

Financial Health of Local Government

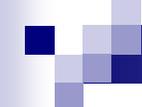


Senate Ways & Means Committee
February 8, 2005

<http://www1.leg.wa.gov/Senate/Committees/WM/>

State Assistance to Local Government

- Portions of State Levied Taxes (e.g. liquor tax).
- Low Interest Loans (e.g. Public Works Trust Fund).
- Grants:
 - Unrestricted financial assistance (e.g. I-695 backfill).
 - Grants for specific purposes (e.g. public health).



Major Revenue Impacts to Local Jurisdictions

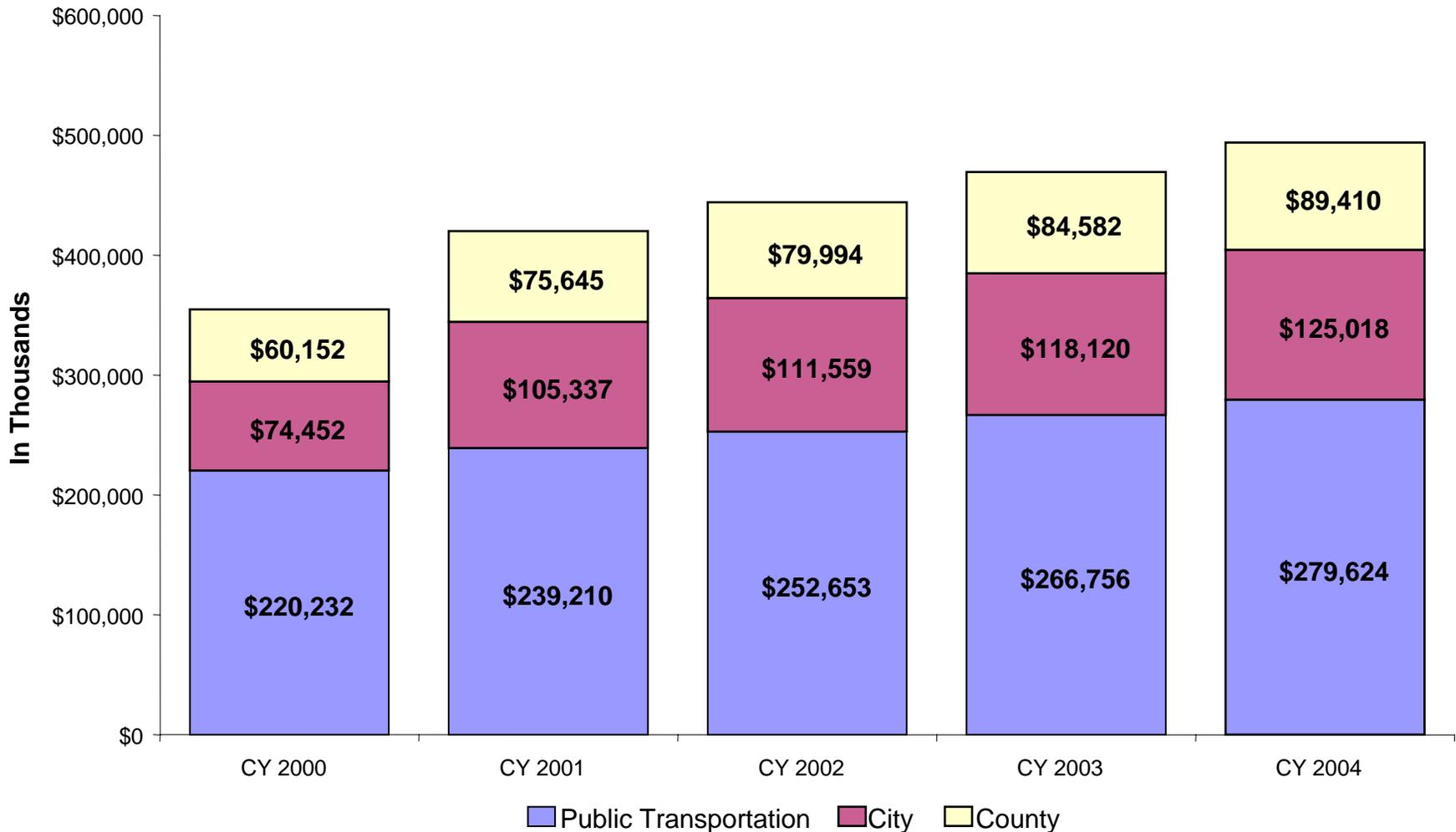
- I-695 repeal of the motor vehicle excise tax.
- Property tax changes through referendum and initiative.



