

2/3 CONSTITUTIONAL AMENDMENT

COMPLETE TEXT

AN ACT Relating to taxes and fees imposed by state government; amending RCW 43.135.031 and 43.135.041; adding a new section to chapter 43.135 RCW; repealing RCW 82.38.030; creating new sections; and providing a contingent expiration date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF WASHINGTON:

INTENT

NEW SECTION. **Sec. 1.** Over the past twenty years, the taxpayers have been required to pay increasing taxes and fees to the state, hampering economic growth and limiting opportunities for the citizens of Washington.

The people declare and establish that the state needs to exercise fiscal restraint by either reducing tax burdens or limiting tax increases to only those considered necessary by more than a bare majority of legislators.

Since 1993, the voters have repeatedly passed initiatives requiring two-thirds legislative approval or voter approval to raise taxes and majority legislative approval for fee increases. However, the people have not been allowed to vote on a constitutional amendment requiring these protections even though the people have approved them on numerous occasions.

This measure provides a reduction in the burden of state taxes by repealing state use taxes, enabling the citizens to keep more of their own money to pay for increases in other state taxes and fees due to the lack of a constitutional amendment protecting them, unless the legislature refers to the ballot for a vote a constitutional amendment requiring two-thirds legislative approval or voter approval to raise taxes and majority legislative approval for fee increases. The people want to ensure that tax and fee increases are consistently a last resort.

REPEAL STATE USE TAXES UNLESS...

NEW SECTION. **Sec. 2.** The following acts or parts of acts, as now existing or hereafter amended, are each repealed:

- (1) RCW 82.12.010 (Definitions) and 2010 c 127 s 4, 2009 c 535 s 304, 2006 c 301 s 3, & 2005 c 514 s 104;
- (2) RCW 82.12.020 (Use tax imposed) and 2010 1st sp.s. c 23 s 206, 2009 c 535 s 305, & 2005 c 514 s 105;
- (3) RCW 82.12.0201 (Dedication of taxes-Comprehensive performance audits) and 2006 c 1 s 4 (Initiative Measure No. 900, approved November 8, 2005);
- (4) RCW 82.12.0204 (Exemptions-Honey bees. (Expires July 1, 2017.)) and 2013 2nd sp.s. c 13 s 309 & 2008 c 314 s 5;
- (5) RCW 82.12.0205 (Exemptions-Waste vegetable oil) and 2008 c 237 s 3;
- (6) RCW 82.12.0208 (Exemptions-Digital codes) and 2009 c 535 s 601;
- (7) RCW 82.12.02081 (Exemptions-Audio or video programming) and 2009 c 535 s 602;
- (8) RCW 82.12.02082 (Exemptions-Digital products or services-Made available for free to general public) and 2010 c 111 s 501 & 2009 c 535 s 603;
- (9) RCW 82.12.02084 (Exemptions-Digital goods-Use by students) and 2009 c 535 s 604;
- (10) RCW 82.12.02085 (Exemptions-Digital goods-Noncommercial-Internal audience-Not for sale) and 2009 c 535 s 605;
- (11) RCW 82.12.02086 (Exemptions-Digital products or codes-Free of charge) and 2009 c 535 s 606;
- (12) RCW 82.12.02087 (Exemptions-Digital goods, codes, and services-Used for business purposes) and 2010 c 111 s 502 & 2009 c 535 s 607;
- (13) RCW 82.12.02088 (Exemptions-Digital products-Business buyers-Concurrently available for use within and outside state-Appportionment) and 2009 c 535 s 702;
- (14) RCW 82.12.022 (Natural or manufactured gas-Use tax imposed-Exemption. (Effective until July 1, 2015.)) and 2011 c 174 s 304;
- (15) RCW 82.12.022 (Natural or manufactured gas-Use tax imposed-Exemption. (Effective July 1, 2015.)) and 2014 c 216 s 304 & 2011 c 174 s 304;
- (16) RCW 82.12.023 (Natural or manufactured gas, exempt from use tax imposed by RCW 82.12.020) and 1994 c 124 s 10 & 1989 c 384 s 5;

(17) RCW 82.12.024 (Deferral of use tax on certain users of natural or manufactured gas) and 2001 c 214 s 10;

