
SUBSTITUTE SENATE BILL 6149

State of Washington

69th Legislature

2026 Regular Session

By Senate Business, Trade & Economic Development (originally sponsored by Senators J. Wilson, Dozier, Short, and Chapman)

READ FIRST TIME 02/04/26.

1 AN ACT Relating to the definition of "rural county" for purposes
2 of public facilities funding; amending RCW 82.14.370; and reenacting
3 and amending RCW 43.160.020.

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

5 **Sec. 1.** RCW 43.160.020 and 2024 c 86 s 2 and 2024 c 47 s 1 are
6 each reenacted and amended to read as follows:

7 Unless the context clearly requires otherwise, the definitions in
8 this section apply throughout this chapter.

9 (1) "Board" means the community economic revitalization board.

10 (2) "Broadband" means a network of deployed telecommunications
11 equipment and technologies necessary to provide high-speed internet
12 access and other advanced telecommunications services.

13 (3) "Department" means the department of commerce.

14 (4) "Frontier county" means a county with a population density of
15 fewer than 50 persons per square mile as determined by the office of
16 financial management and published each year by the department. A
17 county with a population density of 21 or fewer persons per square
18 mile is a "frontier one" county. A county with a population density
19 of more than 21 but fewer than 50 persons per square mile is a
20 "frontier two" county. Every frontier county is also a rural county
21 under this chapter and eligible for all benefits, services, and

1 programs of a rural county unless a frontier county is specifically
2 excluded in the authorizing statute.

3 (5) "Local government" or "political subdivision" means any port
4 district, county, city, town, special purpose district, and any other
5 municipal corporations or quasi-municipal corporations in the state
6 providing for public facilities under this chapter.

7 (6) "Public facilities" means a project of a local government or
8 a federally recognized Indian tribe for the planning, acquisition,
9 construction, repair, reconstruction, replacement, rehabilitation, or
10 improvement of: Bridges; roads; research, testing, training, and
11 incubation facilities in areas designated as innovation partnership
12 zones under RCW 43.330.270; buildings or structures; domestic and
13 industrial water, earth stabilization, sanitary sewer, storm sewer,
14 railroad, electricity, telecommunications, transportation, natural
15 gas, and port facilities; all for the purpose of job creation, job
16 retention, or job expansion.

17 (7) "Rural county" means ((a)) any of the following, as
18 determined by the office of financial management pursuant to RCW
19 43.62.035: (a) A county with a population density of fewer than 100
20 persons per square mile ((a)); (b) a county with a population
21 density of 100 persons per square mile or greater, with no city with
22 a population greater than 45,000 persons; or (c) a county smaller
23 than 225 square miles ((, as determined by the office of financial
24 management and published each year by the department for the period
25 July 1st to June 30th))).

26 **Sec. 2.** RCW 82.14.370 and 2024 c 58 s 1 are each amended to read
27 as follows:

28 (1) The legislative authority of a rural county may impose a
29 sales and use tax in accordance with the terms of this chapter. The
30 tax is in addition to other taxes authorized by law and must be
31 collected from those persons who are taxable by the state under
32 chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event
33 within the county. The rate of tax may not exceed 0.09 percent of the
34 selling price in the case of a sales tax or value of the article used
35 in the case of a use tax, except that for rural counties with
36 population densities between 60 and 100 persons per square mile, the
37 rate shall not exceed 0.04 percent before January 1, 2000.

38 (2) The tax imposed under subsection (1) of this section must be
39 deducted from the amount of tax otherwise required to be collected or

1 paid over to the department of revenue under chapter 82.08 or 82.12
2 RCW. The department of revenue must perform the collection of such
3 taxes on behalf of the county at no cost to the county.

4 (3) (a) Moneys collected under this section may only be used to:

5 (i) Finance public facilities serving economic development
6 purposes in rural counties;

7 (ii) Finance the construction of affordable workforce housing
8 infrastructure or facilities; and

9 (iii) Finance personnel in economic development offices.

10 (b) The public facility must be listed as an item in the
11 officially adopted county overall economic development plan, or the
12 economic development section of the county's comprehensive plan, or
13 the comprehensive plan of a city or town located within the county
14 for those counties planning under RCW 36.70A.040, or provide
15 affordable workforce housing infrastructure or facilities. For those
16 counties that do not have an adopted overall economic development
17 plan and do not plan under the growth management act, the public
18 facility must be listed in the county's capital facilities plan or
19 the capital facilities plan of a city or town located within the
20 county, or provide affordable workforce housing infrastructure or
21 facilities.

