
SENATE BILL 6615

State of Washington

62nd Legislature

2012 Regular Session

By Senators Zarelli and Swecker

Read first time 02/27/12. Referred to Committee on Ways & Means.

1 AN ACT Relating to liquor revenue; amending RCW 82.08.160,
2 43.110.030, 66.08.190, 66.08.196, 66.08.200, 66.08.210, 35A.66.020,
3 36.70A.340, 70.94.390, 70.96A.087, and 43.63A.190; creating new
4 sections; repealing RCW 82.08.170, 82.08.180, 43.110.050, and
5 43.110.060; and providing an effective date.

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

7 **Sec. 1.** RCW 82.08.160 and 2011 1st sp.s. c 50 s 969 are each
8 amended to read as follows:

9 ((1)) On or before the twenty-fifth day of each month, all taxes
10 collected under RCW 82.08.150 during the preceding month must be
11 remitted to the state department of revenue, to be deposited ((with the
12 state treasurer. Except as provided in subsection (2) of this section,
13 upon receipt of such moneys the state treasurer must credit sixty five
14 percent of the sums collected and remitted under RCW 82.08.150 (1) and
15 (2) and one hundred percent of the sums collected and remitted under
16 RCW 82.08.150 (3) and (4) to the state general fund and thirty five
17 percent of the sums collected and remitted under RCW 82.08.150 (1) and
18 (2) to a fund which is hereby created to be known as the "liquor excise
19 tax fund."

1 ~~(2) During the 2011-2013 fiscal biennium, 66.19 percent of the sums~~
2 ~~collected and remitted under RCW 82.08.150 (1) and (2) must be~~
3 ~~deposited in the state general fund and the remainder collected and~~
4 ~~remitted under RCW 82.08.150 (1) and (2) must be deposited in the~~
5 ~~liquor excise tax fund)) into the general fund.~~

6 NEW SECTION. **Sec. 2.** The following acts or parts of acts are each
7 repealed:

8 (1) RCW 82.08.170 (Apportionment and distribution from liquor
9 excise tax fund) and 2002 c 38 s 3, 1997 c 437 s 4, 1983 c 3 s 215, &
10 1961 c 15 s 82.08.170; and

11 (2) RCW 82.08.180 (Apportionment and distribution from liquor
12 excise tax fund--Withholding for noncompliance) and 1991 sp.s. c 32 s
13 36.

14 NEW SECTION. **Sec. 3.** All moneys remaining in the liquor excise
15 tax fund on July 1, 2012, must be deposited by the state treasurer into
16 the general fund.

17 **Sec. 4.** RCW 43.110.030 and 2010 c 271 s 701 are each amended to
18 read as follows:

19 (1) The department of commerce (~~shall~~) must contract for the
20 provision of municipal research and services to cities, towns, and
21 counties. Contracts for municipal research and services (~~shall~~) must
22 be made with state agencies, educational institutions, or private
23 consulting firms, that in the judgment of the department are qualified
24 to provide such research and services. Contracts for staff support may
25 be made with state agencies, educational institutions, or private
26 consulting firms that in the judgment of the department are qualified
27 to provide such support.

28 (2) Municipal research and services (~~shall~~) consists of:

29 (a) Studying and researching city, town, and county government and
30 issues relating to city, town, and county government;

31 (b) Acquiring, preparing, and distributing publications related to
32 city, town, and county government and issues relating to city, town,
33 and county government;

34 (c) Providing educational conferences relating to city, town, and

1 county government and issues relating to city, town, and county
2 government; and

3 (d) Furnishing legal, technical, consultative, and field services
4 to cities, towns, and counties concerning planning, public health,
5 utility services, fire protection, law enforcement, public works, and
6 other issues relating to city, town, and county government.

7 (3) Requests for legal services by county officials (~~shall~~) must
8 be sent to the office of the county prosecuting attorney. Responses by
9 the department of commerce to county requests for legal services
10 (~~shall~~) must be provided to the requesting official and the county
11 prosecuting attorney.

