

FINAL BILL REPORT

SB 6368

C 241 L 06

Synopsis as Enacted

Brief Description: Discontinuing the nursing facility bed tax.

Sponsors: Senators Haugen, Benson, Kline, Kohl-Welles, Keiser, Carrell and Fairley.

Senate Committee on Ways & Means

Background: In 2003, the state levied a new tax of \$6.50 per patient day of care on nursing homes. In the 2005 session, the Legislature provided for a phased elimination of the tax over six years. The tax rate was reduced to \$5.25 per patient day during the 2005-07 biennium; to \$3.00 per patient day during the 2007-09 biennium; and to \$1.50 per day during the 2009-11 biennium. Under current law, the tax will no longer be imposed after July 1, 2011.

The tax will generate approximately \$21 million of net revenue for the State General Fund in 2007-09, after accounting for the portion of the tax for which facilities are reimbursed in their Medicaid payment rate.

Summary: The additional tax on nursing facilities is repealed effective July 1, 2007.

Votes on Final Passage:

Senate	45	0
House	96	1

Effective: July 1, 2007