(18) RCW 82.12.0251 (Exemptions-Use of tangible personal property by nonresident while temporarily within state-Use of household goods, personal effects, and private motor vehicles acquired in another state while resident of other state-Use of certain warranties) and 2009 c 535 s 608, 2005 c 514 s 106, 2003 c 5 s 18, 1997 c 301 s 1, 1987 c 27 s 1, 1985 c 353 s 4, 1983 c 26 s 2, & 1980 c 37 s 51;

(19) RCW 82.12.02525 (Exemptions-Sale of copied public records by state and local agencies) and 2011 c 60 s 50, 2009 c 535 s 609, & 1996 c 63 s 2;

(20) RCW 82.12.0253 (Exemptions-Use of tangible personal property taxable under chapter 82.16 RCW) and 1980 c 37 s 53;

(21) RCW 82.12.0254 (Exemptions-Use of airplanes, locomotives, railroad cars, or watercraft used in interstate or foreign commerce or outside state's territorial waters-Components-Use of vehicles in the transportation of persons or property across state boundaries-Conditions-Use of vehicle under trip permit to point outside state) and 2010 c 161 s 905, 2009 c 503 s 2, 2003 c 5 s 3, 1998 c 311 s 7, 1995 c 63 s 2, & 1980 c 37 s 54;

(22) RCW 82.12.0255 (Exemptions-Nontaxable tangible personal property, warranties, and digital products) and 2009 c 535 s 610, 2005 c 514 s 107, 2003 c 5 s 4, & 1980 c 37 s 55;

(23) RCW 82.12.0256 (Exemptions-Use of motor vehicle and special fuel-Conditions. (Effective until July 1, 2015.)) and 2011 1st sp.s. c 16 s 5, 2007 c 223 s 10, 2005 c 443 s 6, & 1998 c 176 s 5;

(24) RCW 82.12.0256 (Exemptions-Use of motor vehicle and special fuel-Conditions. (Effective July 1, 2015.)) and 2013 c 225 s 646, 2011 1st sp.s. c 16 s 5, 2007 c 223 s 10, 2005 c 443 s 6, & 1998 c 176 s 5;

(25) RCW 82.12.02565 (Exemptions-Machinery and equipment used for manufacturing, research and development, or a testing operation. (Effective until July 1, 2015.)) and 2014 c 140 s 14, 2003 c 5 s 5, 1999 c 211 s 6, 1998 c 330 s 2, 1996 c 247 s 3, & 1995 1st sp.s. c 3 s 3;

(26) RCW 82.12.02565 (Exemptions-Machinery and equipment used for manufacturing, research and development, or a testing operation. (Effective July 1, 2015.)) and 2014 c 216 s 402, 2014 c 140 s 14, 2003 c 5 s 5, 1999 c 211 s 6, 1998 c 330 s 2, 1996 c 247 s 3, & 1995 1st sp.s. c 3 s 3;

(27) RCW 82.12.025651 (Exemptions-Use of machinery and equipment by public research institutions) and 2011 c 23 s 5;

(28) RCW 82.12.02566 (Exemptions-Use of tangible personal property

incorporated in prototype for aircraft parts, auxiliary equipment, and aircraft modification-Limitations on yearly exemption) and 2003 c 168 s 209, 1997 c 302 s 2, & 1996 c 247 s 5;

(29) RCW 82.12.02568 (Exemptions-Use of carbon and similar substances that become an ingredient or component of anodes or cathodes used in producing aluminum for sale) and 1996 c 170 s 2;

(30) RCW 82.12.02569 (Exemptions-Use of tangible personal property related to a building or structure that is an integral part of a laser interferometer gravitational wave observatory) and 1996 c 113 s 2;

(31) RCW 82.12.0257 (Exemptions-Use of personal property of the operating property of a public utility by state or political subdivision) and 2010 c 106 s 220, 2009 c 535 s 611, & 1980 c 37 s 57;

(32) RCW 82.12.0258 (Exemptions-Use of personal property previously used in farming and purchased from farmer at auction) and 2014 c 140 s 16, 2009 c 535 s 612, & 1980 c 37 s 58;

(33) RCW 82.12.0259 (Exemptions-Use of personal property, digital automated services, or certain other services by federal corporations providing aid and relief) and 2009 c 535 s 613, 2003 c 5 s 7, & 1980 c 37 s 59;

(34) RCW 82.12.02595 (Exemptions-Personal property and certain services donated to nonprofit organization or governmental entity) and 2009 c 535 s 615, 2004 c 155 s 1, 2003 c 5 s 11, 1998 c 182 s 1, & 1995 c 201 s 1;

