Amendment 1 Version 1 to CB 120912 Payroll Expense Tax 2024 Modifications

**Sponsor:** CM Morales

Co-Sponsors: CM Moore and CM Saka

Keep Payroll Tax Oversight Committee

Effect: This amendment would keep the Payroll Tax Oversight Committee by removing the proposed repeal of Seattle Municipal Code Section 3.35.100. When the JumpStart Payroll Tax was first authorized, the City established a nine-person Oversight Committee "for the purpose" of providing oversight on the services and programs supported by the tax in Chapter 5.38 and its impacts on the number of jobs and businesses in the City, and other data that directly relates to measuring the impact of the tax on the City's economy". In October 2023, the City Council appointed five members to the Committee. The Executive has never submitted candidates for appointment and the Committee has not met.

Amendment:

Remove Section 4 of Council Bill 120912, which reads as follows, and renumber subsequent sections appropriately.

Section 4. Section 3.35.100 of the Seattle Municipal Code, enacted by Ordinance 126109, is repealed:

((3.35.100 Payroll Tax Oversight Committee

A. There is established an Oversight Committee for the purpose of providing oversight on the services and programs supported by the tax in Chapter 5.38 and its impacts on the number of jobs and businesses in the City, and other data that directly relates to measuring the impact of the tax on the City's economy. The Oversight Committee shall provide an annual report that provides this information to the Mayor and the City Council. The Oversight

Committee shall consult with the Coalition of City Unions, Small Business Advisory Council,

Housing Levy Oversight Committee, the Green New Deal Oversight Board, and other oversight

bodies that monitor programs and services similar to those supported by the tax. The

Committee may elect officers and establish rules of procedure, including what shall constitute a

quorum. The Director of Neighborhoods or such other department head as may be designated

by the Mayor shall provide the Committee such information as is necessary for the Committee

to determine the status of individual programs and projects.

B. The Oversight Committee shall consist of nine voting members, appointed to positions number 1 through 9.

1. Position 1 shall be a City employee appointed by the Mayor or designee;

position 2 shall be a City employee appointed by the City Council; positions 3 through 9 shall be

persons outside City government. Positions 3, 5, and 7 shall be appointed by the Mayor.

Positions 4, 6, 8, and 9 shall be appointed by the City Council.

- 2. Positions 3 and 4 shall represent labor.
- 3. Positions 5 and 6 shall represent business.
- 4. Positions 7 and 8 shall represent community organizations that reflect the diversity of the City.
- 5. Position 9 shall represent communities that will benefit from the proposed spending.
- 6. The appointing authority may remove any member who is absent from two or more consecutive meetings without cause.

C. No more than one committee members appointed by the Mayor and no more than one committee members appointed by the City Council shall be an officer, director, board member, trustee, partner, or employee of an entity that receives or competes for funding under Ordinance 126109; or be a member of the immediate family of, or an individual residing with, an officer, director, board member, trustee, partner, or employee of an entity that receives or competes for funding under Ordinance 126109; or be a person seeking or having an arrangement concerning future employment with an entity that receives or competes for funding under Ordinance 126109. For the purposes of this Section 3.35.100, an individual's "immediate family" means the individual's spouse, domestic partner, child, child of a spouse or domestic partner, sibling-in-law, parent, parent of a spouse or domestic partner, a person for whom the individual acts as a guardian, or a person claimed as a dependent on the individual's most recent federal income tax return. Subject to the preceding sentence and applicable law, an individual serving as an officer, director, board member, trustee, partner, or employee of an entity that receives or competes for funding under Ordinance 126109, or who has an interest in such an entity, shall not thereby be disqualified from serving on the Committee, but shall fully disclose any such relationships and shall not vote on any matter in which the interest of such entity is directly involved.

D. Upon the resignation, retirement, death, incapacity, or removal of a member, the authority appointing such member may appoint a replacement for the balance of the term.

E. The initial terms of positions 1, 3, 5, 7, and 9 shall be two years; the initial terms of positions 2, 4, 6, and 8 shall be three years; all subsequent terms shall be three years. Any

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wacancy in an unexpired term shall be filled in the same manner as the original appointment. A member whose term is ending may continue on an interim basis as a member with voting rights until such time as a replacement for that position has been appointed by the City Council or confirmed by the City Council.

\$50 per hour served if participating on the committee presents a financial hardship. Upon such request, the Director of Neighborhoods is authorized to expend funds in the Department of Neighborhood's budget for this purpose. No money may be expended for services rendered prior to a request being filed with and approved by the Director.))