
SUBSTITUTE HOUSE BILL 2366

State of Washington

54th Legislature

1996 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Casada, Regala, Talcott, Huff, Conway and McMahan)

Read first time 02/01/96.

1 AN ACT Relating to local public health financing; amending RCW
2 70.05.125 and 82.14.200; and providing an effective date.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 70.05.125 and 1995 1st sp.s. c 15 s 1 are each amended
5 to read as follows:

6 (1) The county public health account is created in the state
7 treasury. Funds deposited in the county public health account shall be
8 distributed by the state treasurer to each local public health
9 jurisdiction based upon amounts certified to it by the department of
10 community, trade, and economic development in consultation with the
11 Washington state association of counties. The account shall include
12 funds distributed under RCW 82.44.110 and 82.14.200(8) and such funds
13 as are appropriated to the account from the health services account
14 under RCW 43.72.900, the public health services account under RCW
15 43.72.902, and such other funds as the legislature may appropriate to
16 it.

17 (2)(a) The director of the department of community, trade, and
18 economic development shall certify the amounts to be distributed to

1 each local public health jurisdiction using 1995 as the base year of
2 actual city contributions to local public health.

3 (b) Only if funds are available and in an amount no greater than
4 available funds under RCW 82.14.200(8), the department of community,
5 trade, and economic development shall adjust the amount certified under
6 (a) of this subsection to compensate for any city that became newly
7 incorporated as a result of an election during calendar year 1994 or
8 1995. The amount to be adjusted shall be equal to the amount which
9 otherwise would have been lost to the local health jurisdiction due to
10 the incorporation as calculated using the local health jurisdiction's
11 1995 funding formula. This funding adjustment shall expire June 30,
12 1997.

13 (c) The county treasurer shall certify the actual 1995 city
14 contribution to the department. Funds in excess of the base shall be
15 distributed proportionately among the health jurisdictions based on
16 incorporated population figures as last determined by the office of
17 financial management.

18 (3) Moneys distributed under this section shall be expended
19 exclusively for local public health purposes.

20 **Sec. 2.** RCW 82.14.200 and 1991 sp.s. c 13 s 15 are each amended to
21 read as follows:

22 There is created in the state treasury a special account to be
23 known as the "county sales and use tax equalization account." Into
24 this account shall be placed a portion of all motor vehicle excise tax
25 receipts as provided in RCW 82.44.110(1)(f). Funds in this account
26 shall be allocated by the state treasurer according to the following
27 procedure:

28 (1) Prior to April 1st of each year the director of revenue shall
29 inform the state treasurer of the total and the per capita levels of
30 revenues for the unincorporated area of each county and the state-wide
31 weighted average per capita level of revenues for the unincorporated
32 areas of all counties imposing the sales and use tax authorized under
33 RCW 82.14.030(1) for the previous calendar year.

34 (2) At such times as distributions are made under RCW 82.44.150, as
35 now or hereafter amended, the state treasurer shall apportion to each
36 county imposing the sales and use tax under RCW 82.14.030(1) at the
37 maximum rate and receiving less than one hundred fifty thousand dollars
38 from the tax for the previous calendar year, an amount from the county

1 sales and use tax equalization account sufficient, when added to the
2 amount of revenues received the previous calendar year by the county,
3 to equal one hundred fifty thousand dollars.

4 The department of revenue shall establish a governmental price
5 index as provided in this subsection. The base year for the index
6 shall be the end of the third quarter of 1982. Prior to November 1,
7 1983, and prior to each November 1st thereafter, the department of
8 revenue shall establish another index figure for the third quarter of
9 that year. The department of revenue may use the implicit price
10 deflators for state and local government purchases of goods and
11 services calculated by the United States department of commerce to
12 establish the governmental price index. Beginning on January 1, 1984,
13 and each January 1st thereafter, the one hundred fifty thousand dollar
14 base figure in this subsection shall be adjusted in direct proportion
15 to the percentage change in the governmental price index from 1982
16 until the year before the adjustment. Distributions made under this
17 subsection for 1984 and thereafter shall use this adjusted base amount
18 figure.

