
HOUSE BILL 1590

State of Washington

66th Legislature

2019 Regular Session

By Representatives Doglio, Dolan, Macri, Cody, and Gregerson

1 AN ACT Relating to allowing the local sales and use tax for
2 affordable housing to be imposed by a councilmanic authority; and
3 amending RCW 82.14.530.

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

5 **Sec. 1.** RCW 82.14.530 and 2015 3rd sp.s. c 24 s 701 are each
6 amended to read as follows:

7 (1)(a) A county legislative authority may (~~submit an authorizing~~
8 ~~proposition to the county voters at a special or general election~~
9 ~~and, if the proposition is approved by a majority of persons~~
10 ~~voting,~~) impose a sales and use tax in accordance with the terms of
11 this chapter. (~~The title of each ballot measure must clearly state~~
12 ~~the purposes for which the proposed sales and use tax will be used.~~)
13 The rate of tax under this section may not exceed one-tenth of one
14 percent of the selling price in the case of a sales tax, or value of
15 the article used, in the case of a use tax.

16 (b)(~~(i)~~) If a county (~~with a population of one million five~~
17 ~~hundred thousand or less has not imposed~~) does not impose the full
18 tax rate authorized under (a) of this subsection (~~within two years~~
19 ~~of October 9, 2015~~), any city legislative authority located in that
20 county may (~~submit an authorizing proposition to the city voters at~~
21 ~~a special or general election and, if the proposition is approved by~~

1 ~~a majority of persons voting,~~) impose the whole or remainder of the
2 sales and use tax rate in accordance with the terms of this chapter.
3 ~~((The title of each ballot measure must clearly state the purposes~~
4 ~~for which the proposed sales and use tax will be used.))~~ The rate of
5 tax under this section may not exceed one-tenth of one percent of the
6 selling price in the case of a sales tax, or value of the article
7 used, in the case of a use tax.

8 ~~((ii) If a county with a population of greater than one million~~
9 ~~five hundred thousand has not imposed the full tax authorized under~~
10 ~~(a) of this subsection within three years of October 9, 2015, any~~
11 ~~city legislative authority located in that county may submit an~~
12 ~~authorizing proposition to the city voters at a special or general~~
13 ~~election and, if the proposition is approved by a majority of persons~~
14 ~~voting, impose the whole or remainder of the sales and use tax rate~~
15 ~~in accordance with the terms of this chapter. The title of each~~
16 ~~ballot measure must clearly state the purposes for which the proposed~~
17 ~~sales and use tax will be used. The rate of tax under this section~~
18 ~~may not exceed one-tenth of one percent of the selling price in the~~
19 ~~case of a sales tax, or value of the article used, in the case of a~~
20 ~~use tax.))~~

21 (c) If a county imposes a tax authorized under (a) of this
22 subsection after a city located in that county has imposed the tax
23 authorized under (b) of this subsection, the county must provide a
24 credit against its tax for the full amount of tax imposed by a city.

25 (d) The taxes authorized in this subsection are in addition to
26 any other taxes authorized by law and must be collected from persons
27 who are taxable by the state under chapters 82.08 and 82.12 RCW upon
28 the occurrence of any taxable event within the county for a county's
29 tax and within a city for a city's tax.

30 (2)(a) Notwithstanding subsection (4) of this section, a minimum
31 of sixty percent of the moneys collected under this section must be
32 used for the following purposes:

33 (i) Constructing affordable housing, which may include new units
34 of affordable housing within an existing structure, and facilities
35 providing housing-related services; or

36 (ii) Constructing mental and behavioral health-related
37 facilities; or

38 (iii) Funding the operations and maintenance costs of new units
39 of affordable housing and facilities where housing-related programs
40 are provided, or newly constructed evaluation and treatment centers.

1 (b) The affordable housing and facilities providing housing-
2 related programs in (a)(i) of this subsection may only be provided to
3 persons within any of the following population groups whose income is
4 at or below sixty percent of the median income of the county imposing
5 the tax:

6 (i) Persons with ((~~mental illness~~)) behavioral health
7 disabilities;

8 (ii) Veterans;

9 (iii) Senior citizens;

10 (iv) Homeless, or at-risk of being homeless, families with
11 children;

12 (v) Unaccompanied homeless youth or young adults;

13 (vi) Persons with disabilities; or

14 (vii) Domestic violence survivors.

15 (c) The remainder of the moneys collected under this section must
16 be used for the operation, delivery, or evaluation of mental and
17 behavioral health treatment programs and services or housing-related
18 services.

19 (3) A county that imposes the tax under this section must consult
20 with a city before the county may construct any of the facilities
21 authorized under subsection (2)(a) of this section within the city
22 limits.

23 (4) A county that has not imposed the tax authorized under RCW
24 82.14.460 prior to October 9, 2015, but imposes the tax authorized
25 under this section after a city in that county has imposed the tax
26 authorized under RCW 82.14.460 prior to October 9, 2015, must enter
27 into an interlocal agreement with that city to determine how the
28 services and provisions described in subsection (2) of this section
29 will be allocated and funded in the city.

30 (5) To carry out the purposes of subsection (2)(a) and (b) of
31 this section, the legislative authority of the county or city
32 imposing the tax has the authority to issue general obligation or
33 revenue bonds within the limitations now or hereafter prescribed by
34 the laws of this state, and may use, and is authorized to pledge, up
35 to fifty percent of the moneys collected under this section for
36 repayment of such bonds, in order to finance the provision or
37 construction of affordable housing, facilities where housing-related
38 programs are provided, or evaluation and treatment centers described
39 in subsection (2)(a)(iii) of this section.

1 (6) (a) Moneys collected under this section may be used to offset
2 reductions in state or federal funds for the purposes described in
3 subsection (2) of this section.

4 (b) No more than ten percent of the moneys collected under this
5 section may be used to supplant existing local funds.

--- **END** ---