
SENATE BILL 6307

State of Washington

52nd Legislature

1992 Regular Session

By Senator Amondson

Read first time 01/24/92. Referred to Committee on Governmental Operations.

1 AN ACT Relating to local tax revenues; amending RCW 9.46.110,
2 35.21.280, 35.21.710, 35.22.280, 35.23.440, 35.24.290, 35.27.370,
3 35A.82.020, 36.38.010, 82.14.030, 82.29A.080, 82.46.030, and 84.33.081;
4 adding a new section to chapter 35.21 RCW; adding a new section to
5 chapter 35A.21 RCW; adding a new section to chapter 36.01 RCW; and
6 adding a new section to chapter 84.52 RCW.

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

8 NEW SECTION. **Sec. 1.** A new section is added to chapter 35.21 RCW
9 to read as follows:

10 Tax receipts received by a city or town from the imposition of a
11 municipal tax may be expended for any lawful municipal purpose and
12 specific expenditure levels of such receipts may not be mandated by the
13 legislature or any state agency. This section does not apply to state
14 or federally shared revenues earmarked for a specific purpose.

1 NEW SECTION. **Sec. 2.** A new section is added to chapter 35A.21 RCW
2 to read as follows:

3 Tax receipts received by a city from the imposition of a municipal
4 tax may be expended for any lawful municipal purpose and specific
5 expenditure levels of such receipts may not be mandated by the
6 legislature or any state agency. This section does not apply to state
7 or federally shared revenues earmarked for a specific purpose.

8 NEW SECTION. **Sec. 3.** A new section is added to chapter 36.01 RCW
9 to read as follows:

10 Tax receipts received by a county from the imposition of a county
11 tax may be expended for any lawful county purpose and specific
12 expenditure levels of such receipts may not be mandated by the
13 legislature or any state agency. This section does not apply to state
14 or federally shared revenues earmarked for a specific purpose.

15 **Sec. 4.** RCW 9.46.110 and 1991 c 161 s 1 are each amended to read
16 as follows:

17 The legislative authority of any county, city-county, city, or
18 town, by local law and ordinance, and in accordance with the provisions
19 of this chapter and rules and regulations promulgated hereunder, may
20 provide for the taxing of any gambling activity authorized by this
21 chapter within its jurisdiction, the tax receipts to go to the county,
22 city-county, city, or town so taxing the same(~~(:—PROVIDED, That)~~). The
23 tax imposed by this section is a tax for county or municipal purposes
24 under Article XI, section 12 of the state Constitution, and the lawful
25 expenditure of the receipts from this tax by the county or municipality
26 for county or municipal purposes may not be limited, nor may specific
27 expenditure levels of such receipts be mandated, by the legislature or
28 any state agency. Any such tax imposed by a county alone shall not

1 apply to any gambling activity within a city or town located therein
2 but the tax rate established by a county, if any, shall constitute the
3 tax rate throughout the unincorporated areas of such county: PROVIDED
4 FURTHER, That (1) punch boards and pull-tabs, chances on which shall
5 only be sold to adults, which shall have a fifty cent limit on a single
6 chance thereon, shall be taxed on a basis which shall reflect only the
7 gross receipts from such punch boards and pull-tabs; and (2) no punch
8 board or pull-tab may award as a prize upon a winning number or symbol
9 being drawn the opportunity of taking a chance upon any other punch
10 board or pull-tab; and (3) all prizes for punch boards and pull-tabs
11 must be on display within the immediate area of the premises wherein
12 any such punch board or pull-tab is located and upon a winning number
13 or symbol being drawn, such prize must be immediately removed
14 therefrom, or such omission shall be deemed a fraud for the purposes of
15 this chapter; and (4) when any person shall win over twenty dollars in
16 money or merchandise from any punch board or pull-tab, every licensee
17 hereunder shall keep a public record thereof for at least ninety days
18 thereafter containing such information as the commission shall deem
19 necessary: AND PROVIDED FURTHER, That taxation of bingo and raffles
20 shall never be in an amount greater than ten percent of the gross
21 revenue received therefrom less the amount paid for or as prizes.
22 Taxation of amusement games shall only be in an amount sufficient to
23 pay the actual costs of enforcement of the provisions of this chapter
24 by the county, city or town law enforcement agency and in no event
25 shall such taxation exceed two percent of the gross revenue therefrom
26 less the amount paid for as prizes: PROVIDED FURTHER, That no tax
27 shall be imposed under the authority of this chapter on bingo or
28 amusement games when such activities or any combination thereof are
29 conducted by any bona fide charitable or nonprofit organization as
30 defined in this chapter, which organization has no paid operating or

1 management personnel and has gross income from bingo or amusement
2 games, or a combination thereof, not exceeding five thousand dollars
3 per year, less the amount paid for as prizes. No tax shall be imposed
4 on the first ten thousand dollars of net proceeds from raffles
5 conducted by any bona fide charitable or nonprofit organization as
6 defined in this chapter. Taxation of punch boards and pull-tabs shall
7 not exceed five percent of gross receipts, nor shall taxation of social
8 card games exceed twenty percent of the gross revenue from such games.

9 **Sec. 5.** RCW 35.21.280 and 1965 c 7 s 35.21.280 are each amended to
10 read as follows:

11 Every city and town may levy and fix a tax of not more than one
12 cent on twenty cents or fraction thereof to be paid by the person who
13 pays an admission charge to any place: PROVIDED, No city or town shall
14 impose such tax on persons paying an admission to any activity of any
15 elementary or secondary school. This includes a tax on persons who are
16 admitted free of charge or at reduced rates to any place for which
17 other persons pay a charge or a regular higher charge for the same
18 privileges or accommodations. The city or town may require anyone who
19 receives payment for an admission charge to collect and remit the tax
20 to the city or town. The tax imposed by this section is a tax for
21 municipal purposes under Article XI, section 12 of the state
22 Constitution, and the lawful expenditure of the receipts from this tax
23 by the municipality for municipal purposes may not be limited, nor may
24 specific expenditure levels of such receipts be mandated, by the
25 legislature or any state agency.

26 The term "admission charge" includes:

27 (1) A charge made for season tickets or subscriptions;

28 (2) A cover charge, or a charge made for use of seats and tables
29 reserved or otherwise, and other similar accommodations;

1 (3) A charge made for food and refreshment in any place where free
2 entertainment, recreation or amusement is provided;

3 (4) A charge made for rental or use of equipment or facilities for
4 purposes of recreation or amusement; if the rental of the equipment or
5 facilities is necessary to the enjoyment of a privilege for which a
6 general admission is charged, the combined charges shall be considered
7 as the admission charge;

8 (5) Automobile parking charges if the amount of the charge is
9 determined according to the number of passengers in the automobile.