(35) RCW 82.12.0261 (Exemptions-Use of livestock) and 2001 c 118 s 5 & 1980 c 37 s 60;

(36) RCW 82.12.0262 (Exemptions-Use of poultry for producing poultry and poultry products for sale) and 1980 c 37 s 61;

(37) RCW 82.12.0263 (Exemptions-Use of fuel by extractor or manufacturer thereof) and 1980 c 37 s 62;

(38) RCW 82.12.0264 (Exemptions-Use of dual-controlled motor vehicles by school for driver training) and 1980 c 37 s 63;

(39) RCW 82.12.0265 (Exemptions-Use by bailee of tangible personal property consumed in research, development, etc., activities) and 1980 c 37 s 64;

(40) RCW 82.12.0266 (Exemptions-Use by residents of motor vehicles and trailers acquired and used while members of the armed services and stationed outside the state) and 1980 c 37 s 65;

(41) RCW 82.12.0267 (Exemptions-Use of semen in artificial insemination of livestock) and 1980 c 37 s 66;

(42) RCW 82.12.0268 (Exemptions-Use of form lumber by persons engaged in constructing, repairing, etc., structures for consumers) and 1980 c 37 s 67;

(43) RCW 82.12.02685 (Exemptions-Use of tangible personal property related to agricultural employee housing) and 1997 c 438 s 2 & 1996 c 117 s 2;

(44) RCW 82.12.0269 (Exemptions-Use of sand, gravel, or rock to extent of labor and service charges for mining, sorting, crushing, etc., thereof from county or city quarry for public road purposes) and 1980 c 37 s 68;

(45) RCW 82.12.0271 (Exemptions-Use of wearing apparel only as a sample for display for sale) and 1980 c 37 s 69;

(46) RCW 82.12.0272 (Exemptions-Use of personal property in single trade shows) and 2009 c 535 s 616 & 1980 c 37 s 70;

(47) RCW 82.12.0273 (Exemptions-Use of pollen) and 1980 c 37 s 71;

(48) RCW 82.12.0274 (Exemptions-Use of tangible personal property by political subdivision resulting from annexation or incorporation) and 1980 c 37 s 72;

(49) RCW 82.12.02745 (Exemptions-Use by free hospitals of certain items) and 1993 c 205 s 2;

(50) RCW 82.12.02747 (Exemptions-Use of medical products by qualifying blood, tissue, or blood and tissue banks) and 2004 c 82 s 3 & 1995 2nd sp.s. c 9 s 5;

(51) RCW 82.12.02748 (Exemptions-Use of human blood, tissue, organs, bodies, or body parts for medical research or quality control testing) and 1996 c 141 s 2;

(52) RCW 82.12.02749 (Exemptions-Use of medical supplies, chemicals, or materials by organ procurement organization) and 2002 c 113 s 3;

(53) RCW 82.12.0275 (Exemptions-Use of certain drugs or family planning devices) and 2003 c 168 s 406, 1993 sp.s. c 25 s 309, & 1980 c 37 s 73;

(54) RCW 82.12.0276 (Exemptions-Use of returnable containers for beverages and foods) and 1980 c 37 s 74;

(55) RCW 82.12.0277 (Exemptions-Certain medical items) and 2007 c 6 s 1102 & 2004 c 153 s 109;

(56) RCW 82.12.0279 (Exemptions-Use of ferry vessels by the state or local governmental units-Components thereof) and 2003 c 5 s 9 & 1980 c 37 s 77;

(57) RCW 82.12.0282 (Exemptions-Use of vans as ride-sharing vehicles) and 2014 c 97 s 504, 2001 c 320 s 5, 1999 c 358 s 11, 1996 c 88 s 4, 1993 c

488 s 4, & 1980 c 166 s 2;

(58) RCW 82.12.0283 (Exemptions-Use of certain irrigation equipment) and 2014 c 140 s 21 & 1983 1st ex.s. c 55 s 6;

(59) RCW 82.12.0284 (Exemptions-Use of computers or computer components, accessories, software, digital goods, or digital codes donated to schools or colleges) and 2009 c 535 s 617, 2007 c 54 s 15, 2003 c 168 s 603, & 1983 1st ex.s. c 55 s 7;

(60) RCW 82.12.02915 (Exemptions-Use of items by health or social welfare organizations for alternative housing for youth in crisis) and 1998 c 183 s 2, 1997 c 386 s 57, & 1995 c 346 s 2;

