

Amendment 4: Financial policy alternative

Sponsor: Councilmember Pacheco

Description:

This amendment would change the proposed financial policies in CB 119551 prohibiting the use of Sweetened Beverage Tax (SBT) revenues to supplant other funding sources. Beginning on the effective date of the ordinance, this amendment would require that any unallocated surplus SBT revenues be used only for expanding existing or creating new programs, including program cost increases, in accordance with statute.

This would accept the use of SBT proceeds to supplant General Fund monies in the adopted 2019 and endorsed 2020 budgets, but ensure that unallocated surplus revenue in these years is used to expand existing or create new programs in accordance with statute. Beginning in 2021, the amendment would require that all SBT revenues be used only for expanding existing or creating new programs, including program cost increases, in accordance with statute, allowing the Council and Mayor more time to either create additional revenue sources and/or reprioritize appropriations to undo the fund swaps.

Notes:

Double underlines indicate new language to be added.

~~Double strikethroughs~~ indicate language proposed to be removed.

**Amendments**

Amend Section 2 of Council Bill 119551, as follows:

Section 2. Section 3 of Ordinance 125324, as amended by Ordinance 125718, is amended as follows:

Section 3. A new Section 5.53.055 is added to the Seattle Municipal Code, to read as follows:

**5.53.055 Sweetened beverage tax—Allocation of proceeds**

\* \* \*

C. Beginning on the effective date of this Section 5.53.055 and thereafter, all ~~unallocated surplus~~ revenues shall be used to either expand existing programs or create new programs, ~~including associated program cost increases~~, that are in accordance with subsection 5.53.055.B, and may not be used to supplant appropriations from other

funding sources. Beginning on January 1, 2021, all revenues shall be used to either expand existing programs or create new programs, including associated program cost increases, that are in accordance with subsection 5.53.055.B, and may not be used to supplant appropriations from other funding sources.