
SENATE BILL 6164

State of Washington

61st Legislature

2009 Regular Session

By Senator Regala

1 AN ACT Relating to providing local flexibility with existing
2 revenues during severe economic downturns; amending RCW 82.46.010,
3 82.14.340, 9.46.113, and 67.28.1815; reenacting and amending RCW
4 82.46.035; and providing an expiration date.

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

6 **Sec. 1.** RCW 82.46.010 and 1994 c 272 s 1 are each amended to read
7 as follows:

8 (1) The legislative authority of any county or city shall identify
9 in the adopted budget the capital projects funded in whole or in part
10 from the proceeds of the tax authorized in this section, and shall
11 indicate that such tax is intended to be in addition to other funds
12 that may be reasonably available for such capital projects.

13 (2) The legislative authority of any county or any city may impose
14 an excise tax on each sale of real property in the unincorporated areas
15 of the county for the county tax and in the corporate limits of the
16 city for the city tax at a rate not exceeding one-quarter of one
17 percent of the selling price. The revenues from this tax shall be used
18 by any city or county with a population of five thousand or less and

1 any city or county that does not plan under RCW 36.70A.040 for any
2 capital purpose identified in a capital improvements plan and local
3 capital improvements, including those listed in RCW 35.43.040.

4 After April 30, 1992, revenues generated from the tax imposed under
5 this subsection in counties over five thousand population and cities
6 over five thousand population that are required or choose to plan under
7 RCW 36.70A.040 shall be used solely for financing capital projects
8 specified in a capital facilities plan element of a comprehensive plan
9 and housing relocation assistance under RCW 59.18.440 and 59.18.450.
10 However, revenues (a) pledged by such counties and cities to debt
11 retirement prior to April 30, 1992, may continue to be used for that
12 purpose until the original debt for which the revenues were pledged is
13 retired, or (b) committed prior to April 30, 1992, by such counties or
14 cities to a project may continue to be used for that purpose until the
15 project is completed.

16 (3) In lieu of imposing the tax authorized in RCW 82.14.030(2), the
17 legislative authority of any county or any city may impose an
18 additional excise tax on each sale of real property in the
19 unincorporated areas of the county for the county tax and in the
20 corporate limits of the city for the city tax at a rate not exceeding
21 one-half of one percent of the selling price.

22 (4) Taxes imposed under this section shall be collected from
23 persons who are taxable by the state under chapter 82.45 RCW upon the
24 occurrence of any taxable event within the unincorporated areas of the
25 county or within the corporate limits of the city, as the case may be.

26 (5) Taxes imposed under this section shall comply with all
27 applicable rules, regulations, laws, and court decisions regarding real
28 estate excise taxes as imposed by the state under chapter 82.45 RCW.

29 (6) As used in this section, "city" means any city or town and
30 "capital project" means those public works projects of a local
31 government for planning, acquisition, construction, reconstruction,
32 repair, replacement, rehabilitation, or improvement of streets; roads;
33 highways; sidewalks; street and road lighting systems; traffic signals;
34 bridges; domestic water systems; storm and sanitary sewer systems;
35 parks; recreational facilities; law enforcement facilities; fire
36 protection facilities; trails; libraries; administrative and/or
37 judicial facilities; river and/or waterway flood control projects by
38 those jurisdictions that, prior to June 11, 1992, have expended funds

1 derived from the tax authorized by this section for such purposes; and,
2 until December 31, 1995, housing projects for those jurisdictions that,
3 prior to June 11, 1992, have expended or committed to expend funds
4 derived from the tax authorized by this section or the tax authorized
5 by RCW 82.46.035 for such purposes.

6 (7) From the effective date of this act through December 31, 2012,
7 revenues generated from the tax imposed under this section may also be
8 used for the maintenance of capital facilities if the legislative
9 authority of any county or city identifies the capital maintenance
10 facilities in the adopted budget.

11 **Sec. 2.** RCW 82.46.035 and 1992 c 221 s 3 and 1991 sp.s. c 32 s 33
12 are each reenacted and amended to read as follows:

13 (1) The legislative authority of any county or city shall identify
14 in the adopted budget the capital projects, park maintenance and
15 operation expenditures, or both, funded in whole or in part from the
16 proceeds of the tax authorized in this section, and shall indicate that
17 such tax is intended to be in addition to other funds that may be
18 reasonably available for (~~(such capital projects)~~) these purposes.

19 (2) The legislative authority of any county or any city that plans
20 under RCW 36.70A.040(1) may impose an additional excise tax on each
21 sale of real property in the unincorporated areas of the county for the
22 county tax and in the corporate limits of the city for the city tax at
23 a rate not exceeding one-quarter of one percent of the selling price.
24 Any county choosing to plan under RCW 36.70A.040(2) and any city within
25 such a county may only adopt an ordinance imposing the excise tax
26 authorized by this section if the ordinance is first authorized by a
27 proposition approved by a majority of the voters of the taxing district
28 voting on the proposition at a general election held within the
29 district or at a special election within the taxing district called by
30 the district for the purpose of submitting such proposition to the
31 voters.

32 (3) Revenues generated from the tax imposed under subsection (2) of
33 this section shall be used by such counties and cities (~~(solely)~~) for
34 financing capital projects specified in a capital facilities plan
35 element of a comprehensive plan, and, at the option of the city or
36 county, park maintenance and operation expenditures. However, revenues
37 (a) pledged by such counties and cities to debt retirement prior to

1 March 1, 1992, may continue to be used for that purpose until the
2 original debt for which the revenues were pledged is retired, or (b)
3 committed prior to March 1, 1992, by such counties or cities to a
4 project may continue to be used for that purpose until the project is
5 completed.

