CERTIFICATION OF ENROLLMENT

**SUBSTITUTE HOUSE BILL 2168**

Chapter 451, Laws of 2019

66th Legislature

2019 Regular Session

CERTAIN HOSPITALS--BUSINESS AND OCCUPATION TAX EXEMPTION

EFFECTIVE DATE: July 1, 2019

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| Passed by the House April 26, 2019Yeas 93 Nays 4FRANK CHOPP**Speaker of the House of Representatives**Passed by the Senate April 28, 2019Yeas 47 Nays 1CYRUS HABIB**President of the Senate** | CERTIFICATEI, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 2168** as passed by the House of Representatives and the Senate on the dates hereon set forth.BERNARD DEANChief Clerk |
| Approved May 21, 2019 2:15 PM | May 21, 2019 |
| JAY INSLEE**Governor of the State of Washington** | **Secretary of State** **State of Washington** |

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**SUBSTITUTE HOUSE BILL 2168**

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Passed Legislature - 2019 Regular Session

**State of Washington 66th Legislature 2019 Regular Session**

**By** House Finance (originally sponsored by Representative Tarleton)

AN ACT Relating to tax preferences; adding a new section to chapter 82.04 RCW; creating a new section; providing an effective date; and declaring an emergency.

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

NEW SECTION. **Sec.**  This section is the tax preference performance statement for the tax preference contained in section 2, chapter . . ., Laws of 2019 (section 2 of this act). This performance statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(1) The legislature categorizes this tax preference as one intended to provide tax relief to certain eligible businesses, as indicated in RCW 82.32.808(2)(e).

(2) The joint legislative audit and review committee is directed to evaluate the role eligible hospitals play as safety net providers, using metrics including but not limited to:

(a) The monetary value of the following services provided by each eligible hospital:

(i) Uncompensated care, by category of health care services; and

(ii) Medicaid and medicare funded treatment, by category of health care services;

(b) Percentage and count of all clients served by each eligible hospital, by category of health care services, who:

(i) Receive uncompensated care; and

(ii) Use medicare or medicaid to pay for treatment; and

(c) Percentage and count of all clients served in all hospitals in Washington who:

(i) Receive uncompensated care from an eligible hospital, by category of health care services;

(ii) Use medicare and medicaid to pay for treatment from an eligible hospital, by category of health care services; and

(iii) Receive uncompensated trauma care from an eligible hospital.

(3) For the purposes of this section, "eligible hospital" means a taxpayer claiming the tax preference provided in section 2, chapter . . ., Laws of 2019 (section 2 of this act).

(4) In order to obtain the data necessary to perform the review in this section, the joint legislative audit and review committee may refer to data from the health care authority and the department of health, as well as any other available data sources.

NEW SECTION. **Sec.**  A new section is added to chapter 82.04 RCW to read as follows:

(1) This chapter does not apply to any person engaging within this state in business as a hospital, as defined in chapter 70.41 RCW, that is owned by a county with a population greater than two million and that is managed by a state university.

(2) This section expires January 1, 2030.

NEW SECTION. **Sec.**  This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2019.

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Passed by the House April 26, 2019.

Passed by the Senate April 28, 2019.

Approved by the Governor May 21, 2019.

Filed in Office of Secretary of State May 21, 2019.