Audit Request #3

AUDIT REQUEST #3

Levy Stacking, Levy Limit Compliance, and Constitutional Uniformity Audit

I. EXECUTIVE SUMMARY

Washington's Constitution imposes strict limits on how property taxes may be levied:

- Uniformity across the entire class of real property (Art. VII §1);
- A 1% aggregate levy limit (Art. VII §2);
- Narrow, time-limited exceptions requiring supermajority voter approval;
- County-level responsibility for securing uniformity, not district-level (per *Barlow v. Kinnear*).

King County's actual levy system appears to violate all four of these requirements.

1. Non-Uniform Tax Rates Across the Same Class of Property

Example disparities:

- Levy Code 4795 → $11.69969 per $1,000
- Levy Code 5042 → $9.79848 per $1,000
- Levy Code 1031→ $6.54381 per $1,000
- Levy Code 1126 → $10.68714 per $1,000
- Levy Code 0330 → $7.32598 per $1,000

Between the lowest levy code here to the highest, there is an ~80% difference in tax burden on identical property classes — an apparent *per se* violation of Article VII §1.

2. Levy Stacking Creates an Unconstitutional Workaround to the 1% Limit

Property owners face:

- Dozens of overlapping levies
- Repeated levy lid lifts

- Continuous reassessments raising the base
- Recurring “temporary” levies that never meaningfully expire

The cumulative effect far exceeds the constitutional levy limit in practice, even if each levy individually claims compliance.

3. Bond Levies Do Not Expire as Promised

Ballot language often implies temporary levies for temporary capital needs.
But in practice:

- Bonds are refinanced
- Refundings reset schedules
- New bonds replace old ones
- Associated levies rarely decrease

This creates a de facto permanent bond tax, contrary to constitutional restrictions.

4. Voters Are Not Clearly Informed of Stacking or Permanence

Ballot materials do not:

- Explain how new levies stack on top of existing ones
- Explain how lid lifts permanently raise tax bases
- Explain how bond refinancings prevent levy expiration
- Show cumulative burden or long-term cost impacts

This violates transparency standards necessary for informed democratic consent.

5. The County’s Levy Structure Is Constitutionally Void

Based on the Washington Supreme Court:

- All real property is one class
- The County is the levying authority
- Uniformity must be countywide

King County’s fragmented, district-based levy system appears to violate binding constitutional doctrine.

This audit will determine the extent and severity of these violations, quantify taxpayer harm, and identify necessary reforms.

II. AUDIT OBJECTIVES

The purpose of this audit is to determine whether King County's current property-tax levy structure — including overlapping levies, levy lid lifts, excess levies, district-level taxing authority, and long-term bond-financing practices — complies with mandatory constitutional requirements under Article VII and Article VIII, statutory tax-limitation provisions, and Supreme Court interpretations establishing uniform taxation across the County.

This audit seeks to evaluate legal compliance, structural integrity, financial transparency, and equity of taxpayer burden. The specific audit objectives are:

Objective 1 — Determine Whether King County's Aggregate Levy Structure Complies With Article VII §1 (Uniformity Requirement)

The audit will evaluate whether:

- All real estate, constituting a single constitutional class of property,
- Is being taxed uniformly within the territorial limits of the authority levying the tax — which the Supreme Court identifies as the County, not individual districts.

This requires assessing differential levy rates across tax code areas and determining whether structural non-uniformity exists.

Objective 2 — Evaluate Compliance With the Constitutional 1% Aggregate Levy Limit (Article VII §2)

The audit will determine whether:

- Aggregate levies (including regular levies, excess levies, lid lifts, and bond levies)
- Stay within the 1% limitation on true and fair value,
- Or whether cumulative layering of levies functionally exceeds the constitutional limitation, even if each levy is individually authorized.

Objective 3 — Assess Whether Levy Lid Lifts, Excess Levies, and District-Level Levies Are Being Used as Structural Workarounds

The objective is to identify whether:

- Levy lid lifts permanently reset the tax base rather than operate as temporary exceptions;
- Serial levy approvals create structural increases inconsistent with the Constitution;
- District-level taxing authorities employ overlapping levies to circumvent countywide limitations.

Objective 4 — Evaluate Bond Issuance, Refinancing, and Renewal Practices for Compliance With Article VIII §6

The audit will examine whether bond-financed levies:

- Retire when obligated,
- Are inappropriately extended through refinancings or refundings,
- Create de facto perpetual debt cycles,
- Or otherwise exceed the intended constitutional limits on public debt and taxpayer burden.

Objective 5 — Determine Whether Voter Information, Ballot Language, and Pamphlets Meet Constitutional and Statutory Disclosure Standards

The audit will review whether:

- Voters were adequately informed of stacking effects,
- Cumulative burden,
- Permanent tax-base adjustments,
- Long-term debt implications,
- And whether ballot materials provided meaningful notice required for valid consent.

Objective 6 — Evaluate Whether Tax Burden Is Distributed Equitably Across King County

This objective assesses:

- Whether rural and unincorporated areas bear disproportionate levy burdens;
- Whether benefit levels align with taxpayer contributions;
- Whether overlapping district boundaries result in unconstitutional disparities.

Objective 7 — Determine Whether Levy and Bond Proceeds Were Spent as Authorized by Voters

The audit must examine:

- Actual expenditures versus ballot-authorized purposes;
- Occurrence of budget substitution (levy funds replacing general-fund spending);
- Whether funds were diverted, commingled, or used inconsistently with voter approval.

Objective 8 — Provide Full Transparency and Reproducibility

The audit must ensure:

- All datasets, levy tables, bond schedules, district maps, and rate histories are published;
- Raw data is available to taxpayers, CAPR, researchers, and oversight bodies;
- Findings can be independently verified by the public.

Summary of Objectives

In summary, the audit seeks to determine whether the County's levy system:

- Complies with constitutional uniformity requirements
- Honors levy-limit constraints
- Applies district-level taxing authority lawfully
- Maintains transparency with voters
- Uses bond financing appropriately
- Distributes tax burdens equitably
- And operates within the structural boundaries mandated by the Washington Constitution

III. SCOPE & METHODOLOGY

This audit will evaluate whether King County's levy structure, levy stacking practices, levy-lid-lift mechanisms, and bond-financing cycles comply with Washington's constitutional requirements under Article VII, statutory levy-limit provisions, debt-limit provisions under Article VIII, and the uniformity principles affirmed in *State ex rel. Barlow v. Kinnear*.

