

SENATE BILL REPORT

SB 5544

As of January 11, 2018

Title: An act relating to extending the expiration date on the health sciences and services authority sales and use tax authorization.

Brief Description: Extending the expiration date on the health sciences and services authority sales and use tax authorization.

Sponsors: Senators Billig and Baumgartner.

Brief History:

Committee Activity: Ways & Means: 1/17/18.

Brief Summary of Bill

- Changes the expiration date from January 1, 2023, to January 1, 2038, for the Health Sciences and Services Authority (HSSA) sales and use tax authorization.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Alia Kennedy (786-7405)

Background: In 2007, legislation was enacted that enabled a city, town, or county to establish by ordinance or resolution a HSSA to promote bioscience-based economic development and advance new therapies and procedures to combat disease and promote public health.

An HSSA has all the general powers necessary to carry out its purposes and duties, such as make and execute agreements and contracts, establish special funds, hire staff, leverage HSSA public funds with monies received from other public and private sources, hold funds received by an HSSA in trust, and make grants to entities to promote bioscience based economic development.

When authorized by ordinance or resolution by a local jurisdiction, an HSSA may borrow money and incur indebtedness. Monies borrowed by an HSSA must be secured by gifts or grants from public or private sources. An HSSA may not incur an expense or liability that is

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the obligation of the state or local government. All HSSA obligations must be paid with HSSA funds.

A local jurisdiction that created an HSSA prior to January 1, 2010, may impose a sales and use tax credited against the state portion of the sales tax from the local jurisdiction. The rate of the tax must not exceed 0.020 percent. The authority to impose an additional sales and use tax expires January 1, 2023.

Summary of Bill: Changes the expiration date from January 1, 2023, to January 1, 2038, for the HSSA sales and use tax authorization.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.