

CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 3126

Chapter 129, Laws of 2008

60th Legislature
2008 Regular Session

SALES AND USE TAX--STREAMLINING

EFFECTIVE DATE: 06/12/08

Passed by the House February 14, 2008
Yeas 94 Nays 0

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate March 7, 2008
Yeas 47 Nays 0

BRAD OWEN

President of the Senate

Approved March 25, 2008, 11:18 a.m.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 3126** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BARBARA BAKER

Chief Clerk

FILED

March 25, 2008

**Secretary of State
State of Washington**

SUBSTITUTE HOUSE BILL 3126

Passed Legislature - 2008 Regular Session

State of Washington 60th Legislature 2008 Regular Session

By House Finance (originally sponsored by Representatives Loomis, Orcutt, Hunter, McIntire, Priest, Roach, Condotta, Kelley, and Rolfes)

READ FIRST TIME 02/14/08.

1 AN ACT Relating to the interaction of the streamlined sales and use
2 tax legislation and the power of local governments to license and tax;
3 amending RCW 35.22.280, 35.23.440, 35.27.370, and 35.102.050; and
4 adding a new section to chapter 35A.21 RCW.

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

6 **Sec. 1.** RCW 35.22.280 and 1993 c 83 s 4 are each amended to read
7 as follows:

8 Any city of the first class shall have power:

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

11 (2) To provide for levying and collecting taxes on real and
12 personal property for its corporate uses and purposes, and to provide
13 for the payment of the debts and expenses of the corporation;

14 (3) To control the finances and property of the corporation, and to
15 acquire, by purchase or otherwise, such lands and other property as may
16 be necessary for any part of the corporate uses provided for by its
17 charter, and to dispose of any such property as the interests of the
18 corporation may, from time to time, require;

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

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

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

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

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

29 (9) To authorize or prohibit the locating and constructing of any
30 railroad or street railroad in any street, alley, or public place in
31 such city, and to prescribe the terms and conditions upon which any
32 such railroad or street railroad shall be located or constructed; to
33 provide for the alteration, change of grade, or removal thereof; to
34 regulate the moving and operation of railroad and street railroad
35 trains, cars, and locomotives within the corporate limits of said city;
36 and to provide by ordinance for the protection of all persons and
37 property against injury in the use of such railroads or street
38 railroads;

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

4 (11) To acquire, by purchase or otherwise, lands for public parks
5 within or without the limits of such city, and to improve the same.
6 When the language of any instrument by which any property is so
7 acquired limits the use of said property to park purposes and contains
8 a reservation of interest in favor of the grantor or any other person,
9 and where it is found that the property so acquired is not needed for
10 park purposes and that an exchange thereof for other property to be
11 dedicated for park purposes is in the public interest, the city may,
12 with the consent of the grantor or such other person, his heirs,
13 successors, or assigns, exchange such property for other property to be
14 dedicated for park purposes, and may make, execute, and deliver proper
15 conveyances to effect the exchange. In any case where, owing to death
16 or lapse of time, there is neither donor, heir, successor, or assignee
17 to give consent, this consent may be executed by the city and filed for
18 record with an affidavit setting forth all efforts made to locate
19 people entitled to give such consent together with the facts which
20 establish that no consent by such persons is attainable. Title to
21 property so conveyed by the city shall vest in the grantee free and
22 clear of any trust in favor of the public arising out of any prior
23 dedication for park purposes, but the right of the public shall be
24 transferred and preserved with like force and effect to the property
25 received by the city in such exchange;

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

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

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

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

6 (16) To establish and regulate markets, and to provide for the
7 weighing, measuring, and inspection of all articles of food and drink
8 offered for sale thereat, or at any other place within its limits, by
9 proper penalties, and to enforce the keeping of proper legal weights
10 and measures by all vendors in such city, and to provide for the
11 inspection thereof. Whenever the words "public markets" are used in
12 this chapter, and the public market is managed in whole or in part by
13 a public corporation created by a city, the words shall be construed to
14 include all real or personal property located in a district or area
15 designated by a city as a public market and traditionally devoted to
16 providing farmers, crafts vendors and other merchants with retail space
17 to market their wares to the public. Property located in such a
18 district or area need not be exclusively or primarily used for such
19 traditional public market retail activities and may include property
20 used for other public purposes including, but not limited to, the
21 provision of human services and low-income or moderate-income housing;

