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## SENATE BILL 5049

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State of Washington 54th Legislature 1996 Regular Session

By Senators Haugen and Winsley

Read first time 01/09/95. Referred to Committee on Government Operations.

- 1 AN ACT Relating to county research services; amending RCW
- 2 82.14.200, 43.88.114, 43.110.030, and 43.110.010; reenacting RCW
- 3 82.44.160; and adding a new section to chapter 36.32 RCW.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 36.32 RCW 6 to read as follows:
- 7 A special account is created in the state treasury to be known as
- 8 the "county research services account." Such moneys remaining in the
- 9 county sales and use tax equalization account after distribution to
- 10 counties under RCW 82.14.200 as are appropriated by the legislature
- 11 shall be transferred into the county research services account. Moneys
- 12 in the account may be spent only after appropriation.
- Moneys in the county research services account may only be expended
- 14 to finance the costs of county research.
- 15 **Sec. 2.** RCW 82.14.200 and 1991 sp.s. c 13 s 15 are each amended to
- 16 read as follows:
- 17 There is created in the state treasury a special account to be
- 18 known as the "county sales and use tax equalization account." Into

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this account shall be placed a portion of all motor vehicle excise tax receipts as provided in RCW 82.44.110(1)(f). Funds in this account shall be allocated by the state treasurer according to the following procedure:

- (1) Prior to April 1st of each year the director of revenue shall inform the state treasurer of the total and the per capita levels of revenues for the unincorporated area of each county and the state-wide weighted average per capita level of revenues for the unincorporated areas of all counties imposing the sales and use tax authorized under RCW 82.14.030(1) for the previous calendar year.
- (2) At such times as distributions are made under RCW 82.44.150, as now or hereafter amended, the state treasurer shall apportion to each county imposing the sales and use tax under RCW 82.14.030(1) at the maximum rate and receiving less than one hundred fifty thousand dollars from the tax for the previous calendar year, an amount from the county sales and use tax equalization account sufficient, when added to the amount of revenues received the previous calendar year by the county, to equal one hundred fifty thousand dollars.
  - The department of revenue shall establish a governmental price index as provided in this subsection. The base year for the index shall be the end of the third quarter of 1982. Prior to November 1, 1983, and prior to each November 1st thereafter, the department of revenue shall establish another index figure for the third quarter of that year. The department of revenue may use the implicit price deflators for state and local government purchases of goods and services calculated by the United States department of commerce to establish the governmental price index. Beginning on January 1, 1984, and each January 1st thereafter, the one hundred fifty thousand dollar base figure in this subsection shall be adjusted in direct proportion to the percentage change in the governmental price index from 1982 until the year before the adjustment. Distributions made under this subsection for 1984 and thereafter shall use this adjusted base amount figure.
- (3) Subsequent to the distributions under subsection (2) of this section and at such times as distributions are made under RCW 82.44.150, as now or hereafter amended, the state treasurer shall apportion to each county imposing the sales and use tax under RCW 82.14.030(1) at the maximum rate and receiving less than seventy percent of the state-wide weighted average per capita level of revenues

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for the unincorporated areas of all counties as determined by the 1 department of revenue under subsection (1) of this section, an amount 2 3 from the county sales and use tax equalization account sufficient, when 4 added to the per capita level of revenues for the unincorporated area 5 received the previous calendar year by the county, to equal seventy percent of the state-wide weighted average per capita level of revenues 6 7 for the unincorporated areas of all counties determined under 8 subsection (1) of this section, subject to reduction under subsections 9 (6) and (7) of this section. When computing distributions under this 10 section, any distribution under subsection (2) of this section shall be considered revenues received from the tax 11 imposed 82.14.030(1) for the previous calendar year. 12

13 (4) Subsequent to the distributions under subsection (3) of this 14 section and at such times as distributions are made under RCW 82.44.150, as now or hereafter amended, the state treasurer shall 15 16 apportion to each county imposing the sales and use tax under RCW 17 82.14.030(2) at the maximum rate and receiving a distribution under subsection (2) of this section, a third distribution from the county 18 19 sales and use tax equalization account. The distribution to each qualifying county shall be equal to the distribution to the county 20 under subsection (2) of this section, subject to the reduction under 21 subsections (6) and (7) of this section. To qualify for the total 22 distribution under this subsection, the county must impose the tax 23 24 under RCW 82.14.030(2) for the entire calendar year. Counties imposing 25 the tax for less than the full year shall qualify for prorated allocations under this subsection proportionate to the number of months 26 27 of the year during which the tax is imposed.

