

SHB 2823 - H AMD 1439

By Representative Hunter

ADOPTED 04/11/2012

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 43.135.045 and 2011 1st sp.s. c 50 s 950 are each
4 amended to read as follows:

5 The education construction fund is hereby created in the state
6 treasury.

7 (1) Funds may be appropriated from the education construction fund
8 exclusively for common school construction or higher education
9 construction. During the 2007-2009 fiscal biennium, funds may also be
10 used for higher education facilities preservation and maintenance.
11 During the 2009-2011 and 2011-2013 fiscal biennia, the legislature may
12 transfer from the education construction fund to the state general fund
13 such amounts as reflect the excess fund balance of the fund.

14 (2) Funds may be appropriated for any other purpose only if
15 approved by a two-thirds vote of each house of the legislature and if
16 approved by a vote of the people at the next general election. An
17 appropriation approved by the people under this subsection (~~shall~~)
18 must result in an adjustment to the state expenditure limit only for
19 the fiscal period for which the appropriation is made and (~~shall~~)
20 does not affect any subsequent fiscal period.

21 (3) Funds for the student achievement program in RCW 28A.505.210
22 and 28A.505.220 (~~shall~~) must be appropriated to the superintendent of
23 public instruction strictly for distribution to school districts to
24 meet the provisions set out in the student achievement act.
25 Allocations (~~shall~~) must be made on an equal per full-time equivalent
26 student basis to each school district.

27 (4) After July 1, 2010, the state treasurer (~~shall~~) must transfer
28 one hundred two million dollars from the general fund to the education
29 construction fund by June 30th of each year. However, the transfers
30 may not take place in the fiscal biennium ending June 30, 2015.

1 **Sec. 2.** RCW 82.18.040 and 2011 1st sp.s. c 48 s 7034 are each
2 amended to read as follows:

3 (1) Taxes collected under this chapter (~~shall~~) must be held in
4 trust until paid to the state. Except as otherwise provided in this
5 subsection (1), taxes received by the state (~~shall~~) must be deposited
6 in the public works assistance account created in RCW 43.155.050(~~+~~
7 ~~PROVIDED, That during the fiscal year 2011)~~). For the period beginning
8 July 1, 2011, and ending June 30, 2015, taxes received by the state
9 under this chapter must be deposited in the general fund for general
10 purpose expenditures. For fiscal years 2016, 2017, and 2018, one-half
11 of the taxes received by the state under this chapter must be deposited
12 in the general fund for general purpose expenditures and the remainder
13 deposited in the public works assistance account. Any person
14 collecting the tax who appropriates or converts the tax collected
15 (~~shall be~~) is guilty of a gross misdemeanor if the money required to
16 be collected is not available for payment on the date payment is due.
17 If a taxpayer fails to pay the tax imposed by this chapter to the
18 person charged with collection of the tax and the person charged with
19 collection fails to pay the tax to the department, the department may,
20 in its discretion, proceed directly against the taxpayer for collection
21 of the tax.

22 (2) The tax (~~shall be~~) is due from the taxpayer within twenty-
23 five days from the date the taxpayer is billed by the person collecting
24 the tax.

25 (3) The tax (~~shall be~~) is due from the person collecting the tax
26 at the end of the tax period in which the tax is received from the
27 taxpayer. If the taxpayer remits only a portion of the total amount
28 billed for taxes, consideration, and related charges, the amount
29 remitted (~~shall~~) must be applied first to payment of the solid waste
30 collection tax and this tax (~~shall have~~) has priority over all other
31 claims to the amount remitted.

32 **Sec. 3.** RCW 82.08.160 and 2011 1st sp.s. c 50 s 969 are each
33 amended to read as follows:

34 (1) On or before the twenty-fifth day of each month, all taxes
35 collected under RCW 82.08.150 during the preceding month must be
36 remitted to the state department of revenue, to be deposited with the
37 state treasurer. Except as provided in subsections (2) and (3) of this

1 section, upon receipt of such moneys the state treasurer must credit
2 sixty-five percent of the sums collected and remitted under RCW
3 82.08.150 (1) and (2) and one hundred percent of the sums collected and
4 remitted under RCW 82.08.150 (3) and (4) to the state general fund and
5 thirty-five percent of the sums collected and remitted under RCW
6 82.08.150 (1) and (2) to a fund which is hereby created to be known as
7 the "liquor excise tax fund."

