

September 21, 2011

2011 Legislative Updates and Special Session – Levies, Collection, & Appeal Issues

All legislation became effective July 22, 2011, unless otherwise stated.

ESHB 1731 – Regional Fire Protection Service Authorities

Question: What changes did ESHB 1731 make to laws impacting regional fire protection service authorities?

Answer: ESHB 1731 made the following changes:

- Municipal airports are now included in the definition of fire protection jurisdiction.
- A fire protection jurisdiction participating in the formation or operation of a regional fire protection service authority is defined as a participating fire protection jurisdiction.
- The definition of an elected official includes elected officials of a participating fire protection jurisdiction or a regional fire protection district commissioner created under RCW 52.26.080.
- The bill provides new structures and terms of service for who can serve on the regional fire protection service authority board.
- A fire protection district, city, town, or port district annexed into a regional fire protection service authority is subject to the same property tax levy rate limitations as a fire protection jurisdiction that is on the governing board of the regional fire protection service authority.

ESHB 1826 – Property Assessment Appeal Rights

Question: How did ESHB 1826 expand appeal rights related to property valuation?

Answer: Boards of equalization *must* waive the appeal filing deadline when an appeal is filed within a reasonable time after the filing deadline and the taxpayer can show the following:

- The assessor did not send the taxpayer a revaluation notice for the current assessment year;
- The assessment of the subject property did not change from the previous year;
- The subject property is located in the area revalued by the assessor; and
- The taxpayer did not file an appeal prior to July 1 of the assessment date in question.

Question: Does the bill define “reasonable time?”

Answer: No. Boards of equalization must use their own judgment when making the decision to waive the filing deadline. If they decide not to waive the filing deadline, the taxpayer can appeal their decision to the State Board of Tax Appeals.

SHB 1854 – Regional Fire Protection Service Authority – Annexation

Question: Can a regional fire protection service authority annex adjacent territory that is protected by a fire protection jurisdiction?

Answer: Yes. This bill provides a process for a fire protection jurisdiction to annex into an adjacent regional fire protection service authority when a simple majority of voters within the fire protection jurisdiction approve the measure.

EHB 1969 – Flood Control Zone Districts (also see SB 5638)

Question: How does this bill protect the levy of a flood control zone district?

Answer: This bill provides limited protection of the regular property tax levy, up to \$0.25, from the \$5.90 levy limit if a portion of the levy is subject to prorationing. To qualify for this protection the district must be located in a county with a population of 775,000 or more and the district's boundaries must be coextensive with the county. The protected portion of the levy rate is the second levy to be prorated or eliminated due to the constitutional one percent levy limitation.

Question: Does this bill have an expiration date?

Answer: Yes, this bill expires January 1, 2018.

SB 5628 – Emergency Medical Services Levy

Question: What changes did SB 5628 make to laws impacting emergency medical care and service levies?

Answer: SB 5628 made the following changes:

- Solely for the purposes of levying an emergency medical service levy only, the boundary of a county with a population greater than 1,500,000 does not include the area located within a city that has a boundary in two counties, if the locally assessed value of all of the property in the area of the city within the county with a population greater than 1,500,000 is \$250,000,000 or less.
- Fire districts that have annexed cities as described above may levy the maximum allowable levy.

SB 5638 – Metropolitan Park Districts and Flood Control Zone Districts

Question: Can any metropolitan park district located in a county with a population of 1,500,000 or more protect up to \$0.25 of their levy from proration or elimination under the \$5.90 levy limitation with voter approval?

Answer: Yes. In addition to metropolitan park districts with a population of 150,000 or more, any metropolitan park district located within a county with a population of 1,500,000 or more may also request voter approval to protect a portion of their levy rate from proration or elimination under the \$5.90 levy limitation.

Question: Is the protected rate of a metropolitan park district in a county with a population of 1,500,000 or more subject to the constitutional one percent limitation?

Answer: Yes, the protected rate is subject to prorationing or elimination due to the constitutional one percent limitation no matter what the population of the district or county is.

Question: Does the population of a metropolitan park district affect the level of protection within the constitutional one percent limitation?

Answer: Yes. If a metropolitan park district's population is 150,000 or more, no matter what the county's population is, the levy rate protected in the \$5.90 limitation is subject to same level of proration due to the constitutional one percent limitation before the passage of SB 5638.

Property Tax Special Notice

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If a metropolitan park district's population is less than 150,000, and the district is located in a county with a population of 1,500,000 or more, the levy rate protected in the \$5.90 limitation is the first levy rate to be reduced or eliminated due to the constitutional one percent limitation.

Question: EHB 1969 already addressed flood control zone districts. Why did SB 5638 make additional changes?

Answer: During the 2011 Special Session, the Legislators corrected and clarified unintended issues that arose following the adoption of EHB 1969. This bill clarifies the prorationing of property tax levied by flood control zone districts.

Question: At what level are flood control zone levies prorated due to the \$5.90 limitation?

Answer: Flood control zone levies continue to be prorated at level two within the \$5.90 limitation. Only flood control zone districts located within a county with a population of 775,000 or more may protect up to \$0.25 of their levy outside of the \$5.90 limitation.

Question: How does a flood control zone district request the levy rate be protected from prorationing?

Answer: The commissioners of a flood control zone district must submit their request to protect their levy rate in writing to the county assessor. This could be in the form of a letter or resolution/ordinance.

Question: Is that portion of the flood control zone levy protected from prorationing or elimination under the \$5.90 limitation subject to prorationing or elimination under the constitution one percent limitation?

Answer: Yes. The protected rate is subject to prorationing or elimination at the second level of reductions within the constitutional one percent limitation.

Question: When does this bill become effective and does it have an expiration date?

Answer: This bill was adopted during the 2011 Special Session, thus it has an effective date of August 24, 2011. The bill also has an expiration date of January 1, 2018.

Questions: If you have questions or need additional information, please contact Diann Locke at (360) 534-1427 or Diannl@dor.wa.gov.