2ESSB 5905: CONCERNING CERTIFICATE OF CAPITAL AUTHORIZATION

Prime Sponsor: Senator Franklin *(HB 2063 Representative Fromhold)*

- The Department of Social and Health services is required to adopt a prioritized system to approve public funding for nursing home renovations and construction instead of the current first-come, first-served system.
- First priority is given to renovations or construction that would utilize innovative building designs that create a more home-like setting. Other projects are prioritized based on those nursing homes that have gone the longest without major renovation or construction.

SSB 5256: PROVIDING FOR THE EXCLUSION OF VETERANS BENEFITS FROM THE INCOME CALCULATION FOR THE RETIRED PERSON PROPERTY TAX RELIEF PROGRAM

Prime Sponsor: Senator Prentice

- Federal disability compensation and federal dependency and indemnity compensation awarded to disabled veterans may be deducted from the calculation of disposable income to qualify for the retired person property tax relief program.

SSB 6178: PROVIDING A FIFTY PERCENT PROPERTY TAX DEFERRAL FOR HOUSEHOLDS WITH INCOME OF FIFTY-SEVEN THOUSAND DOLLARS OR LESS

Prime Sponsor: Senator Kauffman *(HB 2417 Representative Seaquist)*

** Signed by the Governor on November 29, 2007 (2007 Special Session)*

- Beginning in 2008, a homeowner may defer the second half of their real property taxes or special assessments if their income is less than $57,000, and they have owned their home for five years.
- The total amount deferred by a claimant must not exceed 40 percent of the amount of the claimants equity value in the residence.
- A claimant must file an application to the county assessor no later than September 1 of the year in which the deferral is sought.

SB 6196: MODIFYING DEFINITIONS APPLICABLE TO LOCAL INFRASTRUCTURE FINANCING TOOL PROGRAM DEMONSTRATION PROJECTS

Prime Sponsor: Senator Pridemore *(HB 2485 Representative Fromhold)*

- Amends the Local Infrastructure Financing Tool program to allow the tax activities in the base year of a demonstration project to be zero if the sponsoring government reasonably determines that no local excise tax distributions were received during a five-month period from August 1, 2008, to December 31, 2008.

SB 6216: AUTHORIZING OF THE GOVERNOR TO ENTER INTO A CIGARETTE TAX CONTRACT WITH THE SHOALWATER BAY TRIBE

Prime Sponsor: Senator Prentice

- Allows the Governor to enter into a cigarette tax contract with the Shoalwater Bay Tribe.

SSB 6224: MODIFYING THE INTEREST ACCRUAL METHODOLOGY FOR VENDOR OVERPAYMENTS

Prime Sponsor: Senator Keiser *(HB 2592 Representative Morrell)*

** Signed by the Governor*

- When calculating the accrual of interest on vendor overpayments, the Department of Social and Health Services must use the 30-day after date of notice methodology.
- The interest accrual methodology based on 90 days from date of overpayment is eliminated.

SSB 6297: CHANGING ELECTED PROSECUTING ATTORNEY SALARIES

Prime Sponsor: Senator Prentice *(HB 2645 Representative Ericks)*

- Changes the amount the state contributes towards the salary of the elected county prosecuting attorney.
- The contribution is currently 50 percent of the salary, as set by the county.
- The contribution will be set to 50 percent of the salary of a Superior Court judge, as set by the Washington Citizens' Commission on Salaries for Elected Officials.
- Each county must continue to contribute an amount equal to its Fiscal Year 2008 contribution.

SB 6335: CONCERNING THE HOMELESS FAMILIES SERVICES FUND

Prime Sponsor: Senator Prentice

** Signed by the Governor*

- Appropriates $6 million from the state General Fund for expenditure in the Homeless Families Services Fund (Fund).
- The Fund may be used to provide state matching funds for housing-based supportive services for homeless families.

SB 6375: PROVIDING A SALES TAX EXEMPTION FOR CERTAIN TRAIL GROOMING SERVICES

Prime Sponsor: Senator Hatfield

** HB 1404 was not enacted, but the provisions are substantially similar to those in SB 6375.*

- Exempts trail grooming services provided to the state and nonprofit corporations from sales tax.