10 **Sec. 6.** RCW 35.21.710 and 1983 2nd ex.s. c 3 s 33 are each amended
11 to read as follows:

12 Any city which imposes a license fee or tax upon business
13 activities consisting of the making of retail sales of tangible
14 personal property which are measured by gross receipts or gross income
15 from such sales, shall impose such tax at a single uniform rate upon
16 all such business activities. The taxing authority granted to cities
17 for taxes upon business activities measured by gross receipts or gross
18 income from sales shall not exceed a rate of .0020; except that any
19 city with an adopted ordinance at a higher rate, as of January 1, 1982
20 shall be limited to a maximum increase of ten percent of the January
21 1982 rate, not to exceed an annual incremental increase of two percent
22 of current rate: PROVIDED, That any adopted ordinance which classifies
23 according to different types of business or services shall be subject
24 to both the ten percent and the two percent annual incremental increase
25 limitation on each tax rate: PROVIDED FURTHER, That all surtaxes on
26 business and occupation classifications in effect as of January 1,
27 1982, shall expire no later than December 31, 1982, or by expiration
28 date established by local ordinance. Cities which impose a license fee
29 or tax upon business activities consisting of the making of retail

1 sales of tangible personal property which are measured by gross
2 receipts or gross income from such sales shall be required to submit an
3 annual report to the state auditor identifying the rate established and
4 the revenues received from each fee or tax. The tax imposed by this
5 section is a tax for municipal purposes under Article XI, section 12 of
6 the state Constitution, and the lawful expenditure of the receipts from
7 this tax by the municipality for municipal purposes may not be limited,
8 nor may specific expenditure levels of such receipts be mandated, by
9 the legislature or any state agency. This section shall not apply to
10 any business activities subject to the tax imposed by chapter 82.16
11 RCW. For purposes of this section, the providing to consumers of
12 competitive telephone service, as defined in RCW 82.04.065, shall be
13 deemed to be the retail sale of tangible personal property.

14 **Sec. 7.** RCW 35.22.280 and 1990 c 189 s 3 are each amended to read
15 as follows:

16 Any city of the first class shall have power:

17 (1) To provide for general and special elections, for questions to
18 be voted upon, and for the election of officers;

19 (2) To provide for levying and collecting taxes on real and
20 personal property for its corporate uses and purposes, and to provide
21 for the payment of the debts and expenses of the corporation. The tax
22 imposed by this section is a tax for municipal purposes under Article
23 XI, section 12 of the state Constitution, and the lawful expenditure of
24 the receipts from this tax by the municipality for municipal purposes
25 may not be limited, nor may specific expenditure levels of such
26 receipts be mandated, by the legislature or any state agency;

27 (3) To control the finances and property of the corporation, and to
28 acquire, by purchase or otherwise, such lands and other property as may
29 be necessary for any part of the corporate uses provided for by its

1 charter, and to dispose of any such property as the interests of the
2 corporation may, from time to time, require;

3 (4) To borrow money for corporate purposes on the credit of the
4 corporation, and to issue negotiable bonds therefor, on such conditions
5 and in such manner as shall be prescribed in its charter; but no city
6 shall, in any manner or for any purpose, become indebted to an amount
7 in the aggregate to exceed the limitation of indebtedness prescribed by
8 chapter 39.36 RCW as now or hereafter amended;

9 (5) To issue bonds in place of or to supply means to meet maturing
10 bonds or other indebtedness, or for the consolidation or funding of the
11 same;

12 (6) To purchase or appropriate private property within or without
13 its corporate limits, for its corporate uses, upon making just
14 compensation to the owners thereof, and to institute and maintain such
15 proceedings as may be authorized by the general laws of the state for
16 the appropriation of private property for public use;

17 (7) To lay out, establish, open, alter, widen, extend, grade, pave,
18 plank, establish grades, or otherwise improve streets, alleys, avenues,
19 sidewalks, wharves, parks, and other public grounds, and to regulate
20 and control the use thereof, and to vacate the same, and to authorize
21 or prohibit the use of electricity at, in, or upon any of said streets,
22 or for other purposes, and to prescribe the terms and conditions upon
23 which the same may be so used, and to regulate the use thereof;

24 (8) To change the grade of any street, highway, or alley within its
25 corporate limits, and to provide for the payment of damages to any
26 abutting owner or owners who shall have built or made other
27 improvements upon such street, highway, or alley at any point opposite
28 to the point where such change shall be made with reference to the
29 grade of such street, highway, or alley as the same existed prior to
30 such change;

1 (9) To authorize or prohibit the locating and constructing of any
2 railroad or street railroad in any street, alley, or public place in
3 such city, and to prescribe the terms and conditions upon which any
4 such railroad or street railroad shall be located or constructed; to
5 provide for the alteration, change of grade, or removal thereof; to
6 regulate the moving and operation of railroad and street railroad
7 trains, cars, and locomotives within the corporate limits of said city;
8 and to provide by ordinance for the protection of all persons and
9 property against injury in the use of such railroads or street
10 railroads;

11 (10) To provide for making local improvements, and to levy and
12 collect special assessments on property benefited thereby, and for
13 paying for the same or any portion thereof;

14 (11) To acquire, by purchase or otherwise, lands for public parks
15 within or without the limits of such city, and to improve the same.
16 When the language of any instrument by which any property is so
17 acquired limits the use of said property to park purposes and contains
18 a reservation of interest in favor of the grantor or any other person,
19 and where it is found that the property so acquired is not needed for
20 park purposes and that an exchange thereof for other property to be
21 dedicated for park purposes is in the public interest, the city may,
22 with the consent of the grantor or such other person, his heirs,
23 successors, or assigns, exchange such property for other property to be
24 dedicated for park purposes, and may make, execute, and deliver proper
25 conveyances to effect the exchange. In any case where, owing to death
26 or lapse of time, there is neither donor, heir, successor, or assignee
27 to give consent, this consent may be executed by the city and filed for
28 record with an affidavit setting forth all efforts made to locate
29 people entitled to give such consent together with the facts which
30 establish that no consent by such persons is attainable. Title to

1 property so conveyed by the city shall vest in the grantee free and
2 clear of any trust in favor of the public arising out of any prior
3 dedication for park purposes, but the right of the public shall be
4 transferred and preserved with like force and effect to the property
5 received by the city in such exchange;

6 (12) To construct and keep in repair bridges, viaducts, and
7 tunnels, and to regulate the use thereof;

8 (13) To determine what work shall be done or improvements made at
9 the expense, in whole or in part, of the owners of the adjoining
10 contiguous, or proximate property, or others specially benefited
11 thereby; and to provide for the manner of making and collecting
12 assessments therefor;

13 (14) To provide for erecting, purchasing, or otherwise acquiring
14 waterworks, within or without the corporate limits of said city, to
15 supply said city and its inhabitants with water, or authorize the
16 construction of same by others when deemed for the best interests of
17 such city and its inhabitants, and to regulate and control the use and
18 price of the water so supplied;

19 (15) To provide for lighting the streets and all public places, and
20 for furnishing the inhabitants thereof with gas or other lights, and to
21 erect, or otherwise acquire, and to maintain the same, or to authorize
22 the erection and maintenance of such works as may be necessary and
23 convenient therefor, and to regulate and control the use thereof;

24 (16) To establish and regulate markets, and to provide for the
25 weighing, measuring, and inspection of all articles of food and drink
26 offered for sale thereat, or at any other place within its limits, by
27 proper penalties, and to enforce the keeping of proper legal weights
28 and measures by all vendors in such city, and to provide for the
29 inspection thereof. Whenever the words "public markets" are used in
30 this chapter, and the public market is managed in whole or in part by

1 a public corporation created by a city, the words shall be construed to
2 include all real or personal property located in a district or area
3 designated by a city as a public market and traditionally devoted to
4 providing farmers, crafts vendors and other merchants with retail space
5 to market their wares to the public. Property located in such a
6 district or area need not be exclusively or primarily used for such
7 traditional public market retail activities and may include property
8 used for other public purposes including, but not limited to, the
9 provision of human services and low-income or moderate-income housing;

10 (17) To erect and establish hospitals and pesthouses, and to
11 control and regulate the same;

12 (18) To provide for establishing and maintaining reform schools for
13 juvenile offenders;

