

SB 5529 - S AMD 361
By Senator Reardon

4/14/03 ADOPTED

1 On page 3, after line 32, strike the remainder of the bill and
2 insert the following:

3 "(10) This section expires (~~December 31, 2004~~) January 1, 2015.

4 NEW SECTION. **Sec. 2.** A new section is added to chapter 50.38 RCW
5 to read as follows:

6 (1) Based upon information provided to the department by the
7 department of revenue and data obtained by the department from
8 employers for other lawful purposes, the department shall identify for
9 the year before and every five years after the renewal of the tax
10 credit in RCW 82.04.4452 the following information:

11 (a) North American industry classification for businesses utilizing
12 the tax credit;

13 (b) The number of employees, reported in aggregate by North
14 American industry classification, employed by businesses utilizing the
15 tax credit;

16 (c) The average wages received by persons, reported by North
17 American industry classification, employed by businesses utilizing the
18 tax credit.

19 (2) The department shall provide to the joint legislative audit and
20 review committee, for the year before and every five years after the
21 renewal of the tax credit in RCW 82.04.4452, a report containing the
22 following information:

23 (a) The number of businesses, reported in aggregate by North
24 American industry classification, utilizing the tax credit;

25 (b) The number of employees, reported in aggregate by North
26 American industry classification, employed by businesses utilizing the
27 tax credit;

28 (c) The average wages of employees employed by businesses utilizing
29 the tax credit reported in aggregate, and grouped by North American
30 industry classification.

1 (3) All information shall be based on calendar year data and shall
2 be provided to the joint legislative audit and review committee by the
3 fifteenth day of March of the year before and every five years after
4 the renewal of the tax credit in RCW 82.04.4452.

5 (4) Nothing in this section shall be construed to affect in any way
6 the right of privacy and confidentiality as to individual and employer
7 records maintained by the department, as provided under RCW 50.13.020.

8 NEW SECTION. **Sec. 3.** A new section is added to chapter 82.32 RCW
9 to read as follows:

10 (1) Based upon information provided by taxpayers, on Form 26-0003e-
11 1, or its successor form, or Form Rev 81-1013-1, or its successor form,
12 or Form 81-1012, or its successor form, to the department, the
13 department shall identify for the year before and every five years
14 after the renewal of the tax credit in RCW 82.04.4452 the following
15 information:

16 (a) The businesses utilizing the tax credit;

17 (b) The total value of the tax credit taken by each business for
18 that year;

19 (c) The qualifying investment made by the business utilizing the
20 tax credit.

21 (2) The department shall provide to the employment security
22 department a list of all businesses utilizing the tax credit and the
23 North American industry classification of each business. This
24 information shall be based on calendar year data and shall be provided
25 to the employment security department by the fifteenth day of February
26 of the year before and every five years after the renewal of the tax
27 credit in RCW 82.04.4452.

28 (3) The department shall provide to the joint legislative audit and
29 review committee the number of businesses utilizing the tax credit, the
30 value of the credit received, and the value of qualifying investments
31 made by businesses utilizing the tax credit, reported in aggregate by
32 North American industry classification. This information shall be
33 based on calendar year data and shall be provided to the joint
34 legislative audit and review committee by the fifteenth day of February
35 of the year before and every five years after the renewal of the tax
36 credit in RCW 82.04.4452.

1 (4) Nothing in this section shall be construed to affect in any way
2 the right of privacy and confidentiality as to individual and employer
3 records maintained by the department as provided under RCW 82.32.330.

4 NEW SECTION. **Sec. 4.** A new section is added to chapter 44.28 RCW
5 to read as follows:

6 (1) The joint legislative audit and review committee shall provide
7 a report to the legislature the year before and every five years after
8 the renewal of the tax credit in RCW 82.04.4452. The report shall be
9 based upon information provided by the employment security department
10 and the department of revenue. Proprietary information shall remain
11 confidential as otherwise provided by law. The report shall include,
12 but is not limited to:

13 (a) Total value of tax revenue forgone as a result of the tax
14 credit;

15 (b) Total value of qualifying investments made under the tax
16 credit;

17 (c) Direct employment created or retained that is associated with
18 the tax credit and average wages, reported in aggregate by North
19 American industry classification;

20 (d) Total indirect employment created or retained associated with
21 the tax deferral;

22 (e) Additional sales, property, and business and occupation tax
23 revenues associated with the tax credit.

24 (2) In conducting this evaluation, the joint legislative audit and
25 review committee shall use a generally accepted economic model and may
26 contract with outside economic experts."

27 **SB 5529** - S AMD
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30 On page 1, line 2 of the title, after "credit;" strike "and"

31 On page 1, line 3 of the title, after "82.04.4452" insert "; adding
32 a new section to chapter 50.38 RCW; adding a new section to chapter
33 82.32 RCW; adding a new section to chapter 44.28 RCW; and providing an
34 expiration date."

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EFFECT: Provides a 10-year expiration date and requires a study by JLARC.