

**BOARD OF COUNTY COMMISSIONERS
COUNTY OF KITTITAS
STATE OF WASHINGTON**

ORDINANCE NO. _____

ORDINANCE TO AMEND CHAPTER 3.44 AND CREATE CHAPTER 3.45 OF KITTITAS COUNTY CODE TO CONFORM WITH RECENT CHANGES IN STATE LAW, TO ENTER INTO AN AGREEMENT WITH WASHINGTON STATE DEPARTMENT OF REVENUE FOR ADMINISTRATION OF ENHANCED 911 EXCISE TAXES, AND TO AUTHORIZE THE SIGNING OF SECRECY CLAUSE AFFIDAVITS REQUIRED BY DEPARTMENT OF REVENUE.

WHEREAS, Chapter 82.14B RCW establishes funding for an enhanced 911 system by creating a E911 excise tax at both State and County levels; and

WHEREAS, The amount of County excise tax to be collected and the administrative procedures for collection are found in Chapter 3.44 Kittitas County Code (KCC); and

WHEREAS, Washington State Legislature recently changed Chapter 82.14B RCW in Substitute Senate Bill 6846, increasing the E911 County excise tax from \$.50 per access line to \$.70, with an effective date of January 1, 2011; and

WHEREAS, The Substitute Senate Bill 6846 also included ‘interconnected voice over internet protocol service lines’ to be taxed locally at \$.70 per access line; and

WHEREAS, The Substitute Senate Bill 6846 including interconnected voice over internet protocol service lines comes at a crucial time as use of that service has increased significantly; and

WHEREAS, The Substitute Senate Bill 6846 removed the administration of the county tax collection from the Counties to the Washington State Department of Revenue (hereinafter “Department”) who will collect an administrative fee out of the tax revenues before redistributing the monies to the Counties; and

WHEREAS, By October 15th, 2010, the County must adopt an ordinance reflecting the changes made by State legislature, sign an agreement with the Department for administration of the collected 911 excise taxes, and authorize the signing of the secrecy clause affidavits required by the Department for individuals who will be receiving the monthly information on the local portion of the E911 excise tax and its distribution; and

WHEREAS, The County has to raise the local E911 excise tax to \$.70 for each access line or it will lose State funding; and

WHEREAS, The County has to establish procedures for administration of the County excise tax collection as per RCW 82.14B.060; and

WHEREAS, A public hearing came on regularly before the County Commissioners on October 5, 2010, and the public was provided notice and opportunity to comment on the proposed ordinance; and

WHEREAS, The County believes that adopting this ordinance, entering into the agreement with the Department, and authorizing the signing of the Department Secrecy Clause Affidavits would be in the best interest for the County.

NOW, THEREFORE, BE IT RESOLVED that KCC 3.44.050 and KCC 3.44.160 shall be amended as described below and Chapter 3.44 KCC will be in effect until December 31, 2010, when it is repealed.

NOW, THEREFORE, BE IT FURTHER RESOLVED that Chapter 3.45 KCC shall be created as described below.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the County will enter into the agreement with the Washington State Department of Revenue and authorize the Chair's signature. A copy of the agreement is attached and by this reference, incorporated into this Ordinance.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the duties of the administration of the County E911 excise tax contained in Chapter 3.45 KCC will be shared amongst KITTCOM, the Auditor's Office, and the Treasurer's Office. As stated in the agreement that is attached, the Department will provide the required sixty (60) day notice on behalf of the County to service providers prior to the due date of first payment. KITTCOM or the Auditor's Office may also provide a 60-day notice to known providers in the County before the due date of the first payment. The Treasurer's Office will be receiving the funds from the State for the County's E911 Enhanced System and the Auditor's Office will work with KITTCOM to ensure the funds are used as Chapter 82.14B RCW allows.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Department-required Secrecy Clause Affidavits are authorized for any County or KITTCOM employees who will be receiving the monthly information on the local portion of the E911 excise tax and its distribution. A copy of the Department Secrecy Clause Affidavit is attached to this Ordinance.

NOW, THEREFORE, BE IT FURTHER RESOLVED, Chapter 3.44 KCC be repealed on December 31, 2010. Any E911 excise taxes due for 2010 for County and State shall still be paid as provided by Chapter 82.14B RCW and Chapter 3.44 KCC.

NOW, THEREFORE, LET IT BE FURTHER RESOLVED that KCC 3.44.050 and KCC 3.44.160 are amended as follows:

3.44.050 Effective date of tax - Notice to local exchange companies.

The effective date of the tax imposed in this chapter shall be June 1, 1992, and shall continue until December 31, 2010, and notice of the tax shall be provided by Kittitas County to all local exchange

companies serving in the county at least 60 days in advance of the date on which the first payment is due. (Ord. 99-04, 1999; Ord. 92-8 § 5, 1992).

