
SENATE BILL 6424

State of Washington 61st Legislature 2010 Regular Session

By Senators Regala and Fairley; by request of Governor Gregoire

Read first time 01/14/10. Referred to Committee on Government Operations & Elections.

1 AN ACT Relating to local excise tax authorities for counties and
2 cities; and amending RCW 82.14.450, 82.14.450, 82.14.460, 82.14.460,
3 and 82.14.340.

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

5 **Sec. 1.** RCW 82.14.450 and 2009 c 551 s 1 are each amended to read
6 as follows:

7 (1) A county legislative authority may (~~submit an authorizing~~
8 ~~proposition to the county voters at a primary or general election and,~~
9 ~~if the proposition is approved by a majority of persons voting,)~~
10 authorize, fix, and impose a sales and use tax ((in accordance with the
11 terms of this chapter)) until December 31, 2014. To retain or impose
12 the tax after December 31, 2014, the county must submit an authorizing
13 proposition to the county voters at a primary or general election and
14 a majority of persons voting must approve the continuation or
15 imposition of the sales and use tax. The title of each ballot measure
16 must clearly state the purposes for which the proposed sales and use
17 tax will be used. (~~Funds raised under this tax shall not supplant~~
18 ~~existing funds used for these purposes, except as follows: Up to one~~
19 ~~hundred percent may be used to supplant existing funding in calendar~~

1 ~~year 2010; up to eighty percent may be used to supplant existing~~
2 ~~funding in calendar year 2011; up to sixty percent may be used to~~
3 ~~supplant existing funding in calendar year 2012; up to forty percent~~
4 ~~may be used to supplant existing funding in calendar year 2013; and up~~
5 ~~to twenty percent may be used to supplant existing funding in calendar~~
6 ~~year 2014. For purposes of this subsection, existing funds means the~~
7 ~~actual operating expenditures for the calendar year in which the ballot~~
8 ~~measure is approved by voters. Actual operating expenditures excludes~~
9 ~~lost federal funds, lost or expired state grants or loans,~~
10 ~~extraordinary events not likely to reoccur, changes in contract~~
11 ~~provisions beyond the control of the county or city receiving the~~
12 ~~services, and major nonrecurring capital expenditures.)) The tax must~~
13 ~~be imposed in accordance with this chapter and the rate of tax under~~
14 ~~this section may not exceed three-tenths of one percent of the selling~~
15 ~~price in the case of a sales tax, or value of the article used, in the~~
16 ~~case of a use tax.~~

17 (2) The tax authorized in this section is in addition to any other
18 taxes authorized by law and must be collected from those persons who
19 are taxable by the state under chapters 82.08 and 82.12 RCW upon the
20 occurrence of any taxable event within the county.

21 (3) The retail sale or use of motor vehicles, and the lease of
22 motor vehicles for up to the first thirty-six months of the lease, are
23 exempt from tax imposed under this section.

24 (4) One-third of all money received under this section must be used
25 solely for criminal justice purposes, fire protection purposes, or
26 both. For the purposes of this subsection, "criminal justice purposes"
27 has the same meaning as provided in RCW 82.14.340.

28 (5) Money received under this section must be shared between the
29 county and the cities as follows: Sixty percent must be retained by
30 the county and forty percent must be distributed on a per capita basis
31 to cities in the county.

32 **Sec. 2.** RCW 82.14.450 and 2007 c 380 s 1 are each amended to read
33 as follows:

34 (1) A county legislative authority may (~~submit an authorizing~~
35 ~~proposition to the county voters at a primary or general election and,~~
36 ~~if the proposition is approved by a majority of persons voting,))
37 authorize, fix, and impose a sales and use tax (~~in accordance with the~~~~