12 (4) The department of commerce (~~shall~~) must coordinate with the
13 association of Washington cities and the Washington state association
14 of counties in carrying out the activities in this section. (~~Services~~
15 ~~to cities and towns shall be based upon the moneys appropriated to the~~
16 ~~department from the city and town research services account under RCW~~
17 ~~43.110.060. Services to counties shall be based upon the moneys~~
18 ~~appropriated to the department from the county research services~~
19 ~~account under RCW 43.110.050.))~~

20 NEW SECTION. Sec. 5. The following acts or parts of acts are each
21 repealed:

22 (1) RCW 43.110.050 (County research services account) and 2002 c 38
23 s 1 & 1997 c 437 s 3; and

24 (2) RCW 43.110.060 (City and town research services account) and
25 2010 c 271 s 702, 2002 c 38 s 4, & 2000 c 227 s 1.

26 NEW SECTION. Sec. 6. All moneys remaining in the county research
27 services account and city and town research services account on July 1,
28 2012, must be deposited by the state treasurer into the general fund.

29 Sec. 7. RCW 66.08.190 and 2011 1st sp.s. c 50 s 960 are each
30 amended to read as follows:

31 (1) (~~Except for revenues generated by the 2003 surcharge of~~
32 ~~\$0.42/liter on retail sales of spirits that must be distributed to the~~
33 ~~state general fund during the 2003-2005 biennium, when excess funds are~~
34 ~~distributed, all moneys subject to distribution must be disbursed as~~
35 ~~follows:~~

1 ~~(a) Three tenths of one percent to border areas under RCW~~
2 ~~66.08.195; and~~

3 ~~(b) Except as provided in subsection (4) of this section, from the~~
4 ~~amount remaining after distribution under (a) of this subsection, (i)~~
5 ~~fifty percent to the general fund of the state, (ii) ten percent to the~~
6 ~~counties of the state, and (iii) forty percent to the incorporated~~
7 ~~cities and towns of the state.~~

8 ~~(2) During the months of June, September, December, and March of~~
9 ~~each year, prior to disbursing the distribution to incorporated cities~~
10 ~~and towns under subsection (1)(b) of this section, the treasurer must~~
11 ~~deduct from that distribution an amount that will fund that quarter's~~
12 ~~allotments under RCW 43.88.110 from any legislative appropriation from~~
13 ~~the city and town research services account. The treasurer must~~
14 ~~deposit the amount deducted into the city and town research services~~
15 ~~account.~~

16 ~~(3) The governor may notify and direct the state treasurer to~~
17 ~~withhold the revenues to which the counties and cities are entitled~~
18 ~~under this section if the counties or cities are found to be in~~
19 ~~noncompliance pursuant to RCW 36.70A.340.~~

20 ~~(4) During the 2011-2013 fiscal biennium, from the amount remaining~~
21 ~~after distribution under subsection (1)(a) of this section, (a) 51.7~~
22 ~~percent to the general fund of the state, (b) 9.7 percent to the~~
23 ~~counties of the state, and (c) 38.6 percent to the incorporated cities~~
24 ~~and towns of the state)) During the months of June, September,~~
25 ~~December, and March of each year, quarterly distributions must be made~~
26 ~~to border areas, counties, cities, and towns as provided in section 302~~
27 ~~of Initiative Measure No. 1183; and~~

28 (2) The amount remaining after distribution under subsection (1) of
29 this section must be deposited into the general fund.

30 **Sec. 8.** RCW 66.08.196 and 2001 c 8 s 2 are each amended to read as
31 follows:

32 (1) Distribution of funds to border areas under RCW 66.08.190 and
33 66.24.290 (1)((+a)) (c) and (4) ((shall be)) is as follows:

34 ((+1)) (a) Sixty-five percent of the funds ((shall)) must be
35 distributed to border areas ratably based on border area traffic
36 totals;

1 (~~(+2)~~) (b) Twenty-five percent of the funds (~~(shall)~~) must be
2 distributed to border areas ratably based on border-related crime
3 statistics; and

4 (~~(+3)~~) (c) Ten percent of the funds (~~(shall)~~) must be distributed
5 to border areas ratably based upon border area per capita law
6 enforcement spending.

7 (2) Distributions to an unincorporated area (~~(shall)~~) must be made
8 to the county in which such an area is located and may only be spent on
9 services provided to that area.

