

SENATE BILL REPORT

SB 6186

As of January 19, 2016

Title: An act relating to fee restrictions.

Brief Description: Concerning fee restrictions.

Sponsors: Senators Roach, Dammeier, Padden, Braun and Baumgartner.

Brief History:

Committee Activity: Government Operations & Security: 1/21/16.

SENATE COMMITTEE ON GOVERNMENT OPERATIONS & SECURITY

Staff: Karen Epps (786-7424)

Background: Initiative 601, enacted by the voters in 1993, required a two-thirds vote of both houses of the Legislature for any action that raised state taxes. Initiative 960 (I-960), enacted in 2007, reinstated this supermajority vote requirement for tax increases not approved by referendum to the voters. I-960 also required prior legislative approval of any new or increased state fees. In 2010, the Legislature suspended until July 1, 2011 the two-thirds vote requirement for state tax increases, but did not modify the provisions of I-960 regarding prior legislative approval of fee increases.

Initiative 1053 (I-1053), adopted by the voters at the 2010 general election, reinstated the requirement that a two-thirds majority is required to raise taxes. I-1053 also restated that new or increased state fees must be approved by a majority vote in both houses of the Legislature. Initiative 1185 (I-1185), approved by the voters in November 2012, has the same general requirement of legislative authorization for new or increased state fees and a two-thirds supermajority vote for actions which raise taxes. I-1185 took effect on December 6, 2012. The Legislature temporarily suspended the supermajority vote requirement to raise taxes in 2002, 2005, and 2010. The statutory supermajority vote requirement for tax increases was declared unconstitutional in a 6–3 decision by the state Supreme Court on February 28, 2013, *League of Education Voters v. State* (176 Wn.2d 808).

Initiative 1366 (I-1366), adopted by the voters at the 2015 general election, would decrease the state retail sales tax rate on April 15, 2016, from 6.5 percent to 5.5 percent. The sales tax rate would not be decreased if, by April 15, 2016, two-thirds of both legislative houses refer to the ballot a vote on a constitutional amendment that requires two-thirds legislative

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approval or voter approval to raise taxes, and majority legislative approval to set the amount of a fee increase.

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

Summary of Bill (Proposed Substitute): The session laws are amended to remove the requirement for majority legislative approval of fee increases from the contingency provisions of the sales tax rate decrease created by I-1366.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

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