The MVET provided many types of funding to local jurisdictions

- City and county sales tax equalization
- City and county criminal justice assistance
- Distressed county assistance
- City police and fire protection
- County public health
- Public transit distribution and equalization

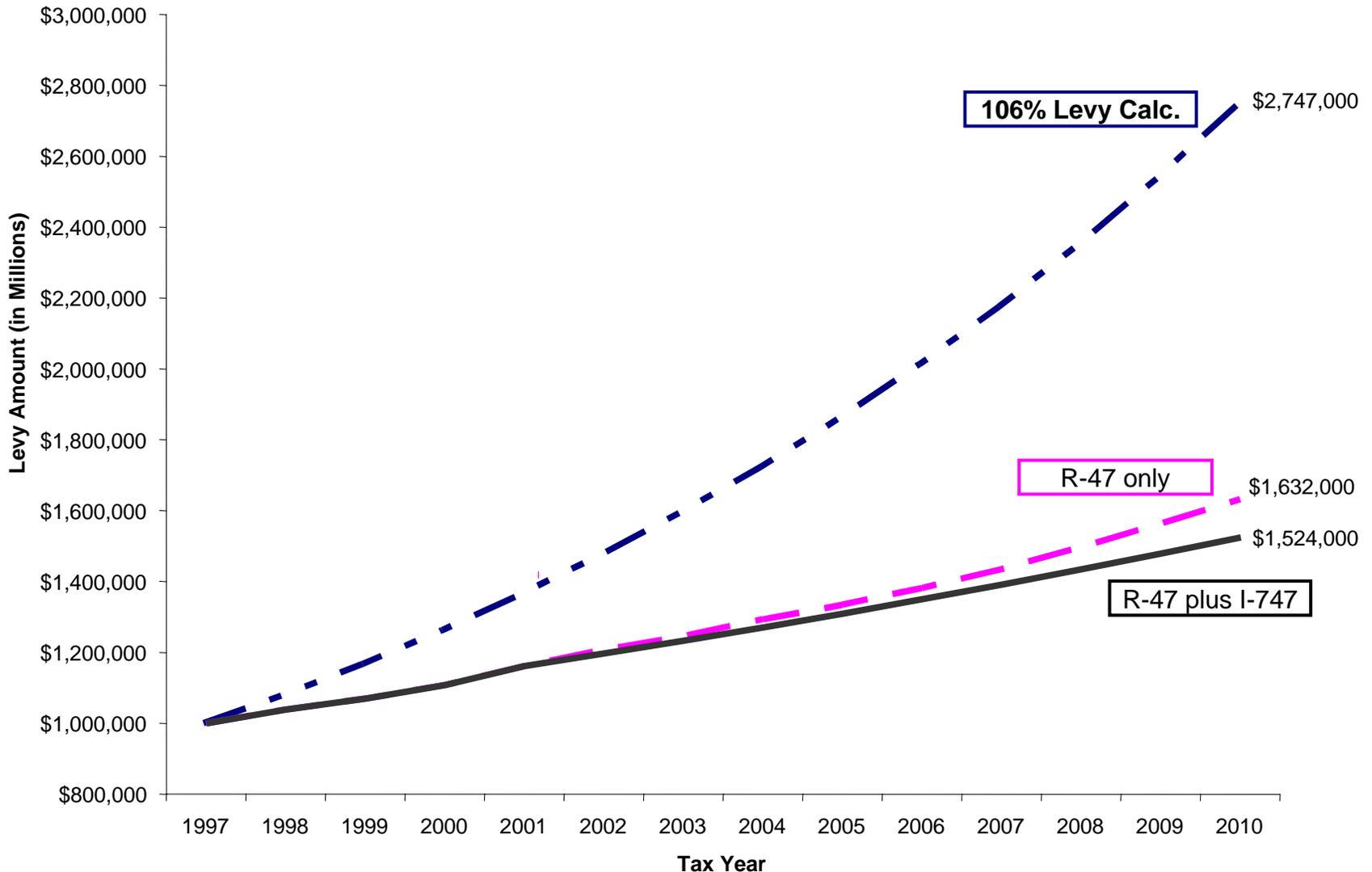
Local Jurisdiction Lost Revenues as a Result of the MVET Repeal



