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HOUSE BILL 1368

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State of Washington

63rd Legislature

2013 Regular Session

By Representatives Tharinger, Springer, Orcutt, Ryu, Fey, Zeiger, Moscoso, Kochmar, Magendanz, Hayes, Sells, Hargrove, Morrell, and Freeman

Read first time 01/24/13. Referred to Committee on Local Government.

1 AN ACT Relating to the distribution of state liquor revenues to  
2 cities and counties; amending RCW 82.08.160, 82.08.170, 66.08.190, and  
3 66.08.210; and creating new sections.

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

5 **Sec. 1.** RCW 82.08.160 and 2012 2nd sp.s. c 5 s 3 are each amended  
6 to read as follows:

7 ((~~1~~)) On or before the twenty-fifth day of each month, all taxes  
8 collected under RCW 82.08.150 during the preceding month must be  
9 remitted to the state department of revenue, to be deposited with the  
10 state treasurer. (~~Except as provided in subsections (2) and (3) of~~  
11 ~~this section,~~) Upon receipt of such moneys the state treasurer must  
12 credit sixty-five percent of the sums collected and remitted under RCW  
13 82.08.150 (1) and (2) and one hundred percent of the sums collected and  
14 remitted under RCW 82.08.150 (3) and (4) to the state general fund and  
15 thirty-five percent of the sums collected and remitted under RCW  
16 82.08.150 (1) and (2) to a fund which is hereby created to be known as  
17 the "liquor excise tax fund."

18 (~~(2) During the 2012 fiscal year, 66.19 percent of the sums~~  
19 ~~collected and remitted under RCW 82.08.150 (1) and (2) must be~~

1 ~~deposited in the state general fund and the remainder collected and~~  
2 ~~remitted under RCW 82.08.150 (1) and (2) must be deposited in the~~  
3 ~~liquor excise tax fund.~~

4 ~~(3) During fiscal year 2013, all funds collected under RCW~~  
5 ~~82.08.150 (1), (2), (3), and (4) must be deposited into the state~~  
6 ~~general fund.)~~

7 **Sec. 2.** RCW 82.08.170 and 2012 2nd sp.s. c 5 s 4 are each amended  
8 to read as follows:

9 ~~(1) ((Except as provided in subsection (4) of this section,))~~  
10 During the months of January, April, July, and October of each year,  
11 the state treasurer must make the transfer((s)) required under  
12 subsection((s)) (2) ((and (3))) of this section from the liquor excise  
13 tax fund and then the apportionment and distribution of all remaining  
14 moneys in the liquor excise tax fund to the counties, cities, and towns  
15 in the following proportions: (a) Twenty percent of the moneys in the  
16 liquor excise tax fund must be divided among and distributed to the  
17 counties of the state in accordance with the provisions of RCW  
18 66.08.200; and (b) eighty percent of the moneys in the liquor excise  
19 tax fund must be divided among and distributed to the cities and towns  
20 of the state in accordance with the provisions of RCW 66.08.210.

21 (2) Each fiscal quarter and prior to making the twenty percent  
22 distribution to counties under subsection (1)(a) of this section, the  
23 treasurer shall transfer to the liquor revolving fund created in RCW  
24 66.08.170 sufficient moneys to fund the allotments from any legislative  
25 appropriations for county research and services as provided under  
26 chapter 43.110 RCW.

27 ~~((3) During the months of January, April, July, and October of~~  
28 ~~each year, the state treasurer must transfer two million five hundred~~  
29 ~~thousand dollars from the liquor excise tax fund to the state general~~  
30 ~~fund.~~

31 ~~(4) During calendar year 2012, the October distribution under~~  
32 ~~subsection (1) of this section and the July and October transfers under~~  
33 ~~subsections (2) and (3) of this section must not be made. During~~  
34 ~~calendar year 2013, the January, April, and July distributions under~~  
35 ~~subsection (1) of this section and transfers under subsections (2) and~~  
36 ~~(3) of this section must not be made.)~~

1       **Sec. 3.** RCW 66.08.190 and 2012 2nd sp.s. c 5 s 8 are each amended  
2 to read as follows:

3       (1) Prior to making the distribution(~~(s)~~) to cities described in  
4 subsection (~~((+2))~~) (3) of this section, (~~(amounts)~~) sufficient moneys  
5 must be retained to (~~(support)~~) fund the allotments under RCW 43.88.110  
6 from any legislative appropriation for (~~(municipal)~~) city research and  
7 services. The legislative appropriation for such services (~~(must be in~~  
8 ~~the amount specified)~~) may not be less than the amount required under  
9 RCW 66.24.065.

10       (2) Prior to making distributions described in subsection (3) of  
11 this section, the quarterly portion of the ten million dollar amount  
12 specified in RCW 66.24.065 must be disbursed to local jurisdictions.

13       (3)(a) When excess funds are distributed during the months of June,  
14 September, December, and March of each year, all moneys subject to  
15 distribution must be disbursed (~~(to border areas, counties, cities, and~~  
16 towns as provided in RCW 66.24.065.

17       ~~(3) The amount remaining after distributions under subsections (1)~~  
18 ~~and (2) of this section must be deposited into the general fund))~~ as  
19 follows:

20       (i) Three-tenths of one percent to border areas under RCW  
21 66.08.195;

22       (ii) Except as provided otherwise in (a)(iii) of this subsection,  
23 from the amount remaining after distribution under (a)(i) of this  
24 subsection:

25       (A) Fifty percent to the general fund of the state;

26       (B) Ten percent to the counties of the state; and

27       (C) Forty percent to the incorporated cities and towns of the  
28 state;

29       (iii) During fiscal year 2014 and fiscal year 2015, from the amount  
30 remaining after distribution under (a)(i) of this subsection:

31       (A) Fifty-five percent to the general fund of the state;

32       (B) Nine percent to the counties of the state; and

33       (C) Thirty-six percent to the incorporated cities and towns of the  
34 state.

35       (b) The total annual distributions to local governments under this  
36 subsection (3) may not be less than the amount required under RCW  
37 66.24.065, excluding the annual ten million dollar distribution in  
38 subsection (2) of this section.

1           **Sec. 4.** RCW 66.08.210 and 2012 2nd sp.s. c 5 s 11 are each amended  
2 to read as follows:

3           (1) With respect to the distribution of funds to the incorporated  
4 cities and towns (~~((under RCW 66.24.290(1)(e)))~~), the computations for  
5 distribution must be made by the state agency responsible for  
6 collecting the same as provided in subsection (2) of this section.

7           (2) The share coming to each eligible city or town must be  
8 determined by a division among the eligible cities and towns within the  
9 state ratably on the basis of population as last determined by the  
10 office of financial management. However, no city or town in which the  
11 sale of liquor is forbidden as the result of an election is entitled to  
12 any share in such distribution.

13           NEW SECTION.   **Sec. 5.** Section 2 of this act first applies to the  
14 October 2013 distribution and quarterly distributions thereafter.

15           NEW SECTION.   **Sec. 6.** Section 3 of this act first applies to the  
16 September 2013 distribution and quarterly distributions thereafter.

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