SSB 6389: EXEMPTING CERTAIN MILITARY HOUSING FROM PROPERTY AND LEASEHOLD EXCISE TAXES

Prime Sponsor: Senator Brown

** Signed by the Governor*

- Property and improvements of property belonging to the United States used to house military personnel and their families, pursuant to the federal Military Housing Privatization Initiative of 1996, are exempt from the property tax and the leasehold excise tax.

SSB 6423: STRENGTHENING THE TAX CREDIT AND MODIFYING THE GOVERNING BOARD OF A WASHINGTON MOTION PICTURE COMPETITIVENESS PROGRAM

Prime Sponsor: Senator Brown *(HB 2872 Representative Kenney)*

** Signed by the Governor*

- Washington Film Works may provide more than $1 million in funding assistance to a movie or television production to be used towards costs of its in-state production.
- A person who makes financial contributions to the Washington Film Works is eligible for a B&O tax credit of the lesser of $1 million or 100 percent of the amount contributed.

- The terms of the Washington Film Works Board of Directors are modified to staggered four-year terms.

2SSB 6468: CONCERNING THE TAXATION OF HONEY BEEKEEPERS

Prime Sponsor: Senator King *(HB 2751 Representative Chandler)*

- Exempts the income of registered apiarists from the B&O tax on the wholesale sale of honey and honey bee products, B&O tax on bee pollination services, and the sales and use tax on the sale of pollinating bees.
- These exemptions expire July 1, 2013.

ESSB 6573: PROVIDING ADDITIONAL REVENUES FOR PUBLIC SAFETY

Prime Sponsor: Senator Kilmer *(HB 2962 Representative Kelley)*

** Signed by the Governor*

- Following any biennium in which state revenues increased at least 5 percent over the previous biennium, a portion of the revenue increase will be transferred to a new Local Public Safety Enhancement Account (LPSEA).
- The biennial transfer amount will increase gradually up to $50 million in 2017.
- Half of the funds placed in the LPSEA will be used to fund retirement benefit enhancements for members of the Law Enforcement Officers' and Fire Fighters' Retirement System, Plan 2 (LEOFF 2).
- The other half of the LPSEA funds will be distributed to local governments for public safety purposes.

2SSB 6626: CREATING A SALES AND USE TAX DEFERRAL PROGRAM FOR ELIGIBLE INVESTMENT PROJECTS IN COMMUNITY EMPOWERMENT ZONES

Prime Sponsor: Senator Kilmer *(SHB 3099 Representative Kelley)*

- Construction of corporate headquarters in a community empowerment zone qualifies for deferrals of sales and use taxes that would normally be incurred in the course of the construction.
- The deferred taxes need not be repaid if the recipient of the deferral continues to meet the eligibility requirements.
- There is a minimum investment of $30 million to qualify.
- There is also a minimum 300 full-time employees earning at least the average annual state wage to qualify.

ESB 6629: MAKING CLARIFICATIONS TO THE NURSING FACILITY MEDICAID PAYMENT SYSTEM IN RELATION TO THE USE OF MINIMUM OCCUPANCY IN SETTING COST LIMITS AND APPLICATION OF THE STATEWIDE AVERAGE PAYMENT RATE SPECIFIED IN THE BIENNIAL APPROPRIATIONS ACT

Prime Sponsor: Senator Franklin *(HB 3013 Representative Cody)*

- Makes retroactive, curative, and remedial changes to the law effective to July, 1, 1998, to clarify ambiguities in the statute governing payments to nursing homes for Medicaid residents.
- Clarifies that the minimum occupancy adjustments are applied prior to the calculation of median cost limits for support services and therapy care.
- Clarifies what action the Department of Social and Health Services is to take to prevent a legal order or settlement for a prior year from causing the total average statewide payment rate for all facilities to exceed the limit on rates specified in the operating budget for that prior year.

