

SSB 6442 - H COMM AMD

By Committee on Capital Budget

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature finds that: There are
4 unmet needs for community-based services for persons with
5 developmental disabilities and excess resources at residential
6 habilitation centers unrelated to current residential habilitation
7 center operations; funding shortfalls in the 2003-2005 biennium and
8 beyond may adversely impact the ability of the state to fund
9 programs for growing numbers of unserved persons with developmental
10 disabilities who need community-based services; and statistics
11 generated by the department of social and health services' division
12 of developmental disabilities demonstrate a growing caseload with
13 insufficient funding and planning to address this growth.

14 The December 4, 2002, capital study of the division of
15 developmental disabilities residential habilitation centers by the
16 joint legislative audit and review committee identifies options to
17 dispose of excess property at Lakeland Village, Rainier School, and
18 Yakima Valley School that would not impact current residential
19 habilitation center operations.

20 It is the intent of the legislature to allow use of these
21 excess capital properties at residential habilitation centers for
22 persons with developmental disabilities and to place the proceeds
23 from their use into a perpetual trust account for unserved persons
24 with developmental disabilities waiting for community-based
25 developmental disability services.

26 NEW SECTION. **Sec. 2.** A new section is added to chapter 71A.20
27 RCW to read as follows:

28 (1) Excess property identified in the 2002 joint legislative
29 audit and review committee capital study of the division of

1 developmental disabilities residential habilitation centers must be
2 managed to provide as much income as feasible and this income
3 deposited into the developmental disabilities community trust
4 account created in section 3 of this act. Income may come from
5 lease of the land, conservation easements, sale of timber, or other
6 activities short of sale of the property.

7 (2) The department shall report on its efforts and strategies
8 to provide income to the developmental disabilities community trust
9 account from the excess property identified in subsection (1) of
10 this section from the lease of the property, sale of timber, or
11 other activity short of sale of the property. The department shall
12 report by June 30, 2005.

13 (3) This section and section 3 of this act shall not apply to
14 the portion of excess property at Rainier school under the
15 cognizance and control of Washington State University used for
16 extension services and not a dairy.

17 NEW SECTION. **Sec. 3.** A new section is added to chapter 71A.20
18 RCW to read as follows:

19 The developmental disabilities community trust account is
20 created in the state treasury. All income from the use of excess
21 property identified in the 2002 joint legislative audit and review
22 committee capital study of the division of developmental
23 disabilities residential habilitation centers, any building,
24 facility, or tract of land not held in trust at any of the
25 residential habilitation centers identified in this chapter, or
26 sale of timber on these excess lands, must be deposited into this
27 account. "Excess property" does not include property that would
28 impact current residential habilitation operations or is necessary
29 to support the mission of the residential habilitation center.
30 Only investment income from the principal of the proceeds deposited
31 into the trust account may be spent from the account. Investment
32 income from the account may be spent only after appropriation and
33 must be used solely for community developmental disability services
34 for persons with developmental disabilities who are unserved.
35 Moneys in the account may not be used to supplant ongoing
36 expenditures for community services to persons with developmental
37 disabilities.

1 **Sec. 4.** RCW 43.84.092 and 2003 c 361 s 602, 2003 c 324 s 1,
2 and 2003 c 48 s 2 are each reenacted and amended to read as
3 follows:

4 (1) All earnings of investments of surplus balances in the
5 state treasury shall be deposited to the treasury income account,
6 which account is hereby established in the state treasury.

7 (2) The treasury income account shall be utilized to pay or
8 receive funds associated with federal programs as required by the
9 federal cash management improvement act of 1990. The treasury
10 income account is subject in all respects to chapter 43.88 RCW, but
11 no appropriation is required for refunds or allocations of interest
12 earnings required by the cash management improvement act. Refunds
13 of interest to the federal treasury required under the cash
14 management improvement act fall under RCW 43.88.180 and shall not
15 require appropriation. The office of financial management shall
16 determine the amounts due to or from the federal government
17 pursuant to the cash management improvement act. The office of
18 financial management may direct transfers of funds between accounts
19 as deemed necessary to implement the provisions of the cash
20 management improvement act, and this subsection. Refunds or
21 allocations shall occur prior to the distributions of earnings set
22 forth in subsection (4) of this section.

23 (3) Except for the provisions of RCW 43.84.160, the treasury
24 income account may be utilized for the payment of purchased banking
25 services on behalf of treasury funds including, but not limited to,
26 depository, safekeeping, and disbursement functions for the state
27 treasury and affected state agencies. The treasury income account
28 is subject in all respects to chapter 43.88 RCW, but no
29 appropriation is required for payments to financial institutions.
30 Payments shall occur prior to distribution of earnings set forth in
31 subsection (4) of this section.

32 (4) Monthly, the state treasurer shall distribute the earnings
33 credited to the treasury income account. The state treasurer shall
34 credit the general fund with all the earnings credited to the
35 treasury income account except:

36 (a) The following accounts and funds shall receive their
37 proportionate share of earnings based upon each account's and
38 fund's average daily balance for the period: The capitol building
39 construction account, the Cedar River channel construction and

