FINAL BILL REPORT
HB 1198

C 141 L 01

Synopsis as Enacted

Brief Description: Including drinking water accounts in interest-bearing accounts.

Sponsors: By Representatives G. Chandler and Cooper; by request of Department of Health.

House Committee on Agriculture & Ecology
House Committee on Appropriations
Senate Committee on Environment, Energy & Water

Background:

The Drinking Water Assistance Account (DWAC) was created in the state treasury in 1995. The stated purpose of this account is to allow the state to use federal funding, made available to states as part of the reauthorization of the federal Safe Drinking Water Act, to fund a state revolving loan fund program. The loan program is administered through the Department of Health, the Public Works Board, and the Department of Community, Trade and Economic Development. The statute specifies any necessary subaccounts may be created within this account.

The account funds are to be used to assist local governments and water systems to provide safe and reliable drinking water, to provide services and assistance authorized by federal law, and to administer the revolving loan program. The account is specifically authorized to receive interest, and the interest transferred to the account may be used for eligible account purposes.

According to the Department of Health, a subaccount was established in 1999 as a separate account for processing fees charged for revolving fund loans from the DWAC. The department reports that interest is being transferred to this subaccount through an interim agreement with the Office of Financial Management.

Summary:

The Drinking Water Assistance Administrative Account and the Drinking Water Assistance Repayment Account are created in the state treasury. These two accounts are specifically authorized to receive proportionate shares of interest based on their average daily balance.

Votes on Final Passage:

House 94 0
Senate 47 0

Effective: July 22, 2001