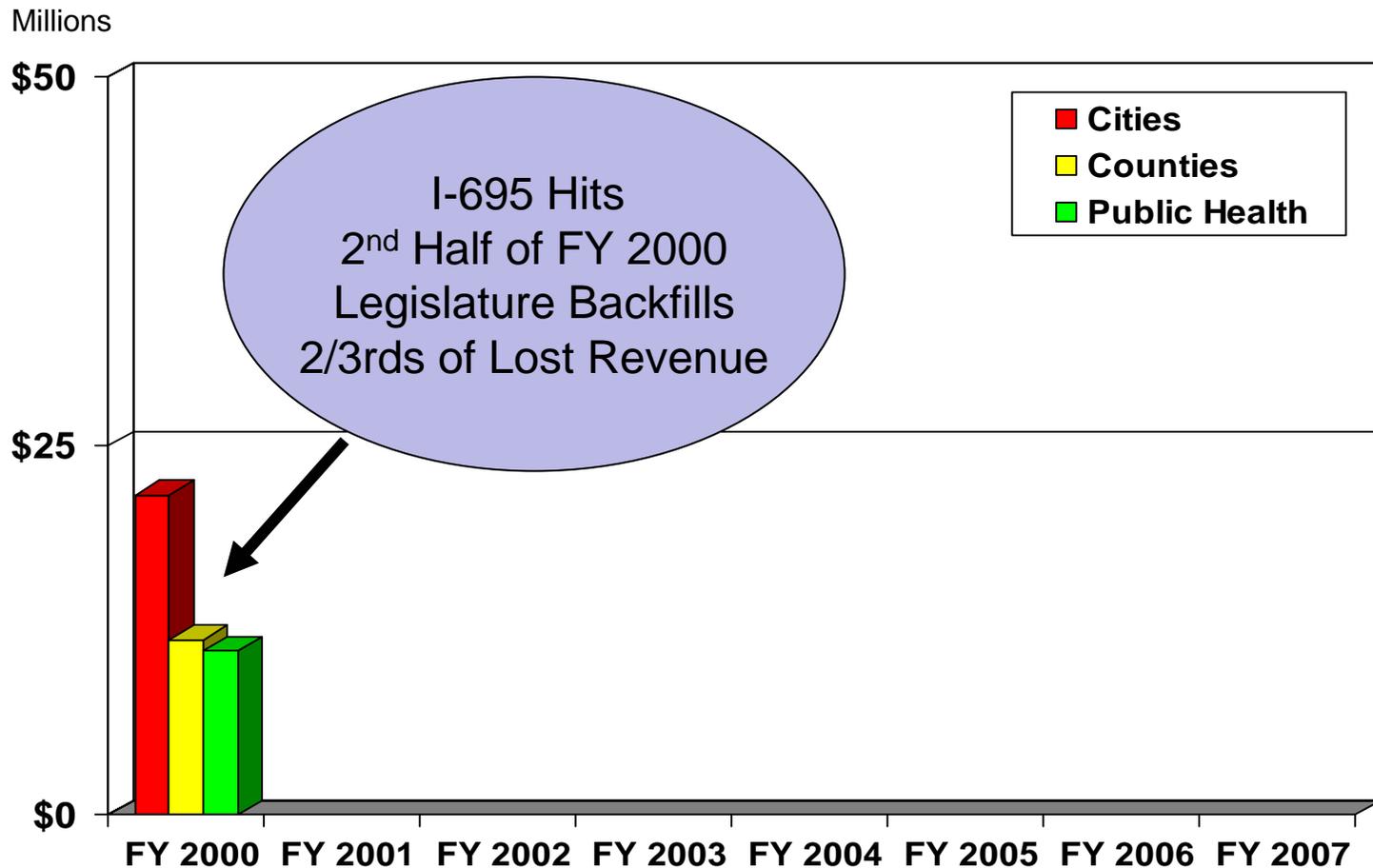
Property Tax Changes

- R47 – 1998. The levy limit was changed from a maximum of 6% to a maximum equal to the Implicit Price Deflator (IPD).
