
SUBSTITUTE HOUSE BILL 2338

State of Washington

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By House Committee on Local Government (originally sponsored by Representatives Haugen, Wood, Hine, Chandler, Cantwell, Brough, Rayburn, Horn, Rasmussen, Ferguson, Dorn, Riley, Forner, Mitchell, Spanel, Basich, Fuhrman, Jacobsen and Bray)

Read first time 01/24/92. Referred to Committee on Local Government.

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 NEW SECTION. **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." All moneys remaining in the
9 county sales and use tax equalization account after distribution to
10 counties under RCW 82.14.200 shall be transferred into the county
11 research services account. Moneys in the account may be spent only
12 after appropriation.

13 Moneys in the county research services account may only be expended
14 to finance the costs of county research.

1 **Sec. 2.** RCW 82.14.200 and 1991 sp.s. c 13 s 15 are each amended to
2 read as follows:

3 There is created in the state treasury a special account to be
4 known as the "county sales and use tax equalization account." Into
5 this account shall be placed a portion of all motor vehicle excise tax
6 receipts as provided in RCW 82.44.110(1)(f). Funds in this account
7 shall be allocated by the state treasurer according to the following
8 procedure:

9 (1) Prior to April 1st of each year the director of revenue shall
10 inform the state treasurer of the total and the per capita levels of
11 revenues for the unincorporated area of each county and the state-wide
12 weighted average per capita level of revenues for the unincorporated
13 areas of all counties imposing the sales and use tax authorized under
14 RCW 82.14.030(1) for the previous calendar year.

15 (2) At such times as distributions are made under RCW 82.44.150, as
16 now or hereafter amended, the state treasurer shall apportion to each
17 county imposing the sales and use tax under RCW 82.14.030(1) at the
18 maximum rate and receiving less than one hundred fifty thousand dollars
19 from the tax for the previous calendar year, an amount from the county
20 sales and use tax equalization account sufficient, when added to the
21 amount of revenues received the previous calendar year by the county,
22 to equal one hundred fifty thousand dollars.

23 The department of revenue shall establish a governmental price
24 index as provided in this subsection. The base year for the index
25 shall be the end of the third quarter of 1982. Prior to November 1,
26 1983, and prior to each November 1st thereafter, the department of
27 revenue shall establish another index figure for the third quarter of
28 that year. The department of revenue may use the implicit price
29 deflators for state and local government purchases of goods and
30 services calculated by the United States department of commerce to

1 establish the governmental price index. Beginning on January 1, 1984,
2 and each January 1st thereafter, the one hundred fifty thousand dollar
3 base figure in this subsection shall be adjusted in direct proportion
4 to the percentage change in the governmental price index from 1982
5 until the year before the adjustment. Distributions made under this
6 subsection for 1984 and thereafter shall use this adjusted base amount
7 figure.

8 (3) Subsequent to the distributions under subsection (2) of this
9 section and at such times as distributions are made under RCW
10 82.44.150, as now or hereafter amended, the state treasurer shall
11 apportion to each county imposing the sales and use tax under RCW
12 82.14.030(1) at the maximum rate and receiving less than seventy
13 percent of the state-wide weighted average per capita level of revenues
14 for the unincorporated areas of all counties as determined by the
15 department of revenue under subsection (1) of this section, an amount
16 from the county sales and use tax equalization account sufficient, when
17 added to the per capita level of revenues for the unincorporated area
18 received the previous calendar year by the county, to equal seventy
19 percent of the state-wide weighted average per capita level of revenues
20 for the unincorporated areas of all counties determined under
21 subsection (1) of this section, subject to reduction under subsections
22 (6) and (7) of this section. When computing distributions under this
23 section, any distribution under subsection (2) of this section shall be
24 considered revenues received from the tax imposed under RCW
25 82.14.030(1) for the previous calendar year.

26 (4) Subsequent to the distributions under subsection (3) of this
27 section and at such times as distributions are made under RCW
28 82.44.150, as now or hereafter amended, the state treasurer shall
29 apportion to each county imposing the sales and use tax under RCW
30 82.14.030(2) at the maximum rate and receiving a distribution under

1 subsection (2) of this section, a third distribution from the county
2 sales and use tax equalization account. The distribution to each
3 qualifying county shall be equal to the distribution to the county
4 under subsection (2) of this section, subject to the reduction under
5 subsections (6) and (7) of this section. To qualify for the total
6 distribution under this subsection, the county must impose the tax
7 under RCW 82.14.030(2) for the entire calendar year. Counties imposing
8 the tax for less than the full year shall qualify for prorated
9 allocations under this subsection proportionate to the number of months
10 of the year during which the tax is imposed.