(61) RCW 82.12.02917 (Exemptions-Use of amusement and recreation services by nonprofit youth organization) and 1999 c 358 s 7;

(62) RCW 82.12.0293 (Exemptions-Use of food and food ingredients) and 2011 c 2 s 303 (Initiative Measure No. 1107, approved November 2, 2010), 2010 1st sp.s. c 23 s 903, 2009 c 483 s 4, 2003 c 168 s 303, 1988 c 103 s 2, 1986 c 182 s 2, 1985 c 104 s 2, & 1982 1st ex.s. c 35 s 34;

(63) RCW 82.12.0294 (Exemptions-Use of feed for cultivating or raising fish for sale) and 1985 c 148 s 4;

(64) RCW 82.12.0296 (Exemptions-Use of feed consumed by livestock at a public livestock market) and 1986 c 265 s 2;

(65) RCW 82.12.0297 (Exemptions-Use of food purchased under the supplemental nutrition assistance program) and 2011 c 174 s 104, 1998 c 79 s 19, & 1987 c 28 s 2;

(66) RCW 82.12.0298 (Exemptions-Use of diesel fuel in operating watercraft in commercial deep sea fishing or commercial passenger fishing boat operations outside the state) and 1987 c 494 s 2;

(67) RCW 82.12.031 (Exemptions-Use by artistic or cultural organizations of certain objects) and 1981 c 140 s 5;

(68) RCW 82.12.0311 (Exemptions-Use of materials and supplies in packing horticultural products) and 1988 c 68 s 2;

(69) RCW 82.12.0315 (Exemptions-Rental or sales related to motion picture or video productions-Exceptions) and 2009 c 535 s 614, 2003 c 5 s 10, & 1995 2nd sp.s. c 5 s 2;

(70) RCW 82.12.0316 (Exemptions-Sales of cigarettes by Indian retailers) and 2008 c 228 s 4, 2005 c 11 s 4, & 2001 c 235 s 5;

(71) RCW 82.12.032 (Exemption-Use of used park model trailers) and 2001 c 282 s 4;

(72) RCW 82.12.033 (Exemption-Use of certain used mobile homes) and

1986 c 211 s 3 & 1979 ex.s. c 266 s 4;

(73) RCW 82.12.034 (Exemption-Use of used floating homes) and 1984 c 192 s 4;

(74) RCW 82.12.0345 (Exemptions-Use of newspapers) and 2009 c 535 s 618 & 1994 c 124 s 11;

(75) RCW 82.12.0347 (Exemptions-Use of academic transcripts) and 2009 c 535 s 619 & 1996 c 272 s 3;

(76) RCW 82.12.035 (Credit for retail sales or use taxes paid to other jurisdictions with respect to property used) and 2009 c 535 s 1107, 2007 c 6 s 1203, 2005 c 514 s 108, 2002 c 367 s 5, 1996 c 148 s 6, 1987 c 27 s 2, & 1967 ex.s. c 89 s 5;

(77) RCW 82.12.036 (Exemptions and credits-Pollution control facilities);

(78) RCW 82.12.037 (Credits and refunds-Bad debts) and 2010 1st sp.s. c 23 s 1503, 2007 c 6 s 103, 2004 c 153 s 304, & 1982 1st ex.s. c 35 s 36;

(79) RCW 82.12.038 (Exemptions-Vehicle battery core deposits or credits-Replacement vehicle tire fees-"Core deposits or credits" defined) and 1989 c 431 s 46;

(80) RCW 82.12.040 (Retailers to collect tax-Penalty-Contingent expiration of subsection) and 2011 1st sp.s. c 20 s 103, 2010 c 106 s 221, 2009 c 535 s 1108, & 2005 c 514 s 109;

(81) RCW 82.12.045 (Collection of tax on vehicles by county auditor or director of licensing-Remittance) and 2010 c 161 s 904, 2003 c 361 s 303, 1996 c 149 s 19, 1983 c 77 s 2, 1979 c 158 s 222, 1969 ex.s. c 10 s 1, 1963 c 21 s 1, & 1961 c 15 s 82.12.045;

(82) RCW 82.12.060 (Installment sales or leases) and 2003 c 168 s 216, 1975 1st ex.s. c 278 s 54, 1961 c 293 s 16, & 1961 c 15 s 82.12.060;