- I747 – 2002. The levy limit was limited to one percent.

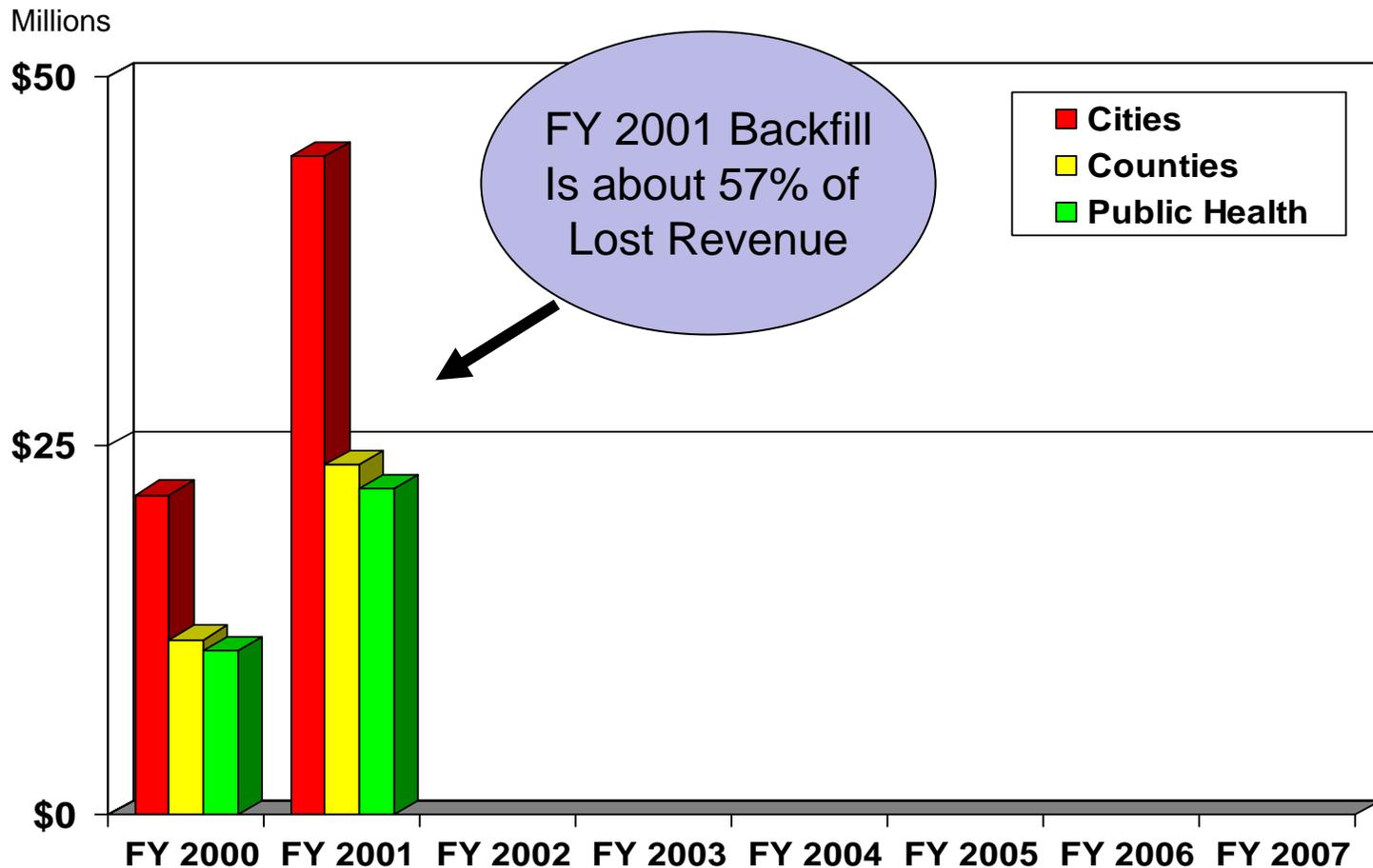
Effects of Initiatives and Referendums on a Hypothetical District Levy



