
Finance Committee

HB 2110

Brief Description: Modifying the definition of affordable workforce housing for the purposes of permitted lodging tax revenue expenditures.

Sponsors: Representatives Ryu and Santos.

<p style="text-align: center;">Brief Summary of Bill</p> <ul style="list-style-type: none">• Modifies the definition of "affordable workforce housing" for the purposes of allowed lodging tax expenditures
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Hearing Date: 2/26/19

Staff: Rachelle Harris (786-7137).

Background:

Lodging Tax.

Cities and counties are permitted to adopt a local sales tax on charges for lodging at hotels, motels, rooming houses, private campgrounds, RV parks, and similar facilities for continuous period of less than one month. The lodging tax is also known as the hotel-motel tax.

The lodging tax is a credit against the state retail sales tax rate of 6.5 percent. The maximum tax rate is 2 percent. All 281 cities and 39 counties that levy the lodging tax have adopted the maximum rate.

Cities and counties may use local lodging tax revenue for expenditures provided in statute including but not limited to tourism promotion, the acquisition and operation of tourism-related facilities, revenue bonds for affordable workforce housing within a half-mile of a transit station. "Affordable workforce housing" is defined as housing for a single person, family, unrelated persons living together whose income is between 30percent and 80percent of the median income, adjusted for household size, for the county where the housing is located.

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.

Summary of Bill:

The definition for "affordable workforce housing" is modified to mean housing for a single person, family, unrelated persons living together whose income is at or below 80percent of the median income, adjusted for household size, for the county where the housing is located.

Appropriation: None.

Fiscal Note: Requested on February 22, 2019.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.