

# HOUSE BILL REPORT

## SB 5458

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**As Passed House:**  
March 2, 2016

**Title:** An act relating to health district banking.

**Brief Description:** Concerning health district banking.

**Sponsors:** Senators Angel, Rolfes and Hasegawa.

**Brief History:**

**Committee Activity:**

Local Government: 2/18/16, 2/24/16 [DP].

**Floor Activity:**

Passed House: 3/2/16, 92-5.

**Brief Summary of Bill**

- Authorizes a health district (district) to act as custodian of funds, keep records of receipts and disbursements, and draw, honor, and pay all warrants and checks with the approval of the district board.
- Prohibits a county from charging for certain services it provides to a district that the district is authorized but chooses not to perform.

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### HOUSE COMMITTEE ON LOCAL GOVERNMENT

**Majority Report:** Do pass. Signed by 8 members: Representatives Appleton, Chair; Gregerson, Vice Chair; Griffey, Assistant Ranking Minority Member; Barkis, Fitzgibbon, McBride, Peterson and Pike.

**Minority Report:** Do not pass. Signed by 1 member: Representative Taylor, Ranking Minority Member.

**Staff:** Michaela Murdock (786-7289).

**Background:**

Health Districts.

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*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.*

A single county may create a health district (district) by adoption of a resolution or ordinance of the county's legislative authority, and provide for the district's membership, representation on the district board of health, and other matters. Similarly, two or more counties may jointly create a district comprised of all of the combined area of the counties. At least two county commissioners from each county comprising a multicounty district must be appointed to serve as members of the district board of health. A district board of health constitutes the local board of health for all territory included in a district.

#### Local Board of Health.

There is a local board of health for each county. In counties without a home rule charter the local board of health is either the board of county commissioner, or, if the county is part of a district, the district board of health. In counties with a home rule charter, the county legislative authority must establish a local board of health for the county. The jurisdiction of a local board of health is coextensive with the boundaries of the county in which it is located.

Each local board of health supervises matters pertaining to the preservation of the life and health of the people within its jurisdiction. The local board of health must:

- enforce public health statutes and state rules;
- supervise the maintenance of all health and sanitary measures for the protection of public health;
- enact and enforce local rules and regulations necessary to preserve, promote, and improve the public health;
- provide for the control and prevention of any dangerous, contagious, or infectious disease within the jurisdiction;
- prevent, control, and abate nuisances detrimental to public health;
- report to the State Board of Health, as required; and
- establish fee schedules for issuing or renewing licenses or permits, or for other services.

#### Health District Funds.

Each district must establish a district health fund (health fund). All sums received by the district from any source must be deposited into the health fund, and all sums disbursed by the district must be expended from the health fund. In a district composed of two or more counties, the treasurer of the county with the largest population is the custodian of the district health fund, the county auditor must keep the record of receipts and disbursements, and the county auditor must draw, and the county treasurer must honor and pay, all warrants approved by the board.

Districts are also authorized to create a public health pooling fund (pooling fund) for the management and control of all moneys coming to the district for public health purposes. The custodian of the pooling fund is the county treasurer, or in a district composed of two or more counties, the treasurer of the county having the largest population.

#### **Summary of Bill:**

Health districts are authorized to act as custodian of funds, keep the record of receipts and disbursements, and draw, honor, and pay all warrants or checks approved by the district board. Prior to exercising this authority, a district must obtain consent from:

- the county legislative authority;
- the county treasurer;
- the county auditor; and
- the health district board.

Counties are prohibited from charging a district that chooses not to act as custodian of funds or perform other authorized functions for providing such services to the district.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

**Staff Summary of Public Testimony:**

(In support) This is an efficiency bill requested by Kitsap County, which could save anywhere from \$50,000 to \$100,000. Money from these savings would be enough to hire an extra public health nurse. This will allow counties and health districts to streamline financial work that is currently being duplicated at the county and the district levels so that only one entity does the work. The authority granted by the bill will only be used by those districts for which it makes sense as a streamlining measure, and the bill does not obligate any district to use the authority. In addition, consent from appropriate officials must be obtained. Everyone must agree that having the district act as its own custodian of funds is appropriate and good.

(Opposed) None.

**Persons Testifying:** Senator Angel, prime sponsor; and Brad Banks, Washington State Association of Local Public Health Officials.

**Persons Signed In To Testify But Not Testifying:** None.