

**INITIATIVE 270**

I, Sam Reed, Secretary of State of the State of Washington and custodian of its seal, hereby certify that, according to the records on file in my office, the attached copy of Initiative Measure No. 270 to the Legislature is a true and correct copy as it was received by this office.

1 AN ACT Relating to reducing property taxes by limiting increases in  
2 local government revenues; adding a new section to chapter 35.32A RCW;  
3 adding a new section to chapter 35.33 RCW; adding a new section to  
4 chapter 35.34 RCW; adding a new section to chapter 35A.33 RCW; adding  
5 a new section to chapter 35A.34 RCW; adding a new section to chapter  
6 36.40 RCW; and creating new sections.

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

8 **POLICIES AND PURPOSES**

9 NEW SECTION. **Sec. 1.** This measure would limit the growth of city  
10 and county general fund revenues, not including new voter-approved  
11 revenues, to one percent per year with revenues above this limit used  
12 to reduce property tax levies. Washington voters overwhelmingly  
13 approved Initiative 747 which limited the growth of tax revenues to all  
14 taxing districts unless voters approved higher increases at an  
15 election. But cities and counties throughout Washington are radically  
16 raising property taxes, ignoring Initiative 747's mandate. Cities and  
17 counties are also pursuing additional taxing authority from the  
18 legislature rather than complying with the voter approval provision in

1 Initiative 747. Taxpayers will not tolerate widespread noncompliance  
2 with Initiative 747. Taxpayers will not allow cities and counties to  
3 shred Initiative 747 the way state government has shredded the state  
4 spending limits of Initiative 601. Taxpayers assumed politicians would  
5 act in good faith after the overwhelming passage of Initiative 747.  
6 Politicians instead stuck their finger in the eye of the taxpayers -  
7 this measure is necessary to again send the message: One percent means  
8 one percent unless voters OK more.

9 **REQUIRING CITIES AND COUNTIES TO REDUCE PROPERTY TAXES**

10 **BY LIMITING THE GROWTH OF GENERAL FUND REVENUES,**

11 **NOT INCLUDING NEW VOTER-APPROVED REVENUES, TO ONE PERCENT PER YEAR**

12 NEW SECTION. **Sec. 2.** A new section is added to chapter 35.32A RCW  
13 to read as follows:

14 (1) Starting with fiscal year 2002 general fund budgets, cities and  
15 towns shall limit the growth of general fund revenue, not including new  
16 voter-approved revenue, to one percent per year. Excess revenue above  
17 this limit, not including new voter-approved revenue, shall be used to  
18 reduce the property tax levy for the city or town.

19 (2) For purposes of this section, "general fund revenue" means the  
20 aggregate of revenue generated from taxes, fees, and other governmental  
21 charges for use in the city's or town's general fund, sometimes  
22 referred to as the operating fund. "General fund revenue" includes,  
23 but is not limited to, revenue generated from sales and use taxes,  
24 property taxes, business and occupation taxes, utility taxes, impact  
25 fees, and business license fees.

26 (3) For purposes of this section, "general fund revenue" does not  
27 include revenue generated from revenue measures approved by the voters  
28 at an election after January 1, 2002.

29 (4) Excess revenue above the limit set forth in this section shall  
30 be used to reduce the property tax levy for the city or town.

31 (5) This section does not apply to any specific emergency measure  
32 authorized by vote of at least two-thirds of the members of the city or  
33 town legislative body and expiring not later than six months from the  
34 effective date of the emergency act. In the event an emergency, the  
35 general fund revenue limit for the subsequent year shall be the same as  
36 if there had been no emergency.

1 (6) Each city or town shall adopt implementing legislation,  
2 ordinances, and policies necessary to ensure the purposes and intent of  
3 this measure are strictly fulfilled.

