

HOUSE BILL REPORT

HB 2338

*As Reported By House Committee on:
Local Government
Revenue*

Title: An act relating to county research services.

Brief Description: Authorizing a county research service.

Sponsor(s): Representatives Haugen, Wood, Hine, Chandler, Cantwell, Brough, Rayburn, Horn, Rasmussen, Ferguson, Dorn, Riley, Forner, Mitchell, Spanel, Basich, Fuhrman, Jacobsen and Bray.

Brief History:

Reported by House Committee on:
Local Government, January 24, 1992, DPS;
Revenue, February 8, 1992, DPS(LG-A REV).

**HOUSE COMMITTEE ON
LOCAL GOVERNMENT**

Majority Report: *The substitute bill be substituted therefor and the substitute bill do pass.* Signed by 15 members: Representatives Haugen, Chair; Cooper, Vice Chair; Ferguson, Ranking Minority Member; Mitchell, Assistant Ranking Minority Member; Bray; Edmondson; Franklin; Horn; Nealey; Nelson; Rayburn; Roland; Wood; Wynne; and Zellinsky.

Staff: Steve Lundin (786-7127).

Background: The Municipal Research Council is a state agency established to contract for the provision of municipal research and services to cities and towns. The council is composed of 18 members who are appointed as follows: (1) four members are appointed by the speaker of the House with equal representation from each of the two major political parties; (2) four members are appointed by the president of the Senate with equal representation from each of the two major political parties; (3) one member is appointed by the governor; and (4) nine members are appointed by the board of directors of the Association of Washington Cities.

Counties do not have a similar research council.

For years the Municipal Research Council has contracted with the Municipal Research and Services Center of Washington, a private non-profit corporation, for the provision of these services.

Money appropriated to the Municipal Research Council is diverted from state motor vehicle excise tax receipts that otherwise would be distributed to cities on a per capita basis.

One and six-tenths percent of the state motor vehicle excise tax receipts are placed into the county sales and use tax equalization account and are distributed to various counties under a distribution formula. Unused moneys are returned to the state general fund.

In fiscal year 1991, \$6.023 million was distributed to counties under the Sales and Use Tax Equalization Program and \$538,000 was returned to the state general fund.

Summary of Substitute Bill: The responsibilities of the Municipal Research Council are expanded to include contracting for county research and services, in addition to city and town research and services. The services provided to cities and towns and to counties, shall be in proportion to the moneys appropriated for city and town research and services and county research and services.

The county research and services account is created in the state treasury. Moneys remaining after distribution of state motor vehicle excise tax receipts to counties under the Sales and Use Tax Equalization Program are placed into this account instead of being returned to the state general fund. Moneys in the county research and services account may be spent only after appropriation and only to finance the costs of county research.

The number of members on the Municipal Research Council is increased from 18 to 19. Four of the legislative members are eliminated and replaced with five county-elected officials. The governor appoints the county, city, and town officials to the Municipal Research Council. Council members who are appointed as legislators or local officials lose their council positions, if they no longer are legislators or local officials.

Substitute Bill Compared to Original Bill: Membership on the Municipal Research Council is altered.

Fiscal Note: Requested January 24, 1992.

Effective Date of Substitute Bill: Ninety days after adjournment of session in which bill is passed.

Testimony For: Counties, especially small counties, will greatly benefit from getting research services.

Testimony Against: None.

Witnesses: Stan Finkelstein, Washington Association of Cities; Gary Lowe, Association of Washington Counties; and Rick Yukubousky, Municipal Research and Services Center of Washington.

**HOUSE COMMITTEE ON
REVENUE**

Majority Report: *The substitute bill by Committee on Local Government be substituted therefor and the substitute bill as amended by Committee on Revenue do pass.* Signed by 13 members: Representatives Wang, Chair; Fraser, Vice Chair; Brumsickle, Ranking Minority Member; Wynne, Assistant Ranking Minority Member; Appelwick; Belcher; Carlson; Day; J. Kohl; Leonard; Morris; Rust; and Silver.

Minority Report: *Without recommendation.* Signed by 1 member: Representative Morton.

Staff: Rick Peterson (786-7150).

Summary of Recommendation of Committee on Revenue Compared to Recommendation of Committee on Local Government: The transfer from the county sales and use tax equalization account for county research purposes is limited, each year, to the smaller of one-half the biennial appropriation or 15 cents for each person in the unincorporated areas of the state. If revenues are not sufficient to fully fund both the distribution in this bill and the distribution contained in SHB 2520 then both are reduced proportionately. Unused moneys are transferred to the state general fund.

Fiscal Note: Requested February 9, 1992.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This bill will fund support services similar to those enjoyed by cities and towns through the Municipal Research Council. The cities and counties have a mutual interest in the municipal research council because of issues relating to the Growth Management Act.

Testimony Against: None.

Witnesses: Gary Lowe, Association of Washington Counties; Jackie McFayden, Association of Washington Cities; K.O. Rosenberg, Tri-Counties North East (Stevens, Ferry, and Pend Orielle); and Rich Yukubousky, Municipal Research Services Center (all in favor).