

SSB 6050 - S AMD 384
By Senator Parlette

PULLED 03/16/2005

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 82.45.060 and 2000 c 103 s 15 are each amended to
4 read as follows:

5 There is imposed an excise tax upon each sale of real property at
6 the rate of one and twenty-eight one-hundredths percent of the selling
7 price. An amount equal to (~~seven and seven tenths~~) six and one-tenth
8 percent of the proceeds of this tax to the state treasurer shall be
9 deposited in the public works assistance account created in RCW
10 43.155.050. An amount equal to one and six-tenths percent of the
11 proceeds of this tax to the state treasurer shall be deposited in the
12 city-county assistance account created in section 2 of this act.

13 NEW SECTION. Sec. 2. A new section is added to chapter 43.31 RCW
14 to read as follows:

15 (1) The city-county assistance account is created in the state
16 treasury. All receipts from disbursements made under RCW 82.45.060
17 shall be deposited into the account. Moneys in the account may be
18 spent only after appropriation. Expenditures from the account may be
19 used only for the purposes provided in this section.

20 (2) Funds deposited in the city-county assistance account shall be
21 distributed equally to the cities and counties.

22 (3)(a) Funds distributed to counties shall, to the extent possible,
23 increase the revenues under RCW 82.14.030(1) of each county to the
24 greater of two hundred fifty thousand dollars or seventy percent of the
25 statewide weighted average per capita level of sales and use tax
26 revenues collected under RCW 82.14.030(1) for the unincorporated areas
27 of all counties imposing the sales and use tax authorized under RCW
28 82.14.030(1) in the previous calendar year.

1 (b) For each county with an unincorporated population of fifteen
2 thousand or less, the county shall receive the greater of the amount in
3 (a) of this subsection or the amount received in local government
4 assistance provided by section 716, chapter 276, Laws of 2004.

5 (c) For each county with an unincorporated population over fifteen
6 thousand and less than twenty-two thousand, the county shall receive in
7 calendar year 2006 and 2007 the greater of the amount provided in (a)
8 of this subsection or the amount received in local government
9 assistance provided by section 716, chapter 276, Laws of 2004.

10 (d) To the extent that revenues are insufficient to fund the
11 distributions under this subsection, the distributions of all counties
12 as otherwise determined under this subsection shall be ratably reduced.

13 (e) To the extent that revenues exceed the amounts needed to fund
14 the distributions under this subsection, the excess funds shall be
15 divided ratably based upon unincorporated population among those
16 counties receiving funds under this subsection and imposing the tax
17 collected under RCW 82.14.030(2) at the maximum rate.

18 (4)(a) Funds distributed to cities shall, to the extent possible,
19 increase the revenues under RCW 82.14.030(1) of each city to fifty-five
20 percent of the statewide weighted average per capita level of sales and
21 use tax revenues collected under RCW 82.14.030(1) for all cities
22 imposing the sales and use tax authorized under RCW 82.14.030(1) in the
23 previous calendar year.

24 (b) For each city with a population of five thousand or less, the
25 city shall receive the greater of the amount in (a) of this subsection
26 or the amount received in local government assistance provided for
27 fiscal year 2005 by section 721, chapter 25, Laws of 2003 1st sp. sess.

28 (c) For each city with a population over five thousand and less
29 than sixty-five thousand, the city shall receive in calendar year 2006
30 and 2007 the greater of the amount provided in (a) of this subsection
31 or the amount received in local government assistance provided for
32 fiscal year 2005 by section 721, chapter 25, Laws of 2003 1st sp. sess.

33 (d) No city may receive an amount greater than one hundred thousand
34 dollars a year under (a) of this subsection.

35 (e) To the extent that revenues are insufficient to fund the
36 distributions under this subsection, the distributions of all cities as
37 otherwise determined under this subsection shall be ratably reduced.

1 (f) To the extent that revenues exceed the amounts needed to fund
2 the distributions under this subsection, the excess funds shall be
3 divided ratably based upon population among those cities receiving
4 funds under this subsection and imposing the tax collected under RCW
5 82.14.030(2) at the maximum rate.

6 (g) This subsection applies to cities incorporated prior to the
7 effective date of this section.

8 (5) The two hundred fifty thousand dollar amount in subsection (3)
9 of this section and the one hundred thousand dollar amount in
10 subsection (4) of this section shall be increased each year beginning
11 in calendar year 2006 by inflation as defined in RCW 84.55.005, as
12 determined by the department of revenue.

13 (6) Distributions under subsections (3) and (4) of this section
14 shall be made quarterly beginning on October 1, 2005. The department
15 of revenue shall certify the amounts to be distributed under this
16 section to the state treasurer. The certification shall be made by
17 October 1, 2005, for the October 1, 2005, distribution and the January
18 1, 2006, distribution, based on calendar year 2004 collections. The
19 certification shall be made by March 1, 2006, for distributions
20 beginning April 1, 2006, and by March 1st of every year thereafter.
21 The March 1st certification shall be used for distributions occurring
22 on April 1st, July 1st, and October 1st of the year of certification
23 and on January 1st of the year following certification.

24 (7) All distributions to local governments from the city-county
25 assistance account constitute increases in state distributions of
26 revenue to political subdivisions for purposes of state reimbursement
27 for the costs of new programs and increases in service levels under RCW
28 43.135.060, including any claims or litigation pending against the
29 state on or after January 1, 2005.

30 NEW SECTION. **Sec. 3.** A new section is added to chapter 44.28 RCW
31 to read as follows:

32 During calendar year 2008, the joint legislative audit and review
33 committee shall review the distributions to cities and counties under
34 section 2 of this act to determine the extent to which the
35 distributions target the needs of cities and counties for which the
36 repeal of the motor vehicle excise tax had the greatest fiscal impact.
37 In conducting the study, the committee shall solicit input from the

1 cities and counties. The department of revenue and the state treasurer
2 shall provide the committee with any data within their purview that the
3 committee considers necessary to conduct the review. The committee
4 shall report to the legislature the results of its findings, and any
5 recommendations for changes to the distribution formulas under section
6 2 of this act, by December 31, 2008.

7 NEW SECTION. **Sec. 4.** This act takes effect August 1, 2005."

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8 On page 1, line 2 of the title, after "counties;" strike the
9 remainder of the title and insert "amending RCW 82.45.060; adding a new
10 section to chapter 43.31 RCW; adding a new section to chapter 44.28
11 RCW; and providing an effective date."

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