

SB 5868 - H COMM AMD  
By Committee on Finance

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

3 "Sec. 1. RCW 82.14.370 and 2012 c 225 s 4 are each amended to  
4 read as follows:

5 (1) The legislative authority of a rural county may impose a  
6 sales and use tax in accordance with the terms of this chapter. The  
7 tax is in addition to other taxes authorized by law and must be  
8 collected from those persons who are taxable by the state under  
9 chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event  
10 within the county. The rate of tax may not exceed 0.09 percent of the  
11 selling price in the case of a sales tax or value of the article used  
12 in the case of a use tax, except that for rural counties with  
13 population densities between ((sixty)) 60 and ((one-hundred)) 100  
14 persons per square mile, the rate shall not exceed 0.04 percent  
15 before January 1, 2000.

16 (2) The tax imposed under subsection (1) of this section must be  
17 deducted from the amount of tax otherwise required to be collected or  
18 paid over to the department of revenue under chapter 82.08 or 82.12  
19 RCW. The department of revenue must perform the collection of such  
20 taxes on behalf of the county at no cost to the county.

21 (3)(a) Moneys collected under this section may only be used to  
22 finance public facilities serving economic development purposes in  
23 rural counties and finance personnel in economic development offices.  
24 The public facility must be listed as an item in the officially  
25 adopted county overall economic development plan, or the economic  
26 development section of the county's comprehensive plan, or the  
27 comprehensive plan of a city or town located within the county for  
28 those counties planning under RCW 36.70A.040, or provide affordable  
29 workforce housing infrastructure or facilities. For those counties  
30 that do not have an adopted overall economic development plan and do  
31 not plan under the growth management act, the public facility must be  
32 listed in the county's capital facilities plan or the capital

1 facilities plan of a city or town located within the county, or  
2 provide affordable workforce housing infrastructure or facilities.

3 (b) In implementing this section, the county must consult with  
4 cities, towns, and port districts located within the county and the  
5 associate development organization serving the county to ensure that  
6 the expenditure meets the goals of chapter 130, Laws of 2004 and the  
7 requirements of (a) of this subsection. Each county collecting money  
8 under this section must report, as follows, to the office of the  
9 state auditor, within (~~one hundred fifty~~) 150 days after the close  
10 of each fiscal year: (i) A list of new projects begun during the  
11 fiscal year, showing that the county has used the funds for those  
12 projects consistent with the goals of chapter 130, Laws of 2004 and  
13 the requirements of (a) of this subsection; and (ii) expenditures  
14 during the fiscal year on projects begun in a previous year. Any  
15 projects financed prior to June 10, 2004, from the proceeds of  
16 obligations to which the tax imposed under subsection (1) of this  
17 section has been pledged may not be deemed to be new projects under  
18 this subsection. No new projects funded with money collected under  
19 this section may be for justice system facilities.

20 (c) The definitions in this section apply throughout this  
21 section.

22 (i) "Public facilities" means bridges, roads, domestic and  
23 industrial water facilities, sanitary sewer facilities, earth  
24 stabilization, storm sewer facilities, railroads, electrical  
25 facilities, natural gas facilities, research, testing, training, and  
26 incubation facilities in innovation partnership zones designated  
27 under RCW 43.330.270, buildings, structures, telecommunications  
28 infrastructure, transportation infrastructure, or commercial  
29 infrastructure, (~~and~~) port facilities in the state of Washington,  
30 or affordable workforce housing infrastructure or facilities.

31 (ii) "Economic development purposes" means those purposes which  
32 facilitate the creation or retention of businesses and jobs in a  
33 county, including affordable workforce housing infrastructure or  
34 facilities.

35 (iii) "Economic development office" means an office of a county,  
36 port districts, or an associate development organization as defined  
37 in RCW 43.330.010, which promotes economic development purposes  
38 within the county.

39 (iv) "Affordable workforce housing infrastructure or facilities"  
40 means housing infrastructure or facilities that a qualifying provider

1 uses for housing for a single person, family, or unrelated persons  
2 living together whose income is no more than 120 percent of the  
3 median income, adjusted for housing size, for the county where the  
4 housing is located.

5 (v) "Qualifying provider" means a nonprofit entity as defined in  
6 RCW 84.36.560, a nonprofit entity or qualified cooperative  
7 association as defined in RCW 84.36.049, a housing authority created  
8 under RCW 35.82.030 or 35.82.300, a public corporation established  
9 under RCW 35.21.660 or 35.21.730, or a county or municipal  
10 corporation.

11 (4) No tax may be collected under this section before July 1,  
12 1998.

13 (a) Except as provided in (b) of this subsection, no tax may be  
14 collected under this section by a county more than (~~twenty-five~~) 25  
15 years after the date that a tax is first imposed under this section.

16 (b) For counties imposing the tax at the rate of 0.09 percent  
17 before August 1, 2009, the tax expires on the date that is (~~twenty-~~  
18 ~~five~~) 25 years after the date that the 0.09 percent tax rate was  
19 first imposed by that county.

20 (5) For purposes of this section, "rural county" means a county  
21 with a population density of less than (~~one hundred~~) 100 persons  
22 per square mile or a county smaller than (~~two hundred twenty-five~~)  
23 225 square miles as determined by the office of financial management  
24 and published each year by the department for the period July 1st to  
25 June 30th."

26 Correct the title.

EFFECT: (1) Expands the eligible income range for what is considered affordable workforce housing through removing the minimum income threshold of 60 percent of area median income.

(2) Limits the entities that may provide affordable workforce housing to nonprofit entities, qualified cooperative associations, housing authorities, public corporations, or counties or municipal corporations.

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