

2267-S

Sponsor(s): House Committee on Finance (originally sponsored by Representatives Gombosky, Sommers, Moeller, Cody, Conway, Fromhold and McIntire)

Brief Description: Providing revenue for the student achievement fund and the health services account. Revised for 1st Substitute: Modifying revenue provisions.

**HB 2267-S - DIGEST**

(AS OF HOUSE 2ND READING 4/26/03)

Improves funding for education by providing dedicated revenue from the following sources: (1) Eliminating the tax deductions for insurance guarantee funds;

(2) Additional taxes on liquor;

(3) Shortening the holding period for unclaimed property; and increasing penalties on underpayments of state excise taxes.

Requires the revenues from these sources to be deposited in the student achievement account and will provide three hundred dollars per pupil funding in school year 2005.

Improves funding for health care by providing dedicated revenue from the following sources: (1) An additional tax on cigarettes of fifty cents per pack; and

(2) Repealing the sales and use tax exemptions for candy and gum.

Requires the revenues from these sources to be deposited in the health services account and will provide funding for children's medical coverage up to two hundred fifty percent of the federal poverty level and enrollment in the basic health plan.

Declares that the changes in this act are intended to provide dedicated revenue sources for the student achievement fund and health services account. Since it is not practical to determine precisely the revenues derived from some of these changes, portions of sales tax revenue is dedicated in lieu thereof: (1)(a) During the 2003-05 fiscal biennium, one and three one-hundredths of one percent of all revenue from the tax imposed in RCW 82.08.020(1) shall be deposited in the student achievement fund. (b) During the 2005-07 fiscal biennium and thereafter, seven hundred thirty-eight one-thousandths of one percent of all revenue from the tax imposed in RCW 82.08.020(1) shall be deposited in the student achievement fund.

(2) Twenty-six one-hundredths of one percent of all revenue from the tax imposed in RCW 82.08.020(1) shall be deposited in the health services account.

(3) On or before January 1st of each year, the department of revenue shall provide the legislature with an updated estimate of the percentages of sales tax revenue attributable as dedicated revenue under this section. The updated estimates are not effective until adopted by the legislature.

Repeals RCW 48.32.145.