8 (2) During the (~~(2011-2013)~~) 2012 fiscal (~~(biennium)~~) year, 66.19
9 percent of the sums collected and remitted under RCW 82.08.150 (1) and
10 (2) must be deposited in the state general fund and the remainder
11 collected and remitted under RCW 82.08.150 (1) and (2) must be
12 deposited in the liquor excise tax fund.

13 (3) During fiscal year 2013, all funds collected under RCW
14 82.08.150 (1), (2), (3), and (4) must be deposited into the state
15 general fund.

16 **Sec. 4.** RCW 82.08.170 and 2002 c 38 s 3 are each amended to read
17 as follows:

18 (1) Except as provided in subsection (4) of this section, during
19 the months of January, April, July, and October of each year, the state
20 treasurer (~~(shall)~~) must make the transfers required under subsections
21 (2) and (3) of this section from the liquor excise tax fund and then
22 the apportionment and distribution of all remaining moneys in the
23 liquor excise tax fund to the counties, cities, and towns in the
24 following proportions: (a) Twenty percent of the moneys in the liquor
25 excise tax fund (~~(shall)~~) must be divided among and distributed to the
26 counties of the state in accordance with the provisions of RCW
27 66.08.200; and (b) eighty percent of the moneys in the liquor excise
28 tax fund (~~(shall)~~) must be divided among and distributed to the cities
29 and towns of the state in accordance with the provisions of RCW
30 66.08.210.

31 (2) Each fiscal quarter and prior to making the twenty percent
32 distribution to counties under subsection (1)(a) of this section, the
33 treasurer shall transfer to the (~~(county research services account~~
34 ~~under RCW 43.110.050)) liquor revolving fund created in RCW 66.08.170
35 sufficient moneys to fund the allotments from any legislative
36 appropriations (~~(from the county research services account)~~) for county
37 research and services as provided under chapter 43.110 RCW.~~

1 (3) During the months of January, April, July, and October of each
2 year, the state treasurer must transfer two million five hundred
3 thousand dollars from the liquor excise tax fund to the state general
4 fund.

5 (4) During calendar year 2012, the October distribution under
6 subsection (1) of this section and the July and October transfers under
7 subsections (2) and (3) of this section must not be made. During
8 calendar year 2013, the January, April, and July distributions under
9 subsection (1) of this section and transfers under subsections (2) and
10 (3) of this section must not be made.

11 **Sec. 5.** RCW 43.110.030 and 2010 c 271 s 701 are each amended to
12 read as follows:

13 (1) The department of commerce (~~shall~~) must contract for the
14 provision of municipal research and services to cities, towns, and
15 counties. Contracts for municipal research and services (~~shall~~) must
16 be made with state agencies, educational institutions, or private
17 consulting firms, that in the judgment of the department are qualified
18 to provide such research and services. Contracts for staff support may
19 be made with state agencies, educational institutions, or private
20 consulting firms that in the judgment of the department are qualified
21 to provide such support.

22 (2) Municipal research and services (~~shall~~) consists of:

23 (a) Studying and researching city, town, and county government and
24 issues relating to city, town, and county government;

25 (b) Acquiring, preparing, and distributing publications related to
26 city, town, and county government and issues relating to city, town,
27 and county government;

28 (c) Providing educational conferences relating to city, town, and
29 county government and issues relating to city, town, and county
30 government; and

31 (d) Furnishing legal, technical, consultative, and field services
32 to cities, towns, and counties concerning planning, public health,
33 utility services, fire protection, law enforcement, public works, and
34 other issues relating to city, town, and county government.