4 NEW SECTION. **Sec. 3.** A new section is added to chapter 35.33 RCW  
5 to read as follows:

6 (1) Starting with fiscal year 2002 general fund budgets, cities and  
7 towns shall limit the growth of general fund revenue, not including new  
8 voter-approved revenue, to one percent per year. Excess revenue above  
9 this limit, not including new voter-approved revenue, shall be used to  
10 reduce the property tax levy for the city or town.

11 (2) For purposes of this section, "general fund revenue" means the  
12 aggregate of revenue generated from taxes, fees, and other governmental  
13 charges for use in the city's or town's general fund, sometimes  
14 referred to as the operating fund. "General fund revenue" includes,  
15 but is not limited to, revenue generated from sales and use taxes,  
16 property taxes, business and occupation taxes, utility taxes, impact  
17 fees, and business license fees.

18 (3) For purposes of this section, "general fund revenue" does not  
19 include revenue generated from revenue measures approved by the voters  
20 at an election after January 1, 2002.

21 (4) Excess revenue above the limit set forth in this section shall  
22 be used to reduce the property tax levy for the city or town.

23 (5) This section does not apply to any specific emergency measure  
24 authorized by vote of at least two-thirds of the members of the city or  
25 town legislative body and expiring not later than six months from the  
26 effective date of the emergency act. In the event an emergency, the  
27 general fund revenue limit for the subsequent year shall be the same as  
28 if there had been no emergency.

29 (6) Each city or town shall adopt implementing legislation,  
30 ordinances, and policies necessary to ensure the purposes and intent of  
31 this measure are strictly fulfilled.

32 NEW SECTION. **Sec. 4.** A new section is added to chapter 35.34 RCW  
33 to read as follows:

34 (1) Starting with fiscal year 2002 general fund budgets, cities and  
35 towns shall limit the growth of general fund revenue, not including new  
36 voter-approved revenue, to one percent per year. Excess revenue above

1 this limit, not including new voter-approved revenue, shall be used to  
2 reduce the property tax levy for the city or town.

3 (2) For purposes of this section, "general fund revenue" means the  
4 aggregate of revenue generated from taxes, fees, and other governmental  
5 charges for use in the city's or town's general fund, sometimes  
6 referred to as the operating fund. "General fund revenue" includes,  
7 but is not limited to, revenue generated from sales and use taxes,  
8 property taxes, business and occupation taxes, utility taxes, impact  
9 fees, and business license fees.

10 (3) For purposes of this section, "general fund revenue" does not  
11 include revenue generated from revenue measures approved by the voters  
12 at an election after January 1, 2002.

13 (4) Excess revenue above the limit set forth in this section shall  
14 be used to reduce the property tax levy for the city or town.

15 (5) This section does not apply to any specific emergency measure  
16 authorized by vote of at least two-thirds of the members of the city or  
17 town legislative body and expiring not later than six months from the  
18 effective date of the emergency act. In the event an emergency, the  
19 general fund revenue limit for the subsequent year shall be the same as  
20 if there had been no emergency.

21 (6) Each city or town shall adopt implementing legislation,  
22 ordinances, and policies necessary to ensure the purposes and intent of  
23 this measure are strictly fulfilled.

24 NEW SECTION. **Sec. 5.** A new section is added to chapter 35A.33 RCW  
25 to read as follows:

26 (1) Starting with fiscal year 2002 general fund budgets, cities  
27 shall limit the growth of general fund revenue, not including new  
28 voter-approved revenue, to one percent per year. Excess revenue above  
29 this limit, not including new voter-approved revenue, shall be used to  
30 reduce the property tax levy for the city.

31 (2) For purposes of this section, "general fund revenue" means the  
32 aggregate of revenue generated from taxes, fees, and other governmental  
33 charges for use in the city's general fund, sometimes referred to as  
34 the operating fund. "General fund revenue" includes, but is not  
35 limited to, revenue generated from sales and use taxes, property taxes,  
36 business and occupation taxes, utility taxes, impact fees, and business  
37 license fees.

