

April 18, 2025

Governor Bob Ferguson
Office of the Governor
PO Box 40002
Olympia, WA 98504-0002

Honorable Governor Ferguson:

On behalf of Washington's 281 cities and towns, I am writing to urge your support for legislation to revise the outdated 1% local property tax cap. The current cap is lower than both inflation and population growth, creating a funding gap that only widens each year, leaving more cities struggling to keep up with rising costs of providing essential public safety and other services to our residents.

City officials value your leadership in calling for increased state investment in public safety and the need to hire more officers. The average city spends 40% of its budget on public safety—the reality is, because of the property tax cap cities struggle to keep up with the rising costs of maintaining current public safety services, let alone hiring new officers.

We appreciate and are sensitive to the concerns that revenue increases do not overburden Washington residents. However, we hear from our residents about the services they need and want, and local leaders lack the resources to meet those demands. As local governments closest to the people, city officials also work tirelessly to run cost-efficient and effective governments that impact Washingtonians' everyday lives. The urgent reality is that communities need some flexibility in local funding options to help keep up with the rising costs for critical services. For the past two decades elected city leaders have struggled with the structural deficit created by the arbitrary and outdated 1% cap.

We ask you to support a modest increase that ties the property tax cap more closely to population growth and inflation, not to exceed 3%. This reasonable change is more reflective of the last decade's average yearly 3% inflation rate and 1.5% yearly population growth. Lifting this cap would provide a crucial, *optional* tool that empowers city elected leaders to make responsible decisions on behalf of their residents, when and how they need it.

For too long, local governments have patched together band-aid solutions to manage the structural funding deficit while being called on to do more with less—but we're at a tipping point. Without a change, local governments cannot sustain public safety and other services to keep up with our residents' needs. In fact, we have fewer city staff per capita and fewer police officers per capita than we had in 2001.

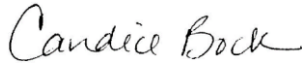
Allowing local elected officials to raise their property tax revenues by up to 3% per year puts the decision-making power back into our communities. Local elected officials have a high rate of trust among our constituents and are immediately accountable to the voters. Legislative action on this issue in 2025 is not an automatic local tax increase. Instead, it allows for thoughtful local debates and discussions about what will work best for each city.

Now is the time for this change. Cities employ 62% of the state's commissioned police force. They have seen the cost for officers' salaries increase by 20% in the last five years. They need more flexibility in the property tax to continue maintaining these important public safety services.

We appreciate that these are uncertain times with both state and local government facing troubling news from the federal government. Local leaders need flexibility to be able to respond to emergent issues and needs. Having flexible local revenue tools that meet the needs of our communities will help make us more resilient in the face of uncertainty.

Please call on your legislative partners to pass a modest increase to this arbitrary restriction on our city and town elected leaders. We believe that this modest increase would have a big impact collectively for our cities and towns to stay safe and prosperous places to live, work, and play.

Sincerely,

A handwritten signature in black ink that reads "Candice Bock". The script is fluid and cursive, with the first name "Candice" being more prominent than the last name "Bock".

Candice Bock

Government Relations Director

CC:

KD Chapman-See, Director, Office of Financial Management

Shane Esquibel, Chief of Staff, Office of the Governor

Sahar Fathi, Policy Director/Interim Legislative Director, Office of the Governor

Representative Laurie Jenkins, Speaker of the House

Senator Jamie Pedersen, Senate Majority Leader

Representative Joe Fitzgibbon, House Majority Leader

Senator June Robinson, Chair, Senate Ways & Means Committee

April Berg, Chair, House Finance Committee