

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

Passed by the House April 26, 2019
Yeas 93 Nays 4

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 28, 2019
Yeas 47 Nays 1

CYRUS HABIB

President of the Senate

Approved May 21, 2019 2:15 PM

JAY INSLEE

Governor of the State of Washington

CERTIFICATE

I, 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 DEAN

Chief Clerk

FILED

May 21, 2019

**Secretary of State
State of Washington**

SUBSTITUTE HOUSE BILL 2168

Passed Legislature - 2019 Regular Session

State of Washington 66th Legislature 2019 Regular Session

By House Finance (originally sponsored by Representative Tarleton)

READ FIRST TIME 04/26/19.

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

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

5 NEW SECTION. **Sec. 1.** This section is the tax preference
6 performance statement for the tax preference contained in section 2,
7 chapter . . ., Laws of 2019 (section 2 of this act). This performance
8 statement is only intended to be used for subsequent evaluation of
9 the tax preference. It is not intended to create a private right of
10 action by any party or be used to determine eligibility for
11 preferential tax treatment.

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

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

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

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

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

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

5 (i) Receive uncompensated care; and

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

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

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

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

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

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

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

22 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.04
23 RCW to read as follows:

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

28 (2) This section expires January 1, 2030.

29 NEW SECTION. **Sec. 3.** This act is necessary for the immediate
30 preservation of the public peace, health, or safety, or support of
31 the state government and its existing public institutions, and takes
32 effect July 1, 2019.

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.

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