

SENATE BILL REPORT

SHB 2477

As of February 22, 2000

Title: An act relating to funding the municipal research council.

Brief Description: Funding the municipal research council.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives D. Schmidt, Scott, Esser, Mielke, Mulliken, Fisher, O'Brien, Edwards, Doumit, Kastama, Ruderman, Linville, Romero, Lantz, Edmonds, Kenney and Van Luven).

Brief History:

Committee Activity: State & Local Government: 2/23/2000.

SENATE COMMITTEE ON STATE & LOCAL GOVERNMENT

Staff: Diane Smith (786-7410)

Background: The Municipal Research Council (MRC) is a state agency established in 1969 to contract for the provision of research services to cities, towns, and counties. This research includes responding to city and county officials' requests for information on law, finance, growth management, personnel management, public works, and other issues.

Funding for services provided by the MRC to cities and towns formerly came from the state general fund and was derived from Motor Vehicle Excise Tax (MVET) distributions to cities and towns. Initiative 695's repeal of the MVET eliminated this source of funding for the MRC.

Cities and towns currently receive a share of excess moneys in the liquor revolving fund. These moneys are distributed quarterly.

Initiative 601 requires reduction of the state expenditure limit if the cost of a program is transferred from the general fund to another fund or account.

Summary of Bill: The MRC's services to cities and towns are funded from the city and town research services account, a newly created appropriated account. The source of revenue for the account is the cities and towns' share of the liquor revolving fund distributions. Each quarter, prior to distributing the cities and towns' share of these distributions, the treasurer deducts a portion for deposit in the city and town research services account. The amount deducted is based on the MRC's expenditure authority for that quarter.

Transferring support for the MRC from the general fund to the city and town research services account will result in a reduction of the general fund expenditure limit, but general fund obligations are reduced by a like amount, resulting in no net effect on the ability to make expenditures within the limit.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill contains an emergency clause and takes effect on July 1, 2000.