

SENATE BILL REPORT

SSB 5301

As Passed Senate, March 9, 2009

Title: An act relating to permissible uses of moneys collected under the sales and use tax for chemical dependency or mental health treatment services or therapeutic courts.

Brief Description: Concerning permissible uses of moneys collected under the sales and use tax for chemical dependency or mental health treatment services or therapeutic courts.

Sponsors: Senate Committee on Human Services & Corrections (originally sponsored by Senators Hargrove and Parlette).

Brief History:

Committee Activity: Human Services & Corrections: 2/05/09, 2/23/09 [DPS, DNP].
Passed Senate: 3/09/09, 41-7.

SENATE COMMITTEE ON HUMAN SERVICES & CORRECTIONS

Majority Report: That Substitute Senate Bill No. 5301 be substituted therefor, and the substitute bill do pass.

Signed by Senators Hargrove, Chair; Regala, Vice Chair; Stevens, Ranking Minority Member; Carrell, Kauffman and McAuliffe.

Minority Report: Do not pass.

Signed by Senator Brandland.

Staff: Kevin Black (786-7747)

Background: In 2005 the Legislature authorized county legislative authorities to impose a sales tax increase of 0.1 percent (tax). Monies collected by the tax must be used to provide new or expanded chemical dependency or mental health treatment programs or services, or therapeutic court programs or services. The monies collected may not be used to supplant existing funding provided for these purposes.

Thirteen counties have adopted this tax so far, including Clallam, Clark, Island, Jefferson, King, Okanogan, San Juan, Skagit, Snohomish, Spokane, Thurston, Wahkiakum, and Whatcom.

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.

Summary of Substitute Bill: Counties are authorized to use monies raised by the tax to supplant existing funding for the purposes of the tax only as follows: a county with a population of more than 1.5 million may use up to 25 percent to supplant in the fiscal year ending in 2010, 20 percent in the fiscal year ending in 2011, 15 percent in the fiscal year ending in 2012, 10 percent in the fiscal year ending in 2013, and 5 percent in the fiscal year ending in 2014; and a county with a population of less than 1.5 million may use up to 50 percent to supplant in the fiscal year ending in 2010, 40 percent in the fiscal year ending in 2011, 30 percent in the fiscal year ending in 2012, 20 percent in the fiscal year ending in 2013, and 10 percent in the fiscal year ending in 2014. This act expires on July 1, 2014.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Original Bill: PRO: This bill is greatly appreciated. Services funded by the tax help public safety and prevent future costs. Some counties would like to increase the percentage allowed to supplant, perhaps to 25 percent. The sunset date should be in 2011, instead of 2013. Any supplanting should be strictly limited, and for a limited period of time.

OTHER: Any supplanting of funds will undermine services in counties which were early adopters of the tax. Ability to supplant to a greater extent could provide an inducement for counties that have not yet adopted the tax.

Persons Testifying: PRO: Axel Swanson, Cowlitz County; John Koster, Snohomish County; Steve Warning, Tom Parker, Superior Court Judge's Association; Ron Sims, King County Executive; Kelsey Beck, King County Alliance for Human Services; Jonathan Rosenblum, SEIU; John Masterson, Washington Community Mental Health Council; Jim Adams, National Alliance on Mental Illness; Beratta Gouillon, Center for Human Services; Tamara Johnson, Community Transformation Partnership.

OTHER: David Sullivan, Jefferson County; Don Krupp, Thurston County.