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

24 (18) To provide for establishing and maintaining reform schools for
25 juvenile offenders;

26 (19) To provide for the establishment and maintenance of public
27 libraries, and to appropriate, annually, such percent of all moneys
28 collected for fines, penalties, and licenses as shall be prescribed by
29 its charter, for the support of a city library, which shall, under such
30 regulations as shall be prescribed by ordinance, be open for use by the
31 public;

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

37 (21) To direct the location and construction of all buildings in
38 which any trade or occupation offensive to the senses or deleterious to

1 public health or safety shall be carried on, and to regulate the
2 management thereof; and to prohibit the erection or maintenance of such
3 buildings or structures, or the carrying on of such trade or occupation
4 within the limits of such corporation, or within the distance of two
5 miles beyond the boundaries thereof;

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

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

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

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

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

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

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

33 (29) To require the owners of public halls or other buildings to
34 provide suitable means of exit; to provide for the prevention and
35 abatement of nuisances, for the cleaning and purification of
36 watercourses and canals, for the drainage and filling up of ponds on
37 private property within its limits, when the same shall be offensive to
38 the senses or dangerous to health; to regulate and control, and to

1 prevent and punish, the defilement or pollution of all streams running
2 through or into its corporate limits, and for the distance of five
3 miles beyond its corporate limits, and on any stream or lake from which
4 the water supply of said city is taken, for a distance of five miles
5 beyond its source of supply; to provide for the cleaning of areas,
6 vaults, and other places within its corporate limits which may be so
7 kept as to become offensive to the senses or dangerous to health, and
8 to make all such quarantine or other regulations as may be necessary
9 for the preservation of the public health, and to remove all persons
10 afflicted with any infectious or contagious disease to some suitable
11 place to be provided for that purpose;

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

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

20 (32) To grant licenses for any lawful purpose, and to fix by
21 ordinance the amount to be paid therefor, and to provide for revoking
22 the same(~~(:—PROVIDED, That)~~). However, no license shall be granted to
23 continue for longer than one year from the date thereof. A city may
24 not require a business to be licensed based solely upon registration
25 under or compliance with the streamlined sales and use tax agreement;

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

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

35 (35) To provide for the punishment of all disorderly conduct, and
36 of all practices dangerous to public health or safety, and to make all
37 regulations necessary for the preservation of public morality, health,
38 peace, and good order within its limits, and to provide for the arrest,

1 trial, and punishment of all persons charged with violating any of the
2 ordinances of said city. The punishment shall not exceed a fine of
3 five thousand dollars or imprisonment in the city jail for one year, or
4 both such fine and imprisonment. The punishment for any criminal
5 ordinance shall be the same as the punishment provided in state law for
6 the same crime. Such cities alternatively may provide that violations
7 of ordinances constitute a civil violation subject to monetary
8 penalties, but no act which is a state crime may be made a civil
9 violation;

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

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

16 **Sec. 2.** RCW 35.23.440 and 1994 c 81 s 19 are each amended to read
17 as follows:

18 The city council of each second-class city shall have power and
19 authority:

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

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

33 (3) Hotels, etc., licenses: To fix and collect a license tax for
34 the purposes of revenue and regulation on and to regulate all taverns,
35 hotels, restaurants, banks, brokers, manufactories, livery stables,
36 express companies and persons engaged in transmitting letters or

1 packages, railroad, stage, and steamboat companies or owners, whose
2 principal place of business is in such city, or who have an agency
3 therein.

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

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

12 (6) License vehicles: To license for the purposes of revenue and
13 regulation, and to tax hackney coaches, cabs, omnibuses, drays, market
14 wagons, and all other vehicles used for hire, and to regulate their
15 stands, and to fix the rates to be charged for the transportation of
16 persons, baggage, and property.

