

CERTIFICATION OF ENROLLMENT

HOUSE BILL 1543

Chapter 250, Laws of 2007

60th Legislature
2007 Regular Session

ECONOMIC DEVELOPMENT OFFICES--FINANCING

EFFECTIVE DATE: 07/22/07

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

FRANK CHOPP

Speaker of the House of Representatives

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

BRAD OWEN

President of the Senate

Approved May 1, 2007, 3:51 p.m.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

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

RICHARD NAFZIGER

Chief Clerk

FILED

May 2, 2007

**Secretary of State
State of Washington**

HOUSE BILL 1543

AS AMENDED BY THE SENATE

Passed Legislature - 2007 Regular Session

State of Washington 60th Legislature 2007 Regular Session

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Passed by the House April 14, 2007.

Passed by the Senate April 3, 2007.

Approved by the Governor May 1, 2007.

Filed in Office of Secretary of State May 2, 2007.