1 (3) For purposes of this section, "general fund revenue" does not  
2 include revenue generated from revenue measures approved by the voters  
3 at an election after January 1, 2002.

4 (4) Excess revenue above the limit set forth in this section shall  
5 be used to reduce the property tax levy for the city.

6 (5) This section does not apply to any specific emergency measure  
7 authorized by vote of at least two-thirds of the members of the city  
8 legislative body and expiring not later than six months from the  
9 effective date of the emergency act. In the event an emergency, the  
10 general fund revenue limit for the subsequent year shall be the same as  
11 if there had been no emergency.

12 (6) Each city shall adopt implementing legislation, ordinances, and  
13 policies necessary to ensure the purposes and intent of this measure  
14 are strictly fulfilled.

15 NEW SECTION. **Sec. 6.** A new section is added to chapter 35A.34 RCW  
16 to read as follows:

17 (1) Starting with fiscal year 2002 general fund budgets, cities  
18 shall limit the growth of general fund revenue, not including new  
19 voter-approved revenue, to one percent per year. Excess revenue above  
20 this limit, not including new voter-approved revenue, shall be used to  
21 reduce the property tax levy for the city.

22 (2) For purposes of this section, "general fund revenue" means the  
23 aggregate of revenue generated from taxes, fees, and other governmental  
24 charges for use in the city's general fund, sometimes referred to as  
25 the operating fund. "General fund revenue" includes, but is not  
26 limited to, revenue generated from sales and use taxes, property taxes,  
27 business and occupation taxes, utility taxes, impact fees, and business  
28 license fees.

29 (3) For purposes of this section, "general fund revenue" does not  
30 include revenue generated from revenue measures approved by the voters  
31 at an election after January 1, 2002.

32 (4) Excess revenue above the limit set forth in this section shall  
33 be used to reduce the property tax levy for the city.

34 (5) This section does not apply to any specific emergency measure  
35 authorized by vote of at least two-thirds of the members of the city  
36 legislative body and expiring not later than six months from the  
37 effective date of the emergency act. In the event an emergency, the

1 general fund revenue limit for the subsequent year shall be the same as  
2 if there had been no emergency.

3 (6) Each city shall adopt implementing legislation, ordinances, and  
4 policies necessary to ensure the purposes and intent of this measure  
5 are strictly fulfilled.

6 NEW SECTION. **Sec. 7.** A new section is added to chapter 36.40 RCW  
7 to read as follows:

8 (1) Starting with fiscal year 2002 general fund budgets, counties  
9 shall limit the growth of general fund revenue, not including new  
10 voter-approved revenue, to one percent per year. Excess revenue above  
11 this limit, not including new voter-approved revenue, shall be used to  
12 reduce the property tax levy for the county.

13 (2) For purposes of this section, "general fund revenue" means the  
14 aggregate of revenue generated from taxes, fees, and other governmental  
15 charges for use in the county's general fund, sometimes referred to as  
16 the operating fund. "General fund revenue" includes, but is not  
17 limited to, revenue generated from sales and use taxes, property taxes,  
18 business and occupation taxes, utility taxes, impact fees, and business  
19 license fees.

20 (3) For purposes of this section, "general fund revenue" does not  
21 include revenue generated from revenue measures approved by the voters  
22 at an election after January 1, 2002.

23 (4) Excess revenue above the limit set forth in this section shall  
24 be used to reduce the property tax levy for the county.

25 (5) This section does not apply to any specific emergency measure  
26 authorized by vote of at least two-thirds of the members of the county  
27 legislative body and expiring not later than six months from the  
28 effective date of the emergency act. In the event an emergency, the  
29 general fund revenue limit for the subsequent year shall be the same as  
30 if there had been no emergency.

31 (6) Each county shall adopt implementing legislation, ordinances,  
32 and policies necessary to ensure the purposes and intent of this  
33 measure are strictly fulfilled.

34 **CONSTRUCTION CLAUSE**

