
Local Government Committee

HB 1992

Brief Description: Concerning administrative costs of county treasurers.

Sponsors: Representatives Volz and Koster.

<p style="text-align: center;">Brief Summary of Bill</p> <ul style="list-style-type: none">• Authorizes county treasurers to retain a proportionate amount of tax proceeds collected from local jurisdictions, based upon a calculated formula, to be used for administrative costs of the treasurer.
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Hearing Date: 2/14/17

Staff: Yvonne Walker (786-7841).

Background:

County treasurers act as the collectors of all taxes upon real and person property.

A county treasurer (treasurer) is the custodian of county money and the administrator of the county's financial transactions. The treasurer may also serve as the *ex officio* treasurer for a special purpose district (district), for example, a flood control district, irrigation district, or public utility district, and may provide financial services to districts and other units of local government, including receipt, disbursement, investment, and accounting of the funds for each of these entities. The treasurer is also responsible for the collection of various taxes (including legal proceedings to collect past due amounts) and other miscellaneous duties (such as conducting bond sales and sales of surplus county property).

On the first day of each month the county treasurer is required to distribute to each of the taxing districts the pro rata amount of money collected as consolidated tax payments during the previous month.

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.

On or before the tenth day of the month, the county treasurer is required to distribute to the city treasurers, the cities' pro rata share of taxes collected the previous month.

Summary of Bill:

County treasurers may retain a pro rata amount of the money collected from tax payments for administrative costs of the treasurer. The treasurer must determine the: (1) annual cost for its administrative expenses; and (2) percent of taxes collected from each local jurisdiction. The amount that the treasurer may retain is limited to, and is calculated by, multiplying the total amount budgeted for administrative costs by the percent of taxes contributed by each jurisdiction.

Each treasurer must create a dedicated account solely for the administrative costs of the county treasurer. The account must be used for deposit of the administrative funds retained from the tax proceeds and used for payment of expenses incurred by the treasurer for administering the service of collecting taxes on behalf of each local jurisdiction.

Appropriation: None.

Fiscal Note: Available.

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