Washington State
House of Representatives
Office of Program Research

BILL ANALYSIS

Appropriations Committee

HB 1428

Brief Description: Concerning the county criminal justice assistance account and municipal criminal justice assistance account.

Sponsors: Representatives Rule, Richards, Timmons, Walen, Bergquist, Shavers, Pollet and Leavitt.

Brief Summary of Bill

- Adjusts the total base transfers by the State Treasurer to the County Criminal Justice Assistance Account from $23.2 million to $50 million. Requires the amount transferred in fiscal year 2026 to be increased by 50 percent, and the amount transferred for each fiscal year thereafter to be increased by the fiscal growth factor forecast for that year.
- Adjusts the total base transfers by the State Treasurer to the Municipal Criminal Justice Assistance Account from $4.6 million to $50 million. Requires the amount transferred in fiscal year 2026 to be increased by 50 percent, and the amount transferred for each fiscal year thereafter to be increased by the fiscal growth factor forecast for that year.
- Reduces the qualifications that municipalities must meet to receive funds from the Municipal Criminal Justice Assistance Account.

Hearing Date: 2/5/25

Staff: Sydney Jeffrey (786-7303).

Background:

Sales and Use Taxes.
The governing body of any county or city, while not required by legislative mandate to do so,

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may, by resolution or ordinance for the purposes authorized, impose a sales and use tax. Such tax must be collected from those persons who are taxable by the state, upon the occurrence of the taxable event within the county or city. The rate of such tax imposed by a county is 0.5 percent of: (1) the selling price in the case of a sales tax; or (2) the value of the article used in the case of a use tax. No city therein can impose a sales and use tax that exceeds 0.425 percent.

The governing body of any county or city may, by resolution or ordinance, impose an additional sales and use tax. Such additional tax must be collected upon the same taxable events upon which the initial sales and use tax is imposed. The rate of such an additional tax imposed by a city is up to 0.5 percent of: (1) the selling price in the case of a sales tax; or (2) the value of the article used in the case of a use tax.

Tax on Sale of Real Property Authorized.
Further, in lieu of an additional sales and use tax, the legislative authority of any county or city may impose an additional excise tax on each sale of real property in the unincorporated areas of the county for the county tax and in the corporate limits of the city for the city tax at a rate not exceeding 0.5 percent of the selling price.

County Criminal Justice Assistance Account.
The County Criminal Justice Assistance Account (County Account) was created in the State Treasury (Treasury) in fiscal year (FY) 1991. Moneys distributed from the County Account must be expended solely for criminal justice purposes. Beginning in FY 2000 the Office of the State Treasurer (OST) has been directed to transfer funds into the County Account, from the General Fund, the sum of $23.2 million divided into four equal deposits occurring on July 1, October 1, January 1, and April 1. For each fiscal year thereafter, the State Treasurer (Treasurer) must increase the total transfer by the fiscal growth factor forecast for that fiscal year. As of FY 2025 the total biennial transfers into this account is $129.9 million.

Municipal Criminal Justice Assistance Account.
The Municipal Criminal Justice Assistance Account (Municipal Account) was created in the Treasury in FY 1991. Moneys distributed from the Municipal Account must be expended solely for criminal justice purposes. Beginning in FY 2000 the OST has been directed to transfer funds into the Municipal Account, from the General Fund, the sum of $4.6 million divided into four equal deposits occurring on July 1, October 1, January 1, and April 1. For each fiscal year thereafter, the Treasurer must increase the total transfer by the fiscal growth factor forecast for that fiscal year. As of FY 2025 the total biennial transfers into this account is $51.7 million.

Summary of Bill:

The base annual total transfers into the County Criminal Justice Assistance Account (County Account) and Municipal Criminal Justice Assistance Account (Municipal Account) from the General Fund are adjusted. The base for the County Account is increased from $23.2 million to $50 million. The base for the Municipal Account is increased from $4.6 million to $50 million. In fiscal year (FY) 2026 the adjusted amounts that would otherwise be transferred into the

County Account and the Municipal Account are increased by 50 percent. Beginning in FY 2027, and each fiscal year thereafter, the State Treasurer must increase the total annual transfers into each account by the fiscal growth factor, as determined in the forecast for that respective fiscal year.

Qualifications for receipt of funds from the Municipal Account are adjusted. Municipalities no longer must:

- have levied an additional sales and use tax at the maximum rate or an additional excise tax on each sale of real property for the county tax and city tax at the maximum rate; and
- have a per capita yield from an additional sales and use tax at the maximum rate of less than 150 percent of the statewide average per capita yield for all cities from such local sale and use tax, to qualify to receive a distribution from the Municipal Account in a given fiscal year.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.