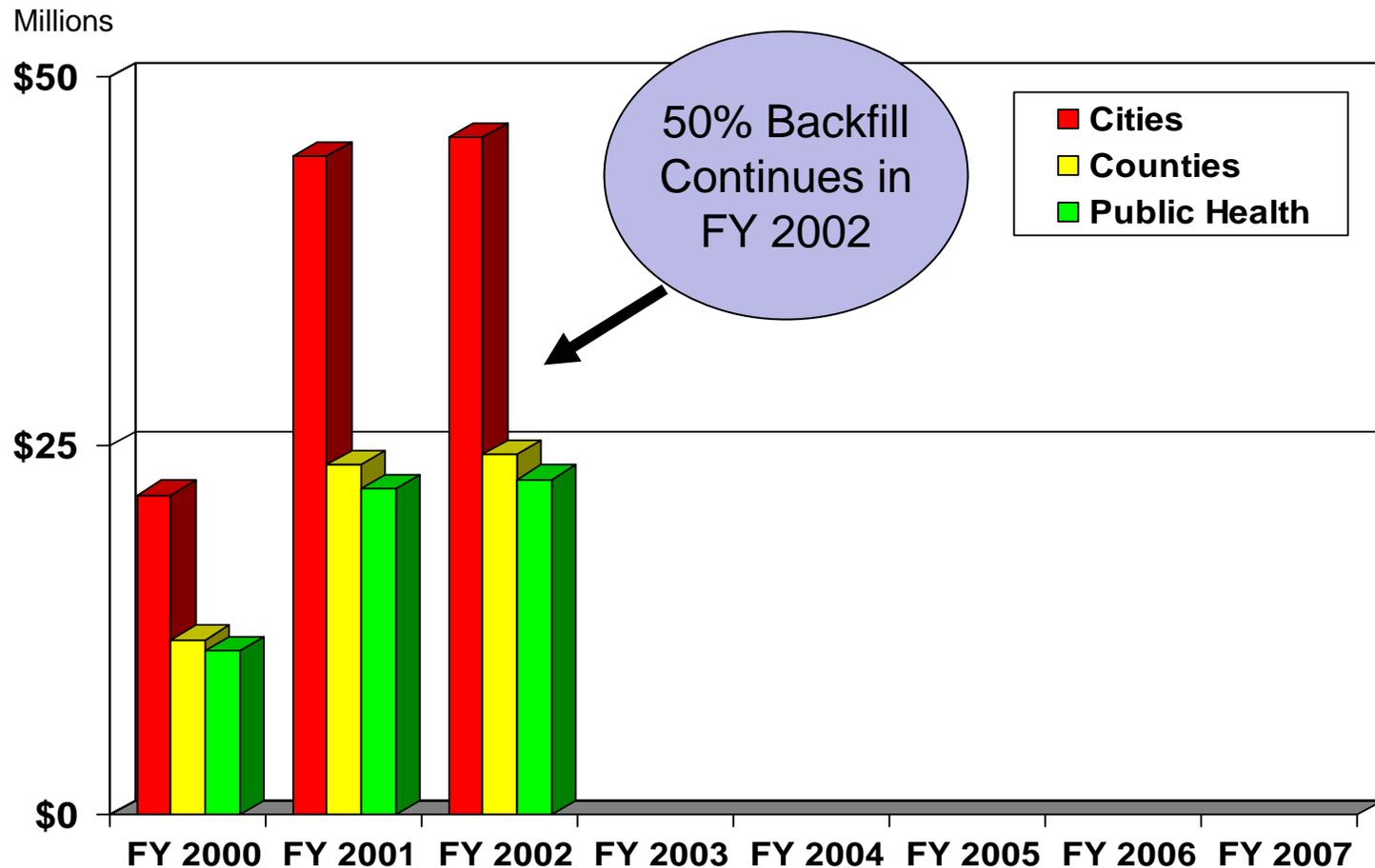
Local Government Assistance



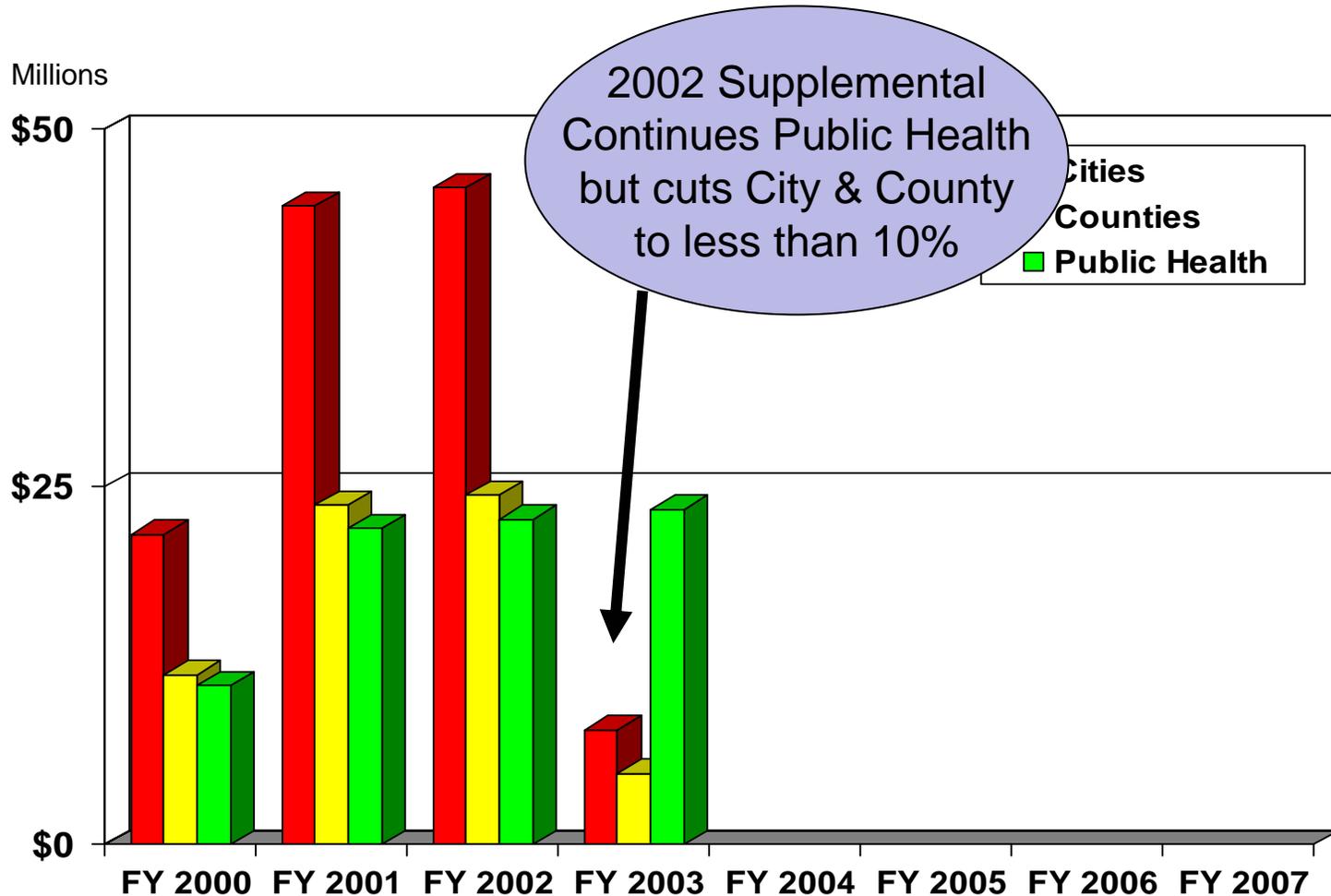
