
HOUSE BILL 1532

State of Washington

69th Legislature

2025 Regular Session

By Representatives Stearns, Entenman, Obras, Gregerson, and Bergquist

Read first time 01/23/25. Referred to Committee on Finance.

1 AN ACT Relating to authorizing funding tools to mitigate the
2 impact of sales tax sourcing and enhance community vitality in
3 certain cities that host industrial and warehousing industries that
4 are vital to the statewide economy; adding a new section to chapter
5 82.14 RCW; creating a new section; and declaring an emergency.

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

7 NEW SECTION. **Sec. 1.** The legislature finds that additional
8 funding tools are needed to improve community vitality in the
9 industrial and warehousing valley located near the port of Seattle
10 and the port of Tacoma. Sales tax sourcing laws created a significant
11 negative fiscal impact on this community thereby impacting the
12 quality of life of residents in the valley. The valley is a vital job
13 center to Washington state's economy and is one of the most diverse
14 communities in the state. At the same time, with a concentration of
15 warehousing, manufacturing, and shipping businesses, this community
16 experiences negative impacts on resources that other communities do
17 not experience. Furthermore, the legislature recognizes the dedicated
18 funding in RCW 82.14.545 for the manufacturing and warehousing job
19 centers account, RCW 82.14.550, is scheduled to expire on July 1,
20 2026. The legislature hereby authorizes new funding tools for these

1 communities to generate revenue necessary to improve community
2 vitality.

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

5 (1) The legislative body of certain authorized cities, as
6 described in subsection (2) of this section, may authorize, fix, and
7 impose a sales and use tax in accordance with the terms of this
8 chapter.

9 (2) The tax authorized in this section is in addition to any
10 other taxes authorized by law and must be collected from those
11 persons who are taxable by the state under chapters 82.08 and 82.12
12 RCW upon the occurrence of any taxable event within a city imposing
13 the tax. The rate of tax equals up to 0.3 percent of the selling
14 price in the case of a sales tax, or a value of article used, in the
15 case of a use tax.

16 (3) Moneys collected under this section may be used for any
17 purpose that improves the vitality of the community in the same
18 manner that general fund revenues may be used.

19 (4) A city using the authority under this section shall engage in
20 the following public process each time it adopts a biennial budget:

21 (a) Hold a minimum of three town hall meetings within the city,
22 each at a different geographical location and at a different time of
23 the day, explaining the budget process and providing opportunities
24 for community member dialogue;

25 (b) Provide a webpage outlining the budget development process,
26 the dates for scheduled budget hearings, and where to find budget
27 information; and

28 (c) Conduct a survey to solicit input on budget priorities.

29 (5) For purposes of this section, an "authorized city" means a
30 city that:

31 (a) Has a population greater than 120,000;

32 (b) Is located in a county with a population of 1,500,000 or
33 greater; and

34 (c) Has a percentage of total assessed valuation from industrial
35 and warehousing industries that is greater than 25 percent.

36 NEW SECTION. **Sec. 3.** This act is necessary for the immediate
37 preservation of the public peace, health, or safety, or support of

1 the state government and its existing public institutions, and takes
2 effect immediately.

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