35 (3) Requests for legal services by county officials (~~shall~~) must
36 be sent to the office of the county prosecuting attorney. Responses by

1 the department of commerce to county requests for legal services
2 (~~shall~~) must be provided to the requesting official and the county
3 prosecuting attorney.

4 (4) The department of commerce (~~shall~~) must coordinate with the
5 association of Washington cities and the Washington state association
6 of counties in carrying out the activities in this section. (~~Services~~
7 ~~to cities and towns shall be based upon the moneys appropriated to the~~
8 ~~department from the city and town research services account under RCW~~
9 ~~43.110.060. Services to counties shall be based upon the moneys~~
10 ~~appropriated to the department from the county research services~~
11 ~~account under RCW 43.110.050.~~)

12 NEW SECTION. Sec. 6. The following acts or parts of acts are each
13 repealed:

14 (1) RCW 43.110.050 (County research services account) and 2002 c 38
15 s 1 & 1997 c 437 s 3; and

16 (2) RCW 43.110.060 (City and town research services account) and
17 2010 c 271 s 702, 2002 c 38 s 4, & 2000 c 227 s 1.

18 NEW SECTION. Sec. 7. All moneys remaining in the county research
19 services account and city and town research services account on July 1,
20 2012, must be deposited by the state treasurer into the general fund.

21 Sec. 8. RCW 66.08.190 and 2011 1st sp.s. c 50 s 960 are each
22 amended to read as follows:

23 (1) (~~Except for revenues generated by the 2003 surcharge of~~
24 ~~\$0.42/liter on retail sales of spirits that must be distributed to the~~
25 ~~state general fund during the 2003-2005 biennium,~~) Prior to making
26 distributions described in subsection (2) of this section, amounts must
27 be retained to support allotments under RCW 43.88.110 from any
28 legislative appropriation for municipal research and services. The
29 legislative appropriation for such services must be in the amount
30 specified under RCW 66.24.065.

31 (2) When excess funds are distributed during the months of June,
32 September, December, and March of each year, all moneys subject to
33 distribution must be disbursed (~~as follows:~~

34 (a) ~~Three tenths of one percent to border areas under RCW~~
35 ~~66.08.195; and~~

1 ~~(b) Except as provided in subsection (4) of this section, from the~~
2 ~~amount remaining after distribution under (a) of this subsection, (i)~~
3 ~~fifty percent to the general fund of the state, (ii) ten percent to the~~
4 ~~counties of the state, and (iii) forty percent to the incorporated~~
5 ~~cities and towns of the state.~~

6 ~~(2) During the months of June, September, December, and March of~~
7 ~~each year, prior to disbursing the distribution to incorporated cities~~
8 ~~and towns under subsection (1)(b) of this section, the treasurer must~~
9 ~~deduct from that distribution an amount that will fund that quarter's~~
10 ~~allotments under RCW 43.88.110 from any legislative appropriation from~~
11 ~~the city and town research services account. The treasurer must~~
12 ~~deposit the amount deducted into the city and town research services~~
13 ~~account.~~

14 ~~(3) The governor may notify and direct the state treasurer to~~
15 ~~withhold the revenues to which the counties and cities are entitled~~
16 ~~under this section if the counties or cities are found to be in~~
17 ~~noncompliance pursuant to RCW 36.70A.340.~~

18 ~~(4) During the 2011-2013 fiscal biennium, from the amount remaining~~
19 ~~after distribution under subsection (1)(a) of this section, (a) 51.7~~
20 ~~percent to the general fund of the state, (b) 9.7 percent to the~~
21 ~~counties of the state, and (c) 38.6 percent to the incorporated cities~~
22 ~~and towns of the state)) to border areas, counties, cities, and towns~~
23 ~~as provided in RCW 66.24.065.~~

24 ~~(3) The amount remaining after distributions under subsections (1)~~
25 ~~and (2) of this section must be deposited into the general fund.~~

26 **Sec. 9.** RCW 66.08.196 and 2001 c 8 s 2 are each amended to read as
27 follows:

28 (1) Distribution of funds to border areas under RCW 66.08.190 and
29 66.24.290 (1)((+a)) (c) and (4) ((shall be)) is as follows:

30 ((+1)) (a) Sixty-five percent of the funds ((shall)) must be
31 distributed to border areas ratably based on border area traffic
32 totals;

33 ((+2)) (b) Twenty-five percent of the funds ((shall)) must be
34 distributed to border areas ratably based on border-related crime
35 statistics; and

36 ((+3)) (c) Ten percent of the funds ((shall)) must be distributed

1 to border areas ratably based upon border area per capita law
2 enforcement spending.

