

2SHB 1825 - H AMD 328

By Representative Schual-Berke

ADOPTED 3/13/2007

1 On page 2, after line 16, insert the following:

2 "Sec. 2. RCW 82.24.020 and 2003 c 114 s 1 are each amended to
3 read as follows:

4 (1) There is levied and there shall be collected as provided in
5 this chapter, a tax upon the sale, use, consumption, handling,
6 possession or distribution of all cigarettes, in an amount equal to
7 the rate of eleven and one-half mills per cigarette. Amounts
8 appropriated for the purposes of this act from the receipts of this
9 tax in the operating budget must be deposited into the local public
10 health financing account created in section 3 of this act.

11 (2) An additional tax is imposed upon the sale, use,
12 consumption, handling, possession, or distribution of all
13 cigarettes, in an amount equal to the rate of five and one-fourth
14 mills per cigarette. All revenues collected during any month from
15 this additional tax shall be deposited in the violence reduction
16 and drug enforcement account under RCW 69.50.520 by the twenty-
17 fifth day of the following month.

18 (3) An additional tax is imposed upon the sale, use,
19 consumption, handling, possession, or distribution of all
20 cigarettes, in an amount equal to the rate of ten mills per
21 cigarette through June 30, 1994, eleven and one-fourth mills per
22 cigarette for the period July 1, 1994, through June 30, 1995,
23 twenty mills per cigarette for the period July 1, 1995, through
24 June 30, 1996, and twenty and one-half mills per cigarette
25 thereafter. All revenues collected during any month from this
26 additional tax shall be deposited in the health services account
27 created under RCW 43.72.900 by the twenty-fifth day of the
28 following month.

29 (4) Wholesalers subject to the payment of this tax may, if they
30 wish, absorb one-half mill per cigarette of the tax and not pass it

1 on to purchasers without being in violation of this section or any
2 other act relating to the sale or taxation of cigarettes.

3 (5) For purposes of this chapter, "possession" shall mean both
4 (a) physical possession by the purchaser and, (b) when cigarettes
5 are being transported to or held for the purchaser or his or her
6 designee by a person other than the purchaser, constructive
7 possession by the purchaser or his or her designee, which
8 constructive possession shall be deemed to occur at the location of
9 the cigarettes being so transported or held."

10 Renumber remaining sections consecutively and correct internal
11 references accordingly. Correct the title.

12 On page 2, line 21, after "(a)" strike all material through
13 "amount" and insert "'Base year funding" means the 2007 budgeted
14 amount of local funding"

15 On page 3, line 15, after "budget" insert "from the receipts
16 of the tax in RCW 82.24.020(1)"

17 On page 3, line 19, after "section" insert ", except for such
18 moneys appropriated to the department of health for the purpose
19 of conducting its responsibilities under sections 3, 4, and 6 of
20 this act"

21 On page 3, line 20, after "(3)" strike "Beginning January 1,
22 2008, and on the first business day" and insert "During the month
23 of January 2008, and during the month"

24 On page 3, line 26, after "(4)" strike "Beginning January 1,
25 2008, and on the first business day" and insert "During the month
26 of January 2008, and during the first month"

27 On page 4, line 11, after "exceeded" strike all material
28 through "base year" on line 13 and insert "base year funding"

29 On page 4, line 18, after "year" insert "funding"

30 On page 4, line 26, after "year" insert "funding"

1 On page 5, line 29, after "adopt a" insert "prioritized"

2 On page 6, line 4, after "by the" insert "prioritized"

3 On page 6, after line 5, insert "(5) The department, in
4 consultation with representatives of county governments, shall
5 provide local jurisdictions with financial incentives to
6 encourage and increase local investments in core public health
7 functions. The local jurisdictions shall not supplant existing
8 local funding with such state-incented resources."

9
10 Correct the title.

EFFECT: Specifies that the appropriated funds for the Local Public Health Financing Account would come from cigarette tax receipts.

Makes corrections to clarify that the maintenance of effort amount of funding is the amount of local discretionary funds adopted in the 2007 county budgets for the purposes of public health.

Allows the Treasurer to distribute money during the month of January rather than only on the first business day in January.

Authorizes appropriations to the Department of Health for carrying out its responsibilities as provided in the bill.

Specifies that the Department of Health's list of core public health functions shall be prioritized.

Directs the Department of Health to develop financial incentives to encourage and increase local government spending on core public health functions.