

### Comparison of Levy Lid Lift Mechanisms:

*(updated to reflect changes in contained in ESB 6641 (As Passed Legislature, 2008))*

	<b>“Basic” Options</b> ( RCW 84.55.050(1))	<b>“Multi-year” Option</b> (RCW 84.55.050(2))
Who can use? When?	Any taxing district. Any election date.	Any taxing district. Primary or general election date only.
12-month restriction?	Yes. Lift must occur in the calendar year following the vote.	Yes. First year of lid lift must be the calendar year following the vote, but statutory limit factor may be exceeded in each of the years specified (maximum 6).
Purpose	Not required to be specific.	Must be restricted to specific purpose and may not supplant “existing funds” used for that purpose.  “Existing funds” means the operating expenditures for the calendar year in which the ballot measure is approved, and excludes lost federal funds, lost or expired state grants or loans, extraordinary events not likely to reoccur, changes in contract provisions beyond the control of the taxing district receiving the services, and major nonrecurring capital expenditures.
Expiration?	Authority to exceed statutory limit factor expires after first year.	Authority to exceed statutory limit factor expires at end of period specified (max. 6 years).
Levy Year 1	Levy at total rate approved in ballot measure for collection in the year following the vote.	Levy at total rate approved in ballot measure for collection in the year following the vote.
Year 2+	<b>See “Carry Forward” provisions, below.</b>	Use <u>limit factor specified in ballot proposition</u> to calculate maximum legal levy (MLL), prior year levy as base, for up to 6 years (as specified in ballot proposition).  <b>Voter Approved Limit Factor = Any fixed or variable measure specified in ballot proposition</b>
Levy at Expiration (Carry-Forward?)	<i>If specified in ballot proposition</i> , may carry forward. May restrict length of time or purpose for which the lid lift will be carried forward. If funds will directly repay bond debt service, lid lift may not be carried forward more than 9 years.  <b>EFFECT:</b> <i>If specified in ballot proposition</i> , use <u>statutory limit factor</u> to calculate maximum legal levy (“MLL” or “highest lawful levy”) using prior year levy as base. <b>Statutory Limit Factor = lesser of 1% or IPD</b>  <i>If not specified in ballot proposition</i> , MLL is calculated as if the ballot measure had not been adopted. (This requires going back to the levy prior to the lid lift and adding the limit factor in each year to the pre-lid lift base.)	<i>If specified in ballot proposition</i> , may continue to build on highest recent levy, even at expiration of the ballot proposition period, using <u>statutory</u> limit factor. The carry-forward (i.e., after the 6-year period expires) may be – but is not required to be – limited as to time or purpose. If funds will directly repay bond debt service, lid lift may not be carried forward more than 9 years after expiration.  <b>EFFECT:</b> <i>If specified in ballot proposition</i> , use <u>statutory limit factor</u> to calculate maximum legal levy (“MLL” or “highest lawful levy”) using prior year levy as base. <b>Statutory Limit Factor = lesser of 1% or IPD</b>  <i>If not specified in ballot proposition</i> , MLL is calculated as if the ballot measure had not been adopted. (This requires going back to the levy prior to the lid lift and adding the limit factor in each year to the pre-lid lift base.)