

HB 2028 A STAFF MEASURE SUMMARY

Carrier: Rep. Nathanson

House Committee On Revenue

Action Date: 03/15/21

Action: Do pass with amendments. (Printed A-Eng.)

Vote: 5-0-2-0

Yeas: 5 - Levy, Nathanson, Pham, Reschke, Smith G

Exc: 2 - Marsh, Smith Warner

Fiscal: No fiscal impact

Revenue: No revenue impact

Prepared By: Kaitlyn Harger, Economist

Meeting Dates: 3/1, 3/15

WHAT THE MEASURE DOES:

Eases process for cities to elect to receive state-shared revenues by removing the requirement for an enactment of an ordinance or resolution signaling intent to take election. Adds to statute a definition of "consolidated property taxes" for purposes to cities receiving state-shared revenues. Establishes timeline for the Department of Administrative Services (DAS) to determine the amount of property taxes due to cities. Eliminates obsolete statute references.

ISSUES DISCUSSED:

- Difficulties of sharing state revenues with local jurisdictions
- Issues related to sharing funds with small rural locals including turnover

EFFECT OF AMENDMENT:

Removes from the introduced version of the bill a section that would ease compliance requirements for cities related to state revenue sharing.

BACKGROUND:

Some state revenues are distributed to lower levels of government including cities. This bill clarifies and changes statute related to the process of revenue sharing.