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**SENATE BILL 5446**

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**State of Washington**

**67th Legislature**

**2021 Regular Session**

**By** Senators Das and Keiser

1 AN ACT Relating to supporting warehousing and manufacturing job  
2 centers; adding new sections to chapter 82.14 RCW; creating a new  
3 section; providing an effective date; providing an expiration date;  
4 and declaring an emergency.

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

6 NEW SECTION. **Sec. 1.** The legislature recognizes that changes in  
7 sales tax sourcing laws created a significant negative fiscal impact  
8 on communities with a concentration of warehousing, manufacturing,  
9 and shipping. These communities are vital job centers to our state  
10 economy. Furthermore, the infrastructure demands to support these  
11 industries are significant. The legislature hereby creates the  
12 warehousing and manufacturing job center assistance program to  
13 provide these communities with revenue to mitigate the negative  
14 fiscal impact of changes in sales tax sourcing laws and fund  
15 important infrastructure to maintain these key job centers.

16 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.14  
17 RCW to read as follows:

18 (1)(a) In order to mitigate local sales tax revenue net losses as  
19 a result of the sourcing provisions of the streamlined sales and use  
20 tax agreement under this title, the state treasurer, on October 1,

1 2021, and each July 1st thereafter through July 1, 2026, must  
2 transfer into the manufacturing and warehousing job centers account  
3 from the general fund the sum required to mitigate actual net losses  
4 as determined under this section.

5 (b) The payment required under (a) of this subsection for October  
6 1, 2021, must be for double the amount determined pursuant to  
7 subsection (2) of this section.

8 (2) The department shall provide each qualified local taxing  
9 district a quarterly mitigation payment from the warehousing and  
10 manufacturing job center assistance program equal to the streamlined  
11 sales tax mitigation payment that was provided to that qualified  
12 local taxing district on June 30, 2020. Starting July 1, 2022, the  
13 amount of the quarterly mitigation payment shall be reduced by 20  
14 percent from the previous year's payment for that same quarter for  
15 each qualified local taxing district.

16 (3) For the purposes of this section, "qualified local taxing  
17 district" means a city that received a quarterly streamlined sales  
18 tax mitigation payment from the state on June 30, 2020, of at least  
19 \$60,000.

20 (4) This section expires July 1, 2026.

21 NEW SECTION. **Sec. 3.** A new section is added to chapter 82.14  
22 RCW to read as follows:

23 The manufacturing and warehousing job centers account is created  
24 in the state treasury. All receipts from section 2 of this act must  
25 be deposited into the account. Moneys in the account may be spent  
26 only after appropriation. Expenditures from the account may be used  
27 only for the purpose of mitigating the negative fiscal impacts to  
28 local taxing jurisdictions as a result of RCW 82.14.490 and  
29 82.14.020.

30 NEW SECTION. **Sec. 4.** This act is necessary for the immediate  
31 preservation of the public peace, health, or safety, or support of  
32 the state government and its existing public institutions, and takes  
33 effect July 1, 2021.

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