

HB 1590 - S COMM AMD

By Committee on Local Government

ADOPTED 03/06/2020

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 82.14.530 and 2015 3rd sp.s. c 24 s 701 are each
4 amended to read as follows:

5 (1) (a) (i) A county legislative authority may submit an
6 authorizing proposition to the county voters at a special or general
7 election and, if the proposition is approved by a majority of persons
8 voting, impose a sales and use tax in accordance with the terms of
9 this chapter. The title of each ballot measure must clearly state the
10 purposes for which the proposed sales and use tax will be used. The
11 rate of tax under this section may not exceed one-tenth of one
12 percent of the selling price in the case of a sales tax, or value of
13 the article used, in the case of a use tax.

14 (ii) As an alternative to the authority provided in (a)(i) of
15 this subsection, a county legislative authority may impose, without a
16 proposition approved by a majority of persons voting, a sales and use
17 tax in accordance with the terms of this chapter. The rate of tax
18 under this section may not exceed one-tenth of one percent of the
19 selling price in the case of a sales tax, or value of the article
20 used, in the case of a use tax.

21 (b) (i) If a county (~~with a population of one million five~~
22 ~~hundred thousand or less has not imposed~~) does not impose the full
23 tax rate authorized under (a) of this subsection (~~within two years~~
24 ~~of October 9, 2015~~) by September 30, 2020, any city legislative
25 authority located in that county may (~~submit~~):

26 (A) Submit an authorizing proposition to the city voters at a
27 special or general election and, if the proposition is approved by a
28 majority of persons voting, impose the whole or remainder of the
29 sales and use tax rate in accordance with the terms of this chapter.
30 The title of each ballot measure must clearly state the purposes for
31 which the proposed sales and use tax will be used;

1 (B) Impose, without a proposition approved by a majority of
2 persons voting, the whole or remainder of the sales and use tax rate
3 in accordance with the terms of this chapter.

4 (ii) The rate of tax under this section may not exceed one-tenth
5 of one percent of the selling price in the case of a sales tax, or
6 value of the article used, in the case of a use tax.

7 ~~((ii) If a)~~ (iii) A county with a population of greater than
8 one million five hundred thousand ~~((has not imposed the full))~~ may
9 impose the tax authorized under (a)(ii) of this subsection ~~((within~~
10 ~~three years of October 9, 2015, any city legislative authority))~~ only
11 if the county plans to spend at least thirty percent of the moneys
12 collected under this section that are attributable to taxable
13 activities or events within any city with a population greater than
14 sixty thousand located in that county ~~((may submit an authorizing~~
15 ~~proposition to the city voters at a special or general election and,~~
16 ~~if the proposition is approved by a majority of persons voting,~~
17 ~~impose the whole or remainder of the sales and use tax rate in~~
18 ~~accordance with the terms of this chapter. The title of each ballot~~
19 ~~measure must clearly state the purposes for which the proposed sales~~
20 ~~and use tax will be used. The rate of tax under this section may not~~
21 ~~exceed one-tenth of one percent of the selling price in the case of a~~
22 ~~sales tax, or value of the article used, in the case of a use tax))~~
23 within that city's boundaries.

24 (c) If a county imposes a tax authorized under (a) of this
25 subsection after a city located in that county has imposed the tax
26 authorized under (b) of this subsection, the county must provide a
27 credit against its tax for the full amount of tax imposed by a city.

28 (d) The taxes authorized in this subsection are in addition to
29 any other taxes authorized by law and must be collected from persons
30 who are taxable by the state under chapters 82.08 and 82.12 RCW upon
31 the occurrence of any taxable event within the county for a county's
32 tax and within a city for a city's tax.

33 (2)(a) Notwithstanding subsection (4) of this section, a minimum
34 of sixty percent of the moneys collected under this section must be
35 used for the following purposes:

36 (i) Constructing affordable housing, which may include new units
37 of affordable housing within an existing structure, and facilities
38 providing housing-related services; or

39 (ii) Constructing mental and behavioral health-related
40 facilities; or

1 (iii) Funding the operations and maintenance costs of new units
2 of affordable housing and facilities where housing-related programs
3 are provided, or newly constructed evaluation and treatment centers.

4 (b) The affordable housing and facilities providing housing-
5 related programs in (a)(i) of this subsection may only be provided to
6 persons within any of the following population groups whose income is
7 at or below sixty percent of the median income of the county imposing
8 the tax:

9 (i) Persons with (~~mental illness~~) behavioral health
10 disabilities;

11 (ii) Veterans;

12 (iii) Senior citizens;

13 (iv) Homeless, or at-risk of being homeless, families with
14 children;

15 (v) Unaccompanied homeless youth or young adults;

16 (vi) Persons with disabilities; or

17 (vii) Domestic violence survivors.

18 (c) The remainder of the moneys collected under this section must
19 be used for the operation, delivery, or evaluation of mental and
20 behavioral health treatment programs and services or housing-related
21 services.

22 (3) A county that imposes the tax under this section must consult
23 with a city before the county may construct any of the facilities
24 authorized under subsection (2)(a) of this section within the city
25 limits.

26 (4) A county that has not imposed the tax authorized under RCW
27 82.14.460 prior to October 9, 2015, but imposes the tax authorized
28 under this section after a city in that county has imposed the tax
29 authorized under RCW 82.14.460 prior to October 9, 2015, must enter
30 into an interlocal agreement with that city to determine how the
31 services and provisions described in subsection (2) of this section
32 will be allocated and funded in the city.

33 (5) To carry out the purposes of subsection (2)(a) and (b) of
34 this section, the legislative authority of the county or city
35 imposing the tax has the authority to issue general obligation or
36 revenue bonds within the limitations now or hereafter prescribed by
37 the laws of this state, and may use, and is authorized to pledge, up
38 to fifty percent of the moneys collected under this section for
39 repayment of such bonds, in order to finance the provision or
40 construction of affordable housing, facilities where housing-related

1 programs are provided, or evaluation and treatment centers described
2 in subsection (2) (a) (iii) of this section.

3 (6) (a) Moneys collected under this section may be used to offset
4 reductions in state or federal funds for the purposes described in
5 subsection (2) of this section.

6 (b) No more than ten percent of the moneys collected under this
7 section may be used to supplant existing local funds."

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8 On page 1, line 2 of the title, after "authority;" strike the
9 remainder of the title and insert "and amending RCW 82.14.530."

EFFECT: (1) Allows a county legislative authority to impose a sales and use tax for affordable housing by councilmanic action.

(2) Allows a city legislative authority in a county that has not imposed the full tax rate by September 30, 2020, to impose the remainder of the tax either by ballot proposition or by councilmanic action.

(3) Provides that a county with a population of over 1.5 million may impose the full taxing authority under this bill only if it plans to spend at least 30% of the revenue attributable to taxable activities or events within any city with a population greater than 60,000.

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