- Clarifies that effective July 1, 2007, direct care rates are to be based on actual occupancy of residents, regardless of whether a facility increases its number of beds. This results in an increase to certain nursing home payments for direct care in fiscal years 2008 and 2009.

SB 6638: REALLOCATING EXISTING LODGING TAXES FOR HERITAGE AND ARTS PROGRAMS IN A COUNTY WITH A POPULATION OF ONE MILLION OR MORE

Prime Sponsor: Senator Murray *(HB 3054 Representative Hunter)*

- The 40 percent distribution of arts and heritage funds from the hotel-motel tax is no longer distributed to the arts endowment fund, but instead is distributed to an account dedicated to arts and heritage programs.
- At the time the bonds used to pay for the repairs to the Kingdome are retired, the county hotel-motel tax will be distributed into the account dedicated to the arts and heritage programs until December 31, 2015.
- Beginning January 1, 2021, at least 37.5 percent of the county hotel-motel tax revenues will be distributed to the account dedicated to the arts and heritage programs.
- The changes in the distributions of funds for arts and heritage programs, revert back to the current law July 1, 2009.

ESB 6641: PROVIDING THAT VOTER-APPROVED INCREASES IN PROPERTY TAX LEVY LIMITATIONS FOR A MULTIYEAR PERIOD OF UP TO SIX YEARS DO NOT PERMANENTLY INCREASE A TAXING DISTRICT'S LEVY BASE, UNLESS OTHERWISE PROVIDED IN THE BALLOT PROPOSITION

Prime Sponsor: Senator Regala *(HB 2545 Representative Hunter)*

- For both multi-year and single-year lid lifts, taxing districts are required to explicitly indicate in any lid-lift ballot proposition that the district's levy base will be permanently increased.
- If the ballot proposition does not expressly indicate that the final levy will be used for the purpose of computing subsequent levies, the levy base increase is presumed temporary.

SB 6657: INCLUDING SALARY BONUSES FOR INDIVIDUALS CERTIFIED BY THE NATIONAL BOARD FOR PROFESSIONAL TEACHING STANDARDS AS EARNABLE COMPENSATION

Prime Sponsor: Senator Murray *(HB 3021 Representative Conway)*

- The definition of salary used in the Plans 1, 2, and 3 of the Teachers' Retirement System (TRS 1, 2, and 3) is amended to allow the inclusion of bonuses paid to teachers certified by the National Board for Professional Teaching Standards (NBPTS).
- Teachers receiving bonuses for NBPTS certification make retirement system contributions from the bonus payments and may earn a higher retirement allowance as a result of the salary increase.

ESB 6663: IMPROVING TAX PROGRAM ADMINISTRATION BY CORRECTING, CLARIFYING, ELIMINATING, REPEALING, AND DECODIFYING STATUTES RELATED TO THE DEPARTMENT OF REVENUE

Prime Sponsor: Senator Schoesler

** Signed by the Governor*

- Simplifies the tax code by providing technical corrections, repealing several obsolete provisions, removing extraneous language, and clarifying statutory provisions.

SB 6722: CREATING THE CLEANUP SETTLEMENT ACCOUNT

Prime Sponsor: Senator Regala *(HB 2916 Representative Campbell)*

** Signed by the Governor*

- Creates a new appropriated account, the Cleanup Settlement Account, to be administered by the Department of Ecology (Ecology).
- The account will receive deposits from settlement agreements and court orders that direct payment to the state to resolve a company's liability or potential liability for polluting a specific site. In addition, the account will receive its proportionate share of interest earnings.
- Ecology is directed to track money received, interest earned, and expenditures made for each site individually.

ESSB 6760: CONCERNING THE DEVELOPMENTAL DISABILITIES TRUST ACCOUNT

Prime Sponsor: Senator Regala

- Adds Yakima Valley School and Francis Haddon Morgan Center as residential habilitation centers that can have proceeds from the use of its excess property deposited into the Developmental Disabilities Community Trust Account.

