

HOUSE BILL REPORT

SB 5458

As Reported by House Committee On:
Local Government

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: 3/17/15, 3/19/15 [DP].

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.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass. Signed by 5 members: Representatives Takko, Chair; Gregerson, Vice Chair; Fitzgibbon, McBride and Peterson.

Minority Report: Do not pass. Signed by 4 members: Representatives Taylor, Ranking Minority Member; Griffey, Assistant Ranking Minority Member; McCaslin and Pike.

Staff: Michaela Murdock (786-7289).

Background:

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 commissioners, or if the county is part of a health district (district), the district board of health. In counties with a home rule charter, the

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.

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 Districts.

A single county may create a district, and provide for the district's membership, representation on the district board of health, and other matters by adoption of a resolution or ordinance of the county's legislative authority.

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 multi-county 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.

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 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 bill was previously heard by the Legislature and has received broad support.

This bill will help districts and local governments save money, use resources more efficiently, use more of their resources for direct services, and avoid duplicating staff efforts. Currently, districts and counties must perform duplicative services because they have different accounting systems. Under the bill, districts will be able to manage their own funds, keep records of receipts and disbursements, and write checks. Districts do not currently have express authority under the law to perform these services, although they are not prohibited from doing so. Other districts, like fire districts and library districts, have such express statutory authority. This legislation simply provides a local government option.

Before exercising the authority granted in the bill, districts will be required to obtain consent from the governing body of the county, specific county officials, and the district board. There are a number of safeguards to ensure that the authority cannot be abused by a district that is not ready to act as custodian of funds.

(Opposed) None.

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

Persons Signed In To Testify But Not Testifying: None.