14 (19) To provide for the establishment and maintenance of public
15 libraries, and to appropriate, annually, such percent of all moneys
16 collected for fines, penalties, and licenses as shall be prescribed by
17 its charter, for the support of a city library, which shall, under such
18 regulations as shall be prescribed by ordinance, be open for use by the
19 public;

20 (20) To regulate the burial of the dead, and to establish and
21 regulate cemeteries within or without the corporate limits, and to
22 acquire land therefor by purchase or otherwise; to cause cemeteries to
23 be removed beyond the limits of the corporation, and to prohibit their
24 establishment within two miles of the boundaries thereof;

25 (21) To direct the location and construction of all buildings in
26 which any trade or occupation offensive to the senses or deleterious to
27 public health or safety shall be carried on, and to regulate the
28 management thereof; and to prohibit the erection or maintenance of such
29 buildings or structures, or the carrying on of such trade or occupation

1 within the limits of such corporation, or within the distance of two
2 miles beyond the boundaries thereof;

3 (22) To provide for the prevention and extinguishment of fires and
4 to regulate or prohibit the transportation, keeping, or storage of all
5 combustible or explosive materials within its corporate limits, and to
6 regulate and restrain the use of fireworks;

7 (23) To establish fire limits and to make all such regulations for
8 the erection and maintenance of buildings or other structures within
9 its corporate limits as the safety of persons or property may require,
10 and to cause all such buildings and places as may from any cause be in
11 a dangerous state to be put in safe condition;

12 (24) To regulate the manner in which stone, brick, and other
13 buildings, party walls, and partition fences shall be constructed and
14 maintained;

15 (25) To deepen, widen, dock, cover, wall, alter, or change the
16 channels of waterways and courses, and to provide for the construction
17 and maintenance of all such works as may be required for the
18 accommodation of commerce, including canals, slips, public landing
19 places, wharves, docks, and levees, and to control and regulate the use
20 thereof;

21 (26) To control, regulate, or prohibit the anchorage, moorage, and
22 landing of all watercrafts and their cargoes within the jurisdiction of
23 the corporation;

24 (27) To fix the rates of wharfage and dockage, and to provide for
25 the collection thereof, and to provide for the imposition and
26 collection of such harbor fees as may be consistent with the laws of
27 the United States;

28 (28) To license, regulate, control, or restrain wharf boats, tugs,
29 and other boats used about the harbor or within such jurisdiction;

1 (29) To require the owners of public halls or other buildings to
2 provide suitable means of exit; to provide for the prevention and
3 abatement of nuisances, for the cleaning and purification of
4 watercourses and canals, for the drainage and filling up of ponds on
5 private property within its limits, when the same shall be offensive to
6 the senses or dangerous to health; to regulate and control, and to
7 prevent and punish, the defilement or pollution of all streams running
8 through or into its corporate limits, and for the distance of five
9 miles beyond its corporate limits, and on any stream or lake from which
10 the water supply of said city is taken, for a distance of five miles
11 beyond its source of supply; to provide for the cleaning of areas,
12 vaults, and other places within its corporate limits which may be so
13 kept as to become offensive to the senses or dangerous to health, and
14 to make all such quarantine or other regulations as may be necessary
15 for the preservation of the public health, and to remove all persons
16 afflicted with any infectious or contagious disease to some suitable
17 place to be provided for that purpose;

18 (30) To declare what shall be a nuisance, and to abate the same,
19 and to impose fines upon parties who may create, continue, or suffer
20 nuisances to exist;

21 (31) To regulate the selling or giving away of intoxicating, malt,
22 vinous, mixed, or fermented liquors as authorized by the general laws
23 of the state: PROVIDED, That no license shall be granted to any person
24 or persons who shall not first comply with the general laws of the
25 state in force at the time the same is granted;

26 (32) To grant licenses for any lawful purpose, and to fix by
27 ordinance the amount to be paid therefor, and to provide for revoking
28 the same: PROVIDED, That no license shall be granted to continue for
29 longer than one year from the date thereof;

1 (33) To regulate the carrying on within its corporate limits of all
2 occupations which are of such a nature as to affect the public health
3 or the good order of said city, or to disturb the public peace, and
4 which are not prohibited by law, and to provide for the punishment of
5 all persons violating such regulations, and of all persons who
6 knowingly permit the same to be violated in any building or upon any
7 premises owned or controlled by them;

8 (34) To restrain and provide for the punishment of vagrants,
9 mendicants, prostitutes, and other disorderly persons;

10 (35) To provide for the punishment of all disorderly conduct, and
11 of all practices dangerous to public health or safety, and to make all
12 regulations necessary for the preservation of public morality, health,
13 peace, and good order within its limits, and to provide for the arrest,
14 trial, and punishment of all persons charged with violating any of the
15 ordinances of said city. The punishment shall not exceed a fine of
16 five thousand dollars or imprisonment in the city jail for one year, or
17 both such fine and imprisonment. Such cities alternatively may provide
18 that violations of ordinances constitute a civil violation subject to
19 monetary penalties;

20 (36) To project or extend its streets over and across any tidelands
21 within its corporate limits, and along or across the harbor areas of
22 such city, in such manner as will best promote the interests of
23 commerce;

24 (37) To provide in their respective charters for a method to
25 propose and adopt amendments thereto.

26 **Sec. 8.** RCW 35.23.440 and 1986 c 278 s 4 are each amended to read
27 as follows:

28 The city council of each second class city shall have power and
29 authority:

1 (1) Ordinances: To make and pass all ordinances, orders, and
2 resolutions not repugnant to the Constitution of the United States or
3 the state of Washington, or the provisions of this title, necessary for
4 the municipal government and management of the affairs of the city, for
5 the execution of the powers vested in said body corporate, and for the
6 carrying into effect of the provisions of this title.

7 (2) License of shows: To fix and collect a license tax, for the
8 purposes of revenue and regulation, on theatres, melodeons, balls,
9 concerts, dances, theatrical, circus, or other performances, and all
10 performances where an admission fee is charged, or which may be held in
11 any house or place where wines or liquors are sold to the
12 participators; also all shows, billiard tables, pool tables, bowling
13 alleys, exhibitions, or amusements.

14 (3) Hotels, etc., licenses: To fix and collect a license tax for
15 the purposes of revenue and regulation on and to regulate all taverns,
16 hotels, restaurants, banks, brokers, manufactories, livery stables,
17 express companies and persons engaged in transmitting letters or
18 packages, railroad, stage, and steamboat companies or owners, whose
19 principal place of business is in such city, or who have an agency
20 therein.

21 (4) Peddlers', etc., licenses: To license, for the purposes of
22 revenue and regulation, tax, prohibit, suppress, and regulate all
23 raffles, hawkers, peddlers, pawnbrokers, refreshment or coffee stands,
24 booths, or sheds; and to regulate as authorized by state law all
25 tippling houses, dram shops, saloons, bars, and barrooms.

26 (5) Dance houses: To prohibit or suppress, or to license and
27 regulate all dance houses, fandango houses, or any exhibition or show
28 of any animal or animals.

29 (6) License vehicles: To license for the purposes of revenue and
30 regulation, and to tax hackney coaches, cabs, omnibuses, drays, market

1 wagons, and all other vehicles used for hire, and to regulate their
2 stands, and to fix the rates to be charged for the transportation of
3 persons, baggage, and property.

4 (7) Hotel runners: To license or suppress runners for steamboats,
5 taverns, or hotels.