10 **Sec. 9.** RCW 66.08.200 and 1979 c 151 s 167 are each amended to
11 read as follows:

12 With respect to the (~~ten percent share coming~~) distribution of
13 funds to the counties under RCW 66.24.290(1)(c), the computations for
14 distribution (~~(shall)~~) must be made by the state agency responsible for
15 collecting the same as follows:

16 (1) The share coming to each eligible county (~~(shall)~~) must be
17 determined by a division among the eligible counties according to the
18 relation which the population of the unincorporated area of such
19 eligible county, as last determined by the office of financial
20 management, bears to the population of the total combined
21 unincorporated areas of all eligible counties, as determined by the
22 office of financial management(~~(+—PROVIDED, That)~~). However, no
23 county in which the sale of liquor is forbidden in the unincorporated
24 area thereof as the result of an election (~~(shall be)~~) is entitled to
25 share in such distribution. "Unincorporated area" means all that
26 portion of any county not included within the limits of incorporated
27 cities and towns.

28 (2) When a special county census has been conducted for the purpose
29 of determining the population base of a county's unincorporated area
30 for use in the distribution of liquor funds, the census figure
31 (~~(shall)~~) becomes effective for the purpose of distributing funds as of
32 the official census date once the census results have been certified by
33 the office of financial management and officially submitted to the
34 office of the secretary of state.

35 **Sec. 10.** RCW 66.08.210 and 1979 c 151 s 168 are each amended to
36 read as follows:

1 (1) With respect to the (~~forty percent share coming~~) distribution
2 of funds to the incorporated cities and towns under RCW
3 66.24.290(1)(c), the computations for distribution (~~shall~~) must be
4 made by the state agency responsible for collecting the same as
5 (~~follows~~) provided in subsection (2) of this section.

6 (2) The share coming to each eligible city or town (~~shall~~) must
7 be determined by a division among the eligible cities and towns within
8 the state ratably on the basis of population as last determined by the
9 office of financial management(~~AND PROVIDED, That~~). However, no
10 city or town in which the sale of liquor is forbidden as the result of
11 an election (~~shall be~~) is entitled to any share in such distribution.

12 **Sec. 11.** RCW 35A.66.020 and 1967 ex.s. c 119 s 35A.66.020 are each
13 amended to read as follows:

14 The qualified electors of any code city may petition for an
15 election upon the question of whether the sale of liquor (~~shall be~~)
16 is permitted within the boundaries of such city as provided by chapter
17 66.40 RCW, and (~~shall be~~) is governed by the procedure therein, and
18 may regulate music, dancing and entertainment as authorized by RCW
19 66.28.080(~~PROVIDED, That~~). However, every code city (~~shall~~)
20 must enforce state laws relating to the investigation and prosecution
21 of all violations of Title 66 RCW relating to control of alcoholic
22 beverages and (~~shall be~~) is entitled to retain the fines collected
23 therefrom as therein provided. Every code city (~~shall~~) must also
24 share in the allocation and distribution of liquor profits and excise
25 as provided in RCW (~~82.08.170,~~) 66.08.190(~~7~~) and 66.08.210, and
26 make reports of seizure as required by RCW 66.32.090, and otherwise
27 regulate by ordinances not in conflict with state law or liquor board
28 regulations.

29 **Sec. 12.** RCW 36.70A.340 and 2011 c 120 s 2 are each amended to
30 read as follows:

31 Upon receipt from the board of a finding that a state agency,
32 county, or city is in noncompliance under RCW 36.70A.330, or as a
33 result of failure to meet the requirements of RCW 36.70A.210, the
34 governor may either:

35 (1) Notify and direct the director of the office of financial
36 management to revise allotments in appropriation levels;

1 (2) Notify and direct the state treasurer to withhold the portion
2 of revenues to which the county or city is entitled under one or more
3 of the following: The motor vehicle fuel tax, as provided in chapter
4 82.36 RCW; the transportation improvement account, as provided in RCW
5 47.26.084; the rural arterial trust account, as provided in RCW
6 36.79.150; the sales and use tax, as provided in chapter 82.14 RCW; and
7 the liquor profit tax, as provided in RCW 66.08.190(~~and the liquor~~
8 ~~excise tax, as provided in RCW 82.08.170~~); or

9 (3) File a notice of noncompliance with the secretary of state and
10 the county or city, which (~~shall~~) temporarily rescinds the county or
11 city's authority to collect the real estate excise tax under RCW
12 82.46.030 until the governor files a notice rescinding the notice of
13 noncompliance.

