

SENATE BILL REPORT

HB 1783

As Reported by Senate Committee On:
Governmental Operations, February 24, 2014

Title: An act relating to health district banking.

Brief Description: Concerning health district banking.

Sponsors: Representatives Seaquist, Hansen, Buys, Springer, Angel and Ryu.

Brief History: Passed House: 2/12/14, 82-16.

Committee Activity: Governmental Operations: 2/24/14 [DP].

SENATE COMMITTEE ON GOVERNMENTAL OPERATIONS

Majority Report: Do pass.

Signed by Senators Roach, Chair; Benton, Vice Chair; Hasegawa, Ranking Member; Conway and McCoy.

Staff: Sam Thompson (786-7413)

Background: Public health laws and regulations are administered by the State Board of Health, the state Department of Health, and local boards of health. Local boards of health employ health officers and other personnel to enforce public health standards, including measures to prevent disease.

In most of Washington's 39 counties, the county legislative authority acts as the local board of health, overseeing operations of county health departments.

Separate local government entities called health districts (districts) operate in 15 counties. Districts are formed by county legislative authorities. Eight districts encompass single counties and are governed by boards of health appointed by the county legislative authority. Three districts encompass multiple counties and are governed by boards of health with representatives of each county legislative authority in the district.

District expenses are paid by the counties in a district. County treasurers act as custodians of district funds. Expenditures are authorized by district boards of health and paid by county treasurers. County auditors keep records of receipts and disbursements.

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.

Summary of Bill: Districts may act as custodians of district funds, keep records of receipts and disbursements, and draw, honor, and pay warrants or checks. To exercise this authority, a district first must receive consent from the county legislative authority, county treasurer, county auditor, and the district's board of health. A county may not charge a district that does not choose to act as custodian of its funds for services provided by the county.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This bill promoting government efficiency could enable districts to write checks and make deposits, lowering administrative costs. Inefficiencies arise under current practice, in which district transactions may be posted in separate county and district accounting systems. Districts should have authority to manage their own bank accounts, if permitted to do so under the terms in the bill. Districts have internal accounting controls and act responsibly to manage district funds.

Persons Testifying: PRO: Representative Seaquist, prime sponsor; Scott Daniels, Kitsap Public Health District.