
HOUSE BILL 2070

State of Washington

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By Representatives Romero, Campbell, Jarrett, Kagi, Grant, Hankins, Lantz, Darneille, Fromhold, Moeller, Skinner, Cooper, Shabro, McIntire, Schual-Berke, Hatfield, Hunt, Cody, Delvin, Edwards, Morrell and Clibborn

Read first time 02/21/2003. Referred to Committee on Health Care.

1 AN ACT Relating to the local public health trust fund; amending RCW
2 84.52.065 and 84.55.010; adding a new section to chapter 84.52 RCW;
3 adding a new section to chapter 84.55 RCW; adding a new section to
4 chapter 70.05 RCW; creating new sections; providing a contingent
5 effective date; and providing for submission of this act to a vote of
6 the people.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

8 NEW SECTION. **Sec. 1.** The people of the state of Washington
9 recognize that public health plays a vital role in the safety of their
10 families, communities, and workplaces. Historically, the people of
11 Washington have been leaders in their support for public health. The
12 nation's first public health district was established in Washington
13 state. The people of Washington further recognize that public health
14 is a cost-effective way of preventing disease and reducing health care
15 costs. The people find that the existing system of funding public
16 health is inadequate to assure the provision of traditional services
17 such as immunization, food and water supply safety, environmental
18 health, and communicable disease control and at the same time meet the
19 new challenges posed by issues such as bioterrorism, West Nile virus,

1 and drug resistant tuberculosis. By this act, the people intend to
2 establish a stable and continuing funding source for local public
3 health services and state services which support local public health
4 services.

5 NEW SECTION. **Sec. 2.** A new section is added to chapter 84.52 RCW
6 to read as follows:

7 (1) In addition to the levy provided for in RCW 84.52.065, in each
8 year the state shall levy for collection in the following year a state
9 tax of twenty-five cents per thousand dollars of assessed value upon
10 the assessed valuation of all taxable property within the state
11 adjusted to the state equalized value in accordance with the indicated
12 ratio fixed by the state department of revenue.

13 (2) The taxes levied by the state under this section shall be
14 deposited into the local public health trust fund hereby created in the
15 state treasury. Money in the local public health trust fund may be
16 spent only for distribution to counties and health districts and to the
17 health services account solely for the purpose of maintaining and
18 improving local public health services.

19 NEW SECTION. **Sec. 3.** A new section is added to chapter 84.55 RCW
20 to read as follows:

21 (1) The levy by the state under section 2 of this act shall:

22 (a) Not be subject to RCW 84.55.010; and

23 (b) Be set in any year so that the taxes payable in the following
24 year shall not exceed a dollar amount calculated by multiplying one
25 hundred percent plus the fiscal growth factor by the amount of taxes
26 lawfully levied in the previous year, plus an additional dollar amount
27 calculated by multiplying the increase in assessed value in the state
28 resulting from new construction, improvements to property, and any
29 increase in the assessed value of state-assessed property by the levy
30 rate for the preceding year. In no case shall the levy exceed twenty-
31 five cents per thousand dollars of assessed value upon the assessed
32 valuation of all taxable property within the state adjusted to the
33 state equalized value in accordance with the indicated ratio fixed by
34 the state department of revenue.

35 (2) The limitation provided in subsection (1)(b) of this section

1 does not apply to the first levy by the state under section 2 of this
2 act.

3 (3) For purposes of this section, "fiscal growth factor" has the
4 same meaning as in RCW 43.135.025.

5 NEW SECTION. **Sec. 4.** (1) Beginning in calendar year 2004, the
6 state treasurer shall make the following annual distributions, based on
7 calculations by the office of financial management, from the local
8 public health trust fund to the counties and health districts and the
9 health services account as follows:

10 (a) Forty-three percent of the revenue shall be distributed based
11 on each department's or district's proportional share of total 1999
12 local support from counties and their component cities to their
13 respective health department or district;

14 (b) Seventeen and nine-tenths percent of the revenue shall be
15 distributed solely for public health services in order to maintain
16 support previously provided from the health services account. Each
17 health department or district shall receive a distribution based on
18 their proportional share of funds appropriated in the 2003-2005
19 biennial operating budget;

20 (c) Three and two-tenths percent shall be distributed to counties
21 or districts to bring per capita funding for county health departments
22 or health districts up to seventy percent of the statewide average per
23 capita funding under (a) and (b) of this subsection;

24 (d) Twenty-one and one-tenth percent of the revenue shall be
25 distributed on a per capita basis to each department or district based
26 on their share of the total state population solely to improve public
27 health services and emergency response and prevention capacity for acts
28 of terrorism committed with biological agents, West Nile virus, and
29 communicable diseases;

30 (e) One and four-tenths percent will be distributed to counties or
31 districts to bring total funding under (a) through (d) of this
32 subsection up to an amount equal to eighty-five percent of the taxes
33 raised for distributions under those sections; and

34 (f) Thirteen and four-tenths percent shall be distributed to the
35 health services account for activities and support of local public
36 health.