6 (8) License generally: To fix and collect a license tax for the
7 purposes of revenue and regulation, upon all occupations and trades,
8 and all and every kind of business authorized by law not heretofore
9 specified: PROVIDED, That on any business, trade, or calling not
10 provided by law to be licensed for state and county purposes, the
11 amount of license shall be fixed at the discretion of the city council,
12 as they may deem the interests and good order of the city may require.

13 (9) Riots: To prevent and restrain any riot or riotous
14 assemblages, disturbance of the peace, or disorderly conduct in any
15 place, house, or street in the city.

16 (10) Nuisances: To declare what shall be deemed nuisances; to
17 prevent, remove, and abate nuisances at the expense of the parties
18 creating, causing, or committing or maintaining the same, and to levy
19 a special assessment on the land or premises whereon the nuisance is
20 situated to defray the cost or to reimburse the city for the cost of
21 abating the same.

22 (11) Stock pound: To establish, maintain, and regulate a common
23 pound for estrays, and to appoint a poundkeeper, who shall be paid out
24 of the fines and fees imposed and collected of the owners of any
25 animals impounded, and from no other source; to prevent and regulate
26 the running at large of any and all domestic animals within the city
27 limits or any parts thereof, and to regulate or prevent the keeping of
28 such animals within any part of the city.

29 (12) Control of certain trades: To control and regulate
30 slaughterhouses, washhouses, laundries, tanneries, forges, and

1 offensive trades, and to provide for their exclusion or removal from
2 the city limits, or from any part thereof.

3 (13) Street cleaning: To provide, by regulation, for the
4 prevention and summary removal of all filth and garbage in streets,
5 sloughs, alleys, back yards, or public grounds of such city, or
6 elsewhere therein.

7 (14) Gambling, etc.: To prohibit and suppress all gaming and all
8 gambling or disorderly houses, and houses of ill fame, and all immoral
9 and indecent amusements, exhibitions, and shows.

10 (15) Markets: To establish and regulate markets and market places.

11 (16) Speed of railroad cars: To fix and regulate the speed at
12 which any railroad cars, streetcars, automobiles, or other vehicles may
13 run within the city limits, or any portion thereof.

14 (17) City commons: To provide for and regulate the commons of the
15 city.

16 (18) Fast driving: To regulate or prohibit fast driving or riding
17 in any portion of the city.

18 (19) Combustibles: To regulate or prohibit the loading or storage
19 of gunpowder and combustible or explosive materials in the city, or
20 transporting the same through its streets or over its waters.

21 (20) Property: To have, purchase, hold, use, and enjoy property of
22 every name or kind whatsoever, and to sell, lease, transfer, mortgage,
23 convey, control, or improve the same; to build, erect, or construct
24 houses, buildings, or structures of any kind needful for the use or
25 purposes of such city.

26 (21) Fire department: To establish, continue, regulate, and
27 maintain a fire department for such city, to change or reorganize the
28 same, and to disband any company or companies of the said department;
29 also, to discontinue and disband said fire department, and to create,
30 organize, establish, and maintain a paid fire department for such city.

1 (22) Water supply: To adopt, enter into, and carry out means for
2 securing a supply of water for the use of such city or its inhabitants,
3 or for irrigation purposes therein.

4 (23) Overflow of water: To prevent the overflow of the city or to
5 secure its drainage, and to assess the cost thereof to the property
6 benefited.

7 (24) House numbers: To provide for the numbering of houses.

8 (25) Health board: To establish a board of health; to prevent the
9 introduction and spread of disease; to establish a city infirmary and
10 to provide for the indigent sick; and to provide and enforce
11 regulations for the protection of health, cleanliness, peace, and good
12 order of the city; to establish and maintain hospitals within or
13 without the city limits; to control and regulate interments and to
14 prohibit them within the city limits.

15 (26) Harbors and wharves: To build, alter, improve, keep in
16 repair, and control the waterfront; to erect, regulate, and repair
17 wharves, and to fix the rate of wharfage and transit of wharf, and levy
18 dues upon vessels and commodities; and to provide for the regulation of
19 berths, landing, stationing, and removing steamboats, sail vessels,
20 rafts, barges, and all other watercraft; to fix the rate of speed at
21 which steamboats and other steam watercraft may run along the
22 waterfront of the city; to build bridges so as not to interfere with
23 navigation; to provide for the removal of obstructions to the
24 navigation of any channel or watercourses or channels.

25 (27) License of steamers: To license steamers, boats, and vessels
26 used in any watercourse in the city, and to fix and collect a license
27 tax thereon.

28 (28) Ferry licenses: To license ferries and toll bridges under the
29 law regulating the granting of such license.

1 (29) Penalty for violation of ordinances: To provide that
2 violations of ordinances constitute a civil violation subject to
3 monetary penalties or to determine and impose fines for forfeitures and
4 penalties that shall be incurred for the breach or violation of any
5 city ordinance, notwithstanding that the act constituting a violation
6 of any such ordinance may also be punishable under the state laws, and
7 also for a violation of the provisions of this chapter, when no penalty
8 is affixed thereto or provided by law, and to appropriate all such
9 fines, penalties, and forfeitures for the benefit of the city; but no
10 penalty to be enforced shall exceed for any offense the amount of five
11 thousand dollars or imprisonment for one year, or both; and every
12 violation of any lawful order, regulation, or ordinance of the city
13 council of such city is hereby declared a misdemeanor or public
14 offense, and all prosecutions for the same may be in the name of the
15 state of Washington: PROVIDED, That violation of an order, regulation,
16 or ordinance relating to traffic including parking, standing, stopping,
17 and pedestrian offenses is a traffic infraction, except that violation
18 of an order, regulation, or ordinance equivalent to those provisions of
19 Title 46 RCW set forth in RCW 46.63.020 remains a misdemeanor.

20 (30) Police department: To create and establish a city police; to
21 prescribe their duties and their compensation; and to provide for the
22 regulation and government of the same.

23 (31) Elections: To provide for conducting elections and
24 establishing election precincts when necessary, to be as near as may be
25 in conformity with the state law.

26 (32) Examine official accounts: To examine, either in open session
27 or by committee, the accounts or doings of all officers or other
28 persons having the care, management, or disposition of moneys,
29 property, or business of the city.

1 (33) Contracts: To make all appropriations, contracts, or
2 agreements for the use or benefit of the city and in the city's name.

3 (34) Streets and sidewalks: To provide by ordinance for the
4 opening, laying out, altering, extending, repairing, grading, paving,
5 planking, graveling, macadamizing, or otherwise improving of public
6 streets, avenues, and other public ways, or any portion of any thereof;
7 and for the construction, regulation, and repair of sidewalks and other
8 street improvements, all at the expense of the property to be benefited
9 thereby, without any recourse, in any event, upon the city for any
10 portion of the expense of such work, or any delinquency of the property
11 holders or owners, and to provide for the forced sale thereof for such
12 purposes; to establish a uniform grade for streets, avenues, sidewalks,
13 and squares, and to enforce the observance thereof.

14 (35) Waterways: To clear, cleanse, alter, straighten, widen, fill
15 up, or close any waterway, drain, or sewer, or any watercourse in such
16 city when not declared by law to be navigable, and to assess the
17 expense thereof, in whole or in part, to the property specially
18 benefited.

