

FINAL BILL REPORT

HB 1425

C 155 L 11
Synopsis as Enacted

Brief Description: Concerning the higher education coordinating board's responsibilities with regard to health sciences and services authorities.

Sponsors: Representative Haler; by request of Higher Education Coordinating Board.

House Committee on Higher Education
Senate Committee on Higher Education & Workforce Development

Background:

Health Sciences and Services Authority.

Legislation enacted in 2007 authorized the creation of a Health Sciences and Services Authority (Authority) to promote bioscience-based economic development and advance new therapies and procedures to combat disease and promote public health. Initially, just a single Authority was authorized, and only in a county with a population of less than one million persons. Subsequently, legislation was enacted to allow up to two Authorities in the state, both of which had to be located east of the crest of the Cascade Mountains.

An individual local government, or local governments joining together, may establish such an Authority by ordinance or resolution. The ordinance or resolution must specify the powers of the Authority, establish an administrative board, clarify the geographic boundaries of the Authority, and provide investment guidelines. An Authority is overseen by a board of not more than 14 members and has all the general powers necessary to carry out its purposes and duties, such as the power to make and execute agreements and contracts, establish special funds, hire staff, incur general indebtedness, leverage the Authority's public funds with moneys received from other public and private sources, hold funds received by the Authority in trust, and make grants to entities to promote bioscience-based economic development.

The legislative authority of a local jurisdiction that created an Authority prior to January 1, 2010, may impose a sales and use tax of 0.020 percent which is deducted from the state's portion of the sales and use tax collected by the Department of Revenue (DOR). The DOR is required to collect the tax on behalf of the Authority. The amounts received by the Authority may only be used as specified in the Authority's powers and duties and to retire indebtedness.

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.

To date, there is just a single Authority and it is located in Spokane County.

Higher Education Coordinating Board.

The Higher Education Coordinating Board (HECB) has authority to approve or reject applications submitted by local governments for an area's designation as an Authority. The HECB is also charged with adopting any rules necessary for implementation and given responsibility for developing evaluation and performance measures in order to evaluate the effectiveness of the programs in the Authorities that are funded with public resources. The HECB is required to report it's evaluation to the Legislature on a biennial basis beginning December 1, 2009. The HECB is also tasked with developing evaluation criteria that enable the local governments to measure the effectiveness of an Authority's programs.

Summary:

Certain responsibilities of the HECB are removed. The HECB is no longer responsible for developing evaluation and performance measures in order to evaluate the effectiveness of the programs in the Authorities or for reporting to the Legislature on a biennial basis. It remains responsible, however, for developing evaluation criteria that enable the local governments to measure the effectiveness of an Authority's program.

Votes on Final Passage:

House	98	0
Senate	48	0

Effective: July 22, 2011