

**SB 6126 - S AMD 1138**

By Senator Hunt

1 Strike everything after the enacting clause and insert the  
2 following:

3 **"Sec. 1.** RCW 82.14.530 and 2015 3rd sp.s. c 24 s 701 are each  
4 amended to read as follows:

5 (1) (a) (i) A county legislative authority may submit an  
6 authorizing proposition to the county voters at a special or general  
7 election and, if the proposition is approved by a majority of persons  
8 voting, impose a sales and use tax in accordance with the terms of  
9 this chapter. The title of each ballot measure must clearly state the  
10 purposes for which the proposed sales and use tax will be used. The  
11 rate of tax under this section may not exceed one-tenth of one  
12 percent of the selling price in the case of a sales tax, or value of  
13 the article used, in the case of a use tax.

14 (ii) As an alternative to the authority provided in (a)(i) of  
15 this subsection, a county legislative authority may impose, without a  
16 proposition approved by a majority of persons voting, a sales and use  
17 tax in accordance with the terms of this chapter. The rate of tax  
18 under this section may not exceed one-tenth of one percent of the  
19 selling price in the case of a sales tax, or value of the article  
20 used, in the case of a use tax.

21 (b) (i) If a county ~~((with a population of one million five~~  
22 ~~hundred thousand or less has not imposed))~~ does not impose the full  
23 tax rate authorized under (a) of this subsection within ~~((two years~~  
24 ~~of October 9, 2015))~~ one year of the effective date of this section,  
25 any city legislative authority located in that county may ~~((submit))~~ ;

26 (A) Submit an authorizing proposition to the city voters at a  
27 special or general election and, if the proposition is approved by a  
28 majority of persons voting, impose the whole or remainder of the  
29 sales and use tax rate in accordance with the terms of this chapter.  
30 The title of each ballot measure must clearly state the purposes for  
31 which the proposed sales and use tax will be used ~~((-))~~ ; or

1 (B) Impose, without a proposition approved by a majority of  
2 persons voting, the whole or remainder of the sales and use tax rate  
3 in accordance with the terms of this chapter.

4 (ii) The rate of tax under this section may not exceed one-tenth  
5 of one percent of the selling price in the case of a sales tax, or  
6 value of the article used, in the case of a use tax.

7 ~~((ii) If a county with a population of greater than one million~~  
8 ~~five hundred thousand has not imposed the full tax authorized under~~  
9 ~~(a) of this subsection within three years of October 9, 2015, any~~  
10 ~~city legislative authority located in that county may submit an~~  
11 ~~authorizing proposition to the city voters at a special or general~~  
12 ~~election and, if the proposition is approved by a majority of persons~~  
13 ~~voting, impose the whole or remainder of the sales and use tax rate~~  
14 ~~in accordance with the terms of this chapter. The title of each~~  
15 ~~ballot measure must clearly state the purposes for which the proposed~~  
16 ~~sales and use tax will be used. The rate of tax under this section~~  
17 ~~may not exceed one-tenth of one percent of the selling price in the~~  
18 ~~case of a sales tax, or value of the article used, in the case of a~~  
19 ~~use tax.))~~

20 (c) If a county imposes a tax authorized under (a) of this  
21 subsection after a city located in that county has imposed the tax  
22 authorized under (b) of this subsection, the county must provide a  
23 credit against its tax for the full amount of tax imposed by a city.

24 (d) The taxes authorized in this subsection are in addition to  
25 any other taxes authorized by law and must be collected from persons  
26 who are taxable by the state under chapters 82.08 and 82.12 RCW upon  
27 the occurrence of any taxable event within the county for a county's  
28 tax and within a city for a city's tax.

29 (e) If a county with a population of greater than one million  
30 five hundred thousand has imposed a tax authorized under this  
31 section, and the county has a city with a population of greater than  
32 sixty thousand located within the county, then the county must spend  
33 within that city's boundaries at least thirty percent of the moneys  
34 collected under this section that are attributable to taxable  
35 activities or events within that city, provided that an applicant has  
36 submitted responsive project applications within the city located in  
37 the county during the funding cycle.

38 (2) (a) Notwithstanding subsection (4) of this section, a minimum  
39 of sixty percent of the moneys collected under this section must be  
40 used for the following purposes:

1 (i) Constructing affordable housing, which may include new units  
2 of affordable housing within an existing structure, and facilities  
3 providing housing-related services; or

4 (ii) Constructing mental and behavioral health-related  
5 facilities; or

6 (iii) Funding the operations and maintenance costs of new units  
7 of affordable housing and facilities where housing-related programs  
8 are provided, or newly constructed evaluation and treatment centers.