SB 6799: CONCERNING THE SOURCING, FOR SALES AND USE TAX PURPOSES, OF SALES OF TANGIBLE PERSONAL PROPERTY BY FLORISTS

Prime Sponsor: Senator Regala *(HB 2543 Representative Hunter)*

- Florists are allowed to continue using origin-based sourcing, including FTD sales, which will continue to be sourced to the location of the florist taking the order.

ESSB 6809: PROVIDING A TAX EXEMPTION FOR WORKING FAMILIES MEASURED BY THE FEDERAL EARNED INCOME TAX CREDIT

Prime Sponsor: Senator Pridemore *(SHB 3234 Representative Green)*

- Provides a state sales tax exemption, in the form of remittance, equal to a percentage of the federal Earned Income Tax Credit (EITC).
- In 2009 and 2010 the remittance equals the greater of 5 percent of the prior year's EITC or $25.
- In 2011 and thereafter, the remittance equals the greater of 10 percent of the prior year's EITC or $50.
- The Legislature must approve the exemption program in the state omnibus appropriations act.
- The Department of Revenue's costs for the exemption program are limited to initial start-up costs.

SB 6818: PROMOTING TRANSPARENCY IN STATE EXPENDITURES

Prime Sponsor: Senator Oemig

- The Legislative Evaluation and Accountability Program (LEAP) Committee is directed to make publicly available a state expenditure information website that contains state expenditure and budget information, state agency workloads and performance measurements, and state agency personal services contracts.
- The LEAP Committee must also create a public website specific to K-12 education funding.

SSB 6828: CONCERNING THE EXCISE TAXATION OF THE AEROSPACE INDUSTRY

Prime Sponsor: Senator Marr *(HB 3245 Representative Liias)*

** Signed by the Governor*

- Extends the aerospace tax incentives to include tooling manufacturers, Federal Aviation Regulation Part 145 certified repair stations, and design/engineering services.

- The aerospace tax program includes reduced business and occupation (B&O) tax rates, B&O preproduction tax credits, B&O tax credits for property taxes, and sales and use tax exemptions for computer hardware and software.
- The sale of parts to the manufacturer of a commercial plane is deemed to take place at the site of final testing or inspection.

SSB 6851: CONCERNING THE DOCUMENTATION REQUIRED IN ORDER TO OBTAIN A REAL ESTATE EXCISE TAX EXEMPTION AT THE TIME OF INHERITANCE

Prime Sponsor: Senator Prentice

- A surviving spouse or domestic partner may receive an exemption from the real estate excise tax without the currently required documents, if the surviving spouse shows a certified copy of the death certificate and signs an affidavit affirming that he or she is the sole and rightful heir to the property.

HB 1404: PROVIDING A SALES TAX EXEMPTION FOR CERTAIN TRAIL GROOMING SERVICES

Prime Sponsor: Representative Wallace

**HB 1404 was not enacted, but the provisions are substantially similar to those in SB 6375.*

3SHB 2053: PROVIDING FOR IMPROVED AVAILABILITY OF MOTOR VEHICLE FUEL DURING POWER OUTAGES OR INTERRUPTIONS IN ELECTRICAL SERVICE

Prime Sponsor: Representative Goodman

- A business and occupation tax credit is provided for gasoline service stations for costs associated with acquiring alternative power generation devices.
- The amount of tax credit is limited to 50 percent of the cost of such devices, up to a maximum of $25,000 per taxpayer.
- An overall cap of $750,000 per biennium applies to the total credits under the program.
- The credit will expire at the end of Fiscal Year 2011.

HB 2416: REINSTATING THE ONE PERCENT PROPERTY TAX LIMIT FACTOR ADOPTED BY THE VOTERS UNDER INITIATIVE MEASURE NO. 747

Prime Sponsor: Representative Hurst *(SB 6177 Senator Kilmer)*

** Signed by the Governor on November 29, 2007 (2007 Special Session)*

- Regular property tax growth levies at the district level are limited to no more than 1 percent growth annually, which enacts the substantive provisions adopted by the voters under I-747.
- The provisions are retroactive to, and prospective from, taxes levied for collection in 2002.

