

FINAL BILL REPORT

SB 5722

PARTIAL VETO

C 64 L 91

SYNOPSIS AS ENACTED

Brief Description: Providing a department-wide interest policy for the department of natural resources.

SPONSORS: Senators Oke and Owen; by request of Department of Natural Resources.

SENATE COMMITTEE ON ENVIRONMENT & NATURAL RESOURCES

HOUSE COMMITTEE ON NATURAL RESOURCES & PARKS

BACKGROUND:

The Department of Natural Resources operates under ten different statutes describing how interest charges will be assessed on items including late payments and interfund loans. Four statutes are very specific as to the amount of interest to be assessed, the source of the data to be used for assessing interest, and the program activity for which it applies. The remaining six statutes allow the Board of Natural Resources and/or the department to establish interest charges and procedures in the Washington Administrative Code.

The current mix of statutes affecting interest policy and procedures does not allow the department to have a consistent and uniform policy throughout the agency. For example, programs within the department have different interest rates for late payment charges. In addition, certain activities which use funds interchangeably and must account for this could presently charge different interest rates when accounting for these funds.

The department has recently drafted a preferred interest policy directing consistent and uniform interest charges for all similar activities throughout the agency. In order for this policy to be fully implemented, four statutes need to be amended to allow for one set of interest policies to be adopted and placed into the Washington Administrative Code. Current department contracts and agreements which specify interest charges will remain in effect until they expire or are renewed.

SUMMARY:

RCW 79.90.520 and 79.90.55 are reworded to state that late payment interest charges and related interest guidelines for

the activities covered by these statutes are established by the Board of Natural Resources.

RCW 76.04.620 and 76.04.630 are reworded to state that the interest rate for interfund loans will be the same as RCW 79.64.030.

VOTES ON FINAL PASSAGE:

Senate	44	0
House	97	0

EFFECTIVE: July 28, 1991

Partial Veto Summary: Sections are vetoed which would have given the Board of Natural Resources authority to set interest rates for the landowner contingency forest fire account. The rates will continue to be set by the State Treasurer. (See VETO MESSAGE)