

SENATE BILL REPORT

SB 5378

As Passed Senate, March 8, 1995

Title: An act relating to disbursement of funds to border areas.

Brief Description: Modifying border area fund distribution.

Sponsors: Senators Haugen, Morton and Winsley; by request of Department of Community, Trade, and Economic Development.

Brief History:

Committee Activity: Government Operations: 2/7/95, 2/14/95 [DP].
Passed Senate, 3/8/95, 48-0.

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Majority Report: Do pass.

Signed by Senators Haugen, Chair; Sheldon, Vice Chair; Drew, Hale, Heavey, McCaslin and Winsley.

Staff: Eugene Green (786-7405)

Background: Three-tenths of 1 percent of funds from the liquor revolving fund (approximately \$170,000/year) are distributed to the Department of Community, Trade, and Economic Development (DCTED) to be allocated to border areas (Blaine, Everson, Friday Harbor, Lynden, Nooksack, Northport, Oroville, Port Angeles, Sumas, and Point Roberts). These funds are distributed under a formula developed by DCTED, by rule, based on border traffic and historical impacts of law enforcement problems caused by the border on local budgets.

It has been brought to DCTED's attention that it is illegally administering this program with federal funds.

Summary of Bill: Border area is redefined as any incorporated city or town located within seven miles of the Washington-Canadian border or any point of land surrounded on three sides by water and adjacent to the Canadian border.

The funds are distributed to border areas by the State Treasurer, subject to the distribution formula developed by DCTED. The method used to calculate the distribution formula is clarified in statute: 65 percent ratably based on border area traffic totals; 25 percent ratably based on border related crime statistics; and 10 percent ratably based on per capita law enforcement spending.

The distribution formula may be updated every three years upon request of recipient.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect on July 1, 1995.

Testimony For: It eliminates an administrative problem with the federal government.

Testimony Against: None.

Testified: Stan Finkelstein, AWC; Ted Kelleher, CTED.

House Amendment(s): The House striking amendment is technical and also clarifies that supplemental resources are distributed using the same distribution formula.