HB 2437: AUTHORIZING PUBLIC WORKS BOARD PROJECTS

Prime Sponsor: Representative Seaquist *(SB 6182 Senator Fraser)*

** Signed by the Governor*

- Authorizes 52 Public Works Board loans totaling $278 million: ten domestic water projects totaling $48.8 million; 34 sanitary sewer projects totaling $187 million; six road projects totaling $39.8 million; and two solid waste projects totaling $2.4 million.
- All loans must be made with a 0.5 percent interest rate.

HB 2460: CONCERNING THE LEASEHOLD EXCISE TAX EXEMPTION FOR CERTAIN AMPHITHEATER PROPERTY

Prime Sponsor: Representative Fromhold

- The leasehold excise tax exemption for certain amphitheaters is amended to specify that the county population had to be within the indicated range at the time the facility first opened to the public.

HB 2510: ALLOWING MEDICARE ONLY HEALTH INSURANCE BENEFITS FOR CERTAIN EMPLOYEES OF POLITICAL SUBDIVISIONS UNDER A DIVIDED REFERENDUM PROCESS

Prime Sponsor: Representative Simpson *(SB 6446 Senator Eide)*

- Law enforcement officers, firefighters, and other public employees may participate in Medicare through a divided referendum process, in which an employee group is divided into participant and non-participant sections based on each individual's choice.
- The implementation of the divided referendum procedure will have no impact on the retirement benefit rights of current or future retirees.

HB 2542: PROVIDING FOR THE ENFORCEMENT OF CIGARETTE TAXES THROUGH REGULATION OF STAMPED AND UNSTAMPED CIGARETTES

Prime Sponsor: Representative Ericks *(SB 6270 Senator Prentice)*

- Amends existing cigarette tax laws and regulations by updating the threshold quantity of unstamped cigarettes prohibited by federal law.
- Establishes the same crime for possessing or receiving unstamped cigarettes as in current law for transporting unstamped cigarettes.
- Requires advance notice to the Liquor Control Board of receipt of unstamped cigarettes.

HB 2544: CONCERNING TAX EXEMPTIONS FOR TEMPORARY MEDICAL HOUSING PROVIDED BY HEALTH OR SOCIAL WELFARE ORGANIZATIONS

Prime Sponsor: Representative Hunter *(SB 6623 Senator Marr)*

- Temporary medical housing provided by a non profit organization are exempt from sales taxes and lodging taxes.
- To qualify, the housing must be provided to the patient or patient's family while the patient is receiving medical treatment at a hospital licensed in Washington, or an affiliated outpatient clinic.

SHB 2585: CONCERNING THE BUSINESS AND OCCUPATION TAXATION OF NEWSPAPER-LABELED SUPPLEMENTS

Prime Sponsor: Representative McIntire *(SB 6219 Senator Prentice)*

- The definition of a newspaper is changed to include the electronic versions of the newspaper.
- The result of this change, is that newspaper sales of advertising on the internet are taxed at the lower business and occupation rate of 0.484 percent instead of 1.5 percent.
- The definition change is effective from July 1, 2008 to July 1, 2011.

HB 2650: AUTHORIZING A CIGARETTE TAX AGREEMENT BETWEEN THE STATE OF WASHINGTON AND THE YAKAMA NATION

Prime Sponsor: Representative Santos *(SB 6414 Senator Prentice)*

- Allows the Governor to enter into a cigarette tax contract with the Yakama Nation. Under the eight year renewable agreement the Yakama Nation must impose a tax on the sales of cigarettes by tribal retailers.
- The tax must be 80 percent of the state cigarette tax rate during the agreement's first six years; 84 percent during the seventh year; and 87.6 percent during the eighth year.
- All revenues must be used for essential government services.
- The compact does not require revenue sharing with the state.
- The agreement requires information sharing, including transport of cigarettes, keeping of records, reporting, notice, inspection, audit, and sales to customers outside the jurisdiction of the Yakama Nation.
- The compact must provide that the state has the authority for unannounced inspection of tribal retailers to verify compliance with stamping and pricing provisions.