(83) RCW 82.12.070 (Cash receipts taxpayers-Bad debts) and 2013 c 23 s 319, 2004 c 153 s 305, 1982 1st ex.s. c 35 s 38, 1975 1st ex.s. c 278 s 55, & 1961 c 15 s 82.12.070;

(84) RCW 82.12.080 (Administration) and 1961 c 15 s 82.12.080;

(85) RCW 82.12.145 (Delivery charges) and 2007 c 6 s 802;

(86) RCW 82.12.195 (Bundled transactions-Tax imposed) and 2009 c 483 s 5 & 2007 c 6 s 1403;

(87) RCW 82.12.200 (Exemptions-Honey beekeepers. (Expires July 1, 2017.)) and 2013 2nd sp.s. c 13 s 303;

(88) RCW 82.12.205 (Clay targets. (Expires July 1, 2017.)) and 2013 2nd sp.s. c 13 s 403;

(89) RCW 82.12.207 (Investment date for investment firms. (Expires July 1, 2021.)) and 2013 2nd sp.s. c 13 s 703;

(90) RCW 82.12.210 (Flavor imparters-Restaurants. (Expires July 1, 2017.)) and 2013 2nd sp.s. c 13 s 503;

(91) RCW 82.12.215 (Exemptions-Large private airplanes. (Expires July 1, 2021.)) and 2013 2nd sp.s. c 13 s 1104;

(92) RCW 82.12.220 (Exemptions-Mint growers. (Expires July 1, 2017.)) and 2013 2nd sp.s. c 13 s 1303;

(93) RCW 82.12.225 (Exemptions-Nonprofit fund-raising activities. (Expires July 1, 2017.)) and 2013 2nd sp.s. c 13 s 1402;

(94) RCW 82.12.700 (Exemptions-Vessels sold to nonresidents) and 2007 c 22 s 2;

(95) RCW 82.12.800 (Exemptions-Uses of vessel, vessel's trailer by manufacturer) and 2011 c 171 s 121 & 1997 c 293 s 1;

(96) RCW 82.12.801 (Exemptions-Uses of vessel, vessel's trailer by dealer) and 2011 c 171 s 122 & 1997 c 293 s 2;

(97) RCW 82.12.802 (Vessels held in inventory by dealer or manufacturer-Tax on personal use-Documentation-Rules) and 1997 c 293 s 3;

(98) RCW 82.12.803 (Exemptions-Nebulizers) and 2007 c 6 s 1104 & 2004 c 153 s 105;

(99) RCW 82.12.804 (Exemptions-Ostomic items) and 2004 c 153 s 107;

(100) RCW 82.12.805 (Exemptions-Personal property used at an aluminum smelter) and 2011 c 174 s 305;

(101) RCW 82.12.806 (Exemptions-Use of computer equipment parts and services by printer or publisher) and 2004 c 8 s 3;

(102) RCW 82.12.807 (Exemptions-Direct mail delivery charges) and 2005 c 514 s 116;

(103) RCW 82.12.808 (Exemptions-Use of medical supplies, chemicals, or materials by comprehensive cancer centers) and 2005 c 514 s 403;

(104) RCW 82.12.809 (Exemptions-Vehicles using clean alternative fuels) and 2010 1st sp.s. c 11 s 3 & 2005 c 296 s 3;

(105) RCW 82.12.810 (Exemptions-Air pollution control facilities at a thermal electric generation facility-Exceptions-Payments on cessation of operation) and 2003 c 5 s 12 & 1997 c 368 s 3;

(106) RCW 82.12.811 (Exemptions-Coal used at coal-fired thermal electric generation facility-Application-Demonstration of progress in air pollution control-Notice of emissions violations-Reapplication-Payments on cessation of operation) and 1997 c 368 s 6;

(107) RCW 82.12.815 (Exemptions-Property and services related to electrification systems to power heavy duty diesel vehicles. (Expires July 1, 2015.)) and 2006 c 323 s 4;

(108) RCW 82.12.816 (Exemptions-Electric vehicle batteries and infrastructure. (Expires January 1, 2020.)) and 2009 c 459 s 5;

(109) RCW 82.12.820 (Exemptions-Warehouse and grain elevators and distribution centers) and 2006 c 354 s 13, 2005 c 513 s 12, 2003 c 5 s 13, 2000 c 103 s 9, & 1997 c 450 s 3;

