

CERTIFICATION OF ENROLLMENT

**HOUSE BILL 1543**

60th Legislature  
2007 Regular Session

Passed by the House April 14, 2007  
Yeas 88 Nays 5

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**Speaker of the House of Representatives**

Passed by the Senate April 3, 2007  
Yeas 45 Nays 2

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**President of the Senate**

Approved

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**Governor of the State of Washington**

CERTIFICATE

I, Richard Nafziger, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1543** as passed by the House of Representatives and the Senate on the dates hereon set forth.

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**Chief Clerk**

FILED

**Secretary of State  
State of Washington**

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HOUSE BILL 1543

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AS AMENDED BY THE SENATE

Passed Legislature - 2007 Regular Session

State of Washington                      60th Legislature                      2007 Regular Session

By Representatives Buri, Grant, Dunshee, Ahern, Hailey, Pettigrew,  
Kretz, Bailey, Linville and Moeller

Read first time 01/22/2007.      Referred to Committee on Community &  
Economic Development & Trade.

1            AN ACT Relating to financing economic development offices; and  
2 amending RCW 82.14.370.

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

4            **Sec. 1.** RCW 82.14.370 and 2004 c 130 s 2 are each amended to read  
5 as follows:

6            (1) The legislative authority of a rural county may impose a sales  
7 and use tax in accordance with the terms of this chapter. The tax is  
8 in addition to other taxes authorized by law and shall be collected  
9 from those persons who are taxable by the state under chapters 82.08  
10 and 82.12 RCW upon the occurrence of any taxable event within the  
11 county. The rate of tax shall not exceed 0.08 percent of the selling  
12 price in the case of a sales tax or value of the article used in the  
13 case of a use tax, except that for rural counties with population  
14 densities between sixty and one hundred persons per square mile, the  
15 rate shall not exceed 0.04 percent before January 1, 2000.

16            (2) The tax imposed under subsection (1) of this section shall be  
17 deducted from the amount of tax otherwise required to be collected or  
18 paid over to the department of revenue under chapter 82.08 or 82.12

1 RCW. The department of revenue shall perform the collection of such  
2 taxes on behalf of the county at no cost to the county.

3 (3)(a) Moneys collected under this section shall only be used to  
4 finance public facilities serving economic development purposes in  
5 rural counties and finance personnel in economic development offices.

6 The public facility must be listed as an item in the officially adopted  
7 county overall economic development plan, or the economic development  
8 section of the county's comprehensive plan, or the comprehensive plan  
9 of a city or town located within the county for those counties planning  
10 under RCW 36.70A.040. For those counties that do not have an adopted  
11 overall economic development plan and do not plan under the growth  
12 management act, the public facility must be listed in the county's  
13 capital facilities plan or the capital facilities plan of a city or  
14 town located within the county.

15 (b) In implementing this section, the county shall consult with  
16 cities, towns, and port districts located within the county and the  
17 associate development organization serving the county to ensure that  
18 the expenditure meets the goals of chapter 130, Laws of 2004 and the  
19 requirements of (a) of this subsection. Each county collecting money  
20 under this section shall report, as follows, to the office of the state  
21 auditor, (~~((no later than October 1st))~~) within one hundred fifty days  
22 after the close of each fiscal year(~~((τ))~~): (i) A list of new projects  
23 (~~((from))~~) begun during the (~~((prior))~~) fiscal year, showing that the  
24 county has used the funds for those projects consistent with the goals  
25 of chapter 130, Laws of 2004 and the requirements of (a) of this  
26 subsection; and (ii) expenditures during the fiscal year on projects  
27 begun in a previous year. Any projects financed prior to June 10,  
28 2004, from the proceeds of obligations to which the tax imposed under  
29 subsection (1) of this section has been pledged shall not be deemed to  
30 be new projects under this subsection.

31 (c) (~~((For the purposes of this section,τ))~~) The definitions in this  
32 section apply throughout this section.

33 (i) "Public facilities" means bridges, roads, domestic and  
34 industrial water facilities, sanitary sewer facilities, earth  
35 stabilization, storm sewer facilities, railroad, electricity, natural  
36 gas, buildings, structures, telecommunications infrastructure,  
37 transportation infrastructure, or commercial infrastructure, and port  
38 facilities in the state of Washington(~~((; and))~~).

1           (ii) "Economic development purposes" means those purposes which  
2 facilitate the creation or retention of businesses and jobs in a  
3 county.

4           (iii) "Economic development office" means an office of a county,  
5 port districts, or an associate development organization as defined in  
6 RCW 43.330.010, which promotes economic development purposes within the  
7 county.

8           (4) No tax may be collected under this section before July 1, 1998.  
9 No tax may be collected under this section by a county more than  
10 twenty-five years after the date that a tax is first imposed under this  
11 section.

12           (5) For purposes of this section, "rural county" means a county  
13 with a population density of less than one hundred persons per square  
14 mile or a county smaller than two hundred twenty-five square miles as  
15 determined by the office of financial management and published each  
16 year by the department for the period July 1st to June 30th.

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