

SSB 6050 - S AMD
By Senator

1 On page 1, strike everything after the enacting clause and insert
2 the following:

3 "Sec. 1. RCW 82.45.060 and 2000 c 103 s 15 are each amended to
4 read as follows:

5 There is imposed an excise tax upon each sale of real property at
6 the rate of one and twenty-eight one-hundredths percent of the selling
7 price. An amount equal to (~~seven and seven-tenths~~) six and one-tenth
8 percent of the proceeds of this tax to the state treasurer shall be
9 deposited in the public works assistance account created in RCW
10 43.155.050. An amount equal to one and six-tenths percent of the
11 proceeds of this tax to the state treasurer shall be deposited in the
12 city-county assistance account created in section 2 of this act.

13 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.08 RCW
14 to read as follows:

15 (1) The city-county assistance account is created in the state
16 treasury. All receipts from real estate excise tax disbursements
17 provided under RCW 82.45.060 shall be deposited into the account.
18 Moneys in the account may be spent only after appropriation.
19 Expenditures from the account may be used only for the purposes
20 provided in this section.

21 (2) Funds deposited in the city-county assistance account shall be
22 distributed equally to the cities and counties.

23 (3)(a) Funds distributed to counties shall, to the extent possible,
24 increase the revenues received under RCW 82.14.030(1) by each county to
25 the greater of two hundred fifty thousand dollars or:

26 (i) For a county with an unincorporated population of one hundred
27 thousand or less, seventy percent of the statewide weighted average per
28 capita level of sales and use tax revenues collected under RCW
29 82.14.030(1) for the unincorporated areas of all counties imposing the
30 sales and use tax authorized under RCW 82.14.030(1) in the previous
31 calendar year; and

1 (ii) For a county with an unincorporated population of more than
2 one hundred thousand, sixty-five percent of the statewide weighted
3 average per capita level of sales and use tax revenues collected under
4 RCW 82.14.030(1) for the unincorporated areas of all counties imposing
5 the sales and use tax authorized under RCW 82.14.030(1) in the previous
6 calendar year.

7 (b) For each county with an unincorporated population of fifteen
8 thousand or less, the county shall receive the greater of the amount in
9 (a) of this subsection or the amount received in local government
10 assistance provided by section 716, chapter 276, Laws of 2004.

11 (c) For each county with an unincorporated population more than
12 fifteen thousand and less than twenty-two thousand, the county shall
13 receive in calendar year 2006 and 2007 the greater of the amount
14 provided in (a) of this subsection or the amount received in local
15 government assistance provided by section 716, chapter 276, Laws of
16 2004.

17 (d) To the extent that revenues are insufficient to fund the
18 distributions under this subsection, the distributions of all counties
19 as otherwise determined under this subsection shall be ratably reduced.

20 (e) To the extent that revenues exceed the amounts needed to fund
21 the distributions under this subsection, the excess funds shall be
22 divided ratably based upon unincorporated population among those
23 counties receiving funds under this subsection and imposing the tax
24 collected under RCW 82.14.030(2) at the maximum rate.

25 (4) (a) For each city with a population of five thousand or less
26 with a per capita assessed property value less than twice the statewide
27 average per capita assessed property value for all cities for the
28 calendar year previous to the certification under subsection (6) of
29 this section, the city shall receive the greater of the following three
30 amounts:

31 (i) An amount necessary to increase the revenues collected under
32 RCW 82.14.030(1) up to fifty-five percent of the statewide weighted
33 average per capita level of sales and use tax revenues collected under
34 RCW 82.14.030(1) for all cities imposing the sales and use tax
35 authorized under RCW 82.14.030(1) in the previous calendar year.

36 (ii) The amount received in local government assistance provided
37 for fiscal year 2005 by section 721, chapter 25, Laws of 2003 1st sp.
38 sess.

1 (iii) For a city with a per capita assessed property value less
2 than fifty-five percent of the statewide average per capita assessed
3 property value for all cities, an amount determined by subtracting the
4 city's per capita assessed property value from fifty-five percent of
5 the statewide average per capita assessed property value, dividing that
6 amount by one thousand, and multiplying the result by the city's
7 population.

