AN ACT Relating to supporting warehousing and manufacturing job centers; adding new sections to chapter 82.14 RCW; creating a new section; and providing an expiration date.

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

NEW SECTION. Sec. 1. The legislature recognizes that changes in sales tax sourcing laws created a significant negative fiscal impact on communities with a concentration of warehousing, manufacturing, and shipping. These communities are vital job centers to our state economy and are some of the most diverse communities in our state. Furthermore, the infrastructure demands to support these industries are significant. The legislature hereby creates the warehousing and manufacturing job center assistance program to provide these communities with revenue to mitigate for the negative fiscal impact of changes in sales tax sourcing laws, and fund important infrastructure to maintain these key job centers.

NEW SECTION. Sec. 2. A new section is added to chapter 82.14 RCW to read as follows:

(1) In order to mitigate local sales tax revenue net losses as a result of the sourcing provisions of the streamlined sales and use tax agreement under this title, the state treasurer, on July 1, 2021,
and each July 1st thereafter through July 1, 2026, must transfer into
the manufacturing and warehousing job centers account from the
general fund the sum required to provide mitigation payments to
qualifying jurisdictions as described under this section.

(2) The department shall provide each qualified local taxing
district a quarterly mitigation payment from the warehousing and
manufacturing job center assistance program equal to the streamlined
sales tax mitigation payment that was provided to that qualified
local taxing district on June 30, 2020. Starting on July 1, 2022, the
amount of the quarterly mitigation payment shall be reduced by 20
percent of the previous year's payment for that same quarter.

(3) "Qualified local taxing district" means a city that received
a quarterly streamlined sales tax mitigation payment from the state
on June 30, 2020, of at least $60,000.

(4) This section expires July 1, 2026.

NEW SECTION. Sec. 3. A new section is added to chapter 82.14
RCW to read as follows:

The manufacturing and warehousing job centers account is created
in the state treasury. All receipts from section 2 of this act must
be deposited into the account. Moneys in the account may be spent
only after appropriation. Expenditures from the account may be used
only for the purpose of mitigating the negative fiscal impacts to
local taxing jurisdictions as a result of the streamlined sales and
use tax agreement under this title.

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