14 **Sec. 13.** RCW 70.94.390 and 1987 c 109 s 42 are each amended to
15 read as follows:

16 (1) The department may, at any time and on its own motion, hold a
17 hearing to determine if the activation of an authority is necessary for
18 the prevention, abatement and control of air pollution which exists or
19 is likely to exist in any area of the state. Notice of such hearing
20 shall be conducted in accordance with chapter 42.30 RCW and chapter
21 34.05 RCW. If at such hearing the department finds that air pollution
22 exists or is likely to occur in a particular area, and that the
23 purposes of this chapter and the public interest will be best served by
24 the activation of an authority it (~~shall~~) must designate the
25 boundaries of such area and set forth in a report to the appropriate
26 county or counties recommendations for the activation of an
27 authority(~~PROVIDED, That~~). However, if at such hearing the
28 department determines that the activation of an authority is not
29 practical or feasible for the reason that a local or regional air
30 pollution control program cannot be successfully established or
31 operated due to unusual circumstances and conditions, but that the
32 control and/or prevention of air pollution is necessary for the
33 purposes of this chapter and the public interest, it may assume
34 jurisdiction and so declare by order. Such order (~~shall~~) must
35 designate the geographic area in which, and the effective date upon
36 which, the department will exercise jurisdiction for the control and/or

1 prevention of air pollution. The department shall exercise its powers
2 and duties in the same manner as if it had assumed authority under RCW
3 70.94.410.

4 (2) All expenses incurred by the department in the control and
5 prevention of air pollution in any county pursuant to the provisions of
6 RCW 70.94.390 and 70.94.410 (~~shall~~) constitutes a claim against such
7 county. The department (~~shall~~) must certify the expenses to the
8 auditor of the county, who promptly (~~shall~~) must issue his warrant on
9 the county treasurer payable out of the current expense fund of the
10 county. In the event that the amount in the current expense fund of
11 the county is not adequate to meet the expenses incurred by the
12 department, (~~the department shall certify to the state treasurer that~~
13 ~~they have a prior claim on any money in the "liquor excise tax fund"~~
14 ~~that is to be apportioned to that county by the state treasurer as~~
15 ~~provided in RCW 82.08.170. In the event that the amount in the "liquor~~
16 ~~excise tax fund" that is to be apportioned to that county by the state~~
17 ~~treasurer is not adequate to meet the expenses incurred by the~~
18 ~~department,~~) the department (~~shall~~) must certify to the state
19 treasurer that they have a prior claim on any excess funds from the
20 liquor revolving fund that are to be distributed to that county as
21 provided in RCW 66.08.190 through 66.08.220. All moneys that are
22 collected as provided in this section (~~shall~~) must be placed in the
23 general fund in the account of the office of air programs of the
24 department.

25 **Sec. 14.** RCW 70.96A.087 and 1989 c 270 s 13 are each amended to
26 read as follows:

27 To be eligible to receive its share of liquor (~~taxes and~~)
28 profits, each city and county (~~shall~~) must devote no less than two
29 percent of its share of liquor (~~taxes and~~) profits to the support of
30 a program of alcoholism and other drug addiction approved by the
31 alcoholism and other drug addiction board authorized by RCW 70.96A.300
32 and the secretary.

33 **Sec. 15.** RCW 43.63A.190 and 1995 c 159 s 5 are each amended to
34 read as follows:

35 Funds appropriated by the legislature as supplemental resources for
36 border areas (~~shall~~) must be distributed by the state treasurer

1 pursuant to the formula for distributing funds (~~from the liquor~~
2 ~~revolving fund~~) to border areas, and expenditure requirements for such
3 distributions, under RCW 66.08.196.

4 NEW SECTION. **Sec. 16.** This act takes effect July 1, 2012.

--- END ---