The methodology requires both quantitative and legal-structural analysis, because the problem is not merely financial, but constitutional and systemic.

The audit must review at least the following components:

A. Countywide Levy Rate Analysis (All Tax Code Areas)

The Auditor shall obtain:

- The full levy rate tables for *all* King County tax code areas
- The composition of each total rate (state, county, school, fire, library, hospital, etc.)
- Parcel counts within each tax code area
- Geographic and zoning overlays for each levy code

The Auditor shall:

1. Map all levy rates across the county
    - Identify variations in total levy burden
    - Identify anomalous districts with exceptionally high or low rates
2. Model levy uniformity and variance
    - Calculate standard deviations per $1,000 of assessed value
    - Identify clusters of high-tax and low-tax zones
3. Evaluate compliance with Article VII §1
    - Determine whether identical properties are taxed at different rates
    - Evaluate whether total levy burdens vary beyond acceptable tolerance

This step determines whether King County's levy system is structurally unconstitutional.

B. Aggregate Levy Limit Analysis (Constitutional 1% Cap)

The Auditor shall obtain:

- All levy rate components for the last 20 years
- Documentation of all excess levies and levy lid lifts
- Legal opinions used to justify levy stacking

The Auditor shall:

1. Recalculate the constitutional 1% limit using true and fair value
2. Determine whether the aggregate levies exceed the limit in practice
    - With and without excess levies
    - With and without lid lifts
3. Evaluate whether levy lid lifts permanently reset the base
4. Determine whether serial levy approvals functionally nullify the 1% cap

Produce a written determination of whether the constitutional 1% levy cap is being circumvented through structure rather than law.

C. Excess Levy & Levy Lid Lift Analysis

The Auditor shall compile:

- All excess levies in King County (state, county, city, school, fire, hospital, library)
- All levy lid lifts, including single-year, multi-year, and permanent resets
- Ballot titles, explanatory statements, and voter pamphlet text

The Auditor shall:

1. Analyze whether ballot language accurately disclosed:
    - Cumulative tax burden
    - Interaction with existing levies
    - Permanent increase to the tax base
    - Duration and rollover effects
2. Determine whether “temporary” levies have become de facto permanent
3. Examine whether lid lifts are used serially to avoid the 1% limit
4. Evaluate whether counties and districts are using lid-lift language inconsistent with voter understanding

This establishes whether King County’s levy-lift practices meet constitutional transparency and voter-consent requirements.

D. Bond Issuance, Refinancing, and Renewal Audit

The Auditor shall collect:

- All bond issuances affecting King County taxpayers for the last 30 years
- All related amortization schedules
- All refinancing, refunding, and replacement documentation
- All capital improvement project (CIP) completion reports
- All levy rates tied to bond obligations

The Auditor shall:

1. Determine whether bonds retire on original schedules
2. Identify all refinancings that extend taxpayer burden
3. Match ballot promises to actual bond retirement timelines
4. Calculate whether associated levies decline after bonds mature
5. Determine if district-level debt is structured to create perpetual levy obligations

This evaluates whether bond-related practices comply with Article VIII §6 and the intent behind Article VII §2.

E. District Overlap & Tax-Burden Compounding Analysis

The Auditor shall analyze all overlapping district boundaries and identify:

- Parcels subject to the highest number of overlapping taxing districts
- Parcels in rural/unincorporated areas disproportionately impacted by stacking
- Districts whose levy authority is duplicative (e.g., fire/EMS overlaps)
- Whether rural parcels bear higher burdens for fewer services

The Auditor shall determine whether the current structure creates:

- Unequal treatment
- Regional tax discrimination
- Burdens not aligned with services received

This is a constitutional uniformity concern.

F. Ballot Transparency & Disclosure Review

The Auditor shall review:

- Voter pamphlets
- Explanatory statements
- Pro/con committee statements
- Ballot titles

The Auditor shall evaluate:

1. Disclosure adequacy
    - Cumulative rate impact
    - Stacking effects
    - Interaction with existing levies
    - Impacts on long-term taxpayer burden
2. Whether language was potentially misleading or incomplete
3. Whether required information for informed consent was absent

This analysis determines whether voters were provided meaningful disclosure.

G. Financial Flow & Budget Substitution Audit

The Auditor shall obtain:

- Actual expenditure ledgers for major levies
- Budget substitution records (general fund offsets)
- Capital project audits
- District-level financial statements

The Auditor shall determine whether:

- Levy revenues were used as promised
- They displaced ordinary funding (substitution)

- Funds were diverted to other purposes
- Bond or levy funds were pooled inappropriately

This ensures fiscal integrity and compliance with voter approval language.

H. Transparency, Raw Data Publication, and Reproducibility Requirements

The Auditor must gather and publish:

- Levy rate tables (all years, all districts)
- Bond schedules
- All lid lifts and excess levies
- Ballot text and pamphlet information
- GIS district maps
- CSV and machine-readable datasets

Transparency is required for public verification and replicability.

I. Deliverables

The audit must produce:

1. A countywide levy uniformity analysis
2. Constitutional compliance findings (Article VII and VIII)
3. A 20-year historical model of levy growth and stacking
4. A full bond retirement and refinancing timeline
5. A transparency/ballot-integrity assessment
6. Recommended statutory or procedural remedies
7. Machine-readable data for public verification

Summary of Scope & Methodology

This audit requires:

- Financial expertise
- Statutory and constitutional analysis

- GIS-based spatial tax modeling
- Inter-district financial tracing
- Historical levy reconstruction

The objective is not only to identify errors or inefficiencies, but to evaluate whether King County's levy architecture remains structurally compliant with the Washington Constitution, or whether systemic structural defects have allowed unconstitutional taxation to become normalized.

IV. LEGAL AND CONSTITUTIONAL BASIS

Washington's Constitution strictly limits property tax levies.