Local Government Assistance



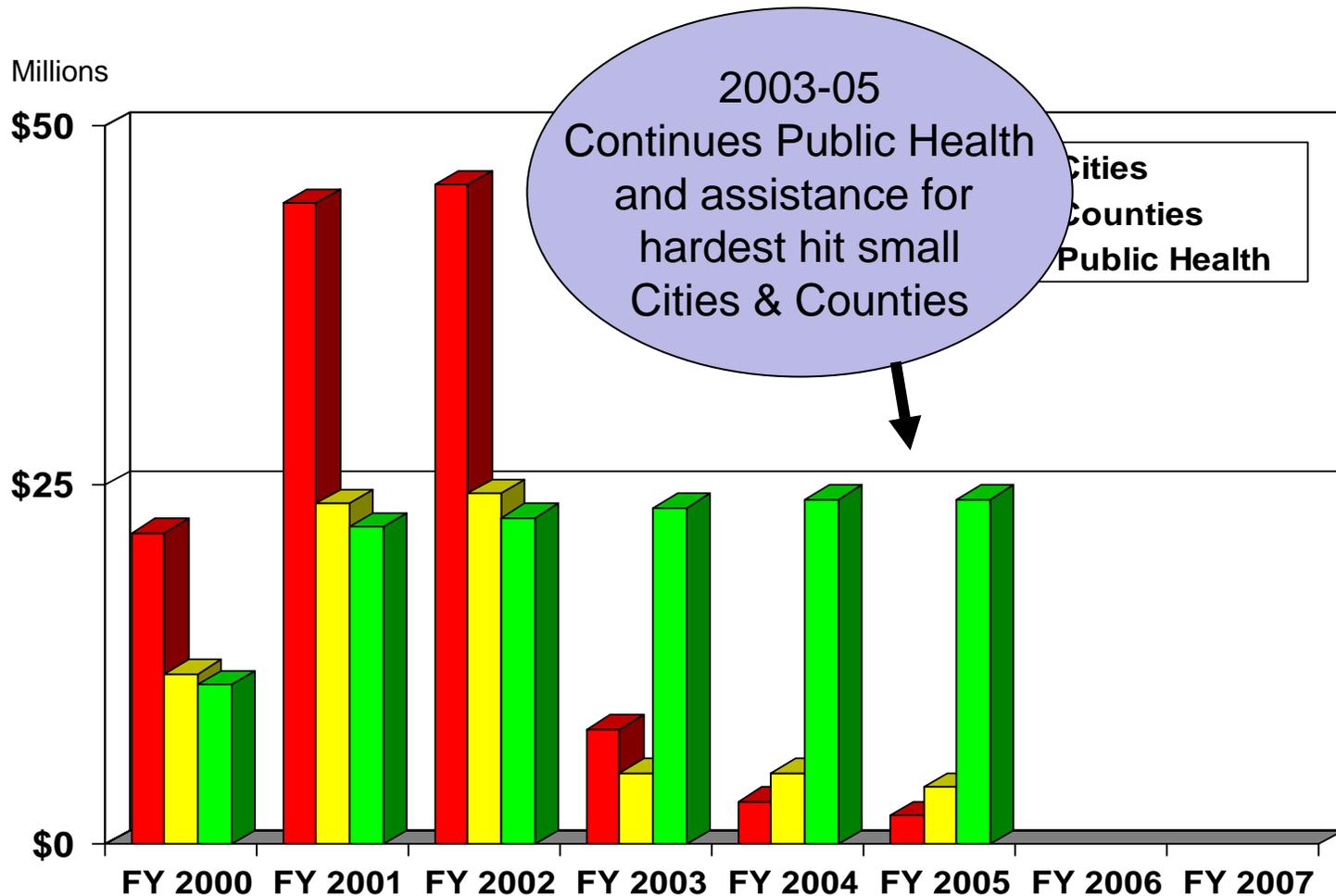
Local Government Assistance



