** Sec. 4. The local governance study commission created in RCW 43.63A.252 shall undertake a study of the financing of those junior taxing districts subject to the prorating of property taxes pursuant to RCW 84.52.010. The study shall examine the extent to which those districts are dependent either directly or indirectly on property tax revenues, the impact of prorating of property taxes on the ability of those districts to maintain acceptable levels of services, and the need for a diversified resource base for such districts in anticipation of lessened or negative growth in property values. If the study reveals the existing funding mechanism to be inadequate to meet the long-term financing needs of the services provided by those districts, then alternative proposals shall be recommended to the

legislature concerning the provision and financing of those services, and those junior taxing districts are put on notice that, due to extreme limitations in the availability of regular property taxing authority for junior taxing districts, these recommendations may involve significant changes from the status quo. The commission shall report its findings by December 1, 1987.

NEW SECTION. Sec. 5. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 6. Sections 1 and 2 of this act are supplementary and in addition to any other authority granted by law and shall not be construed to limit any other law.

NEW SECTION. Sec. 7. Sections 1 and 2 of this act shall constitute a new chapter in Title 39 RCW.

Passed the House March 8, 1986.

Passed the Senate March 4, 1986.

Approved by the Governor March 21, 1986.

Filed in Office of Secretary of State March 21, 1986.

## CHAPTER 108

[Engrossed House Bill No. 1483]  
SPECIAL LICENSE PLATES

AN ACT Relating to special license plates; amending RCW 46.16.570; and repealing RCW 46.16.370.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. Section 4, chapter 200, Laws of 1973 1st ex. sess. as last amended by section 1, chapter 24, Laws of 1983 1st ex. sess. and RCW 46.16.570 are each amended to read as follows:

The personalized license plates shall be the same design as regular license plates, and shall consist of numbers or letters, or any combination thereof not exceeding seven positions unless proposed by the department and approved by the Washington state patrol and not less than (~~two positions~~) one position, to the extent that there are no conflicts with existing passenger, commercial, trailer, motorcycle, or special license plates series or with the provisions of RCW 46.16.230 or 46.16.235: PROVIDED, That the maximum number of positions on personalized license plates for motorcycles shall be designated by the department.