19 (36) Sewerage: To adopt, provide for, establish, and maintain a
20 general system of sewerage, draining, or both, and the regulation
21 thereof; to provide funds by local assessments on the property
22 benefited for the purpose aforesaid and to determine the manner, terms,
23 and place of connection with main or central lines of pipes, sewers, or
24 drains established, and compel compliance with and conformity to such
25 general system of sewerage or drainage, or both, and the regulations of
26 said council thereto relating, by the infliction of suitable penalties
27 and forfeitures against persons and property, or either, for
28 nonconformity to, or failure to comply with the provisions of such
29 system and regulations or either.

1 (37) Buildings and parks: To provide for all public buildings,
2 public parks, or squares, necessary or proper for the use of the city.

3 (38) Franchises: To permit the use of the streets for railroad or
4 other public service purposes.

5 (39) Payment of judgments: To order paid any final judgment
6 against such city, but none of its lands or property of any kind or
7 nature, taxes, revenue, franchise, or rights, or interest, shall be
8 attached, levied upon, or sold in or under any process whatsoever.

9 (40) Weighing of fuel: To regulate the sale of coal and wood in
10 such city, and may appoint a measurer of wood and weigher of coal for
11 the city, and define his duties, and may prescribe his term of office,
12 and the fees he shall receive for his services: PROVIDED, That such
13 fees shall in all cases be paid by the parties requiring such service.

14 (41) Hospitals, etc.: To erect and establish hospitals and
15 pesthouses and to control and regulate the same.

16 (42) Waterworks: To provide for the erection, purchase, or
17 otherwise acquiring of waterworks within or without the corporate
18 limits of the city to supply such city and its inhabitants with water,
19 and to regulate and control the use and price of the water so supplied.

20 (43) City lights: To provide for lighting the streets and all
21 public places of the city and for furnishing the inhabitants of the
22 city with gas, electric, or other light, and for the ownership,
23 purchase or acquisition, construction, or maintenance of such works as
24 may be necessary or convenient therefor: PROVIDED, That no purchase of
25 any such water plant or light plant shall be made without first
26 submitting the question of such purchase to the electors of the city.

27 (44) Parks: To acquire by purchase or otherwise land for public
28 parks, within or without the limits of the city, and to improve the
29 same.

1 (45) Bridges: To construct and keep in repair bridges, and to
2 regulate the use thereof.

3 (46) Power of eminent domain: In the name of and for the use and
4 benefit of the city, to exercise the right of eminent domain, and to
5 condemn lands and property for the purposes of streets, alleys, parks,
6 public grounds, waterworks, or for any other municipal purpose and to
7 acquire by purchase or otherwise such lands and property as may be
8 deemed necessary for any of the corporate uses provided for by this
9 title, as the interests of the city may from time to time require.

10 (47) To provide for the assessment of taxes: To provide for the
11 assessment, levying, and collecting of taxes on real and personal
12 property for the corporate uses and purposes of the city and to provide
13 for the payment of the debts and expenses of the corporation.

14 (48) Local improvements: To provide for making local improvements,
15 and to levy and collect special assessments on the property benefited
16 thereby and for paying the same or any portion thereof; to determine
17 what work shall be done or improvements made, at the expense, in whole
18 or in part, of the adjoining, contiguous, or proximate property, and to
19 provide for the manner of making and collecting assessments therefor.

20 (49) Cemeteries: To regulate the burial of the dead and to
21 establish and regulate cemeteries, within or without the corporate
22 limits, and to acquire lands therefor by purchase or otherwise.

23 (50) Fire limits: To establish fire limits with proper regulations
24 and to make all needful regulations for the erection and maintenance of
25 buildings or other structures within the corporate limits as safety of
26 persons or property may require, and to cause all such buildings and
27 places as may from any cause be in a dangerous state to be put in a
28 safe condition; to regulate the manner in which stone, brick, and other
29 buildings, party walls, and partition fences shall be constructed and
30 maintained.

1 (51) Safety and sanitary measures: To require the owners of public
2 halls, theaters, hotels, and other buildings to provide suitable means
3 of exit and proper fire escapes; to provide for the cleaning and
4 purification of watercourses and canals and for the draining and
5 filling up of ponds on private property within its limits when the same
6 shall be offensive to the senses or dangerous to the health, and to
7 charge the expense thereof to the property specially benefited, and to
8 regulate and control and provide for the prevention and punishment of
9 the defilement or pollution of all streams running in or through its
10 corporate limits and a distance of five miles beyond its corporate
11 limits, and of any stream or lake from which the water supply of the
12 city is or may be taken and for a distance of five miles beyond its
13 source of supply, and to make all quarantine and other regulations as
14 may be necessary for the preservation of the public health and to
15 remove all persons afflicted with any contagious disease to some
16 suitable place to be provided for that purpose.

17 (52) To regulate liquor traffic: To regulate the selling or giving
18 away of intoxicating, spirituous, malt, vinous, mixed, or fermented
19 liquors as authorized by the general laws of the state.

20 (53) To establish streets on tidelands: To project or extend or
21 establish streets over and across any tidelands within the limits of
22 such city.

23 (54) To provide for the general welfare.

24 Any tax imposed by this section is a tax for municipal purposes
25 under Article XI, section 12 of the state Constitution, and the lawful
26 expenditure of the receipts from such tax by the municipality for
27 municipal purposes may not be limited, nor may specific expenditure
28 levels of such receipts be mandated, by the legislature or any state
29 agency.

1 **Sec. 9.** RCW 35.24.290 and 1986 c 278 s 5 are each amended to read
2 as follows:

3 The city council of each third class city shall have power:

4 (1) To pass ordinances not in conflict with the Constitution and
5 laws of this state or of the United States;

6 (2) To prevent and regulate the running at large of any or all
7 domestic animals within the city limits or any part thereof and to
8 cause the impounding and sale of any such animals;

9 (3) To establish, build and repair bridges, to establish, lay out,
10 alter, keep open, open, widen, vacate, improve and repair streets,
11 sidewalks, alleys, squares and other public highways and places within
12 the city, and to drain, sprinkle and light the same; to remove all
13 obstructions therefrom; to establish and reestablish the grades
14 thereof; to grade, plank, pave, macadamize, gravel and curb the same,
15 in whole or in part; to construct gutters, culverts, sidewalks and
16 crosswalks therein or upon any part thereof; to cultivate and maintain
17 parking strips therein, and generally to manage and control all such
18 highways and places; to provide by local assessment for the leveling up
19 and surfacing and oiling or otherwise treating for the laying of dust,
20 all streets within the city limits;

21 (4) To establish, construct and maintain drains and sewers, and
22 shall have power to compel all property owners on streets and alleys or
23 within two hundred feet thereof along which sewers shall have been
24 constructed to make proper connections therewith and to use the same
25 for proper purposes, and in case the owners of the property on such
26 streets and alleys or within two hundred feet thereof fail to make such
27 connections within the time fixed by such council, it may cause such
28 connections to be made and assess against the property served thereby
29 the costs and expenses thereof;

1 (5) To provide fire engines and all other necessary or proper
2 apparatus for the prevention and extinguishment of fires;

3 (6) To impose and collect an annual license on every dog within the
4 limits of the city, to prohibit dogs running at large and to provide
5 for the killing of all dogs not duly licensed found at large;

6 (7) To license, for the purposes of regulation and revenue, all and
7 every kind of business authorized by law, and transacted and carried on
8 in such city, and all shows, exhibitions and lawful games carried on
9 therein and within one mile of the corporate limits thereof, to fix the
10 rate of license tax upon the same, and to provide for the collection of
11 the same by suit or otherwise. The tax imposed by this section is a
12 tax for municipal purposes under Article XI, section 12 of the state
13 Constitution, and the lawful expenditure of the receipts from this tax
14 by the municipality for municipal purposes may not be limited, nor may
15 specific expenditure levels of such receipts be mandated, by the
16 legislature or any state agency;

