
SENATE BILL 5433

State of Washington 61st Legislature 2009 Regular Session

By Senators Regala, Swecker, Rockefeller, Morton, Fraser, Ranker, Fairley, and Shin

Read first time 01/22/09. Referred to Committee on Government Operations & Elections.

1 AN ACT Relating to modifying provisions of local option taxes;
2 amending RCW 82.14.460, 82.14.450, and 84.55.050; creating a new
3 section; and declaring an emergency.

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

5 **Sec. 1.** RCW 82.14.460 and 2008 c 157 s 2 are each amended to read
6 as follows:

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

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

15 (3) Moneys collected under this section shall be used solely for
16 the purpose of providing for the operation or delivery of ((new or
17 expanded)) chemical dependency or mental health treatment programs and
18 services and for the operation or delivery of ((new or expanded))
19 therapeutic court programs and services. For the purposes of this

1 section, "programs and services" includes, but is not limited to,
2 treatment services, case management, and housing that are a component
3 of a coordinated chemical dependency or mental health treatment program
4 or service.

5 ~~((4) Moneys collected under this section shall not be used to
6 supplant existing funding for these purposes, provided that nothing in
7 this section shall be interpreted to prohibit the use of moneys
8 collected under this section for the replacement of lapsed federal
9 funding previously provided for the operation or delivery of services
10 and programs as provided in this section.))~~

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

13 (1) A county legislative authority may submit an authorizing
14 proposition to the county voters at a primary or general election and,
15 if the proposition is approved by a majority of persons voting, impose
16 a sales and use tax in accordance with the terms of this chapter. The
17 title of each ballot measure must clearly state the purposes for which
18 the proposed sales and use tax will be used. ~~((Funds raised under this
19 tax shall not supplant existing funds used for these purposes. For
20 purposes of this subsection, existing funds means the actual operating
21 expenditures for the calendar year in which the ballot measure is
22 approved by voters. Actual operating expenditures excludes lost
23 federal funds, lost or expired state grants or loans, extraordinary
24 events not likely to reoccur, changes in contract provisions beyond the
25 control of the county or city receiving the services, and major
26 nonrecurring capital expenditures.))~~ The rate of tax under this
27 section ~~((shall))~~ may not exceed three-tenths of one percent of the
28 selling price in the case of a sales tax, or value of the article used,
29 in the case of a use tax.

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

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

1 (4) One-third of all money received under this section (~~shall~~)
2 must be used solely for criminal justice purposes. For the purposes of
3 this subsection, "criminal justice purposes" means additional police
4 protection, mitigation of congested court systems, or relief of
5 overcrowded jails or other local correctional facilities.

6 (5) Money received under this section (~~shall~~) must be shared
7 between the county and the cities as follows: Sixty percent (~~shall~~)
8 must be retained by the county and forty percent (~~shall~~) must be
9 distributed on a per capita basis to cities in the county.

10 **Sec. 3.** RCW 84.55.050 and 2008 c 319 s 1 are each amended to read
11 as follows:

12 (1) Subject to any otherwise applicable statutory dollar rate
13 limitations, regular property taxes may be levied by or for a taxing
14 district in an amount exceeding the limitations provided for in this
15 chapter if such levy is authorized by a proposition approved by a
16 majority of the voters of the taxing district voting on the proposition
17 at a general election held within the district or at a special election
18 within the taxing district called by the district for the purpose of
19 submitting such proposition to the voters. Any election held pursuant
20 to this section (~~shall~~) must be held not more than twelve months
21 prior to the date on which the proposed levy is to be made, except as
22 provided in subsection (2) of this section. The ballot of the
23 proposition (~~shall~~) must state the dollar rate proposed and (~~shall~~)
24 must clearly state the conditions, if any, which are applicable under
25 subsection (4) of this section.

26 (2) Subject to statutory dollar limitations, a proposition placed
27 before the voters under this section may authorize annual increases in
28 levies for multiple consecutive years, up to six consecutive years,
29 during which period each year's authorized maximum legal levy (~~shall~~)
30 must be used as the base upon which an increased levy limit for the
31 succeeding year is computed, but the ballot proposition must state the
32 dollar rate proposed only for the first year of the consecutive years
33 and must state the limit factor, or a specified index to be used for
34 determining a limit factor, such as the consumer price index, which
35 need not be the same for all years, by which the regular tax levy for
36 the district may be increased in each of the subsequent consecutive
37 years. Elections for this purpose must be held at a primary or general

1 election. The title of each ballot measure must state the limited
2 purposes for which the proposed annual increases during the specified
3 period of up to six consecutive years (~~(shall)~~) must be used(~~(, and~~
4 ~~funds raised under the levy shall not supplant existing funds used for~~
5 ~~these purposes. For purposes of this subsection, existing funds means~~
6 ~~the actual operating expenditures for the calendar year in which the~~
7 ~~ballot measure is approved by voters. Actual operating expenditures~~
8 ~~excludes lost federal funds, lost or expired state grants or loans,~~
9 ~~extraordinary events not likely to reoccur, changes in contract~~
10 ~~provisions beyond the control of the taxing district receiving the~~
11 ~~services, and major nonrecurring capital expenditures)).~~

12 (3) After a levy authorized pursuant to this section is made, the
13 dollar amount of such levy may not be used for the purpose of computing
14 the limitations for subsequent levies provided for in this chapter,
15 unless the ballot proposition expressly states that the levy made under
16 this section will be used for this purpose.

17 (4) If expressly stated, a proposition placed before the voters
18 under subsection (1) or (2) of this section may:

19 (a) Use the dollar amount of a levy under subsection (1) of this
20 section, or the dollar amount of the final levy under subsection (2) of
21 this section, for the purpose of computing the limitations for
22 subsequent levies provided for in this chapter;

23 (b) Limit the period for which the increased levy is to be made
24 under (a) of this subsection;

25 (c) Limit the purpose for which the increased levy is to be made
26 under (a) of this subsection, but if the limited purpose includes
27 making redemption payments on bonds, the period for which the increased
28 levies are made shall not exceed nine years;

29 (d) Set the levy or levies at a rate less than the maximum rate
30 allowed for the district; or

31 (e) Include any combination of the conditions in this subsection.

32 (5) Except as otherwise expressly stated in an approved ballot
33 measure under this section, subsequent levies shall be computed as if:

34 (a) The proposition under this section had not been approved; and

35 (b) The taxing district had made levies at the maximum rates which
36 would otherwise have been allowed under this chapter during the years
37 levies were made under the proposition.

1 NEW SECTION. **Sec. 4.** This act applies retroactively to October 1,
2 2008, as well as prospectively.

3 NEW SECTION. **Sec. 5.** This act is necessary for the immediate
4 preservation of the public peace, health, or safety, or support of the
5 state government and its existing public institutions, and takes effect
6 immediately.

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