

EHB 2084 - S COMM AMD

By Committee on Government Operations & Security

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

3 "NEW SECTION. **Sec. 1.** A new section is added to chapter 43.09  
4 RCW to read as follows:

5 (1)(a) By October 1, 2015, and by October 1st of every year  
6 thereafter, the state auditor must notify the state and county  
7 treasurers of any special purpose districts that have not timely  
8 filed the annual financial report required under RCW 43.09.230 for  
9 the current year. Except as provided in subsection (4) of this  
10 section, noncompliant special purpose districts are subject to  
11 withholding of funds under subsections (2) and (3) of this section.

12 (b) If a special purpose district files the annual financial  
13 report after the state auditor has notified the state and county  
14 treasurers pursuant to (a) of this subsection, the state auditor  
15 must, within thirty days after the district has filed the report,  
16 notify the state and county treasurers that the district is  
17 compliant.

18 (2) Beginning with distributions made in October, the state  
19 treasurer may not distribute any local sales and use taxes imposed by  
20 the special purpose district to the district until the state  
21 treasurer is notified by the state auditor that the district is  
22 compliant as provided in subsection (1) of this section. The state  
23 treasurer must remit all withheld funds; however, the distribution  
24 may not include interest.

25 (3) Beginning with distributions made in October, county  
26 treasurers may not distribute any regular property taxes imposed by  
27 the special purpose district, or any other charges that the county  
28 collects on behalf of the district, to the district until the county  
29 treasurer is notified by the state auditor that the district is  
30 compliant as provided in subsection (1) of this section. A county  
31 treasurer must remit all withheld funds; however, the distribution  
32 may not include interest.

1 (4) Subsection (1) of this section does not apply to special  
2 purpose districts with annual budgets of less than one million  
3 dollars.

4 (5) For the purpose of this section, "special purpose district"  
5 means cemetery districts, metropolitan park districts, water-sewer  
6 districts, fire protection districts, port districts, public utility  
7 districts, county park and recreation service areas, park and  
8 recreation districts, flood control zone districts, diking districts,  
9 drainage improvement districts, solid waste collection districts,  
10 mosquito control districts, and transportation benefit areas."

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11 On page 1, line 3 of the title, after "reports;" strike the  
12 remainder of the title and insert "and adding a new section to  
13 chapter 43.09 RCW."

EFFECT: Provides that the withholding penalty does not apply to  
special purpose districts (SPDs) with annual budgets of less than \$1  
million. Technical amendments clarify notification provisions.

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