Under Article VII, Section 2 (LIMITATION ON LEVIES), as amended (including Amendments 17, 55, 59, 64, 79, 90, 95, and 101), the core rule is:

"The aggregate of all tax levies upon real and personal property by the state and all taxing districts… shall not in any year exceed one percent of the true and fair value of such property in money…"

Washington's property tax system is governed by strict constitutional constraints that King County appears to be systematically violating.

A. Uniformity Requirement — Article VII, Section 1

The Constitution mandates:

- All real estate constitutes a single class
- All taxes must be uniform on that class
- Uniformity applies to the entire "territorial limits of the authority levying the tax"
- The county is that authority (*Barlow*)

Thus, property tax rates must be uniform countywide. One uniform tax burden across all real property.

King County's levy variations violate this mandate.

1. One uniform tax burden across all real property

Since *all real estate is one class*, the County — as the taxing authority — must levy taxes *uniformly* across all parcels, regardless of:

- location,
- school district,
- fire district,
- city boundaries, or
- other local subdivisions.

2. Levy rates must be uniform across the county

Uniform taxation requires one consistent tax rate per $1 of value for all real property.

Yet in King County, levy rates vary dramatically between tax code areas. For example:

- Levy Code 4795: $11.69969 per $1,000
- Levy Code 5042: $9.79848 per $1,000
- Levy Code 1126: $10.68714 per $1,000

This represents a 20% disparity in the tax burden for the same $1 of taxable value.

This violates the constitutional uniformity requirement.

B. The Supreme Court's Ruling in *State ex rel. Barlow v. Kinnear*

The Washington Supreme Court held that:

1. The County—not school districts—is the constitutional entity levying taxes

Because the *county* is the authority levying property taxes, uniformity must be measured at the county level, not by each district.

2. The uniformity clause prohibits unequal tax burdens within the county

The Court expressly stated that the tax commission was correct in concluding:

"The tax ratio employed by the assessor is not uniform throughout Snohomish County… The county is the authority levying the tax and not the various school districts."

This ruling directly undermines the current levy system used in Washington.

3. The Department of Revenue has a constitutional duty to enforce uniformity

The Court reaffirmed:

DOR must “supervise and control county assessors and boards of equalization… to the end that equalization and uniformity is secured throughout the state.”

This includes levy uniformity — not merely valuation uniformity.

4. Multi-rate taxation across districts is unconstitutional.

King County is currently contradicting all four principles.

C. Article VII, Section 2 — The 1% Aggregate Levy Limit

The Constitution limits total ad valorem levies to 1% of true and fair value unless specific voter conditions are met with supermajorities and strict turnout requirements.

But King County’s levy structure:

- uses dozens of overlapping district levies,
- stacks them cumulatively,
- applies widely different rates by area,
- and results in total burdens far above the spirit (and arguably the letter) of the constitutional limit.

This structure was not envisioned nor authorized by the constitutional framers.

D. Constitutional Crisis: Levy Stacking + Nonuniform Rates = Structural Violation

The combination of:

- multiple overlapping taxing districts,
- differing tax rates by district,
- levy lid lifts resetting the base permanently,
- continuous bond levies and refinancings,
- failing to retire debt-funded levies,
- and massive disparities in effective tax rates…

…creates a system that is plainly incompatible with the constitutional requirements of:

- Uniform taxation
- One single class of real property

- One uniform burden
- Aggregate levy limits
- Equal treatment under the law (5th Amendment)

This is no longer an issue of "complex levy structures."
It is a definitional structural violation of Washington's Constitution. This audit is not evaluating a technical error — it is examining whether King County's tax architecture itself is unlawful.

V. PROBLEM STATEMENT

Preliminary review of King County's levy structure, tax-code-area data, and constitutional standards reveals significant and systemic divergences from the requirements of Article VII of the Washington Constitution. These divergences raise substantial concerns regarding legality, transparency, taxpayer equity, and the long-term integrity of the property-tax system.

The problems fall into six major categories:

1. Levy Stacking Produces Non-Uniform Tax Burdens in Violation of Article VII §1

Article VII §1 requires:

- Uniform taxation upon the same class of property,
- Within the territorial limits of the authority levying the tax,
- Where all real estate constitutes one class.

The Washington Supreme Court (Barlow v. Kinnear) confirms:

- The County is the "authority levying the tax," not the individual taxing districts.

Therefore:

- Uniformity must exist *countywide*.

However, King County currently imposes radically different total levy rates on parcels of the same property class based solely on tax-code-area boundaries.
For example:

- Levy Code 4795: $11.69969 per $1,000
- Levy Code 5042: $9.79848 per $1,000

- Levy Code 1126: $10.68714 per $1,000
- Levy Code 1031: $6.54381 per $1,000
- Levy Code 1126 : $10.68714 per $1,000
- Levy Code 0330 : $7.32598 per $1,000

These disparities of up to~80% are constitutionally incompatible with:

- A single class of property
- A single taxing authority
- Uniformity mandates

The current system functionally fragments the tax environment into dozens of inconsistent micro-jurisdictions — a structure the Constitution does not permit.

2. Excess Levies, Levy Lid Lifts, and “Temporary” Measures Have Become Permanent Revenue Mechanisms

Levy lid lifts and excess levies were created as short-term exceptions, requiring:

- Explicit voter approval
- Defined expiration
- Clear specific purposes
- Temporary deviation from the baseline

In practice, King County taxing districts routinely use:

- Serial levy lid lifts
- Continuous renewals
- Overlapping excess levies
- Permanently ratcheted tax bases

This has resulted in:

- Long-term structural increases in property taxes
- “Temporary” levies becoming functionally permanent

- A tax environment that perpetually resets upward

This violates both the *letter* and *spirit* of Article VII §2.

3. Bond Levies Do Not Decrease After Bonds Are Paid Off, Due to Refinancings and Replacements

Taxpayers are regularly told that:

- Levy increases support specific bond-funded capital projects
- Once the bond is paid off, the levy will retire or decrease

In practice:

- Bonds are refinanced before maturing
- Replaced with new issuances
- "Expired" bond levies are immediately replaced by new debt
- Taxpayers rarely see reductions in associated levy rates

This creates a de facto permanent bond levy economy, regardless of whether projects are completed or past obligations are retired.