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

19 (8) License generally: To fix and collect a license tax for the
20 purposes of revenue and regulation, upon all occupations and trades,
21 and all and every kind of business authorized by law not heretofore
22 specified(~~(:—PROVIDED, That)~~). However, on any business, trade, or
23 calling not provided by law to be licensed for state and county
24 purposes, the amount of license shall be fixed at the discretion of the
25 city council, as they may deem the interests and good order of the city
26 may require. A city may not require a business to be licensed based
27 solely upon registration under or compliance with the streamlined sales
28 and use tax agreement.

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

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

1 (11) Stock pound: To establish, maintain, and regulate a common
2 pound for estrays, and to appoint a poundkeeper, who shall be paid out
3 of the fines and fees imposed and collected of the owners of any
4 animals impounded, and from no other source; to prevent and regulate
5 the running at large of any and all domestic animals within the city
6 limits or any parts thereof, and to regulate or prevent the keeping of
7 such animals within any part of the city.

8 (12) Control of certain trades: To control and regulate
9 slaughterhouses, washhouses, laundries, tanneries, forges, and
10 offensive trades, and to provide for their exclusion or removal from
11 the city limits, or from any part thereof.

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

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

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

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

23 (17) City commons: To provide for and regulate the commons of the
24 city.

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

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

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

35 (21) Fire department: To establish, continue, regulate, and
36 maintain a fire department for such city, to change or reorganize the
37 same, and to disband any company or companies of the said department;

1 also, to discontinue and disband said fire department, and to create,
2 organize, establish, and maintain a paid fire department for such city.

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

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

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

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

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

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

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

32 (29) Penalty for violation of ordinances: To provide that
33 violations of ordinances with the punishment for any offense not
34 exceeding a fine of five thousand dollars or imprisonment for more than
35 one year, or both fine and imprisonment, but the punishment for any
36 criminal ordinance shall be the same as the punishment provided in
37 state law for the same crime. Alternatively, such a city may provide
38 that a violation of an ordinance constitutes a civil violation subject

1 to monetary penalties or to determine and impose fines for forfeitures
2 and penalties, but no act which is a state crime may be made a civil
3 violation. A violation of an order, regulation, or ordinance relating
4 to traffic including parking, standing, stopping, and pedestrian
5 offenses is a traffic infraction, except that violation of an order,
6 regulation, or ordinance equivalent to those provisions of Title 46 RCW
7 set forth in RCW 46.63.020 remains a misdemeanor.

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

11 (31) Examine official accounts: To examine, either in open session
12 or by committee, the accounts or doings of all officers or other
13 persons having the care, management, or disposition of moneys,
14 property, or business of the city.

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

17 (33) Streets and sidewalks: To provide by ordinance for the
18 opening, laying out, altering, extending, repairing, grading, paving,
19 planking, graveling, macadamizing, or otherwise improving of public
20 streets, avenues, and other public ways, or any portion of any thereof;
21 and for the construction, regulation, and repair of sidewalks and other
22 street improvements, all at the expense of the property to be benefited
23 thereby, without any recourse, in any event, upon the city for any
24 portion of the expense of such work, or any delinquency of the property
25 holders or owners, and to provide for the forced sale thereof for such
26 purposes; to establish a uniform grade for streets, avenues, sidewalks,
27 and squares, and to enforce the observance thereof.

28 (34) Waterways: To clear, cleanse, alter, straighten, widen, fill
29 up, or close any waterway, drain, or sewer, or any watercourse in such
30 city when not declared by law to be navigable, and to assess the
31 expense thereof, in whole or in part, to the property specially
32 benefited.

33 (35) Sewerage: To adopt, provide for, establish, and maintain a
34 general system of sewerage, draining, or both, and the regulation
35 thereof; to provide funds by local assessments on the property
36 benefited for the purpose aforesaid and to determine the manner, terms,
37 and place of connection with main or central lines of pipes, sewers, or
38 drains established, and compel compliance with and conformity to such

1 general system of sewerage or drainage, or both, and the regulations of
2 said council thereto relating, by the infliction of suitable penalties
3 and forfeitures against persons and property, or either, for
4 nonconformity to, or failure to comply with the provisions of such
5 system and regulations or either.

