H-2604.1		

HOUSE BILL 2087

State of Washington 62nd Legislature 2011 Regular Session

By Representatives Dickerson, Kenney, Darneille, Goodman, Santos, Pettigrew, Dunshee, Ormsby, Liias, Rolfes, Hudgins, Kagi, Roberts, Upthegrove, Fitzgibbon, Finn, Seaquist, Ryu, Eddy, Orwall, Stanford, Jinkins, Haigh, Kirby, Appleton, Ladenburg, Green, Lytton, Tharinger, Springer, Billig, Sullivan, Cody, Pedersen, Frockt, Carlyle, Sells, Hunt, Morris, McCoy, Maxwell, Reykdal, Moscoso, and Van De Wege

AN ACT Relating to funding mental health services by repealing the nonresident sales tax exemption; adding a new section to chapter 82.32 RCW; creating a new section; repealing RCW 82.08.0273; and providing for submission of this act to a vote of the people.

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

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NEW SECTION. Sec. 1. (1) The legislature finds that many Washington residents need essential mental health services to preserve and promote wellness, strong families, and public safety. Furthermore, ensuring a strong mental health safety net saves Washington taxpayers money by preventing the need for expensive emergency, hospitalization, and criminal justice services. The legislature further finds that there is a need to provide stable funding to maintain critical mental health services for Washington residents.

(2) The legislature also finds that while Washington residents pay sales taxes, nonresidents come to Washington to enjoy Washington's amenities and receive an unfair tax break by avoiding sales taxes. Therefore, it is the intent of the legislature that nonresidents pay sales taxes just as Washington residents do, in order to preserve and promote strong mental health services and public safety in Washington.

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NEW SECTION. Sec. 2. RCW 82.08.0273 (Exemptions--Sales to nonresidents of tangible personal property, digital goods, and digital codes for use outside the state--Proof of nonresident status--Penalties) and 2011 c 7 s 1, 2010 c 106 s 215, 2009 c 535 s 512, 2007 c 135 s 2, 2003 c 53 s 399, 1993 c 444 s 1, 1988 c 96 s 1, 1982 1st ex.s. c 5 s 1, & 1980 c 37 s 39 are each repealed.

NEW SECTION. Sec. 3. A new section is added to chapter 82.32 RCW to read as follows:

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By June 1, 2012, and by June 1st of every year thereafter, the department must annually estimate the increase in state revenue for the current fiscal year resulting from the repeal of the nonresident sales tax exemption (RCW 82.08.0273), and certify the estimated amount to the state treasurer. By July 1, 2012, and by July 1st of every year thereafter, the state treasurer must transfer the certified amount from the state general fund into the mental health services account hereby created in the state treasury. Money in the account may only be appropriated for the provision of mental health services, as defined in RCW 71.24.025.

NEW SECTION. Sec. 4. The secretary of state shall submit this act to the people for their adoption and ratification, or rejection, at the next general election to be held in this state, in accordance with Article II, section 1 of the state Constitution and the laws adopted to facilitate its operation.

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