HB 2652: TRANSFERRING THE DEPENDENT CARE ASSISTANCE PROGRAM TO THE HEALTH CARE AUTHORITY BY COORDINATING BENEFIT PLANS THAT ALLOW STATE AND PUBLIC EMPLOYEES TO PAY ON A PRETAX BASIS

Prime Sponsor: Representative Morrell *(SB 6303 Senator Pflug)*

- Transfers the administration of the Dependent Care Assistance Program from the Department of Retirement Systems to the Health Care Authority.

HB 2678: RESTORING THE PREFERENTIAL TIMBER INDUSTRY BUSINESS AND OCCUPATION TAX RATE TO THE MANUFACTURE OF ENVIRONMENTALLY RESPONSIBLE SURFACE MATERIAL PRODUCTS FROM RECYCLED PAPER

Prime Sponsor: Representative Kessler *(SB 6326 Senator Hargrove)*

- The reduced business and occupation tax (B&O) rate for timber products containing recycled paper and resin is restored.
- Timber products that are eligible for the lower (B&O) tax rate include recycled paper that is used in manufacturing of biocomposite surface products made from recycled paper and resin.
- The Act is retroactive to July 1, 2007, to provide remedial relief to businesses who were intended to be included in the lower rate.

ESHB 2687: MAKING 2008 OPERATING SUPPLEMENTAL APPROPRIATIONS

Prime Sponsor: Representative Sommers *(SB 6378 Senator Prentice)*

- The 2007-09 biennial operating appropriations for various agencies and programs are modified, including K-12 education, human services' agencies, higher education, natural resources' agencies, and general government programs.

HB 2700: CREATING THE MILITARY DEPARTMENT ACTIVE STATE SERVICE ACCOUNT

Prime Sponsor: Representative O'Brien *(SB 6342 Senator Rasmussen)*

** Signed by the Governor*

- Creates the Military Department Active State Service Account as an appropriated account.

ESHB 2765: MAKING 2008 SUPPLEMENTAL CAPITAL APPROPRIATIONS

Prime Sponsor: Representative Fromhold *(SB 6461 Senator Fraser)*

- The 2007-09 biennial capital construction appropriations for various agencies and programs are modified.

ESHB 2847: CREATING A SALES AND USE TAX EXEMPTION OF MATERIALS AND SERVICES USED IN THE WEATHERIZATION ASSISTANCE PROGRAM

Prime Sponsor: Representative Ormsby *(SB 6746 Senator Brown)*

** Signed by the Governor*

- A sales tax exemption is provided for materials used to weatherize homes in the low-income Weatherization Assistance Program administered by the Department of Community, Trade and Economic Development.

HB 2887: AUTHORIZING THE PURCHASE OF AN INCREASED BENEFIT MULTIPLIER FOR PAST JUDICIAL SERVICE FOR JUDGES IN THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Prime Sponsor: Representative Fromhold

- Judges and justices in the Public Employees' Retirement System (PERS) may purchase an enhanced judicial benefit multiplier for periods of past judicial service, at the time of retirement.
- A member purchasing the upgraded service multiplier must pay 5 percent of the salary earned during the period for which the multiplier is being purchased, plus interest.
- Members of PERS with prior judicial service who are not currently working as judges may purchase the judicial benefit multiplier for prior periods of judicial service during a one-time window from January 1, 2009, to June 30, 2009.

HB 2949: DESIGNATING NONAPPROPRIATED EXPENSES OF THE LIQUOR CONTROL BOARD PAID FROM THE LIQUOR REVOLVING FUND

Prime Sponsor: Representative Linville

** Signed by the Governor*

- The cost of operating, maintaining, and leasing state liquor stores and warehouses are changed from appropriated to nonappropriated expenses, but continue to fall under allotment procedures.
- The cost of opening additional state stores and warehouses continues to be appropriated.

HB 3019: ADDRESSING SERVICE CREDIT FOR MEMBERS WORKING A PARTIAL YEAR IN PLANS 2 AND 3 OF THE TEACHERS' RETIREMENT SYSTEM AND THE SCHOOL EMPLOYEES' RETIREMENT SYSTEM

Prime Sponsor: Representative Fromhold *(SB 6654 Senator Kilmer)*

- Educational employees belonging to Plans 2 or 3 of the Teachers' Retirement System (TRS) or the School Employees' Retirement System (SERS) are entitled to receive at least six months' service credit for working 630 hours or more over the course of at least five months of a school year.

