
SUBSTITUTE SENATE BILL 5325

State of Washington

58th Legislature

2003 Regular Session

By Senate Committee on Children & Family Services & Corrections
(originally sponsored by Senators Winsley, Franklin, Kastama,
Rasmussen, Oke and Regala)

READ FIRST TIME 02/24/03.

1 AN ACT Relating to studying the economic impact of state facilities
2 on local governments; and creating new sections.

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

4 NEW SECTION. **Sec. 1.** Concerns have been raised that the state
5 hospitals and other facilities that draw users from across the state
6 present local government, including local law enforcement, with a
7 burden of unreimbursed costs as a result of their presence in the
8 jurisdiction. It has been proposed that the state pay for the ongoing
9 costs to the local government.

10 The legislature finds that no review has been done that addresses
11 both positive and negative fiscal impacts of state facilities on local
12 governments in this state, nor has this state reviewed the practices of
13 other states with regard to reimbursement of local government for
14 statewide facilities. The legislature further finds that it would be
15 inappropriate to address this matter in a piecemeal manner.

16 The legislature intends to review the economic impacts of state
17 facilities on local government.

1 NEW SECTION. **Sec. 2.** The joint legislative audit and review
2 committee shall review the issue of the economic impacts of state
3 facilities on local government. The committee, in its review, shall
4 consider, but not be limited to, the following factors: Evaluation of
5 economic benefits of state facilities on local economies and
6 governments; evaluation of economic costs of state facilities on local
7 economies and governments; comparison of costs and benefits from these
8 facilities on local economies and governments; and evaluation of a
9 method to measure such costs and benefits on an ongoing basis. The
10 committee should consider such impacts from state hospitals, state
11 correctional facilities, and state juvenile correctional institutions
12 on local governments and economies. In carrying out this review, the
13 committee may consider developing a sample of both facilities and local
14 communities in assessing these impacts, but should be attentive to
15 regional differences within the state. As part of its review, the
16 committee may also assess comparable information from other states
17 regarding the allocation of excess costs between state and local
18 governments for the extraordinary impacts of state facilities. The
19 committee shall provide a final report on this review by December 1,
20 2004, to the appropriate legislative committees.

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