
SUBSTITUTE SENATE BILL 6050

State of Washington

59th Legislature

2005 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senators Parlette, Doumit, Morton and Mulliken)

READ FIRST TIME 03/08/05.

1 AN ACT Relating to providing financial assistance to cities, towns,
2 and counties; amending RCW 82.45.060; adding a new section to chapter
3 43.31 RCW; and providing an effective date.

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

5 **Sec. 1.** RCW 82.45.060 and 2000 c 103 s 15 are each amended to read
6 as follows:

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

15 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.31 RCW
16 to read as follows:

17 (1) The city-county assistance account is created in the state
18 treasury. All receipts from disbursements made under RCW 82.45.060

1 shall be deposited into the account. Moneys in the account may be
2 spent only after appropriation. Expenditures from the account may be
3 used only for the purposes provided in this section.

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

6 (3) Funds distributed to counties shall, to the extent possible,
7 increase the revenues under RCW 82.14.030(1) of each county to the
8 greater of two hundred fifty thousand dollars or seventy percent of the
9 statewide weighted average per capita level of sales and use tax
10 revenues collected under RCW 82.14.030(1) for the unincorporated areas
11 of all counties imposing the sales and use tax authorized under RCW
12 82.14.030(1) in the previous calendar year. For each county with an
13 unincorporated population of twenty-two thousand or less, the county
14 shall receive the greater of this amount or the amount received in
15 local government assistance provided by section 716, chapter 276, Laws
16 of 2004. To the extent that revenues are insufficient to fund the
17 distributions under this subsection, the distributions of all counties
18 as otherwise determined under this subsection shall be ratably reduced.
19 To the extent that revenues exceed the amounts needed to fund the
20 distributions under this subsection, the excess funds shall be divided
21 ratably among those counties imposing the tax collected under RCW
22 82.14.030(2) at the maximum rate based upon unincorporated population.

23 (4) Funds distributed to cities shall, to the extent possible,
24 increase the revenues under RCW 82.14.030(1) of each city to fifty-five
25 percent of the statewide weighted average per capita level of sales and
26 use tax revenues collected under RCW 82.14.030(1) for all cities
27 imposing the sales and use tax authorized under RCW 82.14.030(1) in the
28 previous calendar year. Each city shall receive the greater of this
29 amount or the amount received in local government assistance provided
30 for fiscal year 2005 by section 721, chapter 25, Laws of 2003 1st sp.
31 sess., however no city may receive an amount greater than one hundred
32 thousand dollars a year. To the extent that revenues are insufficient
33 to fund the distributions under this subsection, the distributions of
34 all cities as otherwise determined under this subsection shall be
35 ratably reduced. To the extent that revenues exceed the amounts needed
36 to fund the distributions under this subsection, the excess funds shall
37 be divided ratably among those cities imposing the tax collected under

1 RCW 82.14.030(2) at the maximum rate based upon incorporated
2 population.

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

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

19 (7) All distributions to local governments from the city-county
20 assistance account constitute increases in state distributions of
21 revenue to political subdivisions for purposes of state reimbursement
22 for the costs of new programs and increases in service levels under RCW
23 43.135.060, including any claims or litigation pending against the
24 state on or after January 1, 2005.

25 NEW SECTION. **Sec. 3.** This act takes effect August 1, 2005.

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