(5) Subsequent to the distributions under subsection (4) of this section and at such times as distributions are made under RCW 82.44.150, as now or hereafter amended, the state treasurer shall apportion to each county imposing the sales and use tax under RCW 82.14.030(2) at the maximum rate and receiving a distribution under subsection (3) of this section, a fourth distribution from the county sales and use tax equalization account. The distribution to each qualifying county shall be equal to the distribution to the county under subsection (3) of this section, subject to the reduction under subsections (6) and (7) of this section. To qualify for the distributions under this subsection, the county must impose the tax under RCW 82.14.030(2) for the entire calendar year. Counties imposing

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- the tax for less than the full year shall qualify for prorated allocations under this subsection proportionate to the number of months of the year during which the tax is imposed.
- 4 (6) Revenues distributed under this section in any calendar year 5 shall not exceed an amount equal to seventy percent of the state-wide weighted average per capita level of revenues for the unincorporated 6 areas of all counties during the previous calendar year. 7 Ιf 8 distributions under subsections (3) through (5) of this section cannot 9 made because of this limitation, then distributions under 10 subsections (3) through (5) of this section shall be reduced ratably 11 among the qualifying counties.
- (7) If inadequate revenues exist in the county sales and use tax 12 equalization account to make the distributions under subsections (3) 13 through (5) of this section, then the distributions under subsections 14 15 (3) through (5) of this section shall be reduced ratably among the 16 qualifying counties. At such time during the year as additional funds 17 accrue to the county sales and use tax equalization account, additional distributions shall be made under subsections (3) through (5) of this 18 19 section to the counties.
- 20 (8) If the level of revenues in the county sales and use tax 21 equalization account exceeds the amount necessary to make the 22 distributions under subsections (2) through (5) of this section and the 23 transfer authorized by appropriation pursuant to section 1 of this act, 24 then the additional revenues shall be credited and transferred to the 25 state general fund.
- 26 **Sec. 3.** RCW 43.88.114 and 1983 c 22 s 2 are each amended to read 27 as follows:
- Appropriations of funds to the <u>municipal research</u> council from motor vehicle excise taxes shall not be subject to allotment by the office of financial management.
- 31 **Sec. 4.** RCW 43.110.030 and 1990 c 104 s 2 are each amended to read 32 as follows:
- The municipal research council shall contract for the provision of municipal research and services to cities ((and)), towns, and counties.
- 35 Contracts for municipal research and services shall be made with state
- 36 agencies, educational institutions, or private consulting firms, that
- 37 in the judgment of council members are qualified to provide such

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research and services. Contracts for staff support may be made with 1 2 state agencies, educational institutions, or private consulting firms that in the judgment of the council members are qualified to provide 4 such support.

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5 Municipal research and services shall consist of: (1) Studying and researching ((municipal)) city, town, and county government and issues 6 7 relating to ((municipal)) city, town, and county government; (2) 8 acquiring, preparing, and distributing publications related to 9 ((municipal)) city, town, and county government and issues relating to ((municipal)) city, town, and county government; (3) providing 10 educational conferences relating to ((municipal)) city, town, and 11 12 county government and issues relating to ((municipal)) city, town, and 13 county government; and (4) furnishing legal, technical, consultative, and field services to cities ((and)), towns, and counties concerning 14 15 planning, public health, utility services, fire protection, 16 enforcement, public works, and other issues relating to ((municipal)) city, town, and county government. 17

The activities, programs, and services of the municipal research council shall be carried on, and all expenditures shall be made, in cooperation with the cities and towns of the state acting through the board of directors of the association of Washington cities, which is recognized as their official agency or instrumentality, and in cooperation with counties of the state acting through the Washington state association of counties. The provision of services to cities and towns shall be based upon the moneys appropriated to the municipal research council as provided in RCW 82.44.160 and the provision of services to counties shall be based upon the moneys appropriated to the municipal research council as provided in section 1 of this act.

