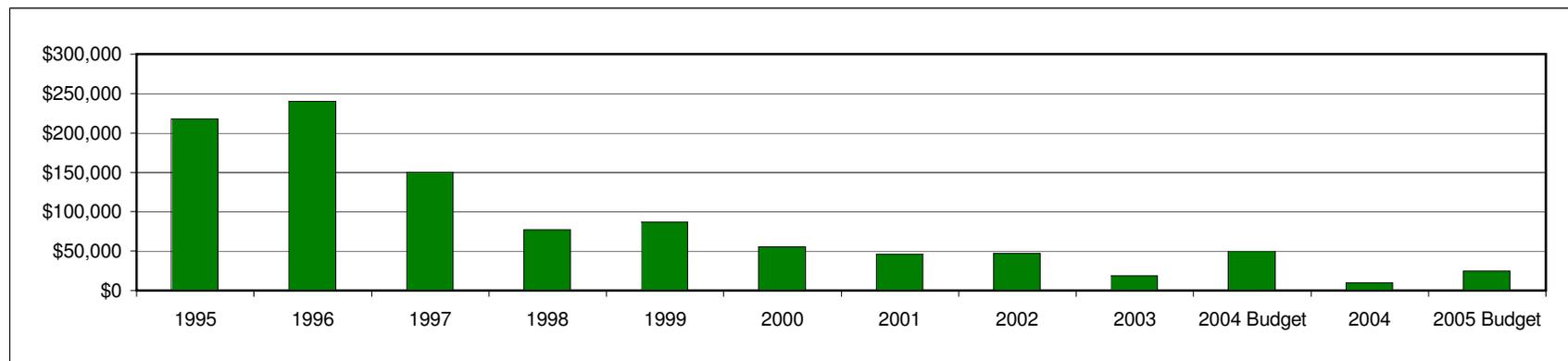


Criminal Justice - MVET

Perspectives

With the passage of I-695 MVET monies will no longer be distributed since the tax has been repealed, however, criminal justice funding will not completely disappear. In January 2000 the City will receive a payment that is unaffected by I-695 because it reflects revenues collected in the previous three months, however the remaining three quarters will see substantial drops in funding. The per capita distribution for these three quarters is estimated to be 28 cents, a reduction of 41%. In the year 2001 this rate is estimated to decline even further to 22 cents, for a 55% reduction. With the passage of SSB 5780 in 2003, some of the distribution criteria for the cities' criminal justice money distributed under RCW 82.14.330 have changed. Amounts previously distributed through CTED program grants is now going to be distributed purely on the basis of population.

	<u>2002</u>	<u>2003</u>	<u>2004 Budget</u>	<u>2004</u>	<u>2005 Budget</u>
Fund 000	\$47,137	\$18,962	\$50,000	\$9,888	\$25,000



Forecast Assumptions

- 2003 Unsure of future funding, we have left a modest budget for this revenue pending further information.
- 2004 MRSC estimate based on 0.7 per capita plus 0.21 per capita.
- 2005 Adjusted budget to more closely reflect funding received.

Authority and Rates

Tax/Revenue Base: The tax is based on the manufacturer's base suggested retail price when the vehicle is first offered for sale. Applied to the original base value is a statutory depreciation schedule contained in RCW 82.44.041.

RMC: Authority for this tax is established by the RCW.

RCW: 82.14.310
82.14.320
82.14.330

Background Information

As a result of Referendum 49 the manner in which the criminal justice accounts are funded has been changed. The two percentage distribution made by the state will fall from 1.1937% to 0.778% as of the October 1999 payment. This reduction will however be more than offset by cash transfers from the state general fund and will result in an approximately 22% increase in 1999 revenue over what we received in 1998. The increase in funds this year however is a one time event based on a variety of reasons. The state shares 16% of their MVET funds with cities throughout Washington and projects that in 2000 the rate will be 46 cents per capita and 49 cents per capita in 2001. The remaining funds are handed out partially based on crime rates, making it very difficult to forecast. However, this has now changed with the passage of I-695. MVET monies will no longer be distributed since the tax has been repealed, however, criminal justice funding will not completely disappear. In January 2000, the City received a payment that is unaffected by I-695 because it reflects revenues collected in the previous three months. However, the remaining three quarters will see substantial drops in funding. The per capita distribution for these three quarters is estimated to be 28 cents, a reduction of 41%. In the year 2001, this rate is estimated to decline even further to 22 cents for a 55% reduction.