(110) RCW 82.12.825 (Exemptions-Property and services that enable heavy duty diesel vehicles to operate with onboard electrification systems. (Expires July 1, 2015.)) and 2006 c 323 s 6;

(111) RCW 82.12.832 (Exemptions-Use of gun safes) and 1998 c 178 s 2;

(112) RCW 82.12.834 (Exemptions-Sales/leasebacks by regional transit authorities) and 2001 c 320 s 6 & 2000 2nd sp.s. c 4 s 22;

(113) RCW 82.12.845 (Use of motorcycles loaned to department of licensing) and 2001 c 121 s 1;

(114) RCW 82.12.850 (Exemptions-Conifer seed) and 2001 c 129 s 3;

(115) RCW 82.12.855 (Exemptions-Replacement parts for qualifying farm machinery and equipment) and 2014 c 97 s 603, 2007 c 332 s 2, & 2006 c 172 s 2;

(116) RCW 82.12.860 (Exemptions-Property and services acquired from a federal credit union) and 2009 c 535 s 621 & 2006 c 11 s 1;

(117) RCW 82.12.865 (Exemptions-Diesel, biodiesel, and aircraft fuel for farm fuel users) and 2010 c 106 s 222, 2007 c 443 s 2, & 2006 c 7 s 2;

(118) RCW 82.12.875 (Automotive adaptive equipment. (Expires July 1, 2018.)) and 2013 c 211 s 3;

(119) RCW 82.12.880 (Exemptions-Animal pharmaceuticals) and 2001 2nd sp.s. c 17 s 2;

(120) RCW 82.12.890 (Exemptions-Livestock nutrient management equipment and facilities) and 2014 c 97 s 604, 2010 1st sp.s. c 23 s 602, 2009 c 469 s 602, 2006 c 151 s 3, 2003 c 5 s 15, & 2001 2nd sp.s. c 18 s 3;

(121) RCW 82.12.900 (Exemptions-Anaerobic digesters) and 2006 c 151 s 5, 2003 c 5 s 16, & 2001 2nd sp.s. c 18 s 5;

(122) RCW 82.12.910 (Exemptions-Propane or natural gas to heat chicken structures) and 2001 2nd sp.s. c 25 s 4;

(123) RCW 82.12.920 (Exemptions-Chicken bedding materials) and 2001 2nd sp.s. c 25 s 6;

(124) RCW 82.12.925 (Exemptions-Dietary supplements) and 2003 c 168 s

304;

(125) RCW 82.12.930 (Exemptions-Watershed protection or flood prevention) and 2003 c 5 s 17;

(126) RCW 82.12.935 (Exemptions-Disposable devices used to deliver prescription drugs for human use) and 2003 c 168 s 407;

(127) RCW 82.12.940 (Exemptions-Over-the-counter drugs for human use) and 2003 c 168 s 408;

(128) RCW 82.12.945 (Exemptions-Kidney dialysis devices) and 2004 c 153 s 111 & 2003 c 168 s 411;

(129) RCW 82.12.950 (Exemptions-Steam, electricity, electrical energy) and 2003 c 168 s 704;

(130) RCW 82.12.955 (Exemptions-Use of machinery, equipment, vehicles, and services related to biodiesel or E85 motor fuel. (Expires July 1, 2015.)) and 2007 c 309 s 5 & 2003 c 63 s 3;

(131) RCW 82.12.956 (Exemptions-Hog fuel used to generate electricity, steam, heat, or biofuel. (Expires June 30, 2024.)) and 2013 2nd sp.s. c 13 s 1003 & 2009 c 469 s 302;

(132) RCW 82.12.962 (Exemptions-Use of machinery and equipment in generating electricity. (Expires January 1, 2020.)) and 2013 2nd sp.s. c 13 s 1505 & 2009 c 469 s 102;

(133) RCW 82.12.963 (Exemptions-Use of machinery and equipment using solar energy to generate electricity or produce thermal heat. (Expires June 30, 2018.)) and 2013 2nd sp.s. c 13 s 1603 & 2009 c 469 s 104;

(134) RCW 82.12.964 (Use of machinery and equipment used in generating electricity-Effect of exemption expiration) and 2009 c 469 s 109;

(135) RCW 82.12.965 (Exemptions-Semiconductor materials manufacturing. (Contingent effective date; contingent expiration date.)) and 2010 c 114 s 129 & 2003 c 149 s 6;

