
HOUSE BILL 2943

State of Washington

66th Legislature

2020 Regular Session

By Representative Robinson

1 AN ACT Relating to providing a business and occupation tax
2 preference for behavioral health administrative services
3 organizations; adding a new section to chapter 82.04 RCW; creating a
4 new section; providing an effective date; and providing an expiration
5 date.

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

7 NEW SECTION. **Sec. 1.** (1) This section is the tax preference
8 performance statement for the tax preference contained in section 2,
9 chapter . . ., Laws of 2020 (section 2 of this act). This performance
10 statement is only intended to be used for subsequent evaluation of
11 the tax preference. It is not intended to create a private right of
12 action by any party or to be used to determine eligibility for
13 preferential tax treatment.

14 (2) The legislature categorizes this tax preference as one
15 intended to accomplish a general purpose, reducing taxes so more
16 money can go directly to behavioral health services, as indicated in
17 RCW 82.32.808(2)(f).

18 (3) It is the legislature's specific public policy objective to
19 support behavioral health services that can prevent more serious and
20 costly health issues.

1 (4) If a review finds that the amount of funding available for
2 behavioral health services by these taxpayers increased, then the
3 legislature intends to extend the expiration date of the tax
4 preference.

5 (5) In order to obtain the data necessary to perform the review
6 in subsection (4) of this section, the joint legislative audit and
7 review committee may refer to any data collected by the state.

8 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.04
9 RCW to read as follows:

10 (1) A health or social welfare organization may deduct from the
11 measure of tax amounts received as compensation for providing mental
12 health services or substance use disorder treatment services under a
13 government-funded program.

14 (2) A behavioral health administrative services organization may
15 deduct from the measure of tax amounts received from the state of
16 Washington for distribution to a health or social welfare
17 organization that is eligible to deduct the distribution under
18 subsection (1) of this section.

19 (3) A person claiming a deduction under this section must file a
20 complete annual tax performance report with the department under RCW
21 82.32.534.

22 (4) The definitions in this subsection apply throughout this
23 section unless the context clearly requires otherwise.

24 (a) "Behavioral health administrative services organization" has
25 the same meaning as provided in RCW 71.24.025.

26 (b) "Health or social welfare organization" has the meaning
27 provided in RCW 82.04.431.

28 (c) "Mental health services" means mental health services as
29 described in chapter 71.24 RCW.

30 (d) "Substance use disorder treatment services" means substance
31 use disorder treatment services as described in chapter 71.24 RCW.

32 (5) This section expires January 1, 2031.

33 NEW SECTION. **Sec. 3.** This act takes effect July 1, 2020.

--- END ---