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HOUSE BILL 2967

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State of Washington                      52nd Legislature                      1992 Regular Session

By Representatives Wang, Locke, Braddock and Paris

Read first time 02/05/92. Referred to Committee on Revenue.

1            AN ACT Relating to medicaid funding of intermediate care  
2 facilities; adding a new chapter to Title 82 RCW; creating a new  
3 section; making an appropriation; providing an expiration date;  
4 providing an effective date; and declaring an emergency.

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

6            NEW SECTION.    **Sec. 1.**            As used in this act, "expiration date"  
7 means the earliest of:

8            (1) The date that federal medicaid matching funds for the purposes  
9 specified in section 7 of this act become unavailable or are  
10 substantially reduced, as such date is certified by the secretary of  
11 social and health services; or

12            (2) The date that federal medicaid matching funds for the purposes  
13 specified in section 7 of this act become unavailable or are

1 substantially reduced, as determined by a permanent injunction, court  
2 order, or final court decision.

3 NEW SECTION. **Sec. 2.** Unless the context clearly requires  
4 otherwise, the definitions in this section apply throughout this  
5 chapter.

6 (1) "Gross income" means all income from whatever source derived,  
7 including but not limited to gross income of the business as defined in  
8 RCW 82.04.080 and moneys received from state appropriations.

9 (2) "Intermediate care facility for the mentally retarded" means an  
10 intermediate care facility certified by the department of social and  
11 health services and the federal department of health and human services  
12 to provide residential care under 42 U.S.C. Sec. 1396d(d).

13 NEW SECTION. **Sec. 3.** In addition to any other tax, a tax is  
14 imposed on every intermediate care facility for the mentally retarded  
15 for the act or privilege of engaging in business within this state.  
16 The tax is equal to the gross income attributable to services for the  
17 mentally retarded, multiplied by the rate of fifteen percent.

18 NEW SECTION. **Sec. 4.** Chapter 82.32 RCW applies to the tax  
19 imposed in this chapter. The tax due dates, reporting periods, and  
20 return requirements applicable to chapter 82.04 RCW apply equally to  
21 the tax imposed in this chapter.

22 NEW SECTION. **Sec. 5.** Sections 2 through 4 of this act shall  
23 constitute a new chapter in Title 82 RCW.

1        NEW SECTION.    **Sec. 6.**        (1) Sections 2 through 4 of this act  
2 shall expire on the expiration date determined under section 1 of this  
3 act.

4        (2) The expiration of sections 2 through 4 of this act shall not be  
5 construed as affecting any existing right acquired or liability or  
6 obligation incurred under those sections or under any rule or order  
7 adopted under those sections, nor as affecting any proceeding  
8 instituted under those sections.

9        (3) Taxes that have been paid under sections 2 through 4 of this  
10 act, but are properly attributable to taxable events occurring after  
11 the expiration of those sections, shall be credited or refunded as  
12 provided in RCW 82.32.060.

13        NEW SECTION.    **Sec. 7.**        (1) The sum of seventeen million eighty-  
14 eight thousand dollars from the general fund--state and the sum of  
15 twenty million eight hundred eighty-six thousand dollars from the  
16 general fund--federal are appropriated for the biennium ending June 30,  
17 1993, to the developmental disabilities program of the department of  
18 social and health services for prospective rate increases for  
19 intermediate care facilities for the mentally retarded to cover the  
20 medicaid share of the tax under section 3 of this act.

21        (2) The appropriations in this section shall lapse on the  
22 expiration date determined under section 1 of this act. Amounts that  
23 have been paid under this subsection, but are properly attributable to  
24 a period after that expiration date, shall be repaid or credited to the  
25 state as provided in rules of the department of revenue.

26        NEW SECTION.    **Sec. 8.**        This act is necessary for the immediate  
27 preservation of the public peace, health, or safety, or support of the  
28 state government and its existing public institutions, and shall take

1 effect April 1, 1992.