

INITIATIVE 273

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

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

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

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

32 (5) This section does not apply to any specific emergency measure
33 authorized by vote of at least two-thirds of the members of the city or
34 town legislative body and expiring not later than six months from the
35 effective date of the emergency act. In the event an emergency, the
36 general fund revenue limit for the subsequent year shall be the same as
37 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) Using the fiscal year 2002 general fund budgets as the base
7 year, cities and towns shall limit the growth of general fund revenue,
8 not including new voter-approved revenue, to one percent per year.
9 Excess revenue above this limit, not including new voter-approved
10 revenue, shall be used to reduce the property tax levy for the city or
11 town.

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

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

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

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

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

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

35 (1) Using the fiscal year 2002 general fund budgets as the base
36 year, cities and towns shall limit the growth of general fund revenue,
37 not including new voter-approved revenue, to one percent per year.

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

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

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

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

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

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

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

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

32 (2) For purposes of this section, "general fund revenue" means the
33 aggregate of revenue generated from taxes, fees, and other governmental
34 charges for use in the city's general fund, sometimes referred to as
35 the operating fund. "General fund revenue" includes, but is not
36 limited to, revenue generated from sales and use taxes, property taxes,
37 business and occupation taxes, utility taxes, impact fees, and business
38 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) Using the fiscal year 2002 general fund budgets as the base
18 year, cities shall limit the growth of general fund revenue, not
19 including new voter-approved revenue, to one percent per year. Excess
20 revenue above this limit, not including new voter-approved revenue,
21 shall be used to 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) Using the fiscal year 2002 general fund budgets as the base
9 year, counties shall limit the growth of general fund revenue, not
10 including new voter-approved revenue, to one percent per year. Excess
11 revenue above this limit, not including new voter-approved revenue,
12 shall be used to 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**