19 (3) Subsequent to the distributions under subsection (2) of this
20 section and at such times as distributions are made under RCW
21 82.44.150, as now or hereafter amended, the state treasurer shall
22 apportion to each county imposing the sales and use tax under RCW
23 82.14.030(1) at the maximum rate and receiving less than seventy
24 percent of the state-wide weighted average per capita level of revenues
25 for the unincorporated areas of all counties as determined by the
26 department of revenue under subsection (1) of this section, an amount
27 from the county sales and use tax equalization account sufficient, when
28 added to the per capita level of revenues for the unincorporated area
29 received the previous calendar year by the county, to equal seventy
30 percent of the state-wide weighted average per capita level of revenues
31 for the unincorporated areas of all counties determined under
32 subsection (1) of this section, subject to reduction under subsections
33 (6) and (7) of this section. When computing distributions under this
34 section, any distribution under subsection (2) of this section shall be
35 considered revenues received from the tax imposed under RCW
36 82.14.030(1) for the previous calendar year.

37 (4) Subsequent to the distributions under subsection (3) of this
38 section and at such times as distributions are made under RCW
39 82.44.150, as now or hereafter amended, the state treasurer shall

1 apportion to each county imposing the sales and use tax under RCW
2 82.14.030(2) at the maximum rate and receiving a distribution under
3 subsection (2) of this section, a third distribution from the county
4 sales and use tax equalization account. The distribution to each
5 qualifying county shall be equal to the distribution to the county
6 under subsection (2) of this section, subject to the reduction under
7 subsections (6) and (7) of this section. To qualify for the total
8 distribution under this subsection, the county must impose the tax
9 under RCW 82.14.030(2) for the entire calendar year. Counties imposing
10 the tax for less than the full year shall qualify for prorated
11 allocations under this subsection proportionate to the number of months
12 of the year during which the tax is imposed.

13 (5) Subsequent to the distributions under subsection (4) of this
14 section and at such times as distributions are made under RCW
15 82.44.150, as now or hereafter amended, the state treasurer shall
16 apportion to each county imposing the sales and use tax under RCW
17 82.14.030(2) at the maximum rate and receiving a distribution under
18 subsection (3) of this section, a fourth distribution from the county
19 sales and use tax equalization account. The distribution to each
20 qualifying county shall be equal to the distribution to the county
21 under subsection (3) of this section, subject to the reduction under
22 subsections (6) and (7) of this section. To qualify for the
23 distributions under this subsection, the county must impose the tax
24 under RCW 82.14.030(2) for the entire calendar year. Counties imposing
25 the tax for less than the full year shall qualify for prorated
26 allocations under this subsection proportionate to the number of months
27 of the year during which the tax is imposed.

28 (6) Revenues distributed under subsections (2) through (5) of this
29 section in any calendar year shall not exceed an amount equal to
30 seventy percent of the state-wide weighted average per capita level of
31 revenues for the unincorporated areas of all counties during the
32 previous calendar year. If distributions under subsections (3) through
33 (5) of this section cannot be made because of this limitation, then
34 distributions under subsections (3) through (5) of this section shall
35 be reduced ratably among the qualifying counties.

36 (7) If inadequate revenues exist in the county sales and use tax
37 equalization account to make the distributions under subsections (3)
38 through (5) of this section, then the distributions under subsections
39 (3) through (5) of this section shall be reduced ratably among the

1 qualifying counties. At such time during the year as additional funds
2 accrue to the county sales and use tax equalization account, additional
3 distributions shall be made under subsections (3) through (5) of this
4 section to the counties.

5 (8) If the level of revenues in the county sales and use tax
6 equalization account exceeds the amount necessary to make the
7 distributions under subsections (2) through (5) of this section, at
8 such times as distributions are made under RCW 82.44.150, the state
9 treasurer shall apportion an amount to the county public health account
10 created in RCW 70.05.125 equal to the adjustment under RCW
11 70.05.125(2)(b).

12 (9) If the level of revenues in the county sales and use tax
13 equalization account exceeds the amount necessary to make the
14 distributions under subsections (2) through (5) and (8) of this
15 section, then the additional revenues shall be credited and transferred
16 to the state general fund.

17 NEW SECTION. Sec. 3. This act shall take effect July 1, 1996.

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