8 (b) For each city with a population more than five thousand with a
9 per capita assessed property value less than the statewide average per
10 capita assessed property value for all cities for the calendar year
11 previous to the certification under subsection (6) of this section, the
12 city shall receive the greater of the following three amounts:

13 (i) An amount necessary to increase the revenues collected under
14 RCW 82.14.030(1) up to fifty percent of the statewide weighted average
15 per capita level of sales and use tax revenues collected under RCW
16 82.14.030(1) for all cities imposing the sales and use tax authorized
17 under RCW 82.14.030(1) in the previous calendar year.

18 (ii) For calendar year 2006 and 2007, the amount received in local
19 government assistance provided for fiscal year 2005 by section 721,
20 chapter 25, Laws of 2003 1st sp. sess.

21 (iii) For a city with a per capita assessed property value less
22 than fifty-five percent of the statewide average per capita assessed
23 property value for all cities, an amount determined by subtracting the
24 city's per capita assessed property value from fifty-five percent of
25 the statewide average per capita assessed property value, dividing that
26 amount by one thousand, and multiplying the result by the city's
27 population.

28 (c) No city may receive an amount greater than one hundred thousand
29 dollars a year under (a) or (b) of this subsection.

30 (d) To the extent that revenues are insufficient to fund the
31 distributions under this subsection, the distributions of all cities as
32 otherwise determined under this subsection shall be ratably reduced.

33 (e) To the extent that revenues exceed the amounts needed to fund
34 the distributions under this subsection, the excess funds shall be
35 divided ratably based upon population among those cities receiving
36 funds under this subsection and imposing the tax collected under RCW
37 82.14.030(2) at the maximum rate.

38 (f) This subsection only applies to cities incorporated prior to
39 the effective date of this section.

1 (5) The two hundred fifty thousand dollar amount in subsection (3)
2 of this section and the one hundred thousand dollar amount in
3 subsection (4) of this section shall be increased each year beginning
4 in calendar year 2006 by inflation as defined in RCW 84.55.005, as
5 determined by the department of revenue.

6 (6) Distributions under subsections (3) and (4) of this section
7 shall be made quarterly beginning on October 1, 2005, based on
8 population as last determined by the office of financial management.
9 The department of revenue shall certify the amounts to be distributed
10 under this section to the state treasurer. The certification shall be
11 made by October 1, 2005, for the October 1, 2005, distribution and the
12 January 1, 2006, distribution, based on calendar year 2004 collections.
13 The certification shall be made by March 1, 2006, for distributions
14 beginning April 1, 2006, and by March 1st of every year thereafter.
15 The March 1st certification shall be used for distributions occurring
16 on April 1st, July 1st, and October 1st of the year of certification
17 and on January 1st of the year following certification.

18 (7) All distributions to local governments from the city-county
19 assistance account constitute increases in state distributions of
20 revenue to political subdivisions for purposes of state reimbursement
21 for the costs of new programs and increases in service levels under RCW
22 43.135.060, including any claims or litigation pending against the
23 state on or after January 1, 2005.

24 NEW SECTION. **Sec. 3.** A new section is added to chapter 44.28 RCW
25 to read as follows:

26 During calendar year 2008, the joint legislative audit and review
27 committee shall review the distributions to cities and counties under
28 section 2 of this act to determine the extent to which the
29 distributions target the needs of cities and counties for which the
30 repeal of the motor vehicle excise tax had the greatest fiscal impact.
31 In conducting the study, the committee shall solicit input from the
32 cities and counties. The department of revenue and the state treasurer
33 shall provide the committee with any data within their purview that the
34 committee considers necessary to conduct the review. The committee
35 shall report to the legislature the results of its findings, and any
36 recommendations for changes to the distribution formulas under section
37 2 of this act, by December 31, 2008.

1 NEW SECTION. **Sec. 4.** This act takes effect August 1, 2005."

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5 On page 1, line 2 of the title, after "counties;" strike the
6 remainder of the title and insert "amending RCW 82.45.060; adding a new
7 section to chapter 43.08 RCW; adding a new section to chapter 44.28
8 RCW; and providing an effective date."

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