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**HOUSE BILL 1659**

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**State of Washington**

**66th Legislature**

**2019 Regular Session**

**By** Representatives Corry, Riccelli, Dufault, Dent, Mosbrucker, Chandler, Ybarra, and Ormsby

Read first time 01/28/19. Referred to Committee on Local Government.

1 AN ACT Relating to modifying dates related to the application due  
2 date for health sciences and services authorities and their sales and  
3 use tax authority; and amending RCW 82.14.480 and 35.104.040.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 82.14.480 and 2010 1st sp.s. c 33 s 3 are each  
6 amended to read as follows:

7 (1) The legislative authority of a local jurisdiction that has  
8 created a health sciences and services authority under RCW  
9 35.104.030, prior to January 1, (~~2010~~) 2019, may impose a sales and  
10 use tax in accordance with the terms of this chapter. The tax is in  
11 addition to other taxes authorized by law and must be collected from  
12 those persons who are taxable by the state under chapters 82.08 and  
13 82.12 RCW upon the occurrence of any taxable event within the local  
14 jurisdiction. The rate of the tax may not exceed 0.020 percent of the  
15 selling price in the case of a sales tax or the value of the article  
16 used in the case of a use tax.

17 (2) The tax imposed under subsection (1) of this section must be  
18 deducted from the amount of tax otherwise required to be collected or  
19 paid over to the department under chapter 82.08 or 82.12 RCW. The  
20 department of revenue must perform the collection of the tax on  
21 behalf of the authority at no cost to the authority.

1 (3) The amounts received under this section may only be used in  
2 accordance with RCW 35.104.060 or to finance and retire the  
3 indebtedness incurred pursuant to RCW 35.104.070, in whole or in  
4 part.

5 (4) This section expires January 1, 2023.

6 **Sec. 2.** RCW 35.104.040 and 2012 c 229 s 581 are each amended to  
7 read as follows:

8 (1) The student achievement council may approve applications  
9 submitted by local governments for an area's designation as a health  
10 sciences and services authority under this chapter. The director must  
11 determine the division to review applications submitted by local  
12 governments under this chapter. The application for designation must  
13 be in the form and manner and contain such information as the student  
14 achievement council may prescribe, provided the application:

15 (a) Contains sufficient information to enable the director to  
16 determine the viability of the proposal;

17 (b) Demonstrates that an ordinance or resolution has been passed  
18 by the legislative authority of a local government that delineates  
19 the boundaries of an area that may be designated an authority;

20 (c) Is submitted on behalf of the local government, or, if that  
21 office does not exist, by the legislative body of the local  
22 government;

23 (d) Demonstrates that the public funds directed to programs or  
24 facilities in the authority will leverage private sector resources  
25 and contributions to activities to be performed;

26 (e) Provides a plan or plans for the development of the authority  
27 as an entity to advance as a cluster for health sciences education,  
28 health sciences research, biotechnology development, biotechnology  
29 product commercialization, and/or health care services; and

30 (f) Demonstrates that the state has previously provided funds to  
31 health sciences and services programs or facilities in the applicant  
32 city, town, or county.

33 (2) The director must determine the division to develop criteria  
34 to evaluate the application. The criteria must include:

35 (a) The presence of infrastructure capable of spurring  
36 development of the area as a center of health sciences and services;

37 (b) The presence of higher education facilities where  
38 undergraduate or graduate coursework or research is conducted; and

1 (c) The presence of facilities in which health services are  
2 provided.

3 (3) There may be no more than two authorities statewide.

4 (4) An authority may only be created in a county with a  
5 population of less than one million persons and located east of the  
6 crest of the Cascade mountains.

7 (5) The director may reject or approve an application. When  
8 denying an application, the director must specify the application's  
9 deficiencies. The decision regarding such designation as it relates  
10 to a specific local government is final; however, a rejected  
11 application may be resubmitted.

12 (6) Applications are due by December 31, (~~2010~~) 2019, and must  
13 be processed within sixty days of submission.

14 (7) The director may, at his or her discretion, amend the  
15 boundaries of an authority upon the request of the local government.

16 (8) The student achievement council may adopt any rules necessary  
17 to implement this chapter.

18 (9) The student achievement council must develop evaluation  
19 criteria that enables the local governments to measure the  
20 effectiveness of the program.

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