3 (2) Distributions to an unincorporated area (~~shall~~) must be made
4 to the county in which such an area is located and may only be spent on
5 services provided to that area.

6 **Sec. 10.** RCW 66.08.200 and 1979 c 151 s 167 are each amended to
7 read as follows:

8 With respect to the (~~ten percent share coming~~) distribution of
9 funds to the counties, the computations for distribution (~~shall~~) must
10 be made by the state agency responsible for collecting the same as
11 follows:

12 (1) The share coming to each eligible county (~~shall~~) must be
13 determined by a division among the eligible counties according to the
14 relation which the population of the unincorporated area of such
15 eligible county, as last determined by the office of financial
16 management, bears to the population of the total combined
17 unincorporated areas of all eligible counties, as determined by the
18 office of financial management(~~PROVIDED, That~~). However, no
19 county in which the sale of liquor is forbidden in the unincorporated
20 area thereof as the result of an election (~~shall be~~) is entitled to
21 share in such distribution. "Unincorporated area" means all that
22 portion of any county not included within the limits of incorporated
23 cities and towns.

24 (2) When a special county census has been conducted for the purpose
25 of determining the population base of a county's unincorporated area
26 for use in the distribution of liquor funds, the census figure
27 (~~shall~~) becomes effective for the purpose of distributing funds as of
28 the official census date once the census results have been certified by
29 the office of financial management and officially submitted to the
30 office of the secretary of state.

31 **Sec. 11.** RCW 66.08.210 and 1979 c 151 s 168 are each amended to
32 read as follows:

33 (1) With respect to the (~~forty percent share coming~~) distribution
34 of funds to the incorporated cities and towns under RCW
35 66.24.290(1)(c), the computations for distribution (~~shall~~) must be

1 made by the state agency responsible for collecting the same as
2 (~~follows~~) provided in subsection (2) of this section.

3 (2) The share coming to each eligible city or town (~~shall~~) must
4 be determined by a division among the eligible cities and towns within
5 the state ratably on the basis of population as last determined by the
6 office of financial management(~~AND PROVIDED, That~~). However, no
7 city or town in which the sale of liquor is forbidden as the result of
8 an election (~~shall be~~) is entitled to any share in such distribution.

9 **Sec. 12.** RCW 43.63A.190 and 1995 c 159 s 5 are each amended to
10 read as follows:

11 Funds appropriated by the legislature as supplemental resources for
12 border areas (~~shall~~) must be distributed by the state treasurer
13 pursuant to the formula for distributing funds (~~from the liquor~~
14 ~~revolving fund~~) to border areas, and expenditure requirements for such
15 distributions, under RCW 66.08.196.

16 NEW SECTION. **Sec. 13.** Section 2 of this act is necessary for the
17 immediate preservation of the public peace, health, or safety, or
18 support of the state government and its existing public institutions,
19 and takes effect immediately.

20 NEW SECTION. **Sec. 14.** Sections 1 and 3 through 12 of this act are
21 necessary for the immediate preservation of the public peace, health,
22 or safety, or support of the state government and its existing public
23 institutions, and take effect July 1, 2012."

24 Correct the title.

EFFECT: Removes sections of the bill that redirect real estate
excise tax and public utility tax revenues to the general fund.
Redirects one-half of solid waste taxes into the general fund during
fiscal years 2016, 2017, and 2018. Clarifies that the \$2.5 million
quarterly transfer to the state general fund and the quarterly transfer
for the support of county research services do not begin until October
2013.

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