

SENATE BILL REPORT

SB 5286

As of May 4, 2017

Title: An act relating to making ample provisions to support higher education.

Brief Description: Making ample provisions to support higher education.

Sponsors: Senators Baumgartner and Benton.

Brief History:

Committee Activity: Higher Education: 2/10/15.

<p style="text-align: center;">Brief Summary of Bill</p> <ul style="list-style-type: none">• bullet point one• bullet point two

- bullet point one
- bullet point two

SENATE COMMITTEE ON HIGHER EDUCATION

Staff: Kimberly Cushing (786-7421)

Background: Retail sales and use taxes are imposed by the state, most cities, and all counties. Retail sales taxes are imposed on retail sales of most articles of tangible personal property, digital products, and some services. A retail sale is a sale to the final consumer or end user of the property, digital product, or service. If retail sales taxes were not collected when the property, digital products, or services were acquired by the user, then use taxes apply to the value of most tangible personal property, digital products, and some services when used in this state. The state sales and use tax rate is 6.5 percent.

Summary of Bill: The bill as referred to committee not considered.

Summary of Bill (Proposed Substitute): A penny of every taxable dollar from the state retail sales tax and use tax must be applied to and used for funding a public system of higher education in Washington.

Appropriation: None.

Fiscal Note: Available.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: Higher education needs a dedicated revenue stream. It is important to give students and taxpayers protection. With significant cuts this biennium, students and working-class families are taking on ever-increasing loads of debt. One penny of existing sales tax for higher education would be agreeable with the public and provide an agreeable revenue stream. Higher education is considered discretionary funding. We need to find a stable and predictable funding source for higher education, which this bill would accomplish. This bill presents an opportunity to think differently about investments in the community.

Persons Testifying: PRO: Senator Baumgartner, prime sponsor; Steve DuPont, Central WA University (CWU); Alicia Kinne-Clawson, Eastern WA University; Trevor Justin, Associated Students of CWU, WA Student Assn.

Persons Signed In To Testify But Not Testifying: No one.