6 (4) Revenues generated by the tax imposed by this section shall be
7 deposited in a separate account.

8 (5) As used in this section, "city" means any city or town and
9 "capital project" means those public works projects of a local
10 government for planning, acquisition, construction, reconstruction,
11 repair, replacement, rehabilitation, or improvement of streets, roads,
12 highways, sidewalks, street and road lighting systems, traffic signals,
13 bridges, domestic water systems, storm and sanitary sewer systems,
14 (~~and planning, construction, reconstruction, repair, rehabilitation,~~
15 ~~or improvement of parks~~) parks, recreational facilities, law
16 enforcement facilities, fire protection facilities, trails, libraries,
17 administrative and/or judicial facilities, and river and water flood
18 control facilities.

19 (6) When the governor files a notice of noncompliance under RCW
20 36.70A.340 with the secretary of state and the appropriate county or
21 city, the county or city's authority to impose the additional excise
22 tax under this section shall be temporarily rescinded until the
23 governor files a subsequent notice rescinding the notice of
24 noncompliance.

25 (7) From the effective date of this act through December 31, 2012,
26 revenues generated from the tax imposed under this section may also be
27 used for the maintenance of capital facilities if the legislative
28 authority of any county or city identifies the capital maintenance
29 facilities in the adopted budget.

30 **Sec. 3.** RCW 82.14.340 and 1995 c 309 s 1 are each amended to read
31 as follows:

32 The legislative authority of any county may fix and impose a sales
33 and use tax in accordance with the terms of this chapter, provided that
34 such sales and use tax is subject to repeal by referendum, using the
35 procedures provided in RCW 82.14.036. The referendum procedure
36 provided in RCW 82.14.036 is the exclusive method for subjecting any
37 county sales and use tax ordinance or resolution to a referendum vote.

1 The tax authorized in this section shall be in addition to any
2 other taxes authorized by law and shall be collected from those persons
3 who are taxable by the state pursuant to chapters 82.08 and 82.12 RCW
4 upon the occurrence of any taxable event within such county. The rate
5 of tax shall equal one-tenth of one percent of the selling price (in
6 the case of a sales tax) or value of the article used (in the case of
7 a use tax).

8 When distributing moneys collected under this section, the state
9 treasurer shall distribute ten percent of the moneys to the county in
10 which the tax was collected. The remainder of the moneys collected
11 under this section shall be distributed to the county and the cities
12 within the county ratably based on population as last determined by the
13 office of financial management. In making the distribution based on
14 population, the county shall receive that proportion that the
15 unincorporated population of the county bears to the total population
16 of the county and each city shall receive that proportion that the city
17 incorporated population bears to the total county population.

18 Moneys received from any tax imposed under this section shall be
19 expended (~~(exclusively)~~) for criminal justice purposes (~~(and shall not~~
20 ~~be used to replace or supplant existing funding)~~). Criminal justice
21 purposes are defined as activities that substantially assist the
22 criminal justice system, which may include circumstances where
23 ancillary benefit to the civil justice system occurs, and which
24 include(~~(s)~~) human services, domestic violence services such as those
25 provided by domestic violence programs, community advocates, and legal
26 advocates, as defined in RCW 70.123.020. (~~(Existing funding for~~
27 ~~purposes of this subsection is defined as calendar year 1989 actual~~
28 ~~operating expenditures for criminal justice purposes. Calendar year~~
29 ~~1989 actual operating expenditures for criminal justice purposes~~
30 ~~exclude the following: Expenditures for extraordinary events not~~
31 ~~likely to reoccur, changes in contract provisions for criminal justice~~
32 ~~services, beyond the control of the local jurisdiction receiving the~~
33 ~~services, and major nonrecurring capital expenditures.)~~)

34 In the expenditure of funds for criminal justice purposes as
35 provided in this section, cities and counties, or any combination
36 thereof, are expressly authorized to participate in agreements,
37 pursuant to chapter 39.34 RCW, to jointly expend funds for criminal
38 justice purposes of mutual benefit. Such criminal justice purposes of

1 mutual benefit include, but are not limited to, the construction,
2 improvement, and expansion of jails, court facilities, (~~and~~) juvenile
3 justice facilities, and services with ancillary benefits to the civil
4 justice system.

5 **Sec. 4.** RCW 9.46.113 and 1975 1st ex.s. c 166 s 11 are each
6 amended to read as follows:

7 Any county, city, or town which collects a tax on gambling
8 activities authorized pursuant to RCW 9.46.110 shall use the revenue
9 from such tax primarily for the purpose of (~~enforcement of the~~
10 ~~provisions of this chapter by the county, city or town law enforcement~~
11 ~~agency~~) public safety.

12 **Sec. 5.** RCW 67.28.1815 and 2008 c 264 s 3 are each amended to read
13 as follows:

14 Except as provided in RCW 67.28.180, all revenue from taxes imposed
15 under this chapter shall be credited to a special fund in the treasury
16 of the municipality imposing such tax and used (~~solely~~) for the
17 purpose of paying all or any part of the cost of tourism promotion,
18 acquisition of tourism-related facilities, or operation of tourism-
19 related facilities. Municipalities may, under chapter 39.34 RCW, agree
20 to the utilization of revenue from taxes imposed under this chapter for
21 the purposes of funding a multijurisdictional tourism-related facility.
22 After the effective date of this act through December 31, 2012, revenue
23 from taxes imposed under this chapter may also be used for governmental
24 purposes that will maintain or enhance tourism, including public safety
25 improvements.

26 NEW SECTION. **Sec. 6.** Sections 1 through 5 of this act expire
27 December 31, 2012.

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