6 (36) Buildings and parks: To provide for all public buildings,
7 public parks, or squares, necessary or proper for the use of the city.

8 (37) Franchises: To permit the use of the streets for railroad or
9 other public service purposes.

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

14 (39) Weighing of fuel: To regulate the sale of coal and wood in
15 such city, and may appoint a measurer of wood and weigher of coal for
16 the city, and define his duties, and may prescribe his term of office,
17 and the fees he shall receive for his services: PROVIDED, That such
18 fees shall in all cases be paid by the parties requiring such service.

19 (40) Hospitals, etc.: To erect and establish hospitals and
20 pesthouses and to control and regulate the same.

21 (41) Waterworks: To provide for the erection, purchase, or
22 otherwise acquiring of waterworks within or without the corporate
23 limits of the city to supply such city and its inhabitants with water,
24 and to regulate and control the use and price of the water so supplied.

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

32 (43) Parks: To acquire by purchase or otherwise land for public
33 parks, within or without the limits of the city, and to improve the
34 same.

35 (44) Bridges: To construct and keep in repair bridges, and to
36 regulate the use thereof.

37 (45) Power of eminent domain: In the name of and for the use and
38 benefit of the city, to exercise the right of eminent domain, and to

1 condemn lands and property for the purposes of streets, alleys, parks,
2 public grounds, waterworks, or for any other municipal purpose and to
3 acquire by purchase or otherwise such lands and property as may be
4 deemed necessary for any of the corporate uses provided for by this
5 title, as the interests of the city may from time to time require.

6 (46) To provide for the assessment of taxes: To provide for the
7 assessment, levying, and collecting of taxes on real and personal
8 property for the corporate uses and purposes of the city and to provide
9 for the payment of the debts and expenses of the corporation.

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

16 (48) Cemeteries: To regulate the burial of the dead and to
17 establish and regulate cemeteries, within or without the corporate
18 limits, and to acquire lands therefor by purchase or otherwise.

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

27 (50) Safety and sanitary measures: To require the owners of public
28 halls, theaters, hotels, and other buildings to provide suitable means
29 of exit and proper fire escapes; to provide for the cleaning and
30 purification of watercourses and canals and for the draining and
31 filling up of ponds on private property within its limits when the same
32 shall be offensive to the senses or dangerous to the health, and to
33 charge the expense thereof to the property specially benefited, and to
34 regulate and control and provide for the prevention and punishment of
35 the defilement or pollution of all streams running in or through its
36 corporate limits and a distance of five miles beyond its corporate
37 limits, and of any stream or lake from which the water supply of the
38 city is or may be taken and for a distance of five miles beyond its

1 source of supply, and to make all quarantine and other regulations as
2 may be necessary for the preservation of the public health and to
3 remove all persons afflicted with any contagious disease to some
4 suitable place to be provided for that purpose.

5 (51) To regulate liquor traffic: To regulate the selling or giving
6 away of intoxicating, spirituous, malt, vinous, mixed, or fermented
7 liquors as authorized by the general laws of the state.

8 (52) To establish streets on tidelands: To project or extend or
9 establish streets over and across any tidelands within the limits of
10 such city.

11 (53) To provide for the general welfare.

12 **Sec. 3.** RCW 35.27.370 and 1993 c 83 s 7 are each amended to read
13 as follows:

14 The council of said town shall have power:

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

17 (2) To purchase, lease or receive such real estate and personal
18 property as may be necessary or proper for municipal purposes, and to
19 control, dispose of and convey the same for the benefit of the town; to
20 acquire, own, and hold real estate for cemetery purposes either within
21 or without the corporate limits, to sell and dispose of such real
22 estate, to plat or replat such real estate into cemetery lots and to
23 sell and dispose of any and all lots therein, and to operate, improve
24 and maintain the same as a cemetery;