(136) RCW 82.12.9651 (Exemptions-Gases and chemicals used in production of semiconductor materials. (Expires December 1, 2018.)) and 2014 c 97 s 406, 2010 c 114 s 130, 2009 c 469 s 503, & 2006 c 84 s 4;

(137) RCW 82.12.970 (Exemptions-Gases and chemicals used to manufacture semiconductor materials. (Contingent effective date; contingent expiration date.)) and 2010 c 114 s 131 & 2003 c 149 s 8;

(138) RCW 82.12.975 (Computer parts and software related to the manufacture of commercial airplanes. (Expires July 1, 2040.)) and 2013 3rd sp.s. c 2 s 12, 2008 c 81 s 3, & 2003 2nd sp.s. c 1 s 10;

(139) RCW 82.12.980 (Exemptions-Labor, services, and personal property

related to the manufacture of commercial airplanes. (Expires July 1, 2040.)) and 2013 3rd sp.s. c 2 s 4, 2010 c 114 s 132, & 2003 2nd sp.s. c 1 s 12;

(140) RCW 82.12.983 (Exemptions-Wax and ceramic materials. (Expires June 30, 2015.)) and 2010 c 225 s 2;

(141) RCW 82.12.985 (Exemptions-Insulin) and 2004 c 153 s 103;

(142) RCW 82.12.986 (Exemptions-Eligible server equipment. (Expires April 1, 2020.)) and 2012 2nd sp.s. c 6 s 304, 2010 1st sp.s. c 23 s 1602, & 2010 1st sp.s. c 1 s 3;

(143) RCW 82.12.995 (Exemptions-Certain limited purpose public corporations, commissions, and authorities) and 2009 c 535 s 622 & 2007 c 381 s 3;

(144) RCW 82.12.998 (Exemptions-Weatherization of a residence) and 2008 c 92 s 2;

(145) RCW 82.12.999 (Exemptions-Joint municipal utility services authorities) and 2011 c 258 s 13;

(146) RCW 82.12.9995 (Exemptions-Restaurant employee meals) and 2011 c 55 s 3;

(147) RCW 82.12.9996 (Exemptions-Vessel deconstruction. (Effective October 1, 2014.)) and 2014 c 195 s 302; and

(148) RCW 82.12.99991 (Tax preferences-Expiration dates) and 2013 2nd sp.s. c 13 s 1706.

...UNLESS THE LEGISLATURE REFERS TO THE BALLOT FOR A VOTE A CONSTITUTIONAL AMENDMENT REQUIRING TWO-THIRDS LEGISLATIVE APPROVAL OR VOTER APPROVAL TO RAISE TAXES AND MAJORITY LEGISLATIVE APPROVAL FOR FEE INCREASES

NEW SECTION. **Sec. 3.** (1) Section 2 of this act takes effect April 15, 2016, unless the contingency in subsection (2) of this section occurs.

(2) If the legislature, prior to April 15, 2016, refers to the ballot for a vote a constitutional amendment requiring two-thirds legislative approval or voter approval to raise taxes as defined by voter-approved Initiatives 960, 1053, and 1185 and section 6 of this act and majority legislative approval for fee increases as required by voter-approved Initiatives 960, 1053, and 1185 and codified in RCW 43.135.055 and further defined by subsection (a) of this section, section 2 of this act expires on April 14, 2016.

(a) "Majority legislative approval for fee increases" means only the legislature may set a fee increase's amount and must list it in a bill so it can be subject to the ten-year cost projection and other accountability procedures required by RCW 43.135.031.

STATUTORY REFERENCE UPDATES

Sec. 4. RCW 43.135.031 (Bills raising taxes or fees – Cost analysis – Press release – Notice of hearings – Updated analyses) and 2013 c 1 s 5 are each amended to read as follows:

(1) For any bill introduced in either the house of representatives or the senate that raises taxes as defined by (~~RCW 43.135.034~~) section 6 of this act or increases fees, the office of financial management must expeditiously determine its cost to the taxpayers in its first ten years of imposition, must promptly and without delay report the results of its analysis by public press release via e-mail to each member of the house of representatives, each member of the senate, the news media, and the public, and must post and maintain these releases on its web site. Any ten-year cost projection must include a year-by-year breakdown. For any bill containing more than one revenue source, a ten-year cost projection for each revenue source will be included along with the bill's total ten-year cost projection. The press release shall include the names of the legislators, and their contact information, who are sponsors and cosponsors of the bill so they can provide information to, and answer questions from, the public.

