

2SSB 5531 - S AMD 362  
By Senator Reardon

4/15/03 ADOPTED

1 On page 1, after line 16, strike the remainder of the bill and  
2 insert the following:

3 "(3) This section shall expire July 1, (~~2004~~) 2014.

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 deferral in RCW 82.63.030 the following information:

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

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

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

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 deferral in RCW 82.63.030, 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 deferral;

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

28 (c) The average wages of employees employed by businesses utilizing  
29 the tax deferral 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 deferral in RCW 82.63.030.

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 deferral in RCW 82.63.030 the following  
15 information:

16 (a) The businesses utilizing the tax deferral;

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

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

21 (2) The department shall provide to the employment security  
22 department a list of all businesses utilizing the tax deferral 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 deferral in RCW 82.63.030.

28 (3) The department shall provide to the joint legislative audit and  
29 review committee the number of businesses utilizing the tax deferral,  
30 the value of the deferral received, and the value of qualifying  
31 investments made by businesses utilizing the tax deferral, reported in  
32 aggregate by North American industry classification. This information  
33 shall be 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 deferral in RCW 82.63.030.

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 deferral in RCW 82.63.030. 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 or deferred as a result of  
14 the tax deferral;

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

17 (c) Direct employment created or retained that is associated with  
18 the tax deferral 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 deferral.

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 **2SSB 5531** - S AMD  
28 By Senator ....

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30 On page 1, line 3 of the title, strike "and" and after "82.63.030"  
31 insert "; adding a new section to chapter 50.38 RCW; adding a new  
32 section to chapter 82.32 RCW; adding a new section to chapter 44.28  
33 RCW; and providing an expiration date"

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