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

26 (6) Revenues distributed under this section in any calendar year
27 shall not exceed an amount equal to seventy percent of the state-wide
28 weighted average per capita level of revenues for the unincorporated
29 areas of all counties during the previous calendar year. If
30 distributions under subsections (3) through (5) of this section cannot

1 be made because of this limitation, then distributions under
2 subsections (3) through (5) of this section shall be reduced ratably
3 among the qualifying counties.

4 (7) If inadequate revenues exist in the county sales and use tax
5 equalization account to make the distributions under subsections (3)
6 through (5) of this section, then the distributions under subsections
7 (3) through (5) of this section shall be reduced ratably among the
8 qualifying counties. At such time during the year as additional funds
9 accrue to the county sales and use tax equalization account, additional
10 distributions shall be made under subsections (3) through (5) of this
11 section to the counties.

12 (8) If the level of revenues in the county sales and use tax
13 equalization account exceeds the amount necessary to make the
14 distributions under subsections (2) through (5) of this section, then
15 the additional revenues shall be ~~((credited and))~~ transferred ~~((to the
16 state general fund))~~ into the county research services account after
17 each distribution under this section.

18 **Sec. 3.** RCW 43.88.114 and 1983 c 22 s 2 are each amended to read
19 as follows:

20 Appropriations of funds to the municipal research council from
21 motor vehicle excise taxes shall not be subject to allotment by the
22 office of financial management.

23 **Sec. 4.** RCW 43.110.030 and 1990 c 104 s 2 are each amended to read
24 as follows:

25 The municipal research council shall contract for the provision of
26 municipal research and services to cities ~~((and))~~, towns, and counties.
27 Contracts for municipal research and services shall be made with state
28 agencies, educational institutions, or private consulting firms, that

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

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

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

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

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

13 The amount that is appropriated to the municipal research council
14 shall be at least seven cents per capita of the population of all
15 cities or towns as last determined by the office of financial
16 management. Moneys appropriated to the municipal research council
17 shall be kept in the treasury in the general fund. Expenditures of the
18 municipal research council, including council expenses and contract
19 payments, shall be disbursed by warrant or check from invoices or
20 vouchers certified by the chair of the municipal research council or a
21 designee. Payments to public agencies may be made in advance of actual
22 work contracted for, in the discretion of the council.

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

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

3 There shall be a state agency which shall be known as the municipal
4 research council. The council shall be composed of ~~((eighteen))~~
5 nineteen members. ~~((Four))~~ Two members shall be appointed by the
6 president of the senate, with equal representation from each of the two
7 major political parties; ~~((four))~~ two members shall be appointed by the
8 speaker of the house of representatives, with equal representation from
9 each of the two major political parties; one member shall be appointed
10 by the governor independently; ~~((and the other))~~ nine members, who
11 shall be city or town officials, shall be appointed by the governor
12 from a list of nine nominees submitted by the board of directors of the
13 association of Washington cities; and five members, who shall be county
14 officials, shall be appointed by the governor, two of whom shall be
15 from a list of two nominees submitted by the board of directors of the
16 Washington association of county officials, and three of whom shall be
17 from a list of three nominees submitted by the board of directors of
18 the Washington state association of counties. Of the ~~((members~~
19 ~~appointed by the association))~~ city or town officials, at least one
20 shall be an official of a city having a population of twenty thousand
21 or more; at least one shall be an official of a city having a
22 population of one thousand five hundred to twenty thousand; and at
23 least one shall be an official of a town having a population of less
24 than one thousand five hundred.

25 The terms of members shall be for two years ~~((and shall not))~~. The
26 terms of those members who are appointed as legislators or city, town,
27 or county officials shall be dependent upon continuance in legislative
28 ~~((or))~~, city, town, or county office. The terms of all members except
29 legislative members shall commence on the first day of August in every
30 odd-numbered year. The speaker of the house of representatives and the

1 president of the senate shall make their appointments on or before the
2 third Monday in January in each odd-numbered year, and the terms of the
3 members thus appointed shall commence on the third Monday of January in
4 each odd-numbered year.

5 Council members shall receive no compensation but shall be
6 reimbursed for travel expenses at rates in accordance with RCW
7 43.03.050 and 43.03.060 as now existing or hereafter amended, except
8 that members of the council who are also members of the legislature
9 shall be reimbursed at the rates provided by RCW 44.04.120.