This practice potentially violates:

- Article VII §2 limits
- Article VIII §6 restrictions on debt
- Transparency obligations associated with ballot disclosures

4. Voters Are Not Given Clear Disclosure About Levy Stacking, District Overlaps, and Cumulative Tax Burden

Voter pamphlets and ballot titles:

- Present levies and bonds in isolation
- Do not disclose cumulative tax burden
- Do not disclose interaction with existing levies
- Do not disclose that levy lid lifts permanently raise the baseline
- Do not disclose that bond refinancings extend tax obligations indefinitely

- Do not disclose that district overlap compounds burdens

Without this information, informed voter consent is impossible.

This raises questions about the validity of levy approvals under:

- Article VII §2
- State constitutional transparency principles
- Due process and informed consent requirements
- RCW ballot standards

5. The Combined Effect of Levy Stacking, Lid Lifts, and Bond Cycles May Functionally Exceed the Constitutional 1% Aggregate Levy Limit

The Constitution requires:

- Aggregate levies must not exceed 1% of true and fair value unless specific supermajority conditions are met.

But the modern pattern of:

- Stacked district levies
- Permanent lid-lift baselines
- Refunded and refinanced bond cycles
- Emergency and supplemental levies

…creates an environment where:

- Tax burdens effectively exceed the constitutional limitation
- The numerical “1% limit” becomes meaningless
- Exceptions become the norm
- Revenue-maximizing practices replace constitutionally limited taxation

This warrants detailed quantitative audit modeling.

6. Rural and Unincorporated Residents Bear Disproportionate and Unconstitutional Levy Burdens

Data suggests that:

- Rural and unincorporated King County (e.g., levy code 4795)
  pays significantly higher levy rates than similarly situated properties in more urban districts.

Yet:

- These residents receive fewer district-level services
- They are subject to lower levels of infrastructure investment
- They are excluded from city-level service improvements
- They cannot vote for many district-level boards affecting their taxes

This creates “taxation without corresponding benefit” and violates the core uniformity requirement under Article VII §1.

Summary of Problem Statement

King County’s levy system:

- Violates constitutional uniformity requirements
- Operates far outside the original constitutional structure
- Uses levy stacking, lid lifts, and perpetual bonding to circumvent the 1% limit
- Presents incomplete or misleading information to voters
- Allows levy rates to vary dramatically across identical property classes
- Has drifted so far from constitutional grounding that it risks structural invalidity

These issues are systemic, not isolated — and they justify a full operational, financial, legal, and compliance audit.

VI. BACKGROUND

Washington’s property-tax system is founded on a constitutional structure that is intended to be simple, uniform, predictable, and strictly limited. Over time, however, layers of statutory amendments, district-level levy authority, and creative ballot design have produced a levy environment in King County that no longer resembles — or complies with — the constitutional framework.

This audit examines the structural divergence between what the Constitution requires and what King County’s levy system has become.

A. Constitutional Framework for Property Taxation

1. All Real Property Is One Tax Class

Article VII, Section 1 declares:

- *"All real estate shall constitute one class."*
- Taxes must be *"uniform upon the same class of property within the territorial limits of the authority levying the tax."*

The Washington Supreme Court has repeatedly held that:

- The County, not individual districts, is the "authority levying the tax."
- Therefore, uniformity must exist countywide — not merely within school districts, fire districts, or other sub-jurisdictions.
  (*State ex rel. Barlow v. Kinnear*, concurrence of Justice Ott.)

This means levy rates on identical properties should not vary across King County.

However, present levy rates vary dramatically — often by 20–35% — across tax code areas for the same types of properties, zones, or uses.
This is a *prima facie* uniformity violation.

B. The 1% Aggregate Levy Limit

Article VII, Section 2 limits:

- The combined (aggregate) levies from all taxing entities to 1% of true and fair value, except under narrow conditions requiring explicit voter approval.

These narrow conditions were intended to allow:

- Temporary excess levies
- Temporary bond levies
- Temporary special-purpose levies

But not:

- Perpetual levy stacking
- Permanent levy lid lifts that reset the base
- Continuous issuance of new bonds as old bonds expire

- Multi-district levy layering creating cumulative burdens above 1%

The modern system bears little resemblance to the constitutional structure.

C. District-Level Levy Authority Has Fragmented What Was Intended to Be a Uniform Countywide System

King County parcels now face levies from:

- County
- City (if incorporated)
- School district
- Fire district
- Hospital district
- Library district
- EMS
- Parks
- Flood district
- Roads
- Transportation benefit areas
- Port districts
- And additional special-purpose districts

There are over 500 individual levy components across tax code areas.

This “levy stacking” is not contemplated by the Constitution, which assumes a unified levy system governed by one taxing authority (the County), not dozens of overlapping districts with independent levy authority.

D. Levy Lid Lifts and “Temporary” Levies Have Become De Facto Permanent

Originally intended as short-term exceptions, levy lid lifts now operate as:

- Permanent ratchets that permanently increase the tax base
- Multi-year serial increases that compound

- A mechanism to avoid the 1% cap indefinitely
- A way to permanently raise revenue streams without voter awareness

Voters are rarely informed that:

- A lid lift never truly rolls back
- The higher tax base remains even after the vote expires
- Additional levies can be stacked on top of the new base
- “Temporary” levies often function as permanent increases

E. Bond-Funded Levies Rarely Expire in Practice

Ballot materials imply bonds fund temporary capital improvements.

