



SEATTLE CITY COUNCIL

Legislative Summary

CB 119376

Record No.: CB 119376

Type: Ordinance (Ord)

Status: Passed

Version: 1

Ord. no: Ord 125718

In Control: City Clerk

File Created: 08/30/2018

Final Action: 11/26/2018

Title: AN ORDINANCE relating to the taxation of sweetened beverages; amending Ordinance 125324 to amend the uses of the proceeds of the Sweetened Beverage Tax.

Date

Notes:

Filed with City Clerk:

Mayor's Signature:

Sponsors: Bagshaw

Vetoed by Mayor:

Veto Overridden:

Veto Sustained:

Attachments:

Drafter: 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	09/24/2018	Mayor's leg transmitted to Council	City Clerk			
1	City Clerk	10/22/2018	sent for review	Council President's Office			
1	Council President's Office	10/24/2018	sent for review	Select Budget Committee			
1	City Council	10/29/2018	referred	Select Budget Committee			
Action Text: The Council Bill (CB) was referred. to the Select Budget Committee							
Notes:							
1	Select Budget Committee	10/30/2018					
1	Select Budget Committee	11/07/2018					
1	Select Budget Committee	11/14/2018	pass				Pass
Action Text: The Committee recommends that City Council pass the Council Bill (CB).							
Notes:							

In Favor: 9 Chair Bagshaw, Member González , Member Harrell, Member Herbold,
Member Johnson, Member Juarez, Member Mosqueda, Member O'Brien,
Member Sawant

Opposed: 0

1 City Council 11/19/2018 passed Pass

Action Text: The Council Bill (CB) was passed by the following vote, and the President signed the Bill:

Notes:

In Favor: 9 Councilmember Bagshaw, Councilmember González , Council
President Harrell, Councilmember Herbold, Councilmember Johnson,
Councilmember Juarez, Councilmember Mosqueda, Councilmember
O'Brien, Councilmember Sawant

Opposed: 0

1 City Clerk 11/21/2018 submitted for Mayor
Mayor's signature

1 Mayor 11/26/2018 Signed

1 Mayor 11/26/2018 returned City Clerk

1 City Clerk 11/26/2018 attested by City Clerk

Action Text: The Ordinance (Ord) was attested by City Clerk.

Notes:

CITY OF SEATTLE

ORDINANCE 125718

COUNCIL BILL 119376

AN ORDINANCE relating to the taxation of sweetened beverages; amending Ordinance 125324 to amend the uses of the proceeds of the Sweetened Beverage Tax.

WHEREAS, the City imposed a tax on the business of distributing sweetened beverages to raise revenue to fund services that promote healthy food choices, expand access to healthy and affordable food, 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, the City initially projected in 2017 that the revenues received from the tax would decline starting in 2019; and

WHEREAS, the City now projects that revenues will be higher than initially projected and that the revenues will increase over time rather than decrease; and

WHEREAS, Section 3 of Ordinance 125324 requires that, for the first five years after the tax was imposed, 20 percent of the revenues be dedicated for one-time uses including (a) one-time costs necessary to enable the administration of the tax, (b) up to \$5,000,000 in total contribution to an endowment for the Seattle Colleges 13th Year Promise Scholarship program, (c) up to \$1,500,000 in total as funding for job retraining and placement programs for workers adversely impacted by the tax, and (d) funding for capital projects to construct or enhance classroom facilities for use by the Seattle Preschool Program; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

1 Section 1. Section 3 of Ordinance 125324 is hereby amended as follows:

2 Section 3. Services funded by the proceeds of the beverage tax are intended to
3 expand access to healthy and affordable food, close the food security gap, promote
4 healthy nutrition choices, reduce disparities in social, developmental, and education
5 readiness and learning for children, assist high school graduates enter college, and expand
6 services for the birth-to-five population and their families.

7 A. For the first five years that the tax is collected, ~~((20 percent))~~ a portion of
8 the net proceeds shall be used to fund one-time expenditures to administer the tax, in
9 support of education, and for training programs. Eligible expenditures include, in order of
10 priority:

- 11 1. One-time costs necessary to enable the administration of the tax;
- 12 2. Up to \$5,000,000 in total as a contribution to an endowment for the
13 Seattle Colleges 13th Year Promise Scholarship program;
- 14 3. Up to \$1,500,000 in total as funding for job retraining and
15 placement programs for workers adversely impacted by the tax; and
- 16 4. Funding for capital projects to construct or enhance classroom
17 facilities for use by the Seattle Preschool Program.

18 The portion of the net proceeds that shall be used for the above eligible
19 expenditures shall be as follows: 20 percent in the first year; and 10 percent in each of the
20 second, third, fourth, and fifth years of collections.

21 Beginning in the sixth year of collections, ~~((the 20 percent set aside under this~~
22 ~~subsection A shall cease and))~~ all net proceeds from the tax collected shall be for
23 programs defined in subsection B of this section.

1 B. ~~((The remainder of))~~ Except as required by subsection A of this section,
2 net proceeds from the beverage tax shall be used to support, in order of priority:

3 1. Expanding access to healthy and affordable food, closing the food
4 security gap, and promoting healthy food choices through programs including, but not
5 limited to:

6 a. Community-based investments to expand food access, such
7 as food banks and meal programs;

8 b. Fresh Bucks and Fresh Bucks to Go;

9 c. Implementation of the Seattle Food Action Plan;

10 d. Public health and nutrition programs targeted to assist
11 persons experiencing diabetes and obesity;

12 e. Public awareness campaigns to highlight the impact of
13 sugar-sweetened beverages on health outcomes and increase education about healthy
14 food and beverages; and

15 f. Capital investments to promote healthy choices, such as
16 water bottle filling stations in schools and community centers.

17 2. Evidence-based programs that improve the social, emotional,
18 educational, physical, ~~((health,))~~ and mental health ~~((for))~~ of children, especially those
19 services that seek to reduce the disparities in outcomes for children and families based on
20 race, gender, or other socioeconomic factors and to prepare children for a strong and fair
21 start in kindergarten.

22 3. Administration of assessing and collecting the tax.

1 4. Ensuring resources for the Office of Sustainability and the
2 Environment and the Sweetened Beverage Tax Community Advisory Board.

3 5. The cost of program evaluations conducted by the Office of the
4 City Auditor under subsection 5.B of this ordinance, including costs borne by other City
5 departments in facilitating such evaluations.

6 In the annual City budget or by separate ordinance, the City's legislative authority
7 shall from year to year determine the services and funding allocations that will most
8 effectively achieve the goals and outcomes in accordance with chapter 35.32A RCW.

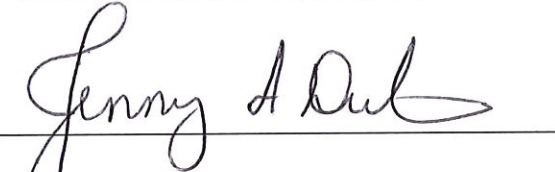
1 Section 2. This ordinance shall take effect and be in force 30 days after its approval by
2 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it
3 shall take effect as provided by Seattle Municipal Code Section 1.04.020.

4 Passed by the City Council the 19th day of November, 2018,
5 and signed by me in open session in authentication of its passage this 19th day of
6 November, 2018.

7 

8 President _____ of the City Council

9 Approved by me this 26th day of November, 2018.

10 

11 Jenny A. Durkan, Mayor

12 Filed by me this 26th day of NOVEMBER, 2018.

13 

14 Monica Martinez Simmons, City Clerk

15 (Seal)