1 ~~terms of this chapter~~) until December 31, 2014. To retain or impose
2 the tax after December 31, 2014, the county must submit an authorizing
3 proposition to the county voters at a primary or general election and
4 a majority of persons voting must approve the continuation or
5 imposition of the sales and use tax. The title of each ballot measure
6 must clearly state the purposes for which the proposed sales and use
7 tax will be used. (~~Funds raised under this tax shall not supplant~~
8 ~~existing funds used for these purposes. For purposes of this~~
9 ~~subsection, existing funds means the actual operating expenditures for~~
10 ~~the calendar year in which the ballot measure is approved by voters.~~
11 ~~Actual operating expenditures excludes lost federal funds, lost or~~
12 ~~expired state grants or loans, extraordinary events not likely to~~
13 ~~reoccur, changes in contract provisions beyond the control of the~~
14 ~~county or city receiving the services, and major nonrecurring capital~~
15 ~~expenditures.)) The tax must be imposed in accordance with this
16 chapter and the rate of tax under this section shall not exceed three-
17 tenths of one percent of the selling price in the case of a sales tax,
18 or value of the article used, in the case of a use tax.~~

19 (2) The tax authorized in this section is in addition to any other
20 taxes authorized by law and shall be collected from those persons who
21 are taxable by the state under chapters 82.08 and 82.12 RCW upon the
22 occurrence of any taxable event within the county.

23 (3) The retail sale or use of motor vehicles, and the lease of
24 motor vehicles for up to the first thirty-six months of the lease, are
25 exempt from tax imposed under this section.

26 (4) One-third of all money received under this section shall be
27 used solely for criminal justice purposes. For the purposes of this
28 subsection, "criminal justice purposes" means additional police
29 protection, mitigation of congested court systems, or relief of
30 overcrowded jails or other local correctional facilities.

31 (5) Money received under this section shall be shared between the
32 county and the cities as follows: Sixty percent shall be retained by
33 the county and forty percent shall be distributed on a per capita basis
34 to cities in the county.

35 **Sec. 3.** RCW 82.14.460 and 2009 c 551 s 2 are each amended to read
36 as follows:

1 (1) A county legislative authority may authorize, fix, and impose
2 a sales and use tax in accordance with the terms of this chapter.

3 (2) The tax authorized in this section shall be in addition to any
4 other taxes authorized by law and shall be collected from those persons
5 who are taxable by the state under chapters 82.08 and 82.12 RCW upon
6 the occurrence of any taxable event within the county. The rate of tax
7 shall equal one-tenth of one percent of the selling price in the case
8 of a sales tax, or value of the article used, in the case of a use tax.

9 (3) Moneys collected under this section shall be used solely for
10 the purpose of providing for the operation or delivery of chemical
11 dependency or mental health treatment programs and services and for the
12 operation or delivery of therapeutic court programs and services. For
13 the purposes of this section, "programs and services" includes, but is
14 not limited to, treatment services, case management, and housing that
15 are a component of a coordinated chemical dependency or mental health
16 treatment program or service.

17 (4) All moneys collected under this section must be used solely for
18 the purpose of providing new or expanded programs and services as
19 provided in this section, except (~~a portion of~~) the moneys collected
20 under this section may be used to supplant existing funding for these
21 purposes in any county (~~as follows: Up to fifty percent may be used
22 to supplant existing funding in calendar year 2010; up to forty percent
23 may be used to supplant existing funding in calendar year 2011; up to
24 thirty percent may be used to supplant existing funding in calendar
25 year 2012; up to twenty percent may be used to supplant existing
26 funding in calendar year 2013; and up to ten percent may be used to
27 supplant existing funding in~~) through calendar year 2014. For the
28 purposes of this subsection, "existing funds" means the actual
29 operating expenditures for the calendar year in which the tax was first
30 imposed.

31 (5) Nothing in this section may be interpreted to prohibit the use
32 of moneys collected under this section for the replacement of lapsed
33 federal funding previously provided for the operation or delivery of
34 services and programs as provided in this section.

35 **Sec. 4.** RCW 82.14.460 and 2008 c 157 s 2 are each amended to read
36 as follows:

1 (1) A county legislative authority may authorize, fix, and impose
2 a sales and use tax in accordance with the terms of this chapter.