But in practice:

- Bonds are refinanced
- Refundings extend payoff schedules
- New bonds replace old ones as they retire
- Associated levies do not decrease
- Long-term debt accumulates year after year

This creates:

- Pseudo-permanent bond levies
- A continuous taxpayer obligation that violates the spirit of Articles VII and VIII
- A tax environment where “temporary” capital measures are perpetual

F. Lack of Transparency Prevents Voters From Understanding Actual Tax Burden

Voter pamphlets do not clearly disclose:

- The number of levies currently in place
- The cumulative rate after stacking
- The permanent effect of levy lid lifts
- How bond refinancings prevent rate reductions

- How districts overlap and compound tax burdens

This creates a system where:

- Voters approve measures without understanding cumulative effect
- Taxpayers face bills dramatically higher than the constitutional cap
- Rural and unincorporated residents bear the highest burdens
- Trust in the levy process is eroded

G. King County Levy Rates Provide Empirical Evidence of Non-Uniformity

Examples:

Tax Code Area	Total Levy Rate
4795 (Rural/Uninc.)	$11.69969
5042	$9.79848
1126	$10.68714
1031	$6.54381

These rates apply to:

- The same class of property
- Under the same constitutional rules
- Within the same taxing authority's territory (King County)

Yet burdens differ by up to ~80% which contradicts:

- Article VII §1
- The Barlow decision
- The constitutional principle of statewide uniformity

This indicates a systemic constitutional defect in the levy architecture.

H. Preliminary Conclusion of Background Section

The levy system operating in King County today:

1. Bears no resemblance to the uniform countywide system mandated by the Constitution
2. Creates cumulative tax burdens that exceed the spirit — and arguably the letter — of the 1% cap
3. Violates the requirement that all real property be treated as one class
4. Uses structural workarounds (lid lifts, overlapping districts, refinancings) inconsistent with constitutional frameworks
5. Operates without sufficient transparency for informed voter consent

This background establishes the necessity for a comprehensive audit to evaluate compliance, legality, transparency, and taxpayer impact.

VII. FINDINGS

Preliminary analysis of King County levy structures, district-level taxing patterns, historical bond usage, and Supreme Court constitutional requirements (Barlow, Carkonen, Kinnear, and related cases) indicates multiple areas of substantial concern.
The following findings warrant a full government audit and raise serious constitutional and statutory compliance issues.

Finding 1 — Levy Structures Across King County Appear to Violate Constitutional Uniformity Requirements

Under Article VII §1, *all real estate constitutes one class of property*, and taxation must be *uniform within the territorial limits of the authority levying the tax*.
The Washington Supreme Court explicitly held in State ex rel. Barlow v. Kinnear that:

- The relevant "authority levying the tax" is the county,
- Not individual districts within the county,
- And uniformity must exist across the entire county, not only within sub-districts.

Current King County levy code data shows:

- Levy Code 4795: $11.69969 per $1,000
- Levy Code 5042: $9.79848 per $1,000
- Levy Code 1126: $10.68714 per $1,000

- Levy Code 1031: $6.54381 per $1,000
- Additional levy codes span from under $8 to over $13 per $1,000

This 5–~80+% swing in levy burden on identical constitutional class property strongly suggests non-uniform taxation in direct conflict with:

- *Const. Art. VII §1*
- *Barlow v. Kinnear*
- *Carkonen v. Williams*

This alone justifies a full operational audit.

Finding 2 — King County Uses “Levy Stacking” To Functionally Circumvent the 1% Constitutional Levy Limit

Although Article VII §2 limits aggregate property taxes to 1% of true and fair value unless exceptional conditions apply, King County parcels routinely experience:

- Multiple “regular” levies,
- Combined with excess levies,
- Combined with levy lid lifts,
- Combined with bond levies,
- All layered simultaneously.

While each levy is arguably lawful in isolation, their *combined effect* appears to be an unconstitutional circumvention of the 1% limit’s purpose and intent.

The Supreme Court has repeatedly warned against structural tactics that achieve indirect violations of direct constitutional limits.

Finding 3 — Levy Lid Lifts Function as Permanent Unauthorized Tax Base Increases

Ballot materials frequently describe levy lid lifts as:

- “Temporary,”
- “Limited to X years,”
- Or “Non-permanent.”

In practice:

- Levy lid lifts permanently reset the levy base,
- Successive lid lifts compound into new structural floors,
- Expiration dates do *not* reduce levy burden.

This is inconsistent with the voter's reasonable understanding of "temporary" levies and raises concerns of:

- Misrepresentation,
- Structural ratcheting of tax bases,
- Circumvention of Article VII's intent.

Finding 4 — Bond-Financed Levies Rarely Result in Levy Reductions After Bond Retirement

Public statements often assure voters that:

- Bond levies fund specific capital improvements, and
- Levies will decrease once bonds are paid off.

Preliminary bond schedule investigations indicate "serial bonding" practices:

- Refinancing bonds repeatedly,
- Replacing retiring bonds with new bond measures,
- Issuing overlapping bonds before previous levies expire.

This creates perpetual debt cycles where:

- The levy never meaningfully decreases,
- Taxpayers pay bond-based levies for decades longer than disclosed,
- Levies intended as temporary become de facto permanent.

This conflicts with:

- Article VIII §6 debt limitations,
- Constitutional expectations of voter disclosure.

Finding 5 — Rural and Unincorporated Properties Experience Disproportionate Tax Burdens With Less Service Benefit

Levy code and parcel analysis suggests:

- Unincorporated residents pay among the *highest* levy rates in the county,
- Yet receive fewer direct services (no city police, no city infrastructure, fewer amenities),
- Many levies correspond to services provided primarily to incorporated cities.

This raises concerns of:

- Disparate impact,
- Unequal benefit distribution,
- Violations of uniformity principles under Article VII.

Finding 6 — Voter Disclosure Is Insufficient, Incomplete, and Potentially Misleading

Ballot language often fails to clearly inform voters:

- That levies stack on top of existing levies;
- That lid lifts permanently adjust the levy base;
- That bonds will likely be refinanced or renewed, not retired;
- That total tax burden across all levies far exceeds intuitive “1% limit” concepts.

This calls into question:

- The validity of voter consent,
- Compliance with statutory requirements for ballot clarity,
- The integrity of the taxation process.

Finding 7 — King County’s Levy Structure Appears to Create Tax Disparities Not Supported by Article VII’s Uniformity Doctrine

Although various districts (school, fire, library, hospital) have statutory authority to levy taxes, the constitutional uniformity requirement supersedes statutory structure.

Given:

- All real property is one class,

- All taxation must be uniform across the county,
- And the County is the constitutional authority levying the tax,

The current variation in tax code burdens indicates a structural constitutional violation.

This finding may expose the County to:

- Constitutional challenges,
- Legislative intervention,
- Systemic tax recalibration requirements,
- Potential refund liability.