17 (8) To improve rivers and streams flowing through such city, or
18 adjoining the same; to widen, straighten and deepen the channel
19 thereof, and remove obstructions therefrom; to improve the water-front
20 of the city, and to construct and maintain embankments and other works
21 to protect such city from overflow; to prevent the filling of the water
22 of any bay, except such filling over tide or shorelands as may be
23 provided for by order of the city council; to purify and prevent the
24 pollution of streams of water, lakes or other sources of supply, and
25 for this purpose shall have jurisdiction over all streams, lakes or
26 other sources of supply, both within and without the city limits. Such
27 city shall have power to provide by ordinance and to enforce such
28 punishment or penalty as the city council may deem proper for the
29 offense of polluting or in any manner obstructing or interfering with
30 the water supply of such city or source thereof;

1 (9) To erect and maintain buildings for municipal purposes;

2 (10) To permit, under such restrictions as it may deem proper, and
3 to grant franchises for, the laying of railroad tracks, and the running
4 of cars propelled by electric, steam or other power thereon, and the
5 laying of gas and water pipes and steam mains and conduits for
6 underground wires, and to permit the construction of tunnels or subways
7 in the public streets, and to construct and maintain and to permit the
8 construction and maintenance of telegraph, telephone and electric lines
9 therein;

10 (11) In its discretion to divide the city by ordinance, into a
11 convenient number of wards, not exceeding six, to fix the boundaries
12 thereof, and to change the same from time to time: PROVIDED, That no
13 change in the boundaries of any ward shall be made within sixty days
14 next before the date of a general municipal election, nor within twenty
15 months after the wards have been established or altered. Whenever such
16 city is so divided into wards, the city council shall designate by
17 ordinance the number of councilmen to be elected from each ward,
18 apportioning the same in proportion to the population of the wards.
19 Thereafter the councilmen so designated shall be elected by the
20 qualified electors resident in such ward, or by general vote of the
21 whole city as may be designated in such ordinance. When additional
22 territory is added to the city it may by act of the council, be annexed
23 to contiguous wards without affecting the right to redistrict at the
24 expiration of twenty months after last previous division. The removal
25 of a councilman from the ward for which he was elected shall create a
26 vacancy in such office;

27 (12) To impose fines, penalties and forfeitures for any and all
28 violations of ordinances, and for any breach or violation of any
29 ordinance to fix the penalty by fine or imprisonment, or both, but no
30 such fine shall exceed five thousand dollars nor the term of such

1 imprisonment exceed the term of one year; or to provide that violations
2 of ordinances constitute a civil violation subject to monetary penalty;

3 (13) To establish fire limits, with proper regulations;

4 (14) To establish and maintain a free public library;

5 (15) To establish and regulate public markets and market places;

6 (16) To punish the keepers and inmates and lessors of houses of ill
7 fame, gamblers and keepers of gambling tables, patrons thereof or those
8 found loitering about such houses and places;

9 (17) To make all such ordinances, bylaws, rules, regulations and
10 resolutions, not inconsistent with the Constitution and laws of the
11 state of Washington, as may be deemed expedient to maintain the peace,
12 good government and welfare of the corporation and its trade, commerce
13 and manufactures, and to do and perform any and all other acts and
14 things necessary or proper to carry out the provisions of this chapter,
15 and to enact and enforce within the limits of such city all other
16 local, police, sanitary and other regulations as do not conflict with
17 general laws;

18 (18) To license steamers, boats and vessels used in any bay or
19 other watercourse in the city and to fix and collect such license; to
20 provide for the regulation of berths, landings, and stations, and for
21 the removing of steamboats, sail boats, sail vessels, rafts, barges and
22 other watercraft; to provide for the removal of obstructions to
23 navigation and of structures dangerous to navigation or to other
24 property, in or adjoining the waterfront, except in municipalities in
25 counties in which there is a city of the first class.

26 **Sec. 10.** RCW 35.27.370 and 1986 c 278 s 6 are each amended to read
27 as follows:

28 The council of said town shall have power:

1 (1) To pass ordinances not in conflict with the Constitution and
2 laws of this state, or of the United States;

3 (2) To purchase, lease or receive such real estate and personal
4 property as may be necessary or proper for municipal purposes, and to
5 control, dispose of and convey the same for the benefit of the town; to
6 acquire, own, and hold real estate for cemetery purposes either within
7 or without the corporate limits, to sell and dispose of such real
8 estate, to plat or replat such real estate into cemetery lots and to
9 sell and dispose of any and all lots therein, and to operate, improve
10 and maintain the same as a cemetery;

11 (3) To contract for supplying the town with water for municipal
12 purposes, or to acquire, construct, repair and manage pumps, aqueducts,
13 reservoirs, or other works necessary or proper for supplying water for
14 use of such town or its inhabitants, or for irrigating purposes
15 therein;

16 (4) To establish, build and repair bridges, to establish, lay out,
17 alter, widen, extend, keep open, improve, and repair streets,
18 sidewalks, alleys, squares and other public highways and places within
19 the town, and to drain, sprinkle and light the same; to remove all
20 obstructions therefrom; to establish the grades thereof; to grade,
21 pave, plank, macadamize, gravel and curb the same, in whole or in part,
22 and to construct gutters, culverts, sidewalks and crosswalks therein,
23 or on any part thereof; to cause to be planted, set out and cultivated
24 trees therein, and generally to manage and control all such highways
25 and places;

26 (5) To establish, construct and maintain drains and sewers, and
27 shall have power to compel all property owners on streets along which
28 sewers are constructed to make proper connections therewith, and to use
29 the same for proper purposes when such property is improved by the
30 erection thereon of a building or buildings; and in case the owners of

1 such improved property on such streets shall fail to make such
2 connections within the time fixed by such council, they may cause such
3 connections to be made, and to assess against the property in front of
4 which such connections are made the costs and expenses thereof;

5 (6) To provide fire engines and all other necessary or proper
6 apparatus for the prevention and extinguishment of fires;

7 (7) To impose and collect an annual license on every dog within the
8 limits of the town, to prohibit dogs running at large, and to provide
9 for the killing of all dogs found at large and not duly licensed;

10 (8) To levy and collect annually a property tax, for the payment of
11 current expenses and for the payment of indebtedness (if any
12 indebtedness exists) within the limits authorized by law;

13 (9) To license, for purposes of regulation and revenue, all and
14 every kind of business, authorized by law and transacted and carried on
15 in such town; and all shows, exhibitions and lawful games carried on
16 therein and within one mile of the corporate limits thereof; to fix the
17 rate of license tax upon the same, and to provide for the collection of
18 the same, by suit or otherwise; to regulate, restrain, or prohibit the
19 running at large of any and all domestic animals within the city
20 limits, or any part or parts thereof, and to regulate the keeping of
21 such animals within any part of the city; to establish, maintain and
22 regulate a common pound for estrays, and to appoint a poundkeeper, who
23 shall be paid out of the fines and fees imposed on, and collected from,
24 the owners of any impounded stock;

25 (10) To improve the rivers and streams flowing through such town or
26 adjoining the same; to widen, straighten and deepen the channels
27 thereof, and to remove obstructions therefrom; to prevent the pollution
28 of streams or water running through such town, and for this purpose
29 shall have jurisdiction for two miles in either direction; to improve

