## **ORDINANCE NO. 2025 - 02**

AN ORDINANCE OF THE CITY OF REPUBLIC, WASHINGTON, AMENDING SECTION 5.04.020(A)(15) OF THE REPUBLIC MUNICIPAL CODE TO REVISE THE THRESHOLD EXEMPTION FOR BUSINESS LICENSES FOR ANY PERSON OR BUSINESS WHO DOES BUSINESS IN THE CITY OF REPUBLIC AND WHO DOES NOT MAINTAIN A PLACE OF BUSINESS WITHIN THE CITY.

**WHEREAS,** the Republic Municipal Code ("RMC") 5.04.020(A)(15) exempts 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 Two Thousand Dollars (\$2,000.00) and who does not maintain a place of business within the City for business licensing requirements under RMC 5.04; and

WHEREAS, to comply with changes to the Business License Model Ordinance of the State of Washington, the City Council of the City of Republic has determined that it is necessary to amend RMC 5.04.020(A)(15) to increase the threshold amount and to provide for threshold amount adjustments pursuant to the Consumer Price Index ("CPI") for "West Urban, All Urban Consumers" ("CPI-U").

NOW, THEREFORE, the City Council of the City of Republic, Washington do ordain as follows:

**Section 1. Amendment.** The RMC Section 5.04.020(A)(15) which reads as follows:

"15. 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 Two Thousand Dollars (\$2,000.00), (or higher threshold as determined by the city), and who does not maintain a place of business within the city. This exemption does not apply to regulatory license requirements or activities that require specialized permits by the city."

Be and is hereby amended to read as follows:

"15. 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 Two Thousand Dollars (\$2,000.00)

and who does not maintain a place of business within the City shall be exempt from general business license requirements in this chapter. This exemption does not apply to regulatory license requirements or activities that require a specialized permit or license.

Beginning January 1, 2026, the threshold is Four Thousand Dollars (\$4,000.00). The threshold amount will be adjusted every forty-eight (48) months on January 1st, by an amount equal to the increase in the Consumer Price Index ("CPI") for "West Urban, All Urban Consumers" ("CPI-U") for each twelve (12) month period ending on June 30th as published by the United States Department of Labor Bureau of Labor Statistics or successor agency. To calculate this adjustment, the current rate will be multiplied by one (1) plus the cumulative 4-year (forty eight month) CPI-U increase using each 12-month period ending on June 30th of each prior year, and rounded to the nearest One Hundred Dollars (\$100.00). However, if any of the annual CPI-U increases are more than five percent (5%), a five percent (5%) increase will be used in computing the annual basis and if the annual CPI-U decreased during the forty eight month period, a zero percent (0%) increase will be used in computing the annual basis."

Section 2. Severability. If any section, subsection, paragraph, sentence, clause or phrase in this Ordinance is declared unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining parts of this Ordinance.

Section 3. Effective Date. This Ordinance shall become effective from and after its passage by the City Council, approval by the Mayor and five (5) days after publication as required by law.

PASSED BY THE CITY COUNCIL OF THE CITY OF REPUBLIC, WASHINGTON, at a regular open meeting, this 15th day of September, 2025.

APPROVED:

By: Marty Rugo, Mayor - Pro-Tempore

ATTEST:

By:\_

Nicolas Olsen, City Clerk-Treasurer

APPROVED AS TO FORM:

By:\_\_\_\_\_

W. Scott DeTro, City Attorney