3.44.160 Effective date.

The tax imposed by [KCC 3.44.100](#) shall be effective on the first day of January, 2003, and continue until December 31, 2010. (Ord. 2002-14, 2002).

NOW, THEREFORE, LET IT BE FURTHER RESOLVED that Chapter 3.45 of Kittitas County Code is created as follows:

Chapter 3.45

ENHANCED E911 EXCISE TAX

Sections

[3.45.010](#) Effective Date of Tax

[3.45.015](#) Telephone Switched Access Line Excise Tax.

[3.45.020](#) Radio Access Lines Excise Tax.

[3.45.025](#) Interconnected Voice Over Internet Protocol Service Lines Excise Tax.

[3.45.030](#) Use of Proceeds.

[3.45.035](#) Tax Collection.

[3.45.040](#) Remittance and Deposit of Taxes.

[3.45.045](#) Notice to local exchange companies, radio communications service companies, and interconnected voice over internet protocol service companies.

[3.45.050](#) Severability.

3.45.010 Effective Date of Tax.

The effective date of the tax imposed in this chapter shall be January 1, 2011.

3.45.015 Telephone Switched Access Line Excise Tax.

1. An excise tax in the amount of \$0.70 per month for each telephone switched access line, as defined in [RCW 82.14B.020](#), is imposed on each switched access line in Kittitas County.
2. Taxes imposed under this section shall be collected from the user by the local exchange company, as defined in [RCW 82.14B.020](#), providing the switched access line. The local exchange company shall state the amount of tax separately on the billing statement which is sent to the user.

3.45.020 Radio Access Lines Excise Tax.

1. An excise tax in the amount of \$0.70 per month for each radio access line, as defined in [RCW 82.14B.020](#), is imposed on each radio access line whose place of primary use is Kittitas County.
2. Taxes imposed under this section shall be collected by each radio communications service company, as defined in [RCW 82.14B.020](#), providing radio access lines to end users whose place of primary use is Kittitas County, as well as by each company that resells radio access lines to end users whose place of primary use is Kittitas County. The radio communications service company shall state the amount of tax separately on the billing statement which is sent to the user.

3.45.025 Interconnected Voice Over Internet Protocol Service Lines Excise Tax.

1. An excise tax in the amount of \$0.70 per month for each interconnected voice over internet protocol service line, as defined in [RCW 82.14B.020](#), is imposed on each interconnected voice over internet protocol service line whose place of primary use is Kittitas County.
2. The amount of tax shall be uniform for each line and must be levied on no more than the number of voice over internet protocol service lines on an account that are capable of simultaneous unrestricted outward calling to the public switched telephone network.
3. Taxes imposed under this section shall be collected by each interconnected voice over internet protocol service company providing interconnected voice over internet protocol service to end users whose place of primary use is Kittitas County. The interconnected voice over internet protocol service company shall state the amount of tax separately on the billing statement which is sent to the user.
4. To the extent that a local exchange carrier and an interconnected voice over internet protocol service company contractually jointly provide a single service line, only one service company is responsible for remitting the enhanced 911 excise taxes, and nothing in this Chapter precludes service companies who jointly provide service from agreeing by contract which of them shall remit the taxes collected.

3.45.030 Use of Proceeds.

The proceeds of this tax shall be used for an "enhanced 911 telephone system" as defined in [RCW 82.14B.020](#).

3.45.035 Tax Collection.

Kittitas County must contract with the Washington State Department of Revenue for the administration and collection of the excise tax as proscribed in Section 4, Chapter 19, Laws of 2010 1st Special Session.

3.45.040 Remittance and Deposit of Taxes.

Each local exchange company, radio communications service company, and interconnected voice over internet protocol service company shall remit all taxes to the Washington State Department of Revenue ("Department") on a tax return provided by the Department. The taxes are due as provided in [RCW 82.14B.061](#).

3.45.045 Notice to Local Exchange Companies, Radio Communications Service Companies, and Interconnected Voice Over Internet Protocol Service Companies.

Notice of the tax shall be provided by Kittitas County to all the local exchange companies, radio communications service companies, and interconnected voice over internet protocol service companies serving in the County at least 60 days in advance of the date on which the first payment is due.

3.45.050 Severability.

If any provision or section of this Chapter shall be held invalid, all other parts, provisions and sections of this Chapter shall continue in full force and effect.

ADOPTED this _____ day of _____ 2010.

**BOARD OF COUNTY COMMISSIONERS
KITITAS COUNTY, WASHINGTON**

ATTEST:
CLERK OF THE BOARD

Mark McClain, Chairman

Julie A. Kjorsvik

Paul Jewell, Vice-Chairman

APPROVED AS TO FORM:

Stephanie Happold, Civil DPA
WSBA #38112

Alan Crankovich, Commissioner