

HOUSE BILL REPORT

HB 2408

As Reported by House Committee On:
State Government
Appropriations

Title: An act relating to the combined fund drive.

Brief Description: Creating the combined fund drive account.

Sponsors: Representatives Romero, DeBolt, Hunt and Schmidt; by request of Department of Personnel.

Brief History:

Committee Activity:

State Government: 1/29/02, 2/1/02 [DP];

Appropriations: 2/6/02, 2/9/02 [DP].

Brief Summary of Bill

- Reorganizes the Washington State Combined Fund Drive and specifies where the funds are deposited and who adopts the rules.

HOUSE COMMITTEE ON STATE GOVERNMENT

Majority Report: Do pass. Signed by 6 members: Representatives Romero, Chair; Miloscia, Vice Chair; McMorris, Ranking Minority Member; McDermott, Schmidt and Upthegrove.

Staff: Bree Ramage (786-7617).

Background:

The Combined Fund Drive started in 1984 through an executive order by Governor John Spellman. It was reaffirmed in 2001 by Governor Gary Locke. Through executive order, a committee was established to conduct a single, annual, consolidated effort to secure funds for distribution to agencies engaged in charitable, public health, welfare, and social service purposes. The committee's role is to establish standards and criteria for participation in the annual fund drive. It determines which organizations may participate and it collects and distributes funds received through the annual campaign. The

Department of Personnel (DOP) is to provide administrative support for the operation of the committee.

The fund is maintained by the Washington State Employees Credit Union.

Department of Personnel Rules

Rules adopted by the DOP outline the duties of the committee as described in the executive orders. The rules specify that the committee should be known as the Washington State Employee Combined Fund Drive Committee and that it should consist of no more than 12 members appointed by the Governor for three year terms. Basic standards and criteria for determining agency eligibility are expressed in the regulations, as well as the required characteristics for federated (umbrella) organizations. Procedures for decertification and reconsideration are also laid out in the Washington Administrative Code.

Revised Code of Washington

The United Fund is defined by law as the organization conducting the annual fund drive. State officials or any of the state's political subdivisions authorized to pay wages are allowed to deduct from wages the amount of money designated by the employee for payment to the United Fund upon the employee's written request.

Summary of Bill:

In all sections of Washington law that refer to the United Fund, the code will be revised to refer to the United Fund or the Washington State Combined Fund Drive.

A new account, the Washington State Combined Fund Drive account, is created in the custody of the State Treasurer. All receipts from the Washington State Combined Fund Drive must be deposited into the account and all expenditures must be used for the beneficiaries of the drive. Only the director of the DOP or the director's designee may authorize such expenditures. The account is not subject to allotment procedures and an appropriation for expenditures is not required. The account will retain its interest earnings.

The director of the DOP is authorized to adopt rules, after consultation with state agencies, institutions of higher education, and employee organizations, for the operation of the Washington State Combined Fund Drive.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: The Washington State Combined Fund Drive was intended to consolidate all organizations into an annual fund drive overseen by a 10 person committee. It is not political in nature. State employees are given a choice of which charities to contribute to. Any charity who wishes to join the campaign completes an application. Moving the account from the credit union to the treasury was discussed with the treasurer. This bill was originally pursued in order to exempt any interest earned on the account so that the interest earned could go back into the fund to be doled out to charities. It was also important to clarify that the combined fund drive is authorized.

Testimony Against: None.

Testified: Eugene Matt and Scott Turner, Department of Personnel.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass. Signed by 25 members: Representatives Sommers, Chair; Doumit, 1st Vice Chair; Fromhold, 2nd Vice Chair; Sehlin, Ranking Minority Member; Alexander, Boldt, Buck, Clements, Cody, Cox, Dunshee, Grant, Kagi, Kenney, Kessler, Linville, Lisk, Mastin, McIntire, Pearson, Pflug, Ruderman, Schual-Berke, Talcott and Tokuda.

Staff: Andrea Hardy (786-7349).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On State Government:

No new changes were recommended.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: None.

Testimony Against: None.

Testified: None.