9 (b) The affordable housing and facilities providing housing-  
10 related programs in (a)(i) of this subsection may only be provided to  
11 persons within any of the following population groups (~~whose income~~  
12 ~~is at or below sixty percent of the median income of the county~~  
13 ~~imposing the tax~~):

14 (i) Persons with (~~mental illness~~) behavioral health  
15 disabilities;

16 (ii) Veterans;

17 (iii) Senior citizens;

18 (iv) Homeless, or at-risk of being homeless, families with  
19 children;

20 (v) Unaccompanied homeless youth or young adults;

21 (vi) Persons with disabilities; or

22 (vii) Domestic violence survivors.

23 (c) The funds spent on affordable housing or facilities providing  
24 housing-related programs under (a)(i) of this subsection (2) must be  
25 spent as follows:

26 (i) At least forty percent of the funds must be spent on projects  
27 serving households whose income is at or below thirty percent of the  
28 median income of the county imposing the tax;

29 (ii) Up to seven percent may be spent on projects serving  
30 households whose income is greater than sixty percent but at or below  
31 eighty percent of the median income of the county imposing the tax;  
32 and

33 (iii) The remaining funds must be spent on projects serving  
34 households whose income is at or below sixty percent of the median  
35 income of the county imposing the tax.

36 (d) The remainder of the moneys collected under this section must  
37 be used for the operation, delivery, or evaluation of mental and  
38 behavioral health treatment programs and services or housing-related  
39 services.

1 (3) A county that imposes the tax under this section must consult  
2 with a city before the county may construct any of the facilities  
3 authorized under subsection (2)(a) of this section within the city  
4 limits.

5 (4) A county that has not imposed the tax authorized under RCW  
6 82.14.460 prior to October 9, 2015, but imposes the tax authorized  
7 under this section after a city in that county has imposed the tax  
8 authorized under RCW 82.14.460 prior to October 9, 2015, must enter  
9 into an interlocal agreement with that city to determine how the  
10 services and provisions described in subsection (2) of this section  
11 will be allocated and funded in the city.

12 (5) To carry out the purposes of subsection (2)(a) and (b) of  
13 this section, the legislative authority of the county or city  
14 imposing the tax has the authority to issue general obligation or  
15 revenue bonds within the limitations now or hereafter prescribed by  
16 the laws of this state, and may use, and is authorized to pledge, up  
17 to fifty percent of the moneys collected under this section for  
18 repayment of such bonds, in order to finance the provision or  
19 construction of affordable housing, facilities where housing-related  
20 programs are provided, or evaluation and treatment centers described  
21 in subsection (2)(a)(iii) of this section.

22 (6)(a) Moneys collected under this section may be used to offset  
23 reductions in state or federal funds for the purposes described in  
24 subsection (2) of this section.

25 (b) No more than ten percent of the moneys collected under this  
26 section may be used to supplant existing local funds."

**SB 6126** - S AMD **1138**  
By Senator Hunt

27 On page 1, line 1 of the title, after "Relating to" strike the  
28 remainder of the title and insert "increasing the flexibility of  
29 local governments to address affordable housing needs by allowing  
30 implementation of a sales and use tax without restricting other  
31 taxing authority and specifying use of funds derived from  
32 implementation of the tax; and amending RCW 82.14.530."

EFFECT: Strikes and restores all provisions of the original bill  
and adds new provisions which do the following:

(1) Allows a county or city, as an alternative to imposing the tax by councilmanic authority, to submit an authorizing proposition to the voters and, if the proposition is approved by a majority of persons voting, impose the tax;

(2) Requires a county with a population of greater than 1.5 million that imposes a tax, and has within it a city with a population of greater than sixty thousand, to spend within that city at least 30 percent of the tax revenues generated from that city, unless the county receives no responsive project applications; and

(3) Establishes the following requirements for spending on construction of affordable housing and facilities providing housing-related services: (a) At least 40 percent of funds must be spent on projects serving households with incomes of thirty percent or less of the median income; (b) up to 7 percent may be spent on projects serving households with greater than 60 percent but less than 80 percent of the median income; and (c) the remaining funds must be spent on projects serving households with incomes at or below 60 percent of the median income.

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