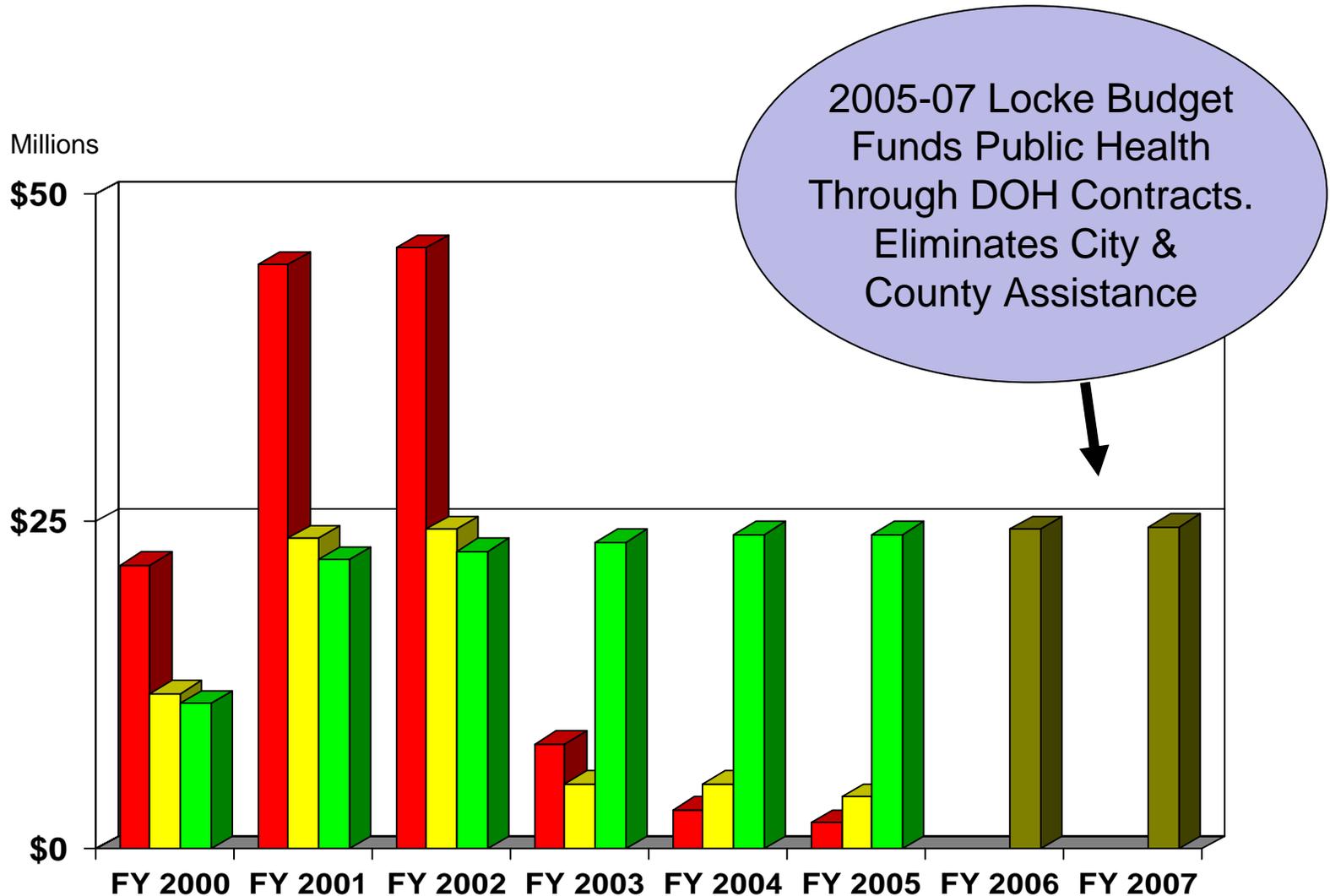
Local Government Assistance



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Local Government Assistance



I-695 Loss Net of Local Government Assistance

