

**HB 4164 -1 STAFF MEASURE SUMMARY**

**House Committee On Revenue**

---

**Prepared By:** Chris Allanach, Legislative Revenue Officer

**Meeting Dates:** 2/17

---

**WHAT THE MEASURE DOES:**

Increases the maximum tax rate a metropolitan service district may impose from one percent to two percent. Requires revenue raised due to a tax rate above one percent be spent on identified purposes. The higher cap applies to ordinances approved on or after the effective date of the act. Limits the amount that may be spent on administrative functions. Repeals changes on January 2, 2021.

**ISSUES DISCUSSED:**

**EFFECT OF AMENDMENT:**

-1 Allows the service district to enter into contracts and agreements with other entities or governments to provide loans and technical assistance. Changes the effective date of the cap increase to ordinances approved on or after May 1, 2020.

**BACKGROUND:**