Finding 8 — Levy and Bond Proceeds May Not Align With Voter-Approved Purposes

Preliminary review of financial documents suggests:

- Instances where levy proceeds appear to replace general fund expenditures ("substitution"),
- Bond proceeds allocated to broader categories than listed in ballot titles,
- Questionable alignment between promised capital projects and actual expenditures.

This raises serious concerns regarding:

- Misuse of levy authority,
- Violation of voter trust,
- Potential statutory violations under RCW 84.52, 84.55, and public finance laws.

Finding 9 — Constitutional and Statutory Safeguards Have Been Functionally Eroded Over Time

The combined effect of:

- Levy stacking,
- Perpetual bond cycles,
- Base-resetting levy lid lifts,
- Insufficient voter disclosure,

- Non-uniform rates across levy codes,

Has created a property taxation system largely disconnected from Article VII's constraints.

This structural erosion directly threatens:

- Taxpayer protections,
- Legislative intent,
- Constitutional uniformity,
- Public trust in the taxation system.

VIII. IMPACT ASSESSMENT

The consequences of King County's current levy and bond practices are significant, widespread, and structurally harmful to taxpayers, constitutional governance, public trust, and long-term financial sustainability.
Preliminary analysis indicates the following impacts:

Impact 1 — Systemic Constitutional Harm: Uniformity and Levy Limits Are Functionally Nullified

The most serious impact is constitutional:

- Article VII §1 (uniformity)
- Article VII §2 (levy limitations)
- Supreme Court holdings in Barlow, Carkonen, Kinnear, and Barlow v. Kinnear (concurring)

are effectively rendered meaningless by the current levy structure.

Uniformity is not simply strained—it is obliterated by levy rates that differ by 20–45% across levy codes for the same constitutional "class" of property.

The constitutional "1% levy limit" is circumvented through mass levy stacking.

This represents a systemic constitutional failure, not an isolated administrative issue.

Impact 2 — Significant Financial Burden on Homeowners, Especially Rural and Unincorporated Property Owners

Residents in different levy codes pay drastically different tax burdens despite being in the same constitutional property class.

This disparity can result in:

- Thousands of dollars per year in excess tax obligation
- Multi-decade cumulative burdens
- Reduced affordability and risk of forced displacement
- Disproportionate pressure on rural and unincorporated households, including farmers, retirees, and fixed-income residents

These impacts compound with rising assessed values, creating a two-sided financial squeeze.

Impact 3 — Levy Structures Create Perpetual Tax Escalation and Intergenerational Instability

Because levy lid lifts reset the base and bond levies rarely decrease:

- Taxes almost never go down
- Each levy becomes the new minimum for future taxing
- Property taxes escalate year after year regardless of personal income or economic conditions
- Future generations inherit structurally unsustainable property tax obligations

This undermines housing stability and long-term equity retention.

Impact 4 — Voters May Be Misled by Ballot Language That Understates Real Tax Burdens

The lack of clear disclosure creates widespread misunderstanding:

- Voters are not informed that new levies *stack* on old ones.
- Voters are not told that levy lid lifts *permanently raise the base*.
- Voters are not clearly warned that bonds can be *refinanced, extended, or replaced indefinitely*.
- Voter pamphlets rarely show cumulative levy impact across multiple districts.

This means voter consent—required under Article VII §2—is potentially uninformed, raising serious transparency and democratic legitimacy concerns.

Impact 5 — Excessive Tax Burdens Disproportionately Harm Certain Populations

The present system disproportionately impacts:

- Rural residents
- Unincorporated communities
- The elderly
- Homeowners with fixed or low income
- Family farms and agricultural operations
- Small businesses that operate on land subject to escalating taxes

Property taxes are not linked to income, meaning rising levy burdens directly threaten the ability of these groups to remain in their homes or continue operating.

Impact 6 — Levy/Bond Funding Practices Undermine Public Trust in Government Finance

When:

- Bonds never seem to end,
- Levies are “temporary” but never decrease,
- Taxes rise but services do not,
- Levy code differences show arbitrary burden disparities,
- And the constitutional limits appear to be structurally bypassed,

the public inevitably loses trust in:

- The fairness of the tax system
- The transparency of government operations
- The reliability of voter information
- The legitimacy of public financial management

This erosion of trust is a major governance impact and warrants urgent attention.

Impact 7 — Potential Legal and Fiscal Exposure for King County

If the audit confirms:

- systemic uniformity violations,
- functional circumvention of Article VII §2,
- misleading voter disclosures, or
- misuse of levy/bond proceeds,

King County may face:

- Constitutional litigation
- Class-action claims
- Refund obligations
- Legislative intervention
- State-level oversight
- Mandated structural reforms

The financial exposure could be substantial, especially for multi-year levy structures.

Impact 8 — Housing Market Distortion and Reduced Affordability

Levy stacking increases the effective cost of:

- buying a home
- keeping a home
- refinancing a home
- maintaining agricultural property

This results in:

- Higher escrow requirements
- Increased mortgage payment burdens
- Higher barriers for first-time buyers
- Reduced market mobility

- Pressure to sell or leave King County

This contributes to long-term displacement and erosion of community stability.

Impact 9 — The Combined Effect Represents a Structural Breakdown of Constitutional Property Tax Protections

Taken together, King County's:

- levy stacking,
- perpetual bond cycles,
- base-resetting lid lifts,
- non-uniform rates across levy codes,
- lack of transparency,
- inconsistent voter disclosures,

create a property tax environment that is far removed from the constitutional protections the people of Washington enacted.

This is not a minor compliance issue—it is a structural breakdown requiring immediate corrective oversight.

IX. RECOMMENDATIONS

To restore statutory and constitutional compliance, prevent further erosion of public trust, and ensure that levy and bond practices align with lawful limits, the King County Auditor should undertake the following corrective and operational actions.

These recommendations are structured to:

- address systemic structural weaknesses,
- strengthen accountability,
- ensure constitutional uniformity,
- protect taxpayers from undisclosed financial burdens, and
- bring transparency and integrity to the levy and bond process.

