SEATTLE CITY COUNCIL

Legislative Summary

CB 118420

Record No.: CB 118420 **Type:** Ordinance (Ord) **Status:** Passed

Version: 1 124808 **In Control:** City Clerk

File Created: 06/02/2015

Final Action: 07/17/2015

Title: AN ORDINANCE related to business licenses; amending Sections 5.30.030, 5.30.060, 5.32.150, 5.40.060, 5.40.080, 5.40.085, 5.45.110, 5.55.030, 5.55.040, 5.55.220, and 5.55.230 of the Seattle Municipal Code; and adding a new Section 5.55.238 to the Seattle Municipal Code.

Notes:

	Date
Filed with City Clerk:	7/17/2015
Mayor's Signature:	7/17/2015
Vetoed by Mayor:	
Veto Overridden:	
Veto Sustained:	

Sponsors: Licata

Attachments:

Drafter: David B. Mendoza

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	06/04/2015	Mayor's leg transmitted to Council	City Clerk			
	Action Text: The Council Bill (CB) was Mayor's leg transmitted to Council. to the City Clerk						
	Notes:						
1	City Clerk	06/04/2015	sent for review	Council President's Office			
	Action Text: The Council Bill (CB) was sent for review. to the Council President's Office						
	Notes:						
1	Council President's Office	06/08/2015	sent for review	Finance and Culture Committee			
	Action Text: The Council Bill (CB) was sent for review. to the Finance and Culture Committee						
	Notes:						
1	Full Council	06/22/2015	referred	Finance and Culture Committee			
	Action Text: The Council Bill (CB) was referred. to the Finance and Culture Committee						

Notes:

1	Finance and Culture Committee	06/24/2015			
	Action Text:	Item was presented and discussed			
1	Finance and Culture Committee	07/08/2015	pass		Pass
	Action Text:	The Committee recommends that Full Council pass the Council Bill (CB).			
	Notes:				
		In Favor:	3	Chair Licata, Vice Chair Godden, Member Burgess	
		Opposed:	0		
1	Full Council	07/13/2015	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, Council President Burgess, Councilmember Godden, Councilmember Harrell, Councilmember Licata, Councilmember O'Brien, Councilmember Okamoto, Councilmember Rasmussen, Councilmember Sawant	
		Opposed:	0		
1	City Clerk	07/14/2015	submitted for Mayor's signature	Mayor	
	Action Text:	The Council Bill (CB) was submitted for Mayor's signature. to the Mayor			
	Notes:				
1	Mayor	07/17/2015	Signed		
	Action Text:	The Council Bill (CB) was Signed.			
	Notes:				
1	Mayor	07/17/2015	returned	City Clerk	
	Action Text:	The Council Bill (CB) was returned. to the City Clerk			
	Notes:				
1	City Clerk	07/17/2015	attested by City Clerk		
	Action Text:	The Ordinance (Ord) was attested by City Clerk.			
	Notes:				

CITY OF SEATTLE

ORDINANCE 124808

COUNCIL BILL 118420

AN ORDINANCE related to business licenses; amending Sections 5.30.030, 5.30.060, 5.32.150, 5.40.060, 5.40.080, 5.40.085, 5.45.110, 5.55.030, 5.55.040, 5.55.220, and 5.55.230 of the Seattle Municipal Code; and adding a new Section 5.55.238 to the Seattle Municipal Code.

WHEREAS, The City of Seattle issues business licenses under Title 5 of the Seattle Municipal Code as an exercise of its power to license or tax for revenue and levies a tax on the privilege of engaging in business activities within the City; and

WHEREAS, The City of Seattle issues regulatory business licenses under Title 6 of the Seattle Municipal Code as an exercise of the power of the City to license for regulation to preserve the public peace, health, safety, and welfare of the City; and

WHEREAS, there is an erroneous perception that the issuance of a Title 5 license authorizes a licensee to engage in business even when such licensee operates a business in violation of the law; and

WHEREAS, it is appropriate to designate the business licenses issued under Title 5 of the Seattle Municipal Code as a "business license tax certificate" to accurately describe its function as a means to administer the City's business license tax; and

WHEREAS, it is appropriate to state that when the holder of a business license tax certificate issued under Title 5 of the Seattle Municipal Code is found in a separate regulatory or criminal proceeding to be operating a business in violation of law the certificate may be revoked; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Subsections A and B of Section 5.30.030 of the Seattle Municipal Code, which section was last amended by Ordinance 124089, is amended as follows:

5.30.030 Definitions, E—F ((.))

A. "Eligible gross receipts tax" means a tax which:

1. Is imposed on the act or privilege of engaging in business activities within ((~~SMC~~)) Section 5.45.050;

2. Is measured by the gross volume of business in terms of gross receipts, and is not an income tax or value added tax;

3. Is not, pursuant to law or custom, separately stated from the sales price;

4. Is not a sales or use tax, business license fee, franchise fee, royalty or severance tax measured by volume or weight, or concession charge, or payment for the use and enjoyment of property, property right, or a privilege; and

5. Is a tax imposed by a local jurisdiction, whether within or without the State of Washington, and not by a ((~~Country, State, Province,~~)) country, state, province, or any other non-local jurisdiction above the county level.

B. "Engaging in business ((.))"

1. The term "engaging in business activity" means commencing, conducting, or continuing in business, and also the exercise of corporate or franchise powers, as well as liquidating a business when the liquidators thereof hold themselves out to the public as conducting such business.

2. This section sets forth examples of activities that constitute engaging in business in the City, and establishes safe harbors for certain of those activities so that a person who meets the criteria may engage in de minimis business activities in the City without having to

register and obtain a business license tax certificate or pay City business and occupation taxes. The activities listed in this section are illustrative only and are not intended to narrow the definition of "engaging in business" in subsection (1), above. If an activity is not listed, the issue of whether it constitutes engaging in business in the City shall be determined by considering all the facts and circumstances and applicable law.

3. Without being all inclusive, any one of the following activities conducted within the City by a person, or its employee, agent, representative, independent contractor, broker or another acting on its behalf constitutes engaging in business and requires a person to register and obtain a business license tax certificate:

a. Owning, renting, leasing, maintaining, or having the right to use, or using, tangible personal property, intangible personal property, or real property permanently or temporarily located in the City, in connection with a business activity ((~~ativity~~));

b. Owning, renting, leasing, using, or maintaining ((~~,~~)) an office, place of business, or other establishment in the City in which business activities are conducted;

c. Soliciting sales;

d. Making repairs or providing maintenance or service to real or tangible personal property, including warranty work and property maintenance;

e. Providing technical assistance or service, including quality control, product inspections, warranty work, or similar services on or in connection with tangible personal property sold by the person or on its behalf;

f. Installing, constructing, or supervising installation or construction of ((~~,~~)) real or tangible personal property;

g. Soliciting, negotiating, or approving franchise, license, or other similar agreements;

h. Collecting current or delinquent accounts;

i. Picking up and transporting tangible personal property, solid waste construction debris, or excavated materials;

j. Providing disinfecting and pest control services, employment and labor pool services, home nursing care, janitorial services, appraising, landscape architectural services, security system services, surveying, and real estate services including the listing of homes and managing real property;

k. Rendering professional services such as those provided by accountants, architects, attorneys, auctioneers, consultants, engineers, professional athletes, barbers, baseball clubs and other sports organizations, chemists, consultants, psychologists, court reporters, dentists, doctors, detectives, laboratory operators, teachers, veterinarians;

l. Meeting with customers or potential customers, even when no sales or orders are solicited at the meetings;

m. Training or recruiting agents, representatives, independent contractors, brokers, or others domiciled or operating on a job in the City, acting on its behalf, or for customers or potential customers;

n. Investigating, resolving, or otherwise assisting in resolving customer complaints;

o. In-store stocking or manipulating products or goods, sold to and owned by a customer, regardless of where sale and delivery of the goods took place;

p. Delivering goods in vehicles owned, rented, leased, used, or maintained by the person who sold the goods or another acting on its behalf; or

q. Accepting or executing a contract with the City, irrespective of whether the goods or services are delivered within or without the City, or whether the person's office or place of business is within or without the City.

4. If a person, or its employee, agent, representative, independent contractor, broker, or another acting on the person's behalf, engages in no other activities in or with the City but the following, it need not register and obtain a business license tax certificate and pay tax ((~~,~~)) :

a. Meeting with suppliers of goods and services as a customer;

b. Meeting with government representatives in their official capacity, other than those performing contracting or purchasing functions;

c. Attending meetings, such as board meetings, retreats, seminars, and conferences ((~~,~~)) or other meetings wherein the person does not provide training in connection with tangible personal property sold by the person or on its behalf. This provision does not apply to any board of director member or attendee engaging in business such as a member of a board of directors who attends a board meeting;

d. Renting tangible or intangible property as a customer when the property is not used in the City;

e. Attending, but not participating in, a "trade show". Persons participating at a trade show shall review the City's trade show ordinance, ((~~SMC~~)) Chapter 6.20;

f. Conducting advertising through the mail;

g. Soliciting sales by phone from a location outside the City; or

h. Accepting or executing a contract with the City when:

1) ((~~,~~)) The aggregate value of all City contracts with the person during the calendar year is ((~~Five Thousand Dollars (~~))$5,000((~~)~~)) or less and the person is engaged in no other business within the City; or

2) ((~~,~~)) The person's only source of revenue consists of contracts with the City for neighborhood planning purposes, sister city associations, or Arts Commission grants, and is less than the taxable threshold amount provided in ((~~SMC~~)) Section 5.55.040.D.

5. A seller located outside the City merely delivering goods into the City by means of common carrier is not required to register and obtain a business license tax certificate provided that it engages in no other business activities in the City.

The City expressly intends that engaging in business include any activity sufficient to establish nexus for purposes of applying the tax under the law and the constitutions of the United States and the State of Washington.

Nexus is presumed to continue as long as the taxpayer benefits from the activity that constituted the original nexus generating contact or subsequent contacts.

Section 2. Subsection 5.30.060.B of the Seattle Municipal Code, which section was last amended by Ordinance 123361, is amended as follows:

5.30.060 Definitions, T—Z ((~~,~~))

B. "Taxpayer" means any "person," as herein defined, required by Chapter 5.55 to have a business license tax certificate, or liable for any license, tax or fee, or for the collection of any tax or fee, under Chapters 5.32 (Amusement Devices), 5.35 (Commercial Parking Tax((~~es~~))), 5.40 (Admission Tax((~~es~~))), 5.45 (Business License Tax), 5.46 (Square Footage Business Tax),

5.48 (Utility Tax), and 5.52 (Gambling Tax), or who engages in any business or who performs any act for which a tax or fee is imposed under those chapters.

Section 3. Section 5.32.150 of the Seattle Municipal Code, last amended by Ordinance 120668, is amended as follows:

5.32.150 Amusement license required ((~~,~~))

((~~It is unlawful for any~~)) No person ((~~to~~)) shall own any amusement device ((~~, which is~~)) available for public use ((~~by the public,~~)) without having first obtained an amusement device license issued in accordance with the provisions of this ((~~chapter~~)) Chapter 5.32. The license shall be attached to the amusement device at all times when in use or play or available for use or play so that it is readily visible. This license is in addition to the business license tax certificate required in ((~~SMC~~)) Section 5.55.030.

Section 4. Subsection 5.40.060.B of the Seattle Municipal Code, which section was last amended by Ordinance 121797, is amended as follows:

5.40.060 Ticket information and unlawful acts ((~~,~~))

B. ((~~It shall be unlawful for a~~)) No promoter, sponsor, venue, or, anyone contractually related to a promoter, sponsor, or venue, ((~~to~~)) shall sell an admission ticket or card on which the name of the person conducting the event and the price is not so printed, stamped or written, or to sell or offer to sell an admission ticket or card at a price in excess of the price printed, stamped or written thereon. Ticket sales that occur through a subsequent sale(s) of the ticket(s) by the initial purchaser who purchased the ticket(s) from the promoter, sponsor, or venue, or any subsequent sale of such ticket(s), may be made at market price. No admission tax will be assessed by the City on the price of an admission ticket in a secondary market transaction, conducted by the initial purchaser or a subsequent purchaser thereof. However,

vendors ((,)) and other persons regularly engaged in the business of reselling tickets or admissions into events must obtain a business license tax certificate ((~~to do so~~)) pursuant to ((~~SMC~~)) Section 5.55.030.

For transactions between the promoter, sponsor, or venue and the original purchaser or customer, the admission tax due shall be based on the total sum of the established price plus any service charge printed on the ticket. When a charge is made for admission, a sign must be posted in a conspicuous place on the entrance or ticket office ((~~which~~)) that breaks down the admission charge as follows:

Established Price

Service Charge (if any)

Sales Tax

City Admission Tax

Total Price

Section 5. Section 5.40.080 of the Seattle Municipal Code, last amended by Ordinance 121253, is amended as follows:

5.40.080 Certificate of registration—Required—Application ((,))

Any person conducting or operating any place for entrance to which an admission charge is made shall, prior to the commencement of any such activity, and on a form prescribed by the Director, file an application with the Director to conduct or operate such activity. The application shall be filed whether or not the person has received an exemption from collecting the tax under the provision of this chapter. The Director shall then issue a business license tax certificate with an admission tax endorsement. The endorsement shall ((~~continue~~)) be valid for as long as the person maintains a valid business license tax certificate. Failure of any person to obtain the

endorsement for conducting any activity for which an admission charge is made within twenty (((~~20~~))) days after the Director ((~~being notified~~)) notifies the person of the requirement ((~~by the Director~~)) will result in a penalty of ((~~Two Hundred and Fifty Dollars (~~))$250((~~)~~)). This penalty is in addition to any tax and penalties due according to ((~~SMC 5.55.110 (A)~~)) subsection 5.55.110.A, if applicable.

Section 6. Subsection 5.40.085.A of the Seattle Municipal Code, which section was last amended by Ordinance 121253, is amended as follows:

5.40.085 Certificate of exemption—Application, issuance—Cancellation—Proof of nonprofit status ((~~,~~))

A. Any person seeking to secure an exemption from the admission tax pursuant to Section 5.40.025 from the admission tax as provided in this chapter shall present, at the time of its application for a business license tax certificate as described in ((~~SMC~~)) Section 5.55.030, official proof of its exemption from federal income taxation pursuant to Section 501 (c)(3), (4) or (6) of the Internal Revenue Code of 1986, as now existing or hereafter amended, or in the alternative ((~~,~~)) provide proof of its specific exemption from the requirement to file IRS Form 1023 in order to obtain tax exempt status. If the exemption applicant already has a business license tax certificate, then the request for exemption and proof required above shall be filed prior to engaging in the activity which requires an admission. If the Director determines that persons paying such admission charge are not subject to the admission tax, the applicant shall receive a certification of such determination for the activity or series of activities, as the case may be.

Section 7. Section 5.45.110 of the Seattle Municipal Code, last amended by Ordinance 120668, is amended as follows:

5.45.110 Application to City's business activities ((.))

Any department, division, employee association, or other ((~~subsection~~)) entity of the City that engages in any business activity which if engaged in by any person would, under this ((~~chapter~~)) Chapter 5.45 or ((~~SMC~~)) Chapter 5.55, require a business license tax certificate and the payment of any tax or fee shall make application, file returns, and pay any taxes or fees imposed by this ((~~chapter~~)) Chapter 5.45 or ((~~SMC~~)) Chapter 5.55.

Section 8. Section 5.55.030 of the Seattle Municipal Code, last amended by Ordinance 124651, is amended as follows:

5.55.030 - License requirements ((.))

A. No person, unless specifically exempted, shall engage in any business activity, profession, trade or occupation in the City without having first obtained and being the holder of a valid and subsisting license to do so, to be known as a "business license tax certificate." The fee for the business license tax certificate shall be $110((~~.00~~)) for persons with worldwide gross income of the business and value of products of more than $20,000 in the current calendar year that engage in any business activity, profession, trade or occupation in the City prior to July 1st and $55((~~.00~~)) for persons beginning their activity on or after July 1st. The business license tax certificate fee for persons with worldwide gross income of the business and value of products of $20,000 or less in the current calendar year will be $55((~~.00~~)) if prior to July 1st and $27.50 for persons beginning their activity on or after July 1st. The fee shall accompany the application for the license.

The business license tax certificate shall expire at the end of the calendar year for which it is issued. The business license tax certificate shall be personal and nontransferable except as provided in subsection 5.55.030.G ((~~, below~~)). Applications for the business license tax

certificate shall be made to the Director of Finance and Administrative Services on forms provided by the Director. Each business license tax certificate shall be numbered, shall show the name, place and character of the business of the licensee, and such other information as the Director deems necessary, and shall at all times be conspicuously posted in the place of business for which it is issued.

If the licensee changes the place of business, the licensee shall return the business license tax certificate to the Director and a new business license tax certificate shall be issued for the new place of business free of charge.

B. When business is transacted at two or more separate places by one taxpayer, a separate business license tax certificate for each place at which business is transacted with the public shall be required. A $10 license fee shall be imposed and accompany each application for the business license tax certificate required for each additional business location.

C. No person to whom a business license tax certificate has been issued pursuant to this chapter shall suffer or allow any other person for whom a separate license is required to operate under or display his or her license; nor shall such other person operate under or display such license.

D. As provided in Section 6.20.040, a participant at an event, identified in the list supplied by the promoter or organizer, shall be exempt from the business license tax certificate fee established by subsection 5.55.030.A ((~~, above~~)), or the fee for a separate business location established by subsection 5.55.030.B ((~~, above~~)), on account of business activities at the licensed event for the duration of the event license; provided however, that such participant is not otherwise engaging in business in the City as such term is defined in Section 5.30.030.B.2.

E. Any business license tax certificate may be renewed by the payment for the ensuing year of the license fee herein prescribed on or before the date of the expiration of such license. Any licensee who fails to make payment on or prior to the expiration date of said business license tax certificate shall be subject to penalties in the following amounts:

1. ((~~Ten Dollars~~)) $10 if not received on or before the last day of the month following the expiration date.

2. ((~~Twenty Dollars~~)) $20 if not received on or before the last day of the second month following the expiration date.

3. All business ((~~licenses~~)) license tax certificates issued subsequent to the initial license period shall be deemed renewal licenses if there has been no discontinuance of the licensee's operations or activities. Nonpayment by the licensee of taxes or business license tax certificate fees other than those due upon expiration for the renewal of a license, when due during the term of any license shall constitute grounds for revocation of or the refusal to renew said license.

F. Licenses for amusement devices will be in addition to this business license tax certificate and will be assessed pursuant to Section 5.32.170. It is unlawful for any person to own any amusement device, which is available for use by the public, without having first obtained an amusement device license issued in accordance with the provisions of this ((~~chapter~~)) Chapter 5.55 and Chapter 5.32. The license shall be attached to the amusement device at all times when in use or play or available for use or play so that it is readily visible. The amusement device license will be prorated semi-annually in the same manner as the business license tax certificate; however, the amusement device license expires annually on November 30th.

G. A business license tax certificate or amusement device license cannot be assigned or transferred, except that a license may be transferred:

1. To the surviving or new corporation, whenever the licensed corporation is merged or consolidated pursuant to RCW Chapter 23B.11, as now or hereafter amended;

2. To the surviving partner, or to a new partnership which consists exclusively of the surviving partners, whenever one partner of a licensed partnership dies;

3. To the surviving spouse, whenever one spouse of a licensed marital community dies;

4. To any one or more former partners, whenever a licensed partnership is dissolved and one or more of the former partners of the licensed partnership continue the operation of the business as an individual proprietorship or partnership without the addition of any new partner, and all of the other former partners consent in writing to the transfer of the license, which written consent shall be filed with the application for such transfer;

5. To one spouse, whenever a licensed marital community is dissolved and the other spouse consents in writing to the transfer of the license, which written consent shall be filed with the application for such transfer;

6. In case of the death of any licensee before the expiration of his or her license, his or her administrator or executor, duly appointed as such by order of court, may continue to act under said license for the unexpired term thereof upon filing with the City proof of such appointment.

As used in this subsection, the term "partnership" includes joint venture, and the term "partner" includes a co-venturer.

Section 9. Subsection 5.55.040.D of the Seattle Municipal Code, which section was last amended by Ordinance 123063, is amended as follows:

5.55.040 - When due and payable—Reporting periods—Monthly, quarterly, and annual returns—Threshold provisions—Computing time periods—Failure to file returns ((~~,~~))

D. 1. For purposes of the tax imposed by ((~~SMC~~)) Chapter 5.45, any person whose gross proceeds of sales, gross income of the business, and value of products, including by-products, as the case may be, from all activities conducted within the city subject to tax after all allowable deductions, is less than the tax threshold amount defined in subsection ((~~D-3~~)) 5.55.040.D.3 ((~~, below,~~)) in the current calendar year, shall complete and file a return, declare no tax due on their return, and submit the return to the Director. The gross receipts and deduction amounts shall be entered on the tax return even though no tax may be due.

2. Any person who reasonably estimates that the gross proceeds of sales, gross income of the business, and value of products, including by-products, as the case may be, from all activities conducted within the city subject to tax after all allowable deductions, will be less than the tax threshold amount defined in subsection ((~~D-3~~)) 5.55.040.D.3 below, in the current calendar year may file a declaration so stating on a form supplied by the Director at the same time he or she files his or her application for a business license tax certificate or a renewal. The Director may assign any person who files such declaration to an annual reporting period.

3. For calendar years prior to 2008, the Business and Occupation tax threshold amount shall remain at ((~~Fifty Thousand Dollars ()~~)$50,000((~~()~~))) as established under Ordinance 116945. For calendar years 2008 and thereafter, the Business and Occupation tax threshold amount shall be ((~~Eighty Thousand Dollars ()~~)$80,000((~~()~~))).

Section 10. Subsection 5.55.220.A of the Seattle Municipal Code, which section was last amended by Ordinance 122764, is amended as follows:

5.55.220 Unlawful actions—Violation—Penalties ((~~,~~))

A. It shall be unlawful for any person subject to the provisions of this ((~~chapter~~)) Chapter 5.55 ((~~,~~)) or ((~~SMC~~)) Chapters 5.32, 5.35, ((~~5.37,~~)) 5.40, 5.46, 5.45, 5.48 and 5.52:

1. To violate or fail to comply with any of the provisions of this ((~~chapter~~)) Chapter 5.55, ((~~SMC~~)) Chapters 5.32, 5.35, ((~~5.37,~~)) 5.40, 5.45, 5.46, 5.48 and 5.52, or any lawful rule or regulation adopted by the Director;

2. To make or manufacture any license required by this chapter except upon authority of the Director;

3. To make any false statement on any license, application or tax return;

4. To aid or abet any person in any attempt to evade payment of a license fee or tax;

5. To refuse admission to the Director to inspect the premises and/or records as required by this chapter, or to otherwise interfere with the Director in the performance of duties imposed by ((~~SMC~~)) Chapters 5.32, 5.35, ((~~5.37,~~)) 5.40, 5.45, 5.46, 5.48 and 5.52;

6. To fail to appear or testify in response to a subpoena issued pursuant to ((~~SMC~~)) Section 3.02.120 in any proceeding to determine compliance with this chapter and ((~~SMC~~)) Chapters 5.32, 5.35, ((~~5.37,~~)) 5.40, 5.45, 5.46, 5.48 and 5.52;

7. To testify falsely in any investigation, audit or proceeding conducted pursuant to this ((~~chapter~~)) Chapter 5.55;

8. To continue to engage in any business activity, profession, trade or occupation after the revocation of or during a period of suspension of a business license tax certificate issued under ((~~SMC~~)) Section 5.55.030; or

9. In any manner, to hinder or delay the City or any of its officers in carrying out the provisions of this ((~~chapter~~)) Chapter 5.55 or ((~~SMC~~)) Chapters 5.32, 5.35, ((~~5.37,~~)) 5.40, 5.45, 5.46, 5.48 and 5.52.

Section 11. Section 5.55.230 of the Seattle Municipal Code, last amended by Ordinance 124645, is amended as follows:

5.55.230 ((~~Refusal to issue~~)) Denial, revocation of, or refusal to renew business license tax certificate

A. The Director, or ((~~his or her~~)) the Director's designee, has the power and authority to ((~~refuse to issue~~)) deny, revoke, or refuse to renew any business license tax certificate or amusement device license issued under the provisions of this chapter. The Director, or ((~~his or her~~)) the Director's designee, shall notify such applicant or licensee in writing by ((~~certified~~)) mail in accordance with section 5.55.180 of the ((~~refusal to issue~~)) denial, revocation of, or refusal to renew ((~~, his or her~~)) the license and on what grounds such a decision was based. The Director may ((~~refuse to issue~~)) deny, revoke, or refuse to renew any business license tax certificate or other license issued under this chapter on one or more of the following grounds:

1. The license was procured by fraud or false representation of fact.

2. The licensee has failed to comply with any provisions of this ((~~chapter~~)) Chapter 5.55.

3. The licensee has failed to comply with any provisions of Chapters 5.32, 5.35, ((~~5.37,~~)) 5.40, 5.45, 5.46, 5.48, or 5.52.

4. The licensee is in default in any payment of any license fee or tax under Title 5 or Title 6.

5. The property at which the business is located has been determined by a court to be a chronic nuisance property as provided in Chapter 10.09.

6. The applicant or licensee has been convicted of theft under Section 12A.08.060.A.4 within the last ten years.

7. The applicant or licensee is a person subject within the last ten years to a court order entering final judgment for violations of RCW 49.46, 49.48, or 49.52, or 29 U.S.C. 206 or 29 U.S.C. 207 and the judgment was not satisfied within 30 days of the later of either:

a. the expiration of the time for filing an appeal from the final judgment order under the court rules in effect at the time of the final judgment order; or

b. if a timely appeal is made, the date of the final resolution of that appeal and any subsequent appeals resulting in final judicial affirmation of the findings of violations of RCW 49.46, 49.48, or 49.52 or 29 U.S.C. 206 or 29 U.S.C. 207.

8. The applicant or licensee is a person subject within the last ten years to a final and binding citation and notice of assessment from the Washington ((~~State~~)) Department of Labor and Industries for violations of RCW 49.46, 49.48 or 49.52, and the citation amount and penalties assessed therewith were not satisfied within 30 days of the date the citation became final and binding.

9. Pursuant to subsection 14.20.070.F.6, the applicant or licensee has failed to promptly comply with a final order by the Division Director of the Office of Labor Standards within the Office for Civil Rights issued under Chapter 14.20, for which all appeal rights have been exhausted, and the Division Director of the Office of Labor Standards within the Office for

Civil Rights has requested that the Director refuse to issue, refuse to renew, or revoke any business license held or requested by the applicant or licensee. The refusal to issue, refusal to renew, or revocation shall remain in effect until such time as the violation under Chapter 14.20 is remedied.

10. -((~~The period of non-issuance, revocation or non-renewal for grounds stated in subsections A.1 through A.8 of this Section 5.55.230 shall be at least one year, and the licensee or any person (as defined in Section 5.30.040.F) in which the licensee is a principal shall not again be licensed during such period~~)) The business is one that requires a license under Title VI and is operating without one or cannot lawfully obtain one at the time of its application.

11. The business has been determined under a separate enforcement process to be operating in violation of law.

B. Within 30 days from the date that the notice of ((~~refusal to issue~~))denial, revocation or refusal to renew notice was mailed to the applicant or licensee, the applicant or licensee may appeal such refusal to issue, revocation or refusal to renew by filing a written notice of appeal ("petition") setting forth the grounds therefor with the Office of the Hearing Examiner. The applicant or licensee must provide a copy of the petition to the Director and the City Attorney on or before the date the petition is filed with the Hearing Examiner. The hearing shall be conducted in accordance with the procedures for hearing contested cases in Chapter 3.02. The Director or the Director's designee shall have the burden of proving by a preponderance of the evidence that grounds for denying, suspending, or revoking a license existed. The Hearing Examiner shall set a date for hearing said appeal and notify the licensee of the time and place of the hearing. After the hearing thereon the Hearing Examiner shall, after making appropriate findings of fact and conclusions of law, affirm, modify, or overrule the ((~~refusal to issue~~))denial, revocation or

refusal to renew, and issue or reinstate the license. The Hearing Examiner may impose any terms upon the issuance or continuance of the license that ((~~he or she~~)) may ((~~deem~~)) be advisable. No ((~~refusal to issue~~))denial, revocation of, or refusal to renew a license issued pursuant to the provisions of this ((~~chapter~~)) 5.55 shall take effect until 30 days after the mailing of the notice thereof by the Director, and if appeal is taken as herein prescribed, the refusal to issue, revocation or refusal to renew shall be stayed pending final action by the Hearing Examiner. All licenses that are revoked or refused to be renewed by the Director shall be surrendered to the City on the effective date of such revocation or refusal to renew. No business license tax certificate shall be renewed and no new business license tax certificate shall be issued to the licensee or to any person (as defined by ((~~Subsection~~)) subsection 5.30.040.F) in which the licensee is a principal for a period of one year where the license has been revoked or not renewed by a decision of the Director pursuant to this Section 5.55.230. The decision of the Hearing Examiner shall be final. The licensee and/or the Director may seek review of the decision of the Hearing Examiner in the Superior Court of Washington in and for King County within 14 days from the date of the decision.

C. Upon revocation of any license no portion of the license fee shall be returned to the licensee.

D. The period of denial, revocation or non-renewal for grounds stated in subsections A.1, A.5, A.6, A.7, A.8, and A.11 of this Section 5.55.230 shall be at least one year, and the licensee or any person (as defined in subsection 5.30.040.F) that is or was a principal of the licensee shall not be re-licensed during such period.

E. The period of denial, revocation or non-renewal for grounds stated in subsections A.2, A.3, and A.4, A.9 and A.10 of this Section 5.55.230 shall last until the violation or default is

cured. If the violation cannot be cured, the period of non-issuance, revocation, or non-renewal shall last until the end of the license period in which the non-issuance, revocation or non-renewal occurred.

Section 12. A new Section 5.55.238 of the Seattle Municipal Code is added as follows:

5.55.238 Previously-Issued Business Licenses

Any person who obtained a business license for 2015 under Section 5.55.030 shall be deemed to hold for the remainder of 2015, unless otherwise revoked or suspended, a business license tax certificate under this Chapter 5.55.

Section 13. Ratify and Confirm. Any act consistent with the authority of this ordinance taken after its passage and prior to its effective date is ratified and confirmed.

Section 14. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the 13th day of July, 2015, and signed by me in open session in authentication of its passage this 13th day of July, 2015.

President _____ of the City Council

Approved by me this 17th day of July, 2015.

Edward B. Murray, Mayor

Filed by me this 17th day of July, 2015.

Monica Martinez Simmons, City Clerk

(Seal)

STATE OF WASHINGTON -- KING COUNTY

--ss.

326943

No. 124810,809,808,807,806

CITY OF SEATTLE,CLERKS OFFICE

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:TITLE ONLY RESOLUTION

was published on

07/31/15

The amount of the fee charged for the foregoing publication is the sum of $108.50 which amount has been paid in full.

Subscribed and sworn to before me on

07/31/2015

Notary public for the State of Washington,
residing in Seattle

State of Washington, King County

City of Seattle

Title Only Ordinances

The full text of the following legislation, passed by the City Council on July 13, 2015, and published below by title only, will be mailed upon request, or can be accessed at http://clerk.seattle.gov. For information on upcoming meetings of the Seattle City Council, please visit http://www.seattle.gov/council/calendar.

Contact: Office of the City Clerk at (206) 684-8344.

Ordinance 124810

AN ORDINANCE related to cable television; authorizing the Mayor or his designee to enter into a new Cable Television Franchise Agreement and an agreement regarding additional public benefits with Qwest Broadband Services, Inc. d/b/a CenturyLink; authorizing the Chief Technology Officer to enter into other agreements for the purpose of implementing or administering the new franchise; increasing appropriations in the 2015 budget of the Department of Information Technology for costs incurred in processing the franchise application; and transferring cash received for processing the franchise application; all by a 3/4 vote of the City Council.

Ordinance 124809

AN ORDINANCE providing the Office of City Auditor independent audit authority, including access to employer records, after a case is closed by the Seattle Office for Civil Rights (SOCR) in order to evaluate SOCR's enforcement efforts of Chapters 14.16, 14.17, 14.19, and 14.20 of the Seattle Municipal Code (SMC); amending Sections 3.40.040, 14.16.060, and 14.20.060 of the SMC; and creating a new Section 14.19.065 of the SMC.

Ordinance 124808

AN ORDINANCE related to business licenses; amending Sections 5.30.030, 5.30.060, 5.32.150, 5.40.060, 5.40.080, 5.40.085, 5.45.110, 5.55.030, 5.55.040, 5.55.220, and 5.55.230 of the Seattle Municipal Code; and adding a new Section 5.55.238 to the Seattle Municipal Code.

Ordinance 124807

AN ORDINANCE related to the regulation of marijuana businesses; adding a new Chapter 6.500 to the Seattle Municipal Code; amending Ordinance 124648, which adopted the 2015 Budget, changing appropriations to various departments and budget control levels, making cash transfers between various City funds; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

Ordinance 124806

AN ORDINANCE relating to the City Light Department; approving a 15-year franchise to construct, operate, maintain, replace, and repair an electrical light and power system in, across, over, along, under, through, and below certain designated public rights-of-way in the City of Lake Forest Park.

Date of publication in the Seattle Daily Journal of Commerce, July 31, 2015.

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