1 operation account, the Central Washington University capital
2 projects account, the charitable, educational, penal and
3 reformatory institutions account, the common school construction
4 fund, the county criminal justice assistance account, the county
5 sales and use tax equalization account, the data processing
6 building construction account, the deferred compensation
7 administrative account, the deferred compensation principal
8 account, the department of retirement systems expense account, the
9 developmental disabilities community trust account, the drinking
10 water assistance account, the drinking water assistance
11 administrative account, the drinking water assistance repayment
12 account, the Eastern Washington University capital projects
13 account, the education construction fund, the election account, the
14 emergency reserve fund, The Evergreen State College capital
15 projects account, the federal forest revolving account, the health
16 services account, the public health services account, the health
17 system capacity account, the personal health services account, the
18 state higher education construction account, the higher education
19 construction account, the highway infrastructure account, the
20 industrial insurance premium refund account, the judges' retirement
21 account, the judicial retirement administrative account, the
22 judicial retirement principal account, the local leasehold excise
23 tax account, the local real estate excise tax account, the local
24 sales and use tax account, the medical aid account, the mobile home
25 park relocation fund, the multimodal transportation account, the
26 municipal criminal justice assistance account, the municipal sales
27 and use tax equalization account, the natural resources deposit
28 account, the oyster reserve land account, the perpetual
29 surveillance and maintenance account, the public employees'
30 retirement system plan 1 account, the public employees' retirement
31 system combined plan 2 and plan 3 account, the public facilities
32 construction loan revolving account beginning July 1, 2004, the
33 public health supplemental account, the Puyallup tribal settlement
34 account, the regional transportation investment district account,
35 the resource management cost account, the site closure account, the
36 special wildlife account, the state employees' insurance account,
37 the state employees' insurance reserve account, the state
38 investment board expense account, the state investment board
39 commingled trust fund accounts, the supplemental pension account,

1 the Tacoma Narrows toll bridge account, the teachers' retirement
2 system plan 1 account, the teachers' retirement system combined
3 plan 2 and plan 3 account, the tobacco prevention and control
4 account, the tobacco settlement account, the transportation
5 infrastructure account, the tuition recovery trust fund, the
6 University of Washington bond retirement fund, the University of
7 Washington building account, the volunteer fire fighters' and
8 reserve officers' relief and pension principal fund, the volunteer
9 fire fighters' and reserve officers' administrative fund, the
10 Washington fruit express account, the Washington judicial
11 retirement system account, the Washington law enforcement officers'
12 and fire fighters' system plan 1 retirement account, the Washington
13 law enforcement officers' and fire fighters' system plan 2
14 retirement account, the Washington school employees' retirement
15 system combined plan 2 and 3 account, the Washington state health
16 insurance pool account, the Washington state patrol retirement
17 account, the Washington State University building account, the
18 Washington State University bond retirement fund, the water
19 pollution control revolving fund, and the Western Washington
20 University capital projects account. Earnings derived from
21 investing balances of the agricultural permanent fund, the normal
22 school permanent fund, the permanent common school fund, the
23 scientific permanent fund, and the state university permanent fund
24 shall be allocated to their respective beneficiary accounts. All
25 earnings to be distributed under this subsection (4)(a) shall first
26 be reduced by the allocation to the state treasurer's service fund
27 pursuant to RCW 43.08.190.

28 (b) The following accounts and funds shall receive eighty
29 percent of their proportionate share of earnings based upon each
30 account's or fund's average daily balance for the period: The
31 aeronautics account, the aircraft search and rescue account, the
32 county arterial preservation account, the department of licensing
33 services account, the essential rail assistance account, the ferry
34 bond retirement fund, the grade crossing protective fund, the high
35 capacity transportation account, the highway bond retirement fund,
36 the highway safety account, the motor vehicle fund, the motorcycle
37 safety education account, the pilotage account, the public
38 transportation systems account, the Puget Sound capital
39 construction account, the Puget Sound ferry operations account, the

1 recreational vehicle account, the rural arterial trust account, the
2 safety and education account, the special category C account, the
3 state patrol highway account, the transportation 2003 account
4 (nickel account), the transportation equipment fund, the
5 transportation fund, the transportation improvement account, the
6 transportation improvement board bond retirement account, and the
7 urban arterial trust account.

8 (5) In conformance with Article II, section 37 of the state
9 Constitution, no treasury accounts or funds shall be allocated
10 earnings without the specific affirmative directive of this
11 section.

12 **Sec. 5.** RCW 43.84.092 and 2003 c 361 s 602, 2003 c 324 s 1,
13 2003 c 150 s 2, and 2003 c 48 s 2 are each reenacted and amended to
14 read as follows:

15 (1) All earnings of investments of surplus balances in the
16 state treasury shall be deposited to the treasury income account,
17 which account is hereby established in the state treasury.

18 (2) The treasury income account shall be utilized to pay or
19 receive funds associated with federal programs as required by the
20 federal cash management improvement act of 1990. The treasury
21 income account is subject in all respects to chapter 43.88 RCW, but
22 no appropriation is required for refunds or allocations of interest
23 earnings required by the cash management improvement act. Refunds
24 of interest to the federal treasury required under the cash
25 management improvement act fall under RCW 43.88.180 and shall not
26 require appropriation. The office of financial management shall
27 determine the amounts due to or from the federal government
28 pursuant to the cash management improvement act. The office of
29 financial management may direct transfers of funds between accounts
30 as deemed necessary to implement the provisions of the cash
31 management improvement act, and this subsection. Refunds or
32 allocations shall occur prior to the distributions of earnings set
33 forth in subsection (4) of this section.

34 (3) Except for the provisions of RCW 43.84.160, the treasury
35 income account may be utilized for the payment of purchased banking
36 services on behalf of treasury funds including, but not limited to,
37 depository, safekeeping, and disbursement functions for the state
38 treasury and affected state agencies. The treasury income account

1 is subject in all respects to chapter 43.88 RCW, but no
2 appropriation is required for payments to financial institutions.
3 Payments shall occur prior to distribution of earnings set forth in
4 subsection (4) of this section.

5 (4) Monthly, the state