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## Local Government Committee

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### HB 2348

**Brief Description:** Concerning county hospital funding.

**Sponsors:** Representatives Street, Chopp, Taylor, Fitzgibbon, Berry, Orwall, Davis, Alvarado, Farivar, Macri, Ryu, Riccelli and Ormsby.

#### Brief Summary of Bill

- Authorizes counties that establish hospitals to use county money, levy taxes, and issue bonds to pay, finance, or refinance capital expenses related to the hospital.
- Specifies that the tax imposed by counties who own hospitals is an additional regular property tax.
- Expands the uses for which the authorized county tax may be used to include the operation of the county hospital, capital expenses, and for payment of principal and interest on bonds issued for those purposes.

**Hearing Date:** 1/24/24

**Staff:** Elizabeth Allison (786-7129).

#### Background:

A county legislative authority is authorized to establish, provide, and maintain hospitals. For this purpose, counties may:

- purchase or lease real property or use county-owned land;
- erect all necessary buildings, make repairs and improvements, and alter existing buildings for the use of the hospital;
- use county money, levy taxes, and issue bonds to raise money to cover the cost of procuring the site of the hospital, constructing and operating the hospital, and for

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- maintaining the hospital; and
- accept and hold in trust any grant of land, gift or bequest of money, or any donation for the benefit of the hospital.

If a county hospital is established, the county may levy a tax in an amount up to 50 cents per \$1,000 of assessed value, in any year, for the maintenance of the hospital.

**Summary of Bill:**

Counties are authorized to use county money, levy taxes, and issue bonds to pay, finance, or refinance the cost of, rather than cover the cost of, procuring the site for a hospital, constructing and operating costs, and maintenance. Counties may also use county money, levy taxes, and issue bonds for hospital capital expenses.

The tax a county that establishes a hospital may impose is specified as an additional property tax. In addition to maintenance, the revenue may be used for the operation and capital expenses of the hospital and to pay the principal and interest on bonds issued for such purposes. The tax is not subject to aggregate regular levy rates and is not subject to the 1 percent levy growth limit for the first year the tax is imposed.

**Appropriation:** None.

**Fiscal Note:** Requested on January 21, 2024.

**Effective Date:** The bill contains multiple effective dates.