
SUBSTITUTE SENATE BILL 5829

State of Washington

59th Legislature

2005 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senators Thibaudeau, Fairley, Kline, Kohl-Welles, McAuliffe and Fraser)

READ FIRST TIME 04/20/05.

1 AN ACT Relating to authorizing an additional cigarette tax;
2 amending RCW 69.50.520 and 70.146.030; adding a new section to chapter
3 82.24 RCW; providing an effective date; and declaring an emergency.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.24 RCW
6 to read as follows:

7 (1) There is hereby levied, and there shall be collected as
8 provided by this chapter, an additional tax upon the sale, use,
9 consumption, handling, possession, or distribution of cigarettes in an
10 amount equal to the rate of:

11 (a) Thirty mills per cigarette through June 30, 2007; and

12 (b) Forty mills per cigarette after June 30, 2007.

13 (2)(a) The money collected under subsection (1)(a) of this section
14 during any month shall be deposited by the twenty-fifth day of the
15 following month as follows:

16 (i) 22.1 percent into the health services account created in RCW
17 43.72.900;

18 (ii) 1.75 percent into the water quality account created in RCW
19 70.146.030;

1 (iii) 2.3 percent into the violence reduction and drug enforcement
2 account created in RCW 69.50.520;

3 (iv) 5.1 percent to the general fund; and

4 (v) The remainder into the student achievement fund created in RCW
5 43.135.045. If, however, the amounts deposited in the student
6 achievement fund under chapter 28A.505 RCW are sufficient to provide
7 the total allocations per full-time equivalent student in chapter
8 28A.505 RCW, the remainder of the money collected under subsection
9 (1)(a) of this section shall be transferred into the general fund. The
10 office of the superintendent of public instruction shall notify the
11 department if the amounts deposited in the student achievement fund
12 under chapter 28A.505 RCW are sufficient to provide the total
13 allocations per full-time equivalent student in chapter 28A.505 RCW.

14 (b) The money collected under subsection (1)(b) of this section
15 during any month shall be deposited by the twenty-fifth day of the
16 following month as follows:

17 (i) 25.3 percent into the health services account created in RCW
18 43.72.900;

19 (ii) 2.05 percent into the water quality account created in RCW
20 70.146.030 until June 30, 2021;

21 (iii) 2.65 percent into the violence reduction and drug enforcement
22 account created in RCW 69.50.520;

23 (iv) 5.8 percent to the general fund; and

24 (v) The remainder into the student achievement fund created in RCW
25 43.135.045. If, however, the amounts deposited in the student
26 achievement fund under chapter 28A.505 RCW are sufficient to provide
27 the total allocations per full-time equivalent student in chapter
28 28A.505 RCW, the remainder of the money collected under subsection
29 (1)(b) of this section shall be transferred into the general fund. The
30 office of the superintendent of public instruction shall notify the
31 department if the amounts deposited in the student achievement fund
32 under chapter 28A.505 RCW are sufficient to provide the total
33 allocations per full-time equivalent student in chapter 28A.505 RCW.

34 **Sec. 2.** RCW 69.50.520 and 2004 c 276 s 912 are each amended to
35 read as follows:

36 The violence reduction and drug enforcement account is created in
37 the state treasury. All designated receipts from RCW 9.41.110(8),

1 66.24.210(4), 66.24.290(2), 69.50.505(9)(a), 82.08.150(5),
2 82.24.020(2), section 1(2) (a)(iii) and (b)(iii) of this act,
3 82.64.020, and section 420, chapter 271, Laws of 1989 shall be
4 deposited into the account. Expenditures from the account may be used
5 only for funding services and programs under chapter 271, Laws of 1989
6 and chapter 7, Laws of 1994 sp. sess., including state incarceration
7 costs. Funds from the account may also be appropriated to reimburse
8 local governments for costs associated with implementing criminal
9 justice legislation including chapter 338, Laws of 1997. During the
10 2003-2005 biennium, funds from the account may also be used for costs
11 associated with providing grants to local governments in accordance
12 with chapter 338, Laws of 1997, funding drug offender treatment
13 services in accordance with RCW 70.96A.350, maintenance and operating
14 costs of the Washington association of sheriffs and police chiefs jail
15 reporting system, maintenance and operating costs of the juvenile
16 rehabilitation administration's client activity tracking system, civil
17 indigent legal representation, multijurisdictional narcotics task
18 forces, and grants to community networks under chapter 70.190 RCW by
19 the family policy council.

20 **Sec. 3.** RCW 70.146.030 and 2004 c 277 s 909 are each amended to
21 read as follows:

22 (1) The water quality account is hereby created in the state
23 treasury. Moneys in the account may be used only in a manner
24 consistent with this chapter. Moneys deposited in the account shall be
25 administered by the department of ecology and shall be subject to
26 legislative appropriation. Moneys placed in the account shall include
27 tax receipts as provided in RCW 82.24.027, section 1(2) (a)(ii) and
28 (b)(ii) of this act, 82.26.025, and 82.32.390, principal and interest
29 from the repayment of any loans granted pursuant to this chapter, and
30 any other moneys appropriated to the account by the legislature.

31 (2) The department may use or permit the use of any moneys in the
32 account to make grants or loans to public bodies, including grants to
33 public bodies as cost-sharing moneys in any case where federal, local,
34 or other funds are made available on a cost-sharing basis, for water
35 pollution control facilities and activities, or for purposes of
36 assisting a public body to obtain an ownership interest in water
37 pollution control facilities and/or to defray a part of the payments

1 made by a public body to a service provider under a service agreement
2 entered into pursuant to RCW 70.150.060, within the purposes of this
3 chapter and for related administrative expenses. For the period July
4 1, 2003, to June 30, 2005, moneys in the account may be used to process
5 applications received by the department that seek to make changes to or
6 transfer existing water rights, for water conveyance projects, and for
7 grants and technical assistance to public bodies for watershed planning
8 under chapter 90.82 RCW. No more than three percent of the moneys
9 deposited in the account may be used by the department to pay for the
10 administration of the grant and loan program authorized by this
11 chapter.

12 (3) Beginning with the biennium ending June 30, 1997, the
13 department shall present a biennial progress report on the use of
14 moneys from the account to the chairs of the senate committee on ways
15 and means and the house of representatives committee on appropriations.
16 The first report is due June 30, 1996, and the report for each
17 succeeding biennium is due December 31st of the odd-numbered year. The
18 report shall consist of a list of each recipient, project description,
19 and amount of the grant, loan, or both.

20 NEW SECTION. **Sec. 4.** This act is necessary for the immediate
21 preservation of the public peace, health, or safety, or support of the
22 state government and its existing public institutions, and takes effect
23 July 1, 2005.

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