1 (2) In each year following calendar year 2004: In calculating the
2 amounts to be distributed to each county under subsection (1)(a) and
3 (b) of this section the office of financial management shall treat
4 funding increases attributable to the population change component of
5 the fiscal growth factor in the following manner: Only those counties
6 with population growth shall have a change in funding for population.
7 Funding increases generated by the population component of the fiscal
8 growth factor shall be distributed to those counties based on the
9 county's pro rata share of the population increase component of the
10 fiscal growth factor as provided in RCW 43.135.025(9).

11 (3) The state treasurer shall make the distributions under this
12 section to the counties and districts and to the health services
13 account as follows:

14 (a) One-half of the total amount that each county or district and
15 the health services account is entitled to receive for a calendar year
16 shall be distributed to the counties on July 1st of that calendar year;
17 and

18 (b) The remainder of the funds that the counties or districts and
19 the health services account are entitled to receive shall be
20 distributed to the counties on January 1st of the following calendar
21 year.

22 NEW SECTION. **Sec. 5.** A new section is added to chapter 70.05 RCW
23 to read as follows:

24 (1) Each local board of health shall establish performance measures
25 for the health department that it governs and shall report annually to
26 the citizens of the health district or county about its performance
27 against those measures. In selecting measures, each board shall take
28 into account local public health priorities identified in a community
29 assessment conducted by the local health jurisdiction and the
30 performance standards adopted in the state public health improvement
31 plan. In the case of those departments and districts where cities have
32 provided funding for enhanced levels of service since 1999, the city
33 shall establish, in consultation with the local board of health,
34 performance objectives for that portion of the distribution under
35 section 4(1)(a) of this act attributable to city contributions for
36 enhanced service levels. A special annual report shall be made by the

1 local board of health to the city and to the citizens of such cities
2 about performance against those objectives.

3 (2) Additionally, the secretary of health, in consultation with
4 local public health jurisdictions, shall annually select performance
5 standards from among those adopted in the state public health
6 improvement plan on which each local health department or district
7 shall be required to report. These performance measures shall be
8 designed to demonstrate progress toward meeting the standards and
9 progress made by the public health system toward improving the status
10 of the public's health as required in RCW 43.70.580(5). The secretary
11 of health shall report to the legislature, the governor, and the people
12 of the state regarding local health department and district
13 performance, comparing performance among jurisdictions and highlighting
14 local priorities.

15 (3) Within available resources, it shall be the responsibility of
16 the local board of health to implement the state public health
17 improvement plan within its jurisdiction.

18 NEW SECTION. **Sec. 6.** The secretary of state shall submit this act
19 to the people for their adoption and ratification, or rejection, at the
20 next general election to be held in this state, in accordance with
21 Article II, section 1 of the state Constitution and the laws adopted to
22 facilitate its operation. If approved by a majority of those voting at
23 the November 2003 general election, sections 2 through 4 of this act
24 apply to taxes levied in 2003 for collection in 2004 and every year
25 thereafter, and sections 1 and 5 of this act take effect on January 1,
26 2004. If this act is not approved by a majority of the voters voting
27 at the next general election it is null and void in its entirety.

28 **Sec. 7.** RCW 84.52.065 and 1991 sp.s. c 31 s 16 are each amended to
29 read as follows:

30 Subject to the limitations in RCW 84.55.010, in each year the state
31 shall levy for collection in the following year for the support of
32 common schools of the state a tax of three dollars and (~~sixty~~)
33 thirty-five cents per thousand dollars of assessed value upon the
34 assessed valuation of all taxable property within the state adjusted to
35 the state equalized value in accordance with the indicated ratio fixed
36 by the state department of revenue.

1 As used in this section, "the support of common schools" includes
2 the payment of the principal and interest on bonds issued for capital
3 construction projects for the common schools.

4 **Sec. 8.** RCW 84.55.010 and 1997 c 3 s 202 are each amended to read
5 as follows:

6 (1) Except as provided in this chapter, the levy for a taxing
7 district in any year shall be set so that the regular property taxes
8 payable in the following year shall not exceed the limit factor
9 multiplied by the amount of regular property taxes lawfully levied for
10 such district in the highest of the three most recent years in which
11 such taxes were levied for such district plus an additional dollar
12 amount calculated by multiplying the increase in assessed value in that
13 district resulting from new construction, improvements to property, and
14 any increase in the assessed value of state-assessed property by the
15 regular property tax levy rate of that district for the preceding year.

16 (2) The tax levy authorized under section 2 of this act is not
17 subject to the requirements of this section.

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