CERTIFICATION OF ENROLLMENT

ENGROSSED SUBSTITUTE HOUSE BILL 1408

Chapter 217, Laws of 2026

69th Legislature
2026 Regular Session

COMMUNITY PRESERVATION AND DEVELOPMENT AUTHORITY ACCOUNT—FUNDING

EFFECTIVE DATE: March 25, 2026

Passed by the House February 13, 2026
Yeas 94 Nays 0

LAURIE JINKINS

Speaker of the House of Representatives

Passed by the Senate March 12, 2026
Yeas 49 Nays 0

DENNY HECK

President of the Senate

Approved March 25, 2026 11:20 AM

BOB FERGUSON

Governor of the State of Washington

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE HOUSE BILL 1408** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BERNARD DEAN

Chief Clerk

FILED

March 25, 2026

Secretary of State
State of Washington

ENGROSSED SUBSTITUTE HOUSE BILL 1408

Passed Legislature - 2026 Regular Session

State of Washington 69th Legislature 2026 Regular Session

By House Appropriations (originally sponsored by Representatives Santos, Orcutt, Leavitt, Thai, Duerr, Pollet, Street, and Macri)

READ FIRST TIME 02/09/26.

AN ACT Relating to establishing funding for community preservation and development authorities approved through RCW 43.167.060; adding a new section to chapter 82.08 RCW; adding a new section to chapter 82.12 RCW; adding new sections to chapter 43.167 RCW; providing an expiration date; and declaring an emergency.

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

NEW SECTION. **Sec. 1.** A new section is added to chapter 82.08 RCW to read as follows:

(1) Beginning January 1, 2026, 30 percent of the estimated revenue of the state tax imposed pursuant to RCW 82.08.020(1) on each retail sale occurring at a qualified facility pursuant to this chapter must be deposited quarterly, into the community preservation and development authority account under RCW 43.167.040, no later than three months after the end of the calendar quarter in which the taxes were collected.

(2) Beginning January 1, 2027, 30 percent of the revenue of the state tax imposed pursuant to RCW 82.08.020(1) on each retail sale occurring at a qualified facility pursuant to this chapter must be deposited quarterly, into the community preservation and development authority account under RCW 43.167.040, no later than three months after the end of the calendar quarter in which the taxes were

collected. The revenue shall be deposited equally between the operating subaccount and the capital subaccount.

(3) "Qualified facility" is a facility located in a county with a community preservation and development authority that: (a) Has a seating capacity of at least 68,000 fixed seats in an open-air stadium and has related event space of at least 300,000 square feet; or (b) has a seating capacity of at least 47,000 seats for its main use and a retractable roof.

NEW SECTION. **Sec. 2.** A new section is added to chapter 82.12 RCW to read as follows:

The provisions of section 1 of this act apply throughout this chapter.

NEW SECTION. **Sec. 3.** A new section is added to chapter 43.167 RCW to read as follows:

(1) It is the legislature's specific public policy objective to provide funding pursuant to section 1 of this act to the community preservation and development authorities, as created in this chapter, to promote and enhance the health, safety, and economic well-being of communities adversely impacted by the construction of, or on-going operation of, multiple major public facilities, public works, and capital projects. It is the intent of the legislature for the joint legislative audit and review committee to conduct a review of the funding and provide its findings to the legislature by December 1, 2034.

(2) The legislature intends to extend the expiration date of this funding if the review finds that the community preservation and development authority:

(a) Increases the economic vitality of the area by providing assistance to struggling small businesses in the area and assisting in the repair of unreinforced masonry that allows businesses to remain in place, increases the safety of residents, and promotes the conversion of unused and underutilized properties to benefit the community;

(b) Enhances the livability of the community by assisting in addressing the litter and debris in streets and alleys and provide remediation to address the impacts of homelessness; and

(c) Addresses housing needs, including funding new low-income and workforce housing units, as well as funding locally based street outreach to support interventions for unhoused residents.

(3) In order to obtain the data necessary to perform the review in subsection (2) of this section, the joint legislative audit and review committee may refer to any data collected by the state.

NEW SECTION. **Sec. 4.** A new section is added to chapter 43.167 RCW to read as follows:

Any community preservation and development authority organized pursuant to this chapter must submit a biennial report to the appropriate committees of the legislature on their strategic plan, use of funding, and impacts on the community by November 1st of each odd-numbered year.

NEW SECTION. **Sec. 5.** This act expires January 1, 2037.

NEW SECTION. **Sec. 6.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the House February 13, 2026.
Passed by the Senate March 12, 2026.
Approved by the Governor March 25, 2026.
Filed in Office of Secretary of State March 25, 2026.

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