
Local Government Committee

HB 2011

Brief Description: Completing a study of the comparative constitutional and statutory obligations and revenue capacity of various local government entities.

Sponsors: Representatives Koster and Volz.

Brief Summary of Bill

- Requires the Washington Institute for Public Policy (WSIPP) to study the comparative constitutional and statutory obligations and revenue capacity of local governments.
- Requires a report to be submitted to the Legislature by December 30, 2017.
- Appropriates a total of \$250,000 from the Liquor Revolving Fund to the WSIPP for purposes of providing the study to the legislature.

Hearing Date: 3/1/17

Staff: Yvonne Walker (786-7841).

Background:

Washington Institute for Public Policy.

The Washington Legislature created the Washington Institute for Public Policy (WSIPP) in 1983. The WSIPP is governed by a board of directors that represents the Legislature, the Governor, and public universities. The board guides the development of all WSIPP activities.

The WSIPP's mission is to carry out practical, nonpartisan research at the direction of the Legislature, on issues of importance to Washington. It conducts research using its own policy analysts and economists, specialists from universities, and consultants. The WSIPP staff work with Legislators, legislative and state agency staff, and experts in the field to conduct studies designed to answer policy questions. Fiscal and administrative services are provided by The Evergreen State College.

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.

Liquor Revolving Fund.

The State Treasurer maintains and administers the "Liquor Revolving Fund" (fund) that consists of all license fees, permit fees, penalties, and all other monies, income, or revenue received by the Liquor & Cannabis Board (LCB). Money in the fund, derived from commercial and regulatory activities involving liquor, is subject to quarterly distribution by the LCB in accordance with specified requirements. The money is used for LCB expenses and "excess funds" are distributed to the State General Fund and to cities, towns, and counties.

Summary of Bill:

The WSIPP must prepare a report and submit it to the Legislature by December 30, 2017. The report must describe:

- the comparative constitutional and statutory obligations of different types of local governments;
- the comparative revenue of different types of local governments, including local revenue authority and revenue shared by the state and federal government;
- a methodology for comparing the constitutional and statutory obligations of different types of local governments with the revenues available to each type of local government, including, but not limited to, comparing the funding levels for the regional services provided by local governments on behalf of the state with state services provided by state agencies;
- an assessment of whether the state services provided regionally by local governments on behalf of the state are being provided equitably across the state (including how much it would cost the state to provide these services through state agencies rather than local governments); and
- recommendations for how to appropriately distribute existing obligations and revenues between local governments, and between local governments providing regional services on behalf of the state and state agencies.

A "local government" means cities, counties, and special purpose districts.

A total of \$250,000 is appropriated from the fund to the WSIPP for purposes of providing this report to the Legislature.

Appropriation: None.

Fiscal Note: Available.

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