HB 3024: PURCHASING SERVICE CREDIT IN PLAN 2 AND PLAN 3 OF THE TEACHERS' RETIREMENT SYSTEM FOR PUBLIC EDUCATION EXPERIENCE PERFORMED AS A TEACHER IN A PUBLIC SCHOOL IN ANOTHER STATE OR WITH THE FEDERAL GOVERNMENT

Prime Sponsor: Representative Conway *(SB 6656 Senator Schoesler)*

** Signed by the Governor*

- The amount of service credit that must be earned in the Plan 2 or Plan 3 of the Teachers' Retirement System (TRS) before a member can purchase out-of-state service credit at full actuarial cost is reduced from five years to two years.

SHB 3120: REQUIRING A STUDY ON TAX INCENTIVES TO ENCOURAGE GREEN BUILDING

Prime Sponsor: Representative Rolfes *(SB 6773 Senator Kastama)*

- The Department of Community, Trade and Economic Development must conduct a study of the effectiveness of tax incentives to encourage green building and report to the Legislature by December 1, 2008.
- The Department of Revenue is directed to provide tax-related data in support of the study.

SHB 3126: CLARIFYING THE INTERACTION OF THE STREAMLINED SALES AND USE TAX LEGISLATION AND THE POWER OF LOCAL GOVERNMENTS TO LICENSE AND TAX

Prime Sponsor: Representative Loomis *(SB 6917 Senator Stevens)*

- Businesses may not be required to be licensed and/or be taxed in a local jurisdiction simply because the are registered or are complying with the streamline sales and use tax agreement.

SHB 3149: CHANGING STATE INVESTMENT BOARD PERSONNEL COMPENSATION PROVISIONS

Prime Sponsor: Representative Sommers *(SB 6755 Senator Brown)*

- A State Investment Board retention pool is established to reward performance with incentive compensation and to address recruitment and retention problems pursuant to a performance management and compensation program developed by the board, based on a biennial compensation survey. The pool is subject to appropriation.

HB 3151: EXTENDING THE COMMENCEMENT-OF-CONSTRUCTION DATE FOR A SALES AND USE TAX FOR PUBLIC FACILITIES DISTRICTS IN NATIONAL DISASTER COUNTIES

Prime Sponsor: Representative Alexander *(SB 6905 Senator Swecker)*

** Signed by the Governor*

- The date the Lewis County Public Facility District must commence construction of a regional center, to collect the 0.033 percent credit against the state sales and use tax, is extended from January 1, 2009, to January 1, 2011.

HB 3188: EXEMPTING WASTE VEGETABLE OIL FROM EXCISE TAX

Prime Sponsor: Representative Roach

- Waste vegetable oil used for the production of biodiesel fuel for personal use is exempt from the special fuel tax, sales tax, and use tax.

HB 3275: REVISING THE TAXATION OF GROCERY DISTRIBUTION COOPERATIVES

Prime Sponsor: Representative Linville *(6844 SB Senator Spanel)*

** Signed by the Governor*

- Amends the current deduction for wholesales by grocery distribution cooperatives to allow the same tax treatment as if an eligible cooperative is acquired by another grocery distribution cooperative.

SHB 3283: RELIEVING ACTIVE DUTY MILITARY PERSONNEL OF INTEREST AND PENALTIES ON DELINQUENT EXCISE TAXES

Prime Sponsor: Representative Herrera

- Penalties or interest for state excise tax purposes may be waived or cancelled for a two-year period if the majority owner is a member of the armed forces.
- To be eligible the person must be: (1) on active duty; (2) participating in an armed conflict; and (3) assigned to a location outside of the United States.
- Also, the business's gross income cannot exceed $1 million for the year prior to when the owner was assigned to military service outside of the country.

