

5319-S3

Sponsor(s): Senate Committee on Ways & Means (originally sponsored by Senators T. Sheldon, Hale and Esser)

Brief Description: Authorizing sales and use tax exemptions for call centers. Revised for 1st Substitute: Providing tax incentives for the construction and maintenance of call centers in distressed areas. Revised for 2nd Substitute: Providing tax incentives for call centers in rural areas of the state.

SB 5319-S3.E - DIGEST

(AS OF SENATE 2ND READING 3/4/04)

Finds that there are areas of the state that still have very high levels of unemployment.

Finds that additional incentives are needed to promote economic stimulation and new employment opportunities in these distressed areas, and that these incentives are essential to increase economic growth in these areas.

Declares an intent to accomplish this by providing tax incentives for call centers, toll services, or network telephone services located in distressed areas of the state.

Requires the office of financial management to develop a report on the prevalence by which the state of Washington, from fiscal year 2001 through fiscal year 2004, contracted with out-of-state employers, other business entities, or other state governments for the provision of goods or services in this state or to the residents of this state. The report shall include an accounting of the total amount of funds expended and the number of contracts executed between state agencies and businesses where the services or goods contracted for were performed or provided by employees or contractors working outside of the state of Washington.

Requires that, in addition, for each contract, the report shall include a description of the services performed, the agency participating in the contract, the funds expended for each contract, the location where the services were performed, an analysis of whether adequate services were available within the state of Washington to provide the same or similar goods or services, and the degree to which utilization of services within the state would have affected the cost of the contract.

Directs the office of financial management to submit its report to the senate committee on commerce and trade and the house committee on commerce and labor by July 31, 2004.