



SEATTLE CITY COUNCIL

Legislative Summary

CB 119681

Record No.: CB 119681

Type: Ordinance (Ord)

Status: Passed

Version: 1

Ord. no: Ord 125995

In Control: City Clerk

File Created: 09/09/2019

Final Action: 12/02/2019

Title: AN ORDINANCE relating to Sweetened Beverage Tax revenues; creating a cash balance reserve in the Sweetened Beverage Tax Fund to offset future revenue shortfalls and maintain program expenditures; and amending Section 5.53.055 of the Seattle Municipal Code.

Date

Notes:

Filed with City Clerk:

Mayor's Signature:

Sponsors: Bagshaw

Vetoed by Mayor:

Veto Overridden:

Veto Sustained:

Attachments:

Uploaded By: adam.schaefer@seattle.gov

Filing Requirements/Dept Action:

History of Legislative File

Legal Notice Published:

Yes

No

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Mayor	09/23/2019	Mayor's leg transmitted to Council	City Clerk			
1	City Clerk	10/14/2019	sent for review	Council President's Office			
	Action Text: The Council Bill (CB) was sent for review. to the Council President's Office						
1	City Council	10/21/2019	referred	Select Budget Committee			
1	Select Budget Committee	10/30/2019					
1	Select Budget Committee	11/06/2019					
1	Select Budget Committee	11/19/2019	pass				Pass
	Action Text: The Committee recommends that City Council pass the Council Bill (CB).						
	In Favor: 8 Chair Bagshaw, Member González , Member Harrell, Member Herbold, Member Juarez, Member O'Brien, Member Pacheco, Member Sawant						
	Opposed: 0						

- 1 City Council 11/25/2019 passed Pass
Action Text: The Council Bill (CB) was passed by the following vote, and the President signed the Bill:
In Favor: 9 Councilmember Bagshaw, Councilmember González , Council
President Harrell, Councilmember Herbold, Councilmember Juarez,
Councilmember Mosqueda, Councilmember O'Brien, Councilmember
Pacheco, Councilmember Sawant
Opposed: 0
- 1 City Clerk 11/26/2019 submitted for Mayor
Mayor's signature
Action Text: The Council Bill (CB) was submitted for Mayor's signature. to the Mayor
- 1 Mayor 11/27/2019 Signed
- 1 Mayor 12/02/2019 returned City Clerk
- 1 City Clerk 12/02/2019 attested by City Clerk
Action Text: The Ordinance (Ord) was attested by City Clerk.
-

CITY OF SEATTLE

ORDINANCE 125995

COUNCIL BILL 119681

AN ORDINANCE relating to Sweetened Beverage Tax revenues; creating a cash balance reserve in the Sweetened Beverage Tax Fund to offset future revenue shortfalls and maintain program expenditures; and amending Section 5.53.055 of the Seattle Municipal Code.

WHEREAS, on June 5, 2017, the City Council passed Ordinance 125324, imposing a tax on engaging in the business of distributing sweetened beverages (“Sweetened Beverage Tax”), with specific direction on how the proceeds generated from the Sweetened Beverage Tax should be expended; and

WHEREAS, services funded by the proceeds of the Sweetened Beverage Tax are intended to expand access to healthy and affordable food; close the food security gap; promote healthy nutrition choices; reduce disparities in social, developmental, and education readiness and learning for children; assist high school graduates to enter college; and expand services for the birth-to-five population and their families; and

WHEREAS, on November 19, 2018, the City Council passed Ordinance 125718, amending Section 3 of Ordinance 125324 concerning use of proceeds of the Sweetened Beverage Tax, to account for higher revenue projections; and

WHEREAS, on July 22, 2019, the City Council passed Ordinance 125886, creating a fund for Sweetened Beverage Tax revenues and providing additional guidelines for expending proceeds; and

WHEREAS, this legislation will create a reserve to protect against future revenue shortfalls and is intended to encourage City departments to seek non-City funding sources to expand

1 existing programs or create new programs that align with the financial policies of the
2 Sweetened Beverage Tax; NOW, THEREFORE,

3 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

4 Section 1. Section 5.53.055 of the Seattle Municipal Code, last amended by Ordinance
5 125886, is amended as follows:

6 **5.53.055 Sweetened beverage tax – Allocation of proceeds**

7 * * *

8 C. Beginning on January 1, 2020, up to \$2,000,000 may be reserved as a cash balance in
9 the Sweetened Beverage Tax Fund, deposited as a financial reserve to offset future revenue
10 shortfalls. This revenue shall be segregated in a separate reserve designated by the Finance
11 Director or designee, and shall be used to maintain existing program expenditures, in accordance
12 with subsection 5.53.055.B.

13 D. Beginning on the effective date of this Section 5.53.055 and thereafter, all revenues
14 shall be used to either expand existing programs or create new programs, including associated
15 program cost increases, that are in accordance with subsection 5.53.055.B, and may not be used
16 to supplant appropriations from other funding sources, excluding grants, loans, gifts, in-kind
17 contributions, or other funding mechanisms provided from non-City sources. Revenues may be
18 used to maintain program expansions, and new programs in accordance with subsection
19 5.53.055.B.

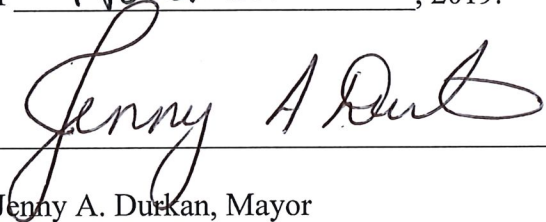
1 Section 2. This ordinance shall take effect and be in force 30 days after its approval by
2 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it
3 shall take effect as provided by Seattle Municipal Code Section 1.04.020.

4 Passed by the City Council the 25th day of NOVEMBER, 2019,
5 and signed by me in open session in authentication of its passage this 25th day of
6 NOVEMBER, 2019.


7 

8 President _____ of the City Council

9 Approved by me this 27th day of November, 2019.

10 
11 Jenny A. Durkan, Mayor

12 Filed by me this 2nd day of December, 2019.

13 
14 Monica Martinez Simmons, City Clerk

15 (Seal) 