

FORMATTING NOTE:

In initiatives, legislative bills and other proposed measures, language that is to be deleted from current statutes is represented by a "strikethrough" character and language that is to be added is underlined. Because these special characters cannot be formatted in all Internet browsers, a different set of symbols is used for presenting these proposals on-line. The symbols are as follows:

- Text that is surrounded by (({- text here -})) is text that will be DELETED FROM the existing statute if the proposed measure is approved.
- Text that is surrounded by {+ text here +} is text that will be ADDED TO the existing statute if the proposed measure is approved.
- {+ NEW SECTION+} (found at the beginning of a section or paragraph) indicates that ALL of the text in that section will become law if the proposed measure is approved.

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INITIATIVE 252

AN ACT Relating to limiting the growth of government revenue by requiring any increases in taxes and fees by local governments receive voter approval before taking effect and restoring taxes and fees at January 2000 levels unless voter approved; adding a new section to chapter 84.55 RCW; creating new sections; and providing an effective date.

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

LIMITING THE GROWTH OF GOVERNMENT REVENUE BY REQUIRING TAX AND FEE INCREASES BY LOCAL GOVERNMENTS RECEIVE VOTER APPROVAL AS CONDITION OF INCREASE AND RESTORING TAXES AND FEES TO JANUARY 2000 LEVELS UNLESS VOTER APPROVED

{+ NEW SECTION. +} Sec. 1. A new section is added to chapter 84.55 RCW to read as follows:

(1) Taxes and fees imposed by local government are immediately set and restored to the levels in effect on January 1, 2000, unless and until any increases have been approved by vote of the people since that date.

(2) In addition to any other requirements of law, any tax or fee increase imposed by any local government must receive voter approval before taking effect.

(3) For the purposes of this act, "local government" includes, but is not necessarily limited to, any city, county, port authority, special district, and other political subdivision of the state.

(4) For the purposes of this act, "local government" does not include the state itself and all its departments and agencies.

(5) For the purposes of this act, "voter approval" means a vote of voters on each individual tax or fee increase in the jurisdiction imposing the tax or fee increase.

(6) For the purposes of this act, "tax or fee" includes, but is not necessarily limited to, sales and use taxes; property taxes; business and occupation taxes; utility taxes; fuel taxes; impact fees; license fees; permit fees; and any other excise tax, fee, or governmental charge of a similar nature in which government acts in a governmental capacity.

(7) For the purposes of this act, "tax or fee" does not mean amounts charged for specific goods and services, proprietary or commercial charges, and special assessments, such as local improvement districts. "Tax or fee" does not include higher education tuition; toll, transit, and ferry fares; unemployment insurance premiums; water, sewer, and other utility rates; civil and criminal fines and other charges collected in cases of restitution or violation of law or contract; and other governmental charges in which government acts in a proprietary capacity.

(8) For the purposes of this act, "tax or fee increase" includes, but is not necessarily limited to, a new tax or fee, a tax or fee rate increase, an expansion in the legal definition of a tax or fee base, and an extension of an expiring tax or fee, or an increase in property tax levy rates.

(9) This section does not apply to any specific emergency measure for an individual tax or fee increase authorized by vote of two-thirds of the members of the taxing authority adopting the tax or fee increase and expiring not later than twelve months from the effective date of the emergency act.

(10) If, for any reason, a court rules that a tax or fee increase cannot be conditioned upon receiving approval by a public vote, as provided in subsection (2) of this section, local governments shall submit individual tax or fee increases to the voters for advisory purposes.

CONSTRUCTION CLAUSE

{+ NEW SECTION. +} Sec. 2. The provisions of this act are to be liberally construed to effectuate the policies and purposes of this act.

SEVERABILITY CLAUSE

{+ NEW SECTION. +} Sec. 3. 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.

EFFECTIVE DATE

{+ NEW SECTION. +} Sec. 4. This act takes effect January 1, 2002.

LEGISLATIVE INTENT

{+ NEW SECTION. +} Sec. 5. Through the overwhelming passage of Initiative Measure No. 695 and Initiative Measure No. 722, the people have clearly expressed their desire to have state and local governments obtain prior permission from taxpayers before adopting tax and fee increases and to limit annual property tax increases to the lesser of two percent or inflation, as well as other limitations on government revenue.

Elected representatives are reminded:

- (1) All political power is vested in the people, as stated in Article I, section 1 of the Washington state Constitution;
- (2) The first power reserved by the people is the initiative, as stated in Article II, section 1 of the Washington state Constitution;
- (3) Elected representatives are an employee of the people, not

their boss;

(4) Because of the clear intent of Initiative Measure No. 695 and Initiative Measure No. 722 and their overwhelming support by the people, the people expect state and local governments during any court challenges to this measure or Initiative Measure No. 722 to voluntarily obtain prior permission from the voters before imposing tax and fee increases, as defined by this measure, and to voluntarily implement all provisions of Initiative Measure No. 722. Voluntarily implementing these voter-approved measures will help reestablish trust between the people and the government and ensure budgetary certainty;

(5) Trust must be reestablished between the government and the people in order for the people to authorize future tax and fee increases, levies, bonds, and other tax revenue measures;

(6) Any tax or fee increases imposed by the state and local governments without a public vote during 2000 and 2001 are likely to increase the popularity of this measure;

(7) Using taxpayers' dollars to fund lawsuits against Initiative Measure No. 722 are likely to increase the popularity of this measure;

(8) Any governmental efforts to change the initiative and referendum process will be viewed by the people as an attack on political free speech and a transparent attempt to silence the voice of the people and are likely to increase the popularity of this measure;

(9) Because of the time and money required to conduct an election, the people expect state and local governments to prioritize and submit only the most essential tax and fee increases to the voters and to maintain the other taxes and fees at their current level.

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