

HOUSE BILL REPORT

HB 1926

As Reported by House Committee On:
Appropriations

Title: An act relating to local government records.

Brief Description: Increasing the surcharge on county auditor recording fees.

Sponsors: Representatives Sehlin, H. Sommers, Romero and Wood; by request of Secretary of State.

Brief History:

Committee Activity:

Appropriations: 2/19/01, 4/11/01 [DPS].

Brief Summary of Substitute Bill

- Removes the sunset clause on the \$1 surcharge that applies to documents filed with county auditors.
- Imposes a second \$1 surcharge beginning January 1, 2002. Revenues from this surcharge are for the construction of a new Eastern Washington Regional Archives. Once the construction debt is retired, 50 percent of the revenue goes to counties' centennial document funds and 50 percent is retained by the Secretary of State to support local government archive and records activities.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 31 members: Representatives Sehlin, Republican Co-Chair; H. Sommers, Democratic Co-Chair; Barlean, Republican Vice Chair; Doumit, Democratic Vice Chair; Lisk, Republican Vice Chair; Alexander, Benson, Boldt, Buck, Clements, Cody, Cox, Dunshee, Fromhold, Gombosky, Grant, Kagi, Keiser, Kenney, Kessler, Lambert, Linville, Mastin, Mulliken, Pearson, Pflug, Ruderman, D. Schmidt, Schual-Berke, Talcott and Tokuda.

Staff: Linda Brooks (786-7153).

Background:

The Secretary of State, through the Division of Archives and Records Management, provides for the preservation and storage of the official records of state agencies and local governments.

There is a main archives and five regional branch archive facilities located in Bellevue, Bellingham, Cheney, Ellensburg, and Olympia.

State funding for archives and records management activities comes from two sources. One source is an assessment per employee that all state agencies pay to support archive activities. The other source is a box fee paid by state agencies that store boxes in the state records center.

Local funding for archives and records management activities also come from two sources. One source is a \$20 surcharge that applies to the filing of unpaid tax warrants in superior courts. The other source is a \$1 surcharge that applies to each document filed with county auditors. This \$1 surcharge is scheduled to sunset on June 30, 2001.

A committee of local government officials advises the Secretary of State on the local government archives and records management program.

Each county has a centennial document preservation and modernization account. Counties use funds in their centennial accounts to acquire document preservation equipment and to preserve historical documents in possession of the county auditors.

Summary of Substitute Bill:

The existing \$1 surcharge applied to each document filed with county auditors is made permanent.

Permitted expenditures from revenues generated by the existing \$1 surcharge are expanded to allow expenditures for local government digital data services, local government records training, and a competitive grants program for local governments. The committee of local government officials that advises the Secretary of State on the local government archives and records management program is to work with the state archivist to develop rules for the competitive grants program.

Beginning on January 1, 2002, a second \$1 surcharge applies to each document filed with county auditors. Revenue from this surcharge is to be used exclusively to pay for the construction of a new Eastern Washington Regional Archives. However, to the extent that state agencies will use a portion of the new Eastern Regional Archives, state funds must pay for that portion of construction costs.

Once all debt on the new Eastern Washington Regional Archives is retired, half of the

revenue from the second \$1 surcharge will go to counties for their centennial document funds, and the other half will be retained by the Secretary of State to support local government archive and records activities.

Substitute Bill Compared to Original Bill:

The existing \$1 surcharge is not raised to a \$2 surcharge. However, beginning on January 1, 2002, a second \$1 surcharge is created. Revenues from the second \$1 surcharge are to be used exclusively to pay for the construction of a new Eastern Washington regional archives. Once all debt on the new archives is retired, then half of the revenues from the second \$1 surcharge will go to counties for their centennial document funds, and the other half will be retained by the Secretary of State to support local government archive and records management activities.

Permitted expenditures from revenues generated by the existing \$1 surcharge are expanded to allow expenditures on digital data services for local governments, local government records training, and a competitive grants program for local governments.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill contains an emergency clause and takes effect June 30, 2001.

Testimony For: The Secretary of State has 503 records customers in Eastern Washington whose records are being stored in a former athletic facility. Mildew and bugs are affecting the records. The Legislature earlier provided some design money for an Eastern Washington archives. Increasing the document surcharge would provide revenue to pay for a certificate of participation to build a new Eastern Washington Archives. The new archives will include a digital archives, and there is a need for digital facilities. We need to treat electronic records the same way that we treat paper records. County auditors support this bill. There are many junior districts that would benefit from the grants program for local governments.

Testimony Against: None.

Testified: Sam Reed, Secretary of State; Bob Terwilliger, Auditors Association; and Debbie Wilke, Washington Association of County Officials.