22 (c) In implementing this section, the county must consult with
23 cities, towns, and port districts located within the county and the
24 associate development organization serving the county to ensure that
25 the expenditure of money collected under this section meets the goals
26 of creating, attracting, expanding, and retaining businesses,
27 providing family-wage jobs, and providing affordable workforce
28 housing infrastructure or facilities and the use of money collected
29 under this section meets the requirements of (a) and (b) of this
30 subsection. Each county collecting money under this section must
31 provide a report to the office of the state auditor within 150 days
32 after the close of each fiscal year identifying in detail each new
33 and continuing public facility project, economic development purpose
34 project, affordable workforce housing infrastructure or facilities
35 project, economic development staff position, and qualifying provider
36 project funded with the tax authorized under this section and the
37 amount of tax proceeds allocated to such project or position in the
38 prior fiscal year. Any projects financed prior to June 10, 2004, from
39 the proceeds of obligations to which the tax imposed under subsection
40 (1) of this section has been pledged may not be deemed to be new

1 projects under this subsection. No new projects funded with money
2 collected under this section may be for justice system facilities.

3 (4) The definitions in this section apply throughout this
4 section.

5 (a) "Public facilities" means bridges, roads, domestic and
6 industrial water facilities, sanitary sewer facilities, earth
7 stabilization, storm sewer facilities, railroads, electrical
8 facilities, natural gas facilities, research, testing, training, and
9 incubation facilities in innovation partnership zones designated
10 under RCW 43.330.270, buildings, structures, telecommunications
11 infrastructure, transportation infrastructure, or commercial
12 infrastructure, or port facilities in the state of Washington.

13 (b) "Economic development purposes" means those purposes which
14 facilitate the creation or retention of businesses and jobs in a
15 county, including affordable workforce housing infrastructure or
16 facilities.

17 (c) "Economic development office" means an office of a county,
18 port districts, or an associate development organization as defined
19 in RCW 43.330.010, which promotes economic development purposes
20 within the county.

21 (d) "Affordable workforce housing infrastructure or facilities"
22 means housing infrastructure, facilities, or land that a qualifying
23 provider owns or uses for housing for single persons, families, or
24 unrelated persons living together whose income is no more than 120
25 percent of the median income, adjusted for housing size, for the
26 county where the housing is located.

27 (e) "Qualifying provider" means a nonprofit entity as defined in
28 RCW 84.36.560, a nonprofit entity or qualified cooperative
29 association as defined in RCW 84.36.049, a housing authority created
30 under RCW 35.82.030 or 35.82.300, a public corporation established
31 under RCW 35.21.660 or 35.21.730, or a county or municipal
32 corporation.

33 (5) No tax may be collected under this section before July 1,
34 1998.

35 (a) Except as provided in (b) of this subsection, no tax may be
36 collected under this section by a county more than 25 years after the
37 date that a tax is first imposed under this section.

38 (b) For counties imposing the tax before August 1, 2009, and
39 meeting the definition of a rural county as of August 1, 2009, the
40 tax expires December 31, 2054.

1 (6) By December 31, 2024, the state auditor must provide a
2 publicly accessible report on its website containing the project
3 information and other expenditure information included in the annual
4 report required under subsection (3)(c) of this section for each
5 county. The publicly accessible report must also include the total
6 amount of revenue collected by the county under this section in the
7 prior fiscal year. The state auditor must develop a standardized
8 expenditure report for the project information and other expenditure
9 information included in the annual report submitted by counties. This
10 subsection applies to reports filed beginning in 2024 based on 2023
11 expenditures and thereafter.

12 (7) For purposes of this section, "rural county" means ((a)) any
13 of the following, as determined by the office of financial management
14 pursuant to RCW 43.62.035: (a) A county with a population density of
15 less than 100 persons per square mile ((or)); (b) a county with a
16 population density of 100 persons per square mile or greater, with no
17 city, as defined in RCW 36.70A.030, with a population greater than
18 45,000 persons; or (c) a county smaller than 225 square miles ((as
19 determined by the office of financial management pursuant to RCW
20 43.62.035)).

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