

SUMMARY and FISCAL NOTE*

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** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

1. **Legislation 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.
2. **Summary and background of the Legislation:** Ordinance 125324, which created and implemented the Sweetened Beverage Tax, set aside, for the first five years of the tax, 20 percent of net proceeds for funding a certain set of one-time uses that includes administrative costs. This proposed ordinance would change the percent for one-time uses from 20 percent to 10 percent in 2019, 2020, 2021, and 2022.

2. CAPITAL IMPROVEMENT PROGRAM

- a. Does this legislation create, fund, or amend a CIP Project? ___ Yes X No

3. SUMMARY OF FINANCIAL IMPLICATIONS

- a. Does this legislation amend the Adopted Budget? ___ Yes X No
- b. Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?
No
- b. Is there financial cost or other impacts of *not* implementing the legislation?
No

4. OTHER IMPLICATIONS

- a. **Does this legislation affect any departments besides the originating department?**
Yes. This legislation changes the one-time set aside provisions that were included in Ordinance 125324 and increases the amount of revenues available for future department spending. It is unclear which departments may receive Sweetened Beverage Tax revenues in the future but it is likely to include: the Office of Sustainability and Environment, Finance and Administration Services, the Department of Education and Early Learning, the Human Services Department, and the Office of the City Auditor.
- b. **Is a public hearing required for this legislation?**
No.

- c. Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?**

No.

- d. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**

No

- e. Does this legislation affect a piece of property?**

No.

- f. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?**

The proposed legislation would amend Ordinance 125324 and would reduce the amount of net proceeds that should be set aside for one-time expenditures. This amendment is based on revised revenue projections for the Sweetened Beverage Tax and would still dedicate sufficient funding for one-time priorities, while allowing for greater investment in on-going uses of Sweetened Beverage Tax revenues.

The proposed ordinance would not reduce the revenues collected and would not reduce appropriations of Sweetened Beverage Tax revenues. Thus, there is no expected impact on historically disadvantaged communities arising from the proposed ordinance.

- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).**

Not applicable.

List attachments/exhibits below: