

# ORDINANCE 1670

## **AN ORDINANCE OF THE CITY OF NORTH BEND, WASHINGTON, RELATING TO BUSINESS LICENSING, AND SPECIFICALLY AMENDING NBMC SECTIONS 5.04.015; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE**

**WHEREAS**, North Bend Municipal Code (NBMC) Title 5, Chapter 4, regulates the licensing of businesses to protect the public health, safety and welfare; and

**WHEREAS**, in 2017, the Washington State Legislature adopted Engrossed House Bill 2005, which directed cities in Washington to adopt model business licensing language, including a uniform definition of “engaging in business;” and

**WHEREAS**, in June 2018, at the direction of the Legislature, the Association of Washington Cities (AWC) released draft model language, and the City Attorney prepared the requisite amendments to NBMC Chapter 5.04; and

**WHEREAS**, the City Council considered the Ordinance, together with all public comment, and determined that the proposed amendments were in accord with the Comprehensive Plan, will not adversely affect the public health, safety, or general welfare, and are in the best interests of the citizens of the City; and

**WHEREAS**, the City Council, in compliance with State law and to improve current business licensing practices both for the public and City Staff, adopted the proposed amendments to its business licensing regulations; and

**WHEREAS**, the Ordinance as adopted contained the minimum licensing threshold of \$2,000 as contained in the draft model business licensing language as opposed to the \$5,000 minimum licensing threshold desired by the City Council;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NORTH BEND, WASHINGTON, DOES HEREBY ORDAIN AS FOLLOWS:**

**Section 1. North Bend Municipal Code Section 5.04.015 (Business License Required), Amended:** North Bend Municipal Code Section 5.04.015 (Business license required) is hereby amended to read as follows:

### **5.04.015 Business license required.**

A. Every person engaging in business within the city during any portion of any taxable year in any business or activity for which a license fee or tax is provided by this chapter must obtain a valid and subsisting license to do so,

to be known as a “business license,” issued under the provisions of this chapter and having paid the license fee and tax imposed by the taxes, rates and fees schedule adopted by ordinance. Application for the license is made through the business licensing service on forms or systems provided. The total licensing fees due, including the business license registration fee and the business licensing service handling fee established by RCW 19.02.075 must accompany the application for the license.

B. The license will expire on the date established by the business licensing service. Each license is personal and nontransferable. In case a business is transacted at two or more separate places by one taxpayer, a separate license is required for each place and a separate registration fee and handling fee must be paid for each place that a business license is issued.

C. All licenses will be issued by the business licensing service in coordination with the finance department. Each license will show the name, and place of business of the taxpayer. The license must at all times be posted in the place of business for which it is issued. When the place of business of a taxpayer is changed, the taxpayer must reapply for the license and pay the appropriate fees as provided for in this chapter, and, upon approval of the change, a new license will be issued for the new place of business. No person may engage in any business for which a license is required under this section, without being registered and licensed in compliance with the provisions of this section; nor may any person holding such business license allow any other person, for whom a separate license is required, to operate under or display his license.

D. The business license must be obtained prior to commencing business within the city and must be renewed and the annual license registration fee paid by the expiration date established by the business licensing service. The license renewal is made through the business licensing service on forms or systems provided. Failure to renew a license by the expiration date may result in the assessment of the business licensing service late renewal penalty established in RCW 19.02.085. If a license remains delinquent for at least 120 days after the expiration date it will be considered abandoned and will be cancelled. A business whose license has been cancelled must reapply for licensure in order to continue to conduct business in the city.

E. There may be an additional administrative assessment, as established by the taxes, rates and fees schedule adopted by ordinance, imposed from the date the license should have been initially obtained, or renewed as the case may be, if the license is not obtained or renewed in a timely manner. The finance director may waive the penalty and interest of the administrative assessment if the license is obtained within 30 days of the date it should have been obtained or renewed, if good cause is shown.

F. Exemption From Business License Requirement. Threshold Exemption: To the extent set forth in this section, the following persons and businesses shall be exempt from the registration, license, and/or license fee requirements as outlined in this chapter: Any person or business whose annual value of products, gross proceeds of sales, or gross income of the business in the city is equal to or less than ~~\$2,000~~ \$5,000 and who does not maintain a place of business within the city shall be exempt from the general business license requirements in this chapter. The exemption does not apply to regulatory license requirements or activities that require a specialized permit.

**Section 2. Severability:** Should any section, paragraph, sentence, clause or phrase of this ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this ordinance be pre-empted by state or federal law or regulation, such decision or pre-emption shall not affect the validity of the remaining portions of this ordinance or its application to other persons or circumstances.

**Section 3. Effective Date:** This ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force five (5) days after the date of publication.

**ADOPTED BY THE CITY COUNCIL OF THE CITY OF NORTH BEND, WASHINGTON, AT A REGULAR MEETING THEREOF, THIS 16<sup>TH</sup> DAY OF OCTOBER, 2018.**

**CITY OF NORTH BEND:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**Kenneth G. Hearing, Mayor**

\_\_\_\_\_  
**Michael R. Kenyon, City Attorney**

**ATTEST/AUTHENTICATED:**

Published: October 26, 2018  
Effective: October 31, 2018

\_\_\_\_\_  
**Susie Oppedal, City Clerk**