29 Sec. 5. RCW 82.44.160 and 1990 c 104 s 3 and 1990 c 42 s 310 are 30 each reenacted to read as follows:

Before distributing or paying moneys to the cities and towns from the general fund on the first day of July of each year, under the formula provided in RCW 82.44.155, and from the municipal sales and use tax equalization account, as provided in RCW 82.14.210, the state treasurer shall deduct from these moneys a sum equal to one-half of the biennial appropriation made to the municipal research council. five percent of the annual deduction shall be from the distribution to cities and towns under RCW 82.44.155, and thirty-five percent of the

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annual deduction shall be from the distribution to the municipal sales and use tax equalization account under RCW 82.14.210.

3 The amount that is appropriated to the municipal research council 4 shall be at least seven cents per capita of the population of all cities or towns as last determined by the office of financial 5 Moneys appropriated to the municipal research council 6 management. 7 shall be kept in the treasury in the general fund. Expenditures of the 8 municipal research council, including council expenses and contract 9 payments, shall be disbursed by warrant or check from invoices or 10 vouchers certified by the chair of the municipal research council or a designee. Payments to public agencies may be made in advance of actual 11 work contracted for, in the discretion of the council. 12

Sixty-five percent of any moneys remaining unexpended or uncontracted for by the municipal research council at the end of any fiscal biennium shall be returned to the general fund and be paid to cities and towns under RCW 82.44.155. The remaining thirty-five percent shall be deposited into the municipal sales and use tax equalization account.

19 **Sec. 6.** RCW 43.110.010 and 1990 c 104 s 1 are each amended to read 20 as follows:

There shall be a state agency which shall be known as the municipal 21 The council shall be composed of ((eighteen)) 22 research council. 23 nineteen members. ((Four)) Two members shall be appointed by the 24 president of the senate, with equal representation from each of the two 25 major political parties; ((four)) two members shall be appointed by the speaker of the house of representatives, with equal representation from 26 each of the two major political parties; one member shall be appointed 27 by the governor <u>independently</u>; ((and the other)) nine members, who 28 29 shall be city or town officials, shall be appointed by the governor 30 from a list of nine nominees submitted by the board of directors of the association of Washington cities; and five members, who shall be county 31 officials, shall be appointed by the governor, two of whom shall be 32 33 from a list of two nominees submitted by the board of directors of the Washington association of county officials, and three of whom shall be 34 35 from a list of three nominees submitted by the board of directors of the Washington state association of counties. Of the ((members 36 37 appointed by the association)) city or town officials, at least one 38 shall be an official of a city having a population of twenty thousand

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or more; at least one shall be an official of a city having a population of one thousand five hundred to twenty thousand; and at least one shall be an official of a town having a population of less than one thousand five hundred.

 The terms of members shall be for two years ((and shall not)). The terms of those members who are appointed as legislators or city, town, or county officials shall be dependent upon continuance in legislative ((or)), city, town, or county office. The terms of all members except legislative members shall commence on the first day of August in every odd-numbered year. The speaker of the house of representatives and the president of the senate shall make their appointments on or before the third Monday in January in each odd-numbered year, and the terms of the members thus appointed shall commence on the third Monday of January in each odd-numbered year.

Council members shall receive no compensation but shall be reimbursed for travel expenses at rates in accordance with RCW 43.03.050 and 43.03.060 as now existing or hereafter amended, except that members of the council who are also members of the legislature shall be reimbursed at the rates provided by RCW 44.04.120.

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