Recommendation 1 — Conduct a Full Constitutional Compliance Review of Levy Stacking Across All King County Tax Code Areas

The Auditor should:

- Evaluate whether aggregate levy rates exceed the constitutional meaning of the "1% limit" under Article VII §2 when applied to property within the territorial limits of King County.
- Map levy code variations across the county and determine whether such disparities violate Article VII §1's uniformity requirement.
- Identify which levy types, districts, or practices contribute most to total-tax divergence.

This analysis must quantify constitutional risk, not merely statutory compliance.

Recommendation 2 — Establish a Standardized Framework for Evaluating Excess Levies and Levy Lid Lifts

The audit should determine:

- Whether excess levies and lid lifts are used as backdoor mechanisms to permanently raise tax burdens.
- Whether ballot language clearly disclosed that a lid lift resets the base levy.
- Whether levies expire and revert as promised—or remain elevated indefinitely.

The Auditor should require the Assessor and taxing districts to adopt a uniform standard for evaluating temporary-versus-permanent levy effects, disclosed clearly to voters.

Recommendation 3 — Require Full Transparency and Accountability in Bond Issuances, Refinancings, and Renewals

The Auditor should:

- Obtain all bond amortization schedules, refinance records, refunding documents, and levy-related payment schedules.
- Determine whether bonds are:
    - actually retired when scheduled,
    - continuously refinanced, or
    - replaced by new bonds that keep levy burdens artificially high.
- Evaluate whether taxpayers are informed of these refinancing chains.

The Auditor should require taxing districts to provide plain-language financial disclosures showing the full lifecycle cost of each bond.

Recommendation 4 — Require Uniform Plain-Language Voter Disclosure of Total Tax Burden Effects

The Auditor should require that all levies and bonds include:

- A clear statement of total cumulative levy burden, not just the effect of the proposed levy.
- A plain-language explanation of levy stacking.
- Disclosure of how long the levy will last and what happens to the levy base afterward.
- A summary of all existing levies already in place on the average parcel.

This prevents uninformed or misleading voter consent.

Recommendation 5 — Audit Whether Levy and Bond Revenues Were Used for Their Stated Purposes

For each major levy or bond:

- Compare ballot promises to actual expenditure.
- Identify diversions, substitutions, or offloading of general fund obligations.
- Determine whether levy-funded projects were completed on time and to scope.
- Require corrective action where funds were improperly allocated or redirected.

This establishes financial accountability.

Recommendation 6 — Evaluate Whether Certain Taxing Districts or Levy Code Areas Face Disproportionate Burdens

The Auditor should:

- Identify levy codes with significantly higher total levy rates.
- Determine whether residents in certain areas (particularly rural and unincorporated) face higher burdens with fewer corresponding services.
- Assess whether the geographic disparities are consistent with constitutional uniformity requirements.

This evaluation must include maps, variance charts, and demographic impacts.

Recommendation 7 — Review and Standardize Debt Management and Levy Timing Practices Across All Taxing Districts

The audit should evaluate:

- Whether levies are timed or structured to mask total tax increases.
- Whether multiple new levies are scheduled simultaneously without disclosure of their combined impacts.
- Whether perpetual renewal cycles violate the spirit of constitutional levy limitations.

The Auditor should issue a countywide standard governing levy sequencing and financial transparency.

Recommendation 8 — Produce a Comprehensive Countywide Levy Stacking Report and Make It Publicly Accessible

The Auditor should publish:

- A complete list of all levies applying to each levy code area.
- Historical levy rates for each levy code (10–20 year dataset).
- A breakdown showing how many levies are applied per parcel and their cumulative effect.
- A comparison to constitutional limits.

This dataset must be provided in CSV, Excel, PDF, and GIS formats as part of countywide transparency requirements.

Recommendation 9 — Require a Corrective Action Plan Where Constitutional or Statutory Violations Are Confirmed

If the audit identifies:

- systemic non-uniformity,
- functional circumvention of the levy limit,
- perpetual bonds,
- misuse of levy revenues, or
- misleading voter disclosures,

the Assessor's Office and relevant taxing districts must prepare a formal corrective action plan that includes:

- revised levy/bond practices,
- improved ballot disclosure standards,
- reform of debt-retirement processes,
- policy revisions to align with constitutional limits,
- transparent rate-reduction triggers when bonds retire.

Recommendation 10 — Establish an Ongoing Oversight Mechanism for Levy Limit and Bond Compliance

The Auditor should recommend the creation of an ongoing oversight body or annual reporting process that:

- monitors levy stacking,
- reviews new levy and bond proposals for constitutional compliance,
- tracks bond retirement and refinancing,
- ensures public access to real-time levy rate data.

This ensures that constitutional compliance is enforced continuously—not merely during one audit cycle.

X. TRANSPARENCY & REPRODUCIBILITY REQUIREMENTS

To ensure constitutional accountability, prevent future levy manipulation, and restore public confidence in the property-tax system, all components of this audit must be fully transparent, independently verifiable, and reproducible by taxpayers, researchers, and oversight organizations such as CAPR.

The Auditor should require that all relevant datasets, methodologies, financial schedules, and ballot history documents be made publicly accessible in machine-readable formats and published as part of the audit's supporting materials.

Transparency is mandatory because levy stacking, perpetual bonds, and hidden financial practices have historically occurred in opaque conditions that prevent the public from discovering constitutional violations. The only meaningful remedy is full disclosure.

Accordingly, the following transparency and reproducibility requirements must be included in the audit:

1. Publish All Raw Levy and Bond Data in Machine-Readable Formats

The Auditor should require public release of:

- Complete levy rate tables for every levy code in King County (10–20 years)
- Full bond amortization schedules, including refinancings, refundings, and replacements
- Issuance dates, payoff dates, outstanding balances, and levy amounts tied to each bond
- Annual levy limit calculations for each taxing district
- Voter-approved excess levies, lid lifts, and overrides, with exact financial effects
- Actual collections vs. projected collections
- Crosswalks linking levy/bond data to parcel-level tax bills

These datasets must be available at minimum in CSV, Excel, and GIS-compatible formats.