1 the waterfront of the town, and to construct and maintain embankments
2 and other works to protect such town from overflow;

3 (11) To erect and maintain buildings for municipal purposes;

4 (12) To grant franchises or permits to use and occupy the surface,
5 the overhead and the underground of streets, alleys and other public
6 ways, under such terms and conditions as it shall deem fit, for any and
7 all purposes, including but not being limited to the construction,
8 maintenance and operation of railroads, street railways, transportation
9 systems, water, gas and steam systems, telephone and telegraph systems,
10 electric lines, signal systems, surface, aerial and underground
11 tramways;

12 (13) To punish the keepers and inmates and lessors of houses of ill
13 fame, and keepers and lessors of gambling houses and rooms and other
14 places where gambling is carried on or permitted, gamblers and keepers
15 of gambling tables;

16 (14) To impose fines, penalties and forfeitures for any and all
17 violations of ordinances, and for any breach or violation of any
18 ordinance, to fix the penalty by fine or imprisonment, or both; but no
19 such fine shall exceed five thousand dollars, nor the term of
20 imprisonment exceed one year; or to provide that violations of
21 ordinances constitute a civil violation subject to a monetary penalty;

22 (15) To operate ambulance service which may serve the town and
23 surrounding rural areas and, in the discretion of the council, to make
24 a charge for such service;

25 (16) To make all such ordinances, bylaws, rules, regulations and
26 resolutions not inconsistent with the Constitution and laws of the
27 state of Washington, as may be deemed expedient to maintain the peace,
28 good government and welfare of the town and its trade, commerce and
29 manufacturers, and to do and perform any and all other acts and things
30 necessary or proper to carry out the provisions of this chapter.

1 Any tax imposed by this section is a tax for municipal purposes
2 under Article XI, section 12 of the state Constitution, and the lawful
3 expenditure of the receipts from such tax by the municipality for
4 municipal purposes may not be limited, nor may specific expenditure
5 levels of such receipts be mandated, by the legislature or any state
6 agency.

7 **Sec. 11.** RCW 35A.82.020 and 1967 ex.s. c 119 s 35A.82.020 are each
8 amended to read as follows:

9 A code city may exercise the authority authorized by general law
10 for any class of city to license and revoke the same for cause, to
11 regulate, make inspections and to impose excises for regulation or
12 revenue in regard to all places and kinds of business, production,
13 commerce, entertainment, exhibition, and upon all occupations, trades
14 and professions and any other lawful activity: PROVIDED, That no
15 license or permit to engage in any such activity or place shall be
16 granted to any who shall not first comply with the general laws of the
17 state.

18 No such license shall be granted to continue for longer than a
19 period of one year from the date thereof and no license or excise shall
20 be required where the same shall have been preempted by the state, nor
21 where exempted by the state, including, but not limited to, the
22 provisions of RCW 36.71.090 and chapter 73.04 RCW relating to veterans.

23 The tax imposed by this section is a tax for municipal purposes
24 under Article XI, section 12 of the state Constitution, and the lawful
25 expenditure of the receipts from this tax by the municipality for
26 municipal purposes may not be limited, nor may specific expenditure
27 levels of such receipts be mandated, by the legislature or any state
28 agency.

1 **Sec. 12.** RCW 36.38.010 and 1963 c 4 s 36.38.010 are each amended
2 to read as follows:

3 Any county may by ordinance enacted by its board of county
4 commissioners, levy and fix a tax of not more than one cent on twenty
5 cents or fraction thereof to be paid for county purposes by persons who
6 pay an admission charge to any place, including a tax on persons who
7 are admitted free of charge or at reduced rates to any place for which
8 other persons pay a charge or a regular higher charge for the same or
9 similar privileges or accommodations; and require that one who receives
10 any admission charge to any place shall collect and remit the tax to
11 the county treasurer of the county: PROVIDED, no county shall impose
12 such tax on persons paying an admission to any activity of any
13 elementary or secondary school.

14 As used in this chapter, the term "admission charge" includes a
15 charge made for season tickets or subscriptions, a cover charge, or a
16 charge made for use of seats and tables, reserved or otherwise, and
17 other similar accommodations; a charge made for food and refreshments
18 in any place where any free entertainment, recreation, or amusement is
19 provided; a charge made for rental or use of equipment or facilities
20 for purpose of recreation or amusement, and where the rental of the
21 equipment or facilities is necessary to the enjoyment of a privilege
22 for which a general admission is charged, the combined charges shall be
23 considered as the admission charge. It shall also include any
24 automobile parking charge where the amount of such charge is determined
25 according to the number of passengers in any automobile.

26 The tax herein authorized shall not be exclusive and shall not
27 prevent any city or town within the taxing county, when authorized by
28 law, from imposing within its corporate limits a tax of the same or
29 similar kind: PROVIDED, That whenever the same or similar kind of tax
30 is imposed by any such city or town, no such tax shall be levied within

1 the corporate limits of such city or town by the board of county
2 commissioners.

3 The tax imposed by this section is a tax for county purposes under
4 Article XI, section 12 of the state Constitution, and the lawful
5 expenditure of the receipts from this tax by the county for county
6 purposes may not be limited, nor may specific expenditure levels of
7 such receipts be mandated, by the legislature or any state agency.

8 **Sec. 13.** RCW 82.14.030 and 1989 c 384 s 6 are each amended to read
9 as follows:

10 (1) The governing body of any county or city while not required by
11 legislative mandate to do so, may, by resolution or ordinance for the
12 purposes authorized by this chapter, fix and impose a sales and use tax
13 in accordance with the terms of this chapter. Such tax shall be
14 collected from those persons who are taxable by the state pursuant to
15 chapters 82.08 and 82.12 RCW, upon the occurrence of any taxable event
16 within the county or city as the case may be: PROVIDED, That except as
17 provided in RCW 82.14.230, this sales and use tax shall not apply to
18 natural or manufactured gas. The rate of such tax imposed by a county
19 shall be five-tenths of one percent of the selling price (in the case
20 of a sales tax) or value of the article used (in the case of a use
21 tax). The rate of such tax imposed by a city shall not exceed five-
22 tenths of one percent of the selling price (in the case of a sales tax)
23 or value of the article used (in the case of a use tax): PROVIDED,
24 HOWEVER, That in the event a county shall impose a sales and use tax
25 under this subsection, the rate of such tax imposed under this
26 subsection by any city therein shall not exceed four hundred and
27 twenty-five one-thousandths of one percent.

28 (2) Subject to the enactment into law of the 1982 amendment to RCW
29 82.02.020 by section 5, chapter 49, Laws of 1982 1st ex. sess., in

1 addition to the tax authorized in subsection (1) of this section, the
2 governing body of any county or city may by resolution or ordinance
3 impose an additional sales and use tax in accordance with the terms of
4 this chapter. Such additional tax shall be collected upon the same
5 taxable events upon which the tax imposed under subsection (1) of this
6 section is levied. The rate of such additional tax imposed by a county
7 shall be up to five-tenths of one percent of the selling price (in the
8 case of a sales tax) or value of the article used (in the case of a use
9 tax). The rate of such additional tax imposed by a city shall be up to
10 five-tenths of one percent of the selling price (in the case of a sales
11 tax) or value of the article used (in the case of a use tax): PROVIDED
12 HOWEVER, That in the event a county shall impose a sales and use tax
13 under this subsection at a rate equal to or greater than the rate
14 imposed under this subsection by a city within the county, the county
15 shall receive fifteen percent of the city tax: PROVIDED FURTHER, That
16 in the event that the county shall impose a sales and use tax under
17 this subsection at a rate which is less than the rate imposed under
18 this subsection by a city within the county, the county shall receive
19 that amount of revenues from the city tax equal to fifteen percent of
20 the rate of tax imposed by the county under this subsection. The
21 authority to impose a tax under this subsection is intended in part to
22 compensate local government for any losses from the phase-out of the
23 property tax on business inventories.

