SEATTLE CITY COUNCIL

Legislation Details (With Text)

File #:	CB 120270	Version: 1	Name:	CB 120270
Туре:	Ordinance (Or	d)	Status:	Passed

In control: City Clerk

On agenda: 3/1/2022

Final Action: 3/3/2022 **Ord. No.** Ord 126541

Title: AN ORDINANCE relating to taxation; delaying the effective date of the heating oil tax on heating oil

service providers under Chapter 5.47 of the Seattle Municipal Code; and delaying the date of the

Office of Sustainability and Environment's first annual heating oil tax program status report.

Sponsors: Tammy J. Morales

Indexes:

Attachments: 1. Summary and Fiscal Note, 2. Central Staff Memo (2/23/22), 3. Signed Ordinance 126541, 4.

Affidavit of Publication

Date	Ver.	Action By	Action	Result
3/3/2022	1	City Clerk	attested by City Clerk	
3/3/2022	1	Mayor	returned	
3/3/2022	1	Mayor	Signed	
3/3/2022	1	City Clerk	submitted for Mayor's signature	
3/1/2022	1	City Council	passed	Pass
2/22/2022	1	City Council	referred	
2/17/2022	1	Council President's Office	sent for review	
2/16/2022	1	City Clerk	sent for review	

CITY OF SEATTLE

ORDINANCE _	
COUNCIL BILL	

AN ORDINANCE relating to taxation; delaying the effective date of the heating oil tax on heating oil service providers under Chapter 5.47 of the Seattle Municipal Code; and delaying the date of the Office of Sustainability and Environment's first annual heating oil tax program status report.

WHEREAS, on September 23, 2019, the Seattle City Council passed Ordinance 125934 to add a new Chapter

5.47 to the Seattle Municipal Code to impose a tax on heating oil service providers; and

WHEREAS, under Section 16 of Ordinance 125934, the provisions of the ordinance imposing the heating oil tax take effect on September 1, 2020; and

WHEREAS, it is expected that many heating oil service providers will pass on the cost of the heating oil tax to

their customers; and

- WHEREAS, on March 11, 2020, the World Health Organization announced that the novel coronavirus (COVID -19) is officially a global pandemic; and
- WHEREAS, on February 29, 2020, the Washington Governor issued Proclamation 20-05, proclaiming a state of emergency for all counties throughout the state of Washington in response to new cases of COVID-19; and
- WHEREAS, on March 3, 2020, Mayor Durkan issued a Proclamation of Civil Emergency declaring a civil emergency within the City of Seattle based on the confirmed spread of COVID-19 in King County and the resulting deaths and illness; and
- WHEREAS, the COVID-19 crisis and the state of emergency continue and are causing severe harm to the economy; and
- WHEREAS, on August 17, 2020, the Council passed Ordinance 126144 to delay the effective date of the heating oil tax from September 1, 2020, to September 1, 2021; and
- WHEREAS, on July 19, 2021, the Council passed Ordinance 126391 to delay the effective date of the heating oil tax from September 1, 2021, to April 1, 2022; and
- WHEREAS, imposing the heating oil tax on April 1, 2022, during the continued COVID-19 crisis may cause undue hardship to certain households that purchase heating oil; and
- WHEREAS, the Seattle City Council intends therefore to further delay the effective date of the heating oil tax by nine months to January 1, 2023; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

- Section 1. Section 15 of Ordinance 125934, last amended by Ordinance 126391, is amended as follows:

 Section 15. The Council requests that the Office of Sustainability and Environment (OSE):
- A. Provide a status update on outreach efforts to date regarding the new heating oil tax by July 1, 2020. The update should include the number of households contacted; any changes in the number of low

-income households with oil heat enrolled in the City's Utility Discount Program following outreach efforts; a summary of feedback from residents, labor unions, and heating oil service providers, received during outreach efforts, including a description of challenges encountered during the outreach process; and proposed strategies for overcoming these challenges, if applicable; and

- B. Report annually on Heating Oil Tax program status, including the number of homes the City has helped convert from oil heat to electricity and outcomes of workforce development support, and collaborate with the Office of Economic Development, Seattle Department of Construction and Inspections, and the Office of Housing to determine a methodology to assess the following potential impacts of the Heating Oil Tax:
- 1. Job losses, gains, and retention in the Seattle area's home heating, ventilation, and air conditioning industry, with a focus on workers represented by labor unions and family-wage jobs, and what additional investments are necessary to support workers in the event of net job losses; and
- 2. Rates of conversion from oil heating systems to electric systems in homes occupied by renters enrolled in the Utility Discount Program, including identifying who is paying the costs of conversion and whether additional measures are necessary to alleviate the costs if renters are overly burdened.
- 3. Analysis of the viability to extend the heating oil tax reimbursement to households whose income is between 70 percent state median income and 80 percent area median income. OSE is requested to report to Council by ((April)) January 1, ((2023)) 2024, and every year thereafter up to 2028.
- Section 2. Section 16 of Ordinance 125934, last amended by Ordinance 126391, is amended as follows:

 Section 16. Sections 1 through 13 of this ordinance shall take effect on ((April)) January 1, ((
 2022)) 2023, and no tax under Chapter 5.47 of the Seattle Municipal Code shall be imposed prior to ((
 April)) January 1, ((2022)) 2023.

Section 3. This ordinance shall take	effect and be in force	ce 30 days after its appro	oval by the Mayor, but if
not approved and returned by the Mayor wi	ithin ten days after p	resentation, it shall take	effect as provided by
Seattle Municipal Code Section 1.04.020.			
Passed by the City Council the	, 2022, and signed by		
me in open session in authentication of its p	, 2022.		
	President	of the City Coun	C1l
Approved / returned unsigned /	vetoed this d	ay of	, 2022.
	Bruce A. Harrell,	Mayor	
Filed by me this day of _		, 2022.	
		Simmons, City Clerk	

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(Seal)

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