

FINAL BILL REPORT

SB 6876

C 5 L 00 E2

Synopsis as Enacted

Brief Description: Transferring earnings from the emergency reserve fund to the multimodal transportation account.

Sponsors: Senators Loveland and Snyder.

Background: The Emergency Reserve Fund was established in 1995 by Initiative 601 and consists of all state General Fund revenues in excess of the state expenditure limit.

The Emergency Reserve Fund contained \$536 million at the conclusion of Fiscal Year 1999. The fund is in the state treasury and is managed and invested by the State Treasurer. Interest earnings on moneys in the Emergency Reserve Fund are retained by the fund.

Summary: Interest earnings of the Emergency Reserve Fund, up to \$35 million annually, are transferred quarterly to the Multimodal Transportation Account for use by transportation programs. If annual transfers of interest earnings are less than \$35 million, additional funds shall be transferred from the Emergency Reserve Fund to achieve the \$35 million transfer.

If a new, long-term revenue source for transportation programs is subsequently enacted, it is the intent of the Legislature that the new revenue source will replace the interest earnings, which will be returned to the Emergency Reserve Fund.

Votes on Final Passage:

Second Special Session

Senate 30 16

House 98 0

Effective: July 28, 2000