

**ORDINANCE NO. 1736**

**AN ORDINANCE OF THE CITY OF DES MOINES, WASHINGTON** relating to business licenses and amending DMMC 5.04.020, 5.04.030, and 5.04.040.

**WHEREAS**, the Legislature has given code cities the authority under RCW 35A.82.020 to license, regulate, and make inspection in regard to all places and kinds of business, production, commerce, entertainment, exhibition, and upon all occupations, trades and professions and any other lawful activity, and to impose excises for regulation or revenue of the same, and

**WHEREAS**, this authority granted by the Legislature is subject to limitations imposed from time to time by the Legislature, and

**WHEREAS**, the Des Moines City Council has provided for general business licenses and imposition of fees for obtaining such license, codified at chapter 5.04 DMMC, and

**WHEREAS**, in 2017 the Legislature passed Engrossed House Bill 2005 which required Washington cities to partner with the Washington State Department of Revenue ("Department of Revenue") to utilize the Washington State Business Licensing System ("BLS") before January 1, 2022, or with FileLocal by July 1, 2020 to issue business licenses, and

**WHEREAS**, the City Council of the City of Des Moines enacted Resolution No. 1413 on May 28, 2020, approving an Interlocal Agreement to join FileLocal as a principal city for business licensing and collection of Business and Occupation tax, and

**WHEREAS**, joining FileLocal provides the opportunity to make minor changes to the Des Moines Municipal Code to more effectively administer business licenses, and

**WHEREAS**, the Finance Director or the Finance Director's designee is best positioned and best suited to administer business licenses, and

**WHEREAS**, the process for setting late penalties for business licenses should be consistent with the process for setting business license fees by Resolution of the City Council, and

**WHEREAS**, it is appropriate to change the date for the late penalty be changed from February 15th to the last day of January to more easily interface with FileLocal, and

**WHEREAS**, the City Council finds that it is in the best interest of the public health, safety, and welfare to make the following amendments to the City business licensing code; now therefore,

**THE CITY COUNCIL OF THE CITY OF DES MOINES ORDAINS AS FOLLOWS:**

**Sec. 1.** DMMC 5.04.020 and section 2 of Ordinance No. 39 as amended by section 1(A) of Ordinance No. 460 as amended by section 1 of Ordinance No. 863 as amended by section 6 of Ordinance No. 993 as amended by section 2 of Ordinance No. 1354 as amended by section 2 of Ordinance No. 1706 are each amended to read as followed:

**License or license registration required - Transfer prohibited.**

(1) It is unlawful for a person to engage in business within the city without first having secured a license to do so, or continue to engage in business after such license or license registration is revoked. Each business location shall be deemed a separate business.

(2) 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 and who does not maintain a place of business within the city shall submit a business license registration to the Finance Director or the Finance Director's designee at no cost, in lieu of obtaining a business license under this chapter. An approved business license registration submitted under this subsection shall fulfill the requirement to secure a business license set forth in subsection (1) of this section. The dollar threshold in this subsection does not apply to regulatory license requirements or activities that require a specialized permit.

(3) A license issued under this chapter is valid only for operation of the specific business for which application is made and is not transferable to any other person.

(4) Each day that a person engages in business without a valid business license or license registration constitutes a separate offense and may be punished as such; except a person that assumes operation of a business that has a current valid license is allowed 30 days to make application for a business license in the name of the new operator, but only if there is no change in the nature or type of business conducted, location, or use of the business premises and there are no existing violations of federal, state, or local law.

**Sec. 2.** DMMC 5.04.030 and section 3 of Ordinance No. 39 as amended by section 1(A) of Ordinance No. 454 as amended by section 1(B) of Ordinance No. 460 as amended by section 1 of Ordinance No. 556 as amended by section 1 of Ordinance No. 678 as amended by section 35 of Ordinance No. 770 as amended by section 3 of Ordinance No. 1354 as amended by section 3 of Ordinance No. 1706 are each amended to read as followed:

**Licenses - Fees - Appeal.**

(1) Applications for licenses or license registrations shall be made to the Finance Director or the Finance Director's designee on such forms as he or she may direct. All home occupations shall be licensed as a business. All applications for business licenses shall be accompanied by a license fee set by resolution of the City Council. No fee shall be required for business license registrations. The Finance Director shall present all applications for licenses or license registrations to the City Manager for investigation. No license or license registration shall be granted to any person, firm, or corporation whom the City Manager finds:

(a) Will be engaging in a business which violates any federal or State law or City ordinance;

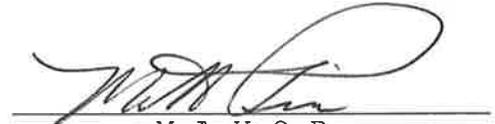
(b) Has had a similar license revoked or has operated without any required license(s) in any jurisdiction within a one-year period prior to the date of making application for a license under this chapter; or

(c) Is using or occupying the real property of the business in violation of the provisions of Title 14 DMMC or all amendments thereto or in violation of City provisions regarding nuisances.



**Sec. 5. Effective date.** This ordinance shall take effect and be in full force thirty (30) days after its passage and approval in accordance with law.

**PASSED BY** the City Council of the City of Des Moines this 11th day of June, 2020 and signed in authentication thereof this 11th day of June, 2020.

  
M A Y O R

APPROVED AS TO FORM:

/s/ Timothy George  
City Attorney

ATTEST:

  
City Clerk

Published: June 24, 2020

Effective Date: July 11, 2020