

FINAL BILL REPORT

SB 5117

C 95 L 11
Synopsis as Enacted

Brief Description: Concerning the population restrictions for a geographic area to qualify as a rural public hospital district.

Sponsors: Senators Haugen, Ranker, Stevens and Shin.

Senate Committee on Government Operations, Tribal Relations & Elections
House Committee on Local Government

Background: The enabling legislation for public hospital districts (PHD) was enacted in 1945. PHDs are special purpose districts. They are created by a process that begins either by petition of 10 percent of the voters in the proposed district, or by resolution of the county legislative authority. In either case, creation of the district requires a hearing and a simple majority vote of the voters of the proposed district with the total votes cast being more than 40 percent of the total number of votes cast in the proposed district at the preceding state general election.

A PHD may be county-wide, less than county-wide, or encompass area lying in more than one county. In no event may the boundaries divide any existing precinct boundaries or voting precincts.

Governance is by a board of three, five, or seven commissioners who must be registered voters residing in the commissioner district from which they are elected. Voters of the entire PHD may vote at a primary or general election to elect the commissioners of their respective commissioner districts.

PHDs are junior taxing districts. Besides regular property taxes of up to 75 cents per \$1000 of assessed valuation, excess property taxes may be levied by a vote of the voters of the PHD.

PHDs also have the authority to contract with or join any other PHD, corporations, individuals, or others to provide health care services. This may be accomplished by establishing a nonprofit corporation or other legal entity of the PHD's choosing.

Rural PHDs have all the powers and duties of other PHDs. In addition, they have the authority to enter into agreements and contracts with other rural PHDs to facilitate cost-effective measures to provide for the health care needs of the people served by the PHDs .

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.

Rural PHDs are those that do not include a city with a population greater than 30,000. Of the 281 cities and towns in Washington, 247 have populations under 30,000 as of 2009. There are 16 cities having from 30,000 to 50,000 population in nine counties.

Summary: Rural PHDs are those that do not include a city with a population greater than 50,000.

Votes on Final Passage:

Senate	46	1
House	96	0

Effective: July 22, 2011.