ESHB 3303: CONCERNING TAX INCENTIVES FOR CERTAIN POLYSILICON MANUFACTURERS

Prime Sponsor: Representative Grant *(SB 6866 Senator Delvin)*

- Provides a business and occupation (B&O) tax credit equal to 7.5 percent of qualified preproduction development expenditures for polysilicon manufacturers located in a county along the boundary between Washington and Oregon with a population greater than 50,000 and less than 100,000.
- Credits are capped at $1 million per year.

ESHB 3329: PRIORITIZING FOUR-YEAR HIGHER EDUCATION INSTITUTIONS' CAPITAL PROJECT REQUESTS

Prime Sponsor: Representative Fromhold *(SB 6903 Senator Fraser)*

- Transfers responsibility for scoring and prioritizing capital budget proposals at the public four-year institutions from the colleges themselves to the Office of Financial Management (OFM).
- Directs OFM to consult with the legislative fiscal committees and with the Joint Legislative Audit and Review Committee in designing the prioritization process and ranking system.
- Establishes a system under which the Governor and Legislature will receive five different ranked project lists, rather than a single list. The five categories are enrollment growth; facility renovation; research to promote economic growth; major infrastructure; and other. Projects may be proposed in only one category according to their primary purpose.
- Directs OFM to conduct a higher education capital facilities financing study. The study is to report on financing methods in other states; options for reducing costs through methods such as distance learning and increased evening and weekend course offerings; and alternative means of paying for facilities.

EHB 3360: INCREASING THE AVAILABILITY OF FUNDS FOR THE TIME CERTIFICATE OF DEPOSIT INVESTMENT PROGRAM

Prime Sponsor: Representative Hasegawa

- Increases the amount of state funds used in the "linked deposit" program, which deposits state monies in certificates of deposit at various banks and other financial institutions at below-market interest rates. These below-market rates are then passed on in loans to qualified businesses.
- Provides a $25 million increase in the program for minority and women-owned businesses, and $15 million for a new program for veteran-owned businesses.

HB 3362: PROVIDING TAX INCENTIVES TO ENCOURAGE BUSINESSES TO PURCHASE HIGHLY ENERGY EFFICIENT EQUIPMENT

Prime Sponsor: Representative Kelley

- Authorizes a new business and occupation (B&O) tax credit equal to 8.8 percent of the purchase price of certain types of commercial appliances which carry Energy Star or Consortium for Energy Efficiency ratings for energy-efficiency for businesses with a yearly gross income under $750,000.
- To qualify for the credit, the firm's gross income for the prior calendar year must not exceed $750,000.
- Eligible purchases of energy-efficient appliances must be made on or after July 1, 2008, and before July 1, 2010.
- By December 30, 2010, the Department of Community, Trade and Economic Development is required to report on the energy and cost savings as a result of this tax incentive.

SHB 3374: REGARDING GENERAL OBLIGATION BONDS FOR FLOOD HAZARD MITIGATION PROJECTS AND SCHOOL FACILITIES

Prime Sponsor: Representative Fromhold

- Authorizes the issuance of $50 million in new state general obligation bonds for federally matched flood hazard mitigation projects and other projects throughout the Chehalis River basin.
- Authorizes the issuance of $100 million in state general obligation bonds for skill centers and for other school construction purposes.

HB 3375: APPROPRIATING FUNDS FOR CATASTROPHIC FLOOD RELIEF

Prime Sponsor: Representative Alexander

- The sum of $50 million is appropriated to the Office of Financial Management working with and through other state agencies, the Chehalis Basin Flood Control Authority, and other local governments to participate in flood hazard mitigation projects for the Chehalis River basin.

EHB 3381: RELATING TO FEES TO IMPLEMENT PROGRAMS THAT PROTECT AND IMPROVE WASHINGTON'S HEALTH, SAFETY, EDUCATION, EMPLOYEES, AND CONSUMERS

Prime Sponsor: Representative Sommers

- Pursuant to Initiative 960, the state Legislature authorizes state agency fees for the Departments of Labor & Industries, Health, Agriculture, Licensing, and Financial Institutions.