

CERTIFICATION OF ENROLLMENT

HOUSE BILL 1420

55th Legislature
1997 Regular Session

Passed by the House April 14, 1997
Yeas 88 Nays 9

**Speaker of the
House of Representatives**

Passed by the Senate April 18, 1997
Yeas 44 Nays 5

President of the Senate

Approved

Governor of the State of Washington

CERTIFICATE

I, Timothy A. Martin, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1420** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

FILED

**Secretary of State
State of Washington**

HOUSE BILL 1420

Passed Legislature - 1997 Regular Session

State of Washington 55th Legislature 1997 Regular Session

By Representatives McDonald, Regala, Huff, Talcott, Conway, Smith,
Mitchell, Fisher and Bush

Read first time 01/27/97. Referred to Committee on Appropriations.

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

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

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

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

18 (2)(a) The director of the department of community, trade, and
19 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 health jurisdiction due to the
10 incorporation as calculated using the jurisdiction's 1995 funding
11 formula.

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

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

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

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

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

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

1 amount of revenues received the previous calendar year by the county,
2 to equal one hundred fifty thousand dollars.

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

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

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

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

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

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

35 (7) If inadequate revenues exist in the county sales and use tax
36 equalization account to make the distributions under subsections (3)
37 through (5) of this section, then the distributions under subsections
38 (3) through (5) of this section shall be reduced ratably among the
39 qualifying counties. At such time during the year as additional funds

1 accrue to the county sales and use tax equalization account, additional
2 distributions shall be made under subsections (3) through (5) of this
3 section to the counties.

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

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

16 NEW SECTION. Sec. 3. This act is necessary for the immediate
17 preservation of the public peace, health, or safety, or support of the
18 state government and its existing public institutions, and takes effect
19 July 1, 1997.

--- END ---