(2) Any time any legislative committee schedules a public hearing on a bill that raises taxes as defined by (~~RCW 43.135.034~~) section 6 of this act or increases fees, the office of financial management must promptly and without delay report the results of its most up-to-date analysis of the bill required by subsection (1) of this section and the date, time, and location of the hearing by public press release via e-mail to each member of the house of representatives, each member of the senate, the news media, and the public, and must post and maintain these releases on its web site. The press release required by this subsection must include all the information required by subsection (1) of this section and the names of the legislators, and their contact information, who are members of the legislative committee conducting the hearing so they can provide information to, and answer questions from, the public.

(3) Each time a bill that raises taxes as defined by (~~RCW 43.135.034~~) section 6 of this act or increases fees is approved by any legislative committee or by at least a simple majority in either the house of representatives or the senate, the office of financial management must expeditiously reexamine and redetermine its ten-year cost projection due to amendment or other changes during the legislative process, must promptly and without delay report the results of its most up-to-date analysis by public press release via e-mail to each member of the house of representatives, each member of the senate, the news media, and the public, and must post and maintain these releases on its web site. Any ten-year cost projection must include a year-by-year breakdown. For any bill containing more than one revenue source, a ten-year cost projection for each revenue source will be included along with the bill's total ten-year cost projection. The press release shall include the names of the legislators, and their contact information, and how they voted on the bill so they can provide information to, and answer questions from, the public.

(4) For the purposes of this section, "names of legislators, and their contact information" includes each legislator's position (senator or representative), first name, last name, party affiliation (for example, Democrat or Republican), city or town they live in, office phone number, and office e-mail address.

(5) For the purposes of this section, "news media" means any member of the press or media organization, including newspapers, radio, and television, that signs up with the office of financial management to receive the public press releases by e-mail.

(6) For the purposes of this section, "the public" means any person, group, or organization that signs up with the office of financial management to receive the public press releases by e-mail.

Sec. 5. RCW 43.135.041 (Tax legislation – Advisory vote – Duties of the attorney general and secretary of state – Exemption) and 2013 c 1 s 6 are each amended to read as follows:

(1)(a) After July 1, 2011, if legislative action raising taxes as defined by (~~RCW 43.135.034~~) section 6 of this act is blocked from a public vote or is not referred to the people by a referendum petition found to be sufficient under RCW 29A.72.250, a measure for an advisory vote of the people is required and shall be placed on the next general election ballot under this chapter.

(b) If legislative action raising taxes enacted after July 1, 2011, involves more than one revenue source, each tax being increased shall be subject to a separate measure for an advisory vote of the people under the requirements of this chapter.

(2) No later than the first of August, the attorney general will send written notice to the secretary of state of any tax increase that is subject to an advisory vote of the people, under the provisions and exceptions provided by this chapter. Within five days of receiving such written notice from the attorney general, the secretary of state will assign a serial number for a measure for an advisory vote of the people and transmit one copy of the measure bearing its serial number to the attorney general as required by RCW 29A.72.040, for any tax increase identified by the attorney general as needing an advisory vote of the people for that year's general election ballot. Saturdays, Sundays, and legal holidays are not counted in calculating the time limits in this subsection.

(3) For the purposes of this section, "blocked from a public vote" includes adding an emergency clause to a bill increasing taxes, bonding or contractually obligating taxes, or otherwise preventing a referendum on a bill increasing taxes.

(4) If legislative action raising taxes is referred to the people by the legislature or is included in an initiative to the people found to be sufficient under RCW 29A.72.250, then the tax increase is exempt from an advisory vote of the people under this chapter.

NEW SECTION. **Sec. 6.** A new section is added to chapter 43.135 RCW and reads as follows:

For the purposes of this chapter, "raises taxes" means any action or combination of actions by the state legislature that increases state tax revenue deposited in any fund, budget, or account, regardless of whether the revenues are deposited into the general fund.

CONSTRUCTION CLAUSE

NEW SECTION. **Sec. 7.** The provisions of this act are to be liberally construed to effectuate the intent, policies, and purposes of this act.

SEVERABILITY CLAUSE

NEW SECTION. **Sec. 8.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

TITLE OF THE ACT

NEW SECTION. **Sec. 9.** This act is known and may be cited as the "Taxpayer Protection Act."

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