3 (2) The tax authorized in this section shall be in addition to any
4 other taxes authorized by law and shall be collected from those persons
5 who are taxable by the state under chapters 82.08 and 82.12 RCW upon
6 the occurrence of any taxable event within the county. The rate of tax
7 shall equal one-tenth of one percent of the selling price in the case
8 of a sales tax, or value of the article used, in the case of a use tax.

9 (3) Moneys collected under this section shall be used solely for
10 the purpose of providing for the operation or delivery of new or
11 expanded chemical dependency or mental health treatment programs and
12 services and for the operation or delivery of new or expanded
13 therapeutic court programs and services. For the purposes of this
14 section, "programs and services" includes, but is not limited to,
15 treatment services, case management, and housing that are a component
16 of a coordinated chemical dependency or mental health treatment program
17 or service.

18 (4) Moneys collected under this section (~~(shall not)~~) may be used
19 to supplant existing funding for these purposes(~~(, provided that~~
20 ~~nothing in this section shall be interpreted to prohibit the use of~~
21 ~~moneys collected under this section for the replacement of lapsed~~
22 ~~federal funding previously provided for the operation or delivery of~~
23 ~~services and programs as provided in this section)) through calendar
24 year 2014. For the purposes of this subsection, "existing funds" means
25 the actual operating expenditures for the calendar year in which the
26 tax was first imposed.~~

27 **Sec. 5.** RCW 82.14.340 and 1995 c 309 s 1 are each amended to read
28 as follows:

29 (1) The legislative authority of any county may fix and impose a
30 sales and use tax in accordance with the terms of this chapter,
31 provided that such sales and use tax is subject to repeal by
32 referendum, using the procedures provided in RCW 82.14.036. The
33 referendum procedure provided in RCW 82.14.036 is the exclusive method
34 for subjecting any county sales and use tax ordinance or resolution to
35 a referendum vote.

36 (2) The tax authorized in this section shall be in addition to any
37 other taxes authorized by law and shall be collected from those persons

1 who are taxable by the state pursuant to chapters 82.08 and 82.12 RCW
2 upon the occurrence of any taxable event within such county. The rate
3 of tax shall equal one-tenth of one percent of the selling price (in
4 the case of a sales tax) or value of the article used (in the case of
5 a use tax).

6 (3) When distributing moneys collected under this section, the
7 state treasurer shall distribute ten percent of the moneys to the
8 county in which the tax was collected. The remainder of the moneys
9 collected under this section shall be distributed to the county and the
10 cities within the county ratably based on population as last determined
11 by the office of financial management. In making the distribution
12 based on population, the county shall receive that proportion that the
13 unincorporated population of the county bears to the total population
14 of the county and each city shall receive that proportion that the city
15 incorporated population bears to the total county population.

16 (4) Moneys received from any tax imposed under this section shall
17 be expended exclusively for criminal justice purposes (~~(and shall not~~
18 ~~be used to replace or supplant existing funding)~~). Criminal justice
19 purposes are defined as activities that substantially assist the
20 criminal justice system, which may include circumstances where
21 ancillary benefit to the civil justice system occurs, and which
22 includes domestic violence services such as those provided by domestic
23 violence programs, community advocates, and legal advocates, as defined
24 in RCW 70.123.020. (~~(Existing funding for purposes of this subsection~~
25 ~~is defined as calendar year 1989 actual operating expenditures for~~
26 ~~criminal justice purposes. Calendar year 1989 actual operating~~
27 ~~expenditures for criminal justice purposes exclude the following:~~
28 ~~Expenditures for extraordinary events not likely to reoccur, changes in~~
29 ~~contract provisions for criminal justice services, beyond the control~~
30 ~~of the local jurisdiction receiving the services, and major~~
31 ~~nonrecurring capital expenditures.)~~)

32 (5) In the expenditure of funds for criminal justice purposes as
33 provided in this section, cities and counties, or any combination
34 thereof, are expressly authorized to participate in agreements,
35 pursuant to chapter 39.34 RCW, to jointly expend funds for criminal
36 justice purposes of mutual benefit. Such criminal justice purposes of
37 mutual benefit include, but are not limited to, the construction,

1 improvement, and expansion of jails, court facilities, and juvenile
2 justice facilities.

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