Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Community & Economic Development & Trade Committee

SSB 6195

Brief Description: Modifying the definition of rural county for economic development purposes.

Sponsors: Senators Haugen and Rasmussen.

Brief Summary of Bill

• Expands the definition of "rural county" under the Community Economic Revitalization Board, Associate Development Organization, Rural Washington Loan Fund, and the Electric Utility Rural Economic Development Revolving Fund program statutes.

Hearing Date: 2/21/08

Staff: Meg Van Schoorl (786-7105).

Background:

The legal definition of "rural county" differs from statute to statute. Under the Community Economic Revitalization Board (CERB) and the Rural Washington Loan Fund statutes, a "rural county" is defined as having a population density of fewer than one hundred persons per square mile. The Associate Development Organization statute makes reference to the CERB "rural county" definition. For 2007-08, the density definition yields 31 rural and eight urban counties. However, several rural tax incentive programs, including the ".09" Public Facilities Sales and Use Tax statute, define a "rural county" as having a population density of less than one hundred persons per square mile or being smaller than two hundred twenty-five square miles. For 2007-08, using this two-pronged "rural county" definition would shift one county (Island) from urban to rural.

Summary of Bill:

Under the CERB, the Rural Washington Loan Fund, the Associate Development Organization, and the Electric Utility Rural Economic Development Revolving Fund statutes, "rural county" has

House Bill Analysis - 1 - SB 6195

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

the same meaning as it does under the sales and use tax for public facilities in rural counties (.09 tax.) "Rural county" is a county with a population density of less than 100 persons per square mile or a county smaller than 225 square miles as determined by the Office of Financial Management and published each year by the Department of Community, Trade and Economic Development for the period July 1 - June 30.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

House Bill Analysis - 2 - SB 6195