2. Publish Full Methodology & Audit Procedures for Independent Replication

The Auditor must provide:

- Calculation formulas
- Model specifications
- Assumptions used in constitutional-limit tests
- Methods used to identify levy stacking
- Criteria for determining bond retirement vs. replacement
- Standards for measuring compliance with Article VII §1 and §2

This ensures any member of the public can reproduce the audit's outcomes and confirm the findings.

3. Create Levy Code–Level Transparency Dashboards for Public Use

The Auditor should require the creation of public dashboards showing:

- Total levy rate per levy code (current and historical)

- Number of overlapping levies affecting each parcel
- Cumulative effect of levies, excess levies, lid lifts, and bond levies
- Geographic mapping of levy burdens across the county
- Identification of districts with the highest cumulative tax rates
- Whether rates exceed the functional meaning of the “1% cap”

This allows taxpayers to see—in a simple, accessible visual format—how levy stacking impacts them directly.

4. Publish All Ballot Materials Associated With Levies and Bonds

To ensure full transparency regarding voter consent, the Auditor should require:

- Ballot titles
- Explanatory statements
- Voter pamphlet financial summaries
- District-provided cost estimates
- Post-election financial performance reports

These should be cross-linked to actual tax impacts and levy stacking effects.

5. Require Clear Documentation of How Levies and Bonds Interact Over Time

This includes:

- How levy lid lifts reset the base tax rate
- Which levies are permanent vs. temporary
- Which “temporary” levies were replaced by new ones
- How levy replacement cycles overlap to create perpetual tax increases
- The relationship between bond retirement and levy rate changes
- Identification of any “non-expiring” taxes marketed as temporary

This transparency is essential for determining whether voter consent was informed or misleading.

6. Require Public Release of the Auditor's Findings, Appendices, and Technical Notes

All of the following must be public:

- Full audit report
- All technical appendices
- All data sources
- All calculations
- All legal interpretations
- All ratio and uniformity analyses
- All GIS mapping layers
- All schedules used to determine levy stacking

The public must be able to replicate and verify every step of the analysis.

7. Mandate a Permanent Public Repository for Levy, Bond, and Tax Data

The Auditor should require:

- Annual publication of levy rates and bond schedules
- Updates after every major levy or bond election
- Maintenance of a searchable archive of historical levy/bond actions
- A standardized data dictionary for all fields
- Permanent links for public access (not temporary PDF publications)

This ensures future abuse cannot occur in darkness.

8. Require Clear Distinction Between "Statutory Compliance" and "Constitutional Compliance"

The Auditor must publicly distinguish:

- What complies with statutory frameworks
- What complies with constitutional requirements
- What complies with neither

This prevents agencies from hiding behind statutory permission while violating constitutional mandates.

9. Prohibit Reliance on Proprietary or Hidden Modeling Logic

The Auditor must bar:

- Black-box models
- Non-public levy calculation modules
- Undisclosed amortization models
- Software settings that cannot be independently examined

Any model or calculation used to determine taxpayer liability must be publicly accessible and transparent.

10. Provide All Data and Findings to CAPR and Other Public Oversight Groups

Because CAPR is directly engaged in taxpayer protection, the Auditor should also provide:

- Machine-readable datasets
- GIS files
- Bond and levy schedules
- Full audit findings

This ensures community-based watchdog groups can continue oversight beyond the audit.

Summary

This audit cannot succeed unless its results are verifiable, replicable, and transparent. These requirements are essential to restoring:

- constitutional uniformity,
- public trust,
- financial accountability, and
- lawful levy practices across King County.

XI. CONCLUSION

Preliminary evidence and constitutional history strongly indicate that King County's levy and bond practices may be fundamentally inconsistent with the requirements of Article VII §§1–2 of the Washington State Constitution.
The county's current taxation structure—particularly levy stacking across dozens of overlapping taxing districts—creates profound disparities in tax burdens among properties that are legally required to be treated as one class under the Constitution.

The Washington Supreme Court has made this clear:

- All real property constitutes one class.
- Uniform taxation must occur within the territorial limits of the authority levying the tax.
- The county—not school districts, fire districts, or special districts—is the taxing authority for purposes of constitutional uniformity.
- Administrative or legislative tolerance does not convert mandatory constitutional requirements into permissive ones.
  (*Barlow v. Kinnear*, *Carkonen v. Williams*)

Yet today, levy code analysis reveals:

- Large disparities between levy code areas, sometimes exceeding 25–40% differences in total tax rates;
- Dozens of overlapping levies that, combined, appear to exceed the functional meaning of the "1% limit" intended by Article VII §2;
- Perpetual levy stacking through continuous lid lifts, excess levies, and bond renewals that effectively convert temporary measures into permanent obligations;
- Long-term bond structures that appear to be refinanced or replaced in ways that obscure their true lifecycle costs;
- A complete lack of plain-language disclosure to voters regarding cumulative tax burden, levy layering, or the manner in which lid lifts permanently raise the base for future taxation.

These practices, taken together, raise a credible and serious question:
Is King County's levy and bond structure constitutional at all?

More importantly, they raise the question of whether taxpayers have been subjected to:

- Non-uniform taxation across the county;

- Unconstitutional aggregation of levies beyond the intended 1% limitation;
- De facto perpetual taxation through levy rollovers and bond refinancings;
- Insufficient or misleading disclosure on ballot measures;
- Financial obligations that voters did not fully understand or approve;
- A structural tax environment that is neither transparent nor accountable.

Given the implications, a full operational, constitutional, and financial audit is not only warranted—it is necessary.
The legitimacy of King County's entire property tax framework depends upon ensuring:

- Constitutional uniformity;
- Transparency and reproducibility;
- Accurate enforcement of levy limits;
- Honest bond retirement practices;
- Full voter disclosure;
- Fair and sustainable taxation for every property owner.

We respectfully request that the King County Auditor undertake the audit described herein, with the full cooperation of all affected taxing districts, and publish both findings and all underlying data to allow public and independent verification.

The people of King County have the right to taxation that is lawful, uniform, and transparent.
This audit is an essential step toward restoring that right.

Prepared and submitted by Dominique Scarimbolo, King County Chapter President, Citizens' Alliance for Property Rights (CAPR). Published at domscarimboloforassessor.com