24 (3) The tax imposed by this section is a tax for county or
25 municipal purposes under Article XI, section 12 of the state
26 Constitution, and the lawful expenditure of the receipts from this tax
27 by the county or municipality for county or municipal purposes may not
28 be limited, nor may specific expenditure levels of such receipts be
29 mandated, by the legislature or any state agency.

1 **Sec. 14.** RCW 82.29A.080 and 1985 c 57 s 84 are each amended to
2 read as follows:

3 The counties and cities shall contract, prior to the effective date
4 of an ordinance imposing a leasehold excise tax, with the department of
5 revenue for administration and collection. The department of revenue
6 shall deduct a percentage amount, as provided by such contract, not to
7 exceed two percent of the taxes collected, for administration and
8 collection expenses incurred by the department. The remainder of any
9 portion of any tax authorized by RCW 82.29A.040 which is collected by
10 the department of revenue shall be deposited by the state department of
11 revenue in the local leasehold excise tax account hereby created in the
12 state treasury. Moneys in the local leasehold excise tax account may
13 be spent only for distribution to counties and cities imposing a
14 leasehold excise tax.

15 The tax imposed by this section is a tax for county or municipal
16 purposes under Article XI, section 12 of the state Constitution, and
17 the lawful expenditure of the receipts from this tax by the county or
18 municipality for county or municipal purposes may not be limited, nor
19 may specific expenditure levels of such receipts be mandated, by the
20 legislature or any state agency.

21 **Sec. 15.** RCW 82.46.030 and 1990 1st ex.s. c 17 s 37 are each
22 amended to read as follows:

23 (1) The county treasurer shall place one percent of the proceeds of
24 the taxes imposed under RCW 82.46.010 in the county current expense
25 fund to defray costs of collection.

26 (2) The remaining proceeds from the county tax under RCW
27 82.46.010(1) shall be placed in a county capital improvements fund.
28 The remaining proceeds from city or town taxes under RCW 82.46.010(1)

1 shall be distributed to the respective cities and towns monthly and
2 placed by the city treasurer in a municipal capital improvements fund.

3 The tax imposed by this section is a tax for county or municipal
4 purposes under Article XI, section 12 of the state Constitution, and
5 the lawful expenditure of the receipts from this tax by the county or
6 municipality for county or municipal purposes may not be limited, nor
7 may specific expenditure levels of such receipts be mandated, by the
8 legislature or any state agency.

9 (3) This section does not limit the existing authority of any city,
10 town, or county to impose special assessments on property specially
11 benefited thereby in the manner prescribed by law.

12 **Sec. 16.** RCW 84.33.081 and 1985 c 184 s 1 are each amended to read
13 as follows:

14 (1) On the last business day of the second month of each calendar
15 quarter, the state treasurer shall distribute from the timber tax
16 distribution account to each county the amount of tax collected on
17 behalf of each county under RCW 84.33.051, less each county's
18 proportionate share of appropriations for collection and administration
19 activities under RCW 84.33.051, and shall transfer to the state general
20 fund the amount of tax collected on behalf of the state under RCW
21 84.33.041, less the state's proportionate share of appropriations for
22 collection and administration activities under RCW 84.33.041. The
23 county treasurer shall deposit moneys received under this section in a
24 county timber tax account which shall be established by each county.
25 Following receipt of moneys under this section, the county treasurer
26 shall make distributions from any moneys available in the county timber
27 tax account to taxing districts in the county, except the state, under
28 subsections (2) through (4) of this section.

1 (2) From moneys available, there first shall be a distribution to
2 each taxing district having debt service payments due during the
3 calendar year, based upon bonds issued under authority of a vote of the
4 people conducted pursuant to RCW 84.52.056 and based upon excess levies
5 for a capital project fund authorized pursuant to RCW 84.52.053, of an
6 amount equal to the timber assessed value of the district multiplied by
7 the tax rate levied for payment of the debt service and capital
8 projects: PROVIDED, That in respect to levies for a debt service or
9 capital project fund authorized before July 1, 1984, the amount
10 allocated shall not be less than an amount equal to the same percentage
11 of such debt service or capital project fund represented by timber tax
12 allocations to such payments in calendar year 1984. Distribution under
13 this subsection (2) shall be used only for debt service and capital
14 projects payments. The distribution under this subsection shall be
15 made as follows: One-half of such amount shall be distributed in the
16 first quarter of the year and one-half shall be distributed in the
17 third quarter of the year.

18 (3) From the moneys remaining after the distributions under
19 subsection (2) of this section, the county treasurer shall distribute
20 to each school district an amount equal to one-half of the timber
21 assessed value of the district or eighty percent of the timber roll of
22 such district in calendar year 1983 as determined under this chapter,
23 whichever is greater, multiplied by the tax rate, if any, levied by the
24 district under RCW 84.52.052 or 84.52.053 for purposes other than debt
25 service payments and capital projects supported under subsection (2) of
26 this section. The distribution under this subsection shall be made as
27 follows: One-half of such amount shall be distributed in the first
28 quarter of the year and one-half shall be distributed in the third
29 quarter of the year.

1 (4) After the distributions directed under subsections (2) and (3)
2 of this section, if any, each taxing district shall receive an amount
3 equal to the timber assessed value of the district multiplied by the
4 tax rate, if any, levied as a regular levy of the district or as a
5 special levy not included in subsection (2) or (3) of this section.

6 (5) If there are insufficient moneys in the county timber tax
7 account to make full distribution under subsection (4) of this section,
8 the county treasurer shall multiply the amount to be distributed to
9 each taxing district under that subsection by a fraction. The
10 numerator of the fraction is the county timber tax account balance
11 before making the distribution under that subsection. The denominator
12 of the fraction is the account balance which would be required to make
13 full distribution under that subsection.

14 (6) After making the distributions under subsections (2) through
15 (4) of this section in the full amount indicated for the calendar year,
16 the county treasurer shall place any excess revenue up to twenty
17 percent of the total distributions made for the year under subsections
18 (2) through (4) of this section in a reserve status until the beginning
19 of the next calendar year. Any moneys remaining in the county timber
20 tax account after this amount is placed in reserve shall be distributed
21 to each taxing district in the county in the same proportions as the
22 distributions made under subsection (4) of this section.

23 (7) The tax imposed by this section is a tax for county or
24 municipal purposes under Article XI, section 12 of the state
25 Constitution, and the lawful expenditure of the receipts from this tax
26 by the county or municipality for county or municipal purposes may not
27 be limited, nor may specific expenditure levels of such receipts be
28 mandated, by the legislature or any state agency.

1 NEW SECTION. **Sec. 17.** A new section is added to chapter 84.52 RCW
2 to read as follows:

3 Taxes imposed on behalf of counties, cities, towns, and other
4 municipal corporations under this title are taxes for county, city,
5 town, or municipal purposes under Article XI, section 12 of the state
6 Constitution, and the lawful expenditure of the receipts from this tax
7 by the county, city, town, or municipality for county, city, town, or
8 municipal purposes may not be limited, nor may specific expenditure
9 levels of such receipts be mandated, by the legislature or any state
10 agency.