25 (3) To contract for supplying the town with water for municipal
26 purposes, or to acquire, construct, repair and manage pumps, aqueducts,
27 reservoirs, or other works necessary or proper for supplying water for
28 use of such town or its inhabitants, or for irrigating purposes
29 therein;

30 (4) To establish, build and repair bridges, to establish, lay out,
31 alter, widen, extend, keep open, improve, and repair streets,
32 sidewalks, alleys, squares and other public highways and places within
33 the town, and to drain, sprinkle and light the same; to remove all
34 obstructions therefrom; to establish the grades thereof; to grade,
35 pave, plank, macadamize, gravel and curb the same, in whole or in part,
36 and to construct gutters, culverts, sidewalks and crosswalks therein,

1 or on any part thereof; to cause to be planted, set out and cultivated
2 trees therein, and generally to manage and control all such highways
3 and places;

4 (5) To establish, construct and maintain drains and sewers, and
5 shall have power to compel all property owners on streets along which
6 sewers are constructed to make proper connections therewith, and to use
7 the same for proper purposes when such property is improved by the
8 erection thereon of a building or buildings; and in case the owners of
9 such improved property on such streets shall fail to make such
10 connections within the time fixed by such council, they may cause such
11 connections to be made, and to assess against the property in front of
12 which such connections are made the costs and expenses thereof;

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

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

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

21 (9) To license, for purposes of regulation and revenue, all and
22 every kind of business, authorized by law and transacted and carried on
23 in such town; and all shows, exhibitions and lawful games carried on
24 therein and within one mile of the corporate limits thereof; to fix the
25 rate of license tax upon the same, and to provide for the collection of
26 the same, by suit or otherwise; to regulate, restrain, or prohibit the
27 running at large of any and all domestic animals within the city
28 limits, or any part or parts thereof, and to regulate the keeping of
29 such animals within any part of the city; to establish, maintain and
30 regulate a common pound for estrays, and to appoint a poundkeeper, who
31 shall be paid out of the fines and fees imposed on, and collected from,
32 the owners of any impounded stock. A city may not require a business
33 to be licensed based solely upon registration under or compliance with
34 the streamlined sales and use tax agreement;

35 (10) To improve the rivers and streams flowing through such town or
36 adjoining the same; to widen, straighten and deepen the channels
37 thereof, and to remove obstructions therefrom; to prevent the pollution
38 of streams or water running through such town, and for this purpose

1 shall have jurisdiction for two miles in either direction; to improve
2 the waterfront of the town, and to construct and maintain embankments
3 and other works to protect such town from overflow;

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

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

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

17 (14) To impose fines, penalties and forfeitures for any and all
18 violations of ordinances, and for any breach or violation of any
19 ordinance, to fix the penalty by fine or imprisonment, or both; but no
20 such fine shall exceed five thousand dollars, nor the term of
21 imprisonment exceed one year, except that the punishment for any
22 criminal ordinance shall be the same as the punishment provided in
23 state law for the same crime; or to provide that violations of
24 ordinances constitute a civil violation subject to a monetary penalty,
25 but no act which is a state crime may be made a civil violation;

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

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

35 **Sec. 4.** RCW 35.102.050 and 2003 c 79 s 5 are each amended to read
36 as follows:

37 A city may not impose a business and occupation tax on a person

1 unless that person has nexus with the city. For the purposes of this
2 section, the term "nexus" means business activities conducted by a
3 person sufficient to subject that person to the taxing jurisdiction of
4 a city under the standards established for interstate commerce under
5 the commerce clause of the United States Constitution. Mere
6 registration under or compliance with the streamlined sales and use tax
7 agreement does not constitute nexus for the purposes of this section.

8 NEW SECTION. Sec. 5. A new section is added to chapter 35A.21 RCW
9 to read as follows:

10 A code city may not require a business to be licensed based solely
11 upon registration under or compliance with the streamlined sales and
12 use tax agreement.

Passed by the House February 14, 2008.

Passed by the Senate March 7, 2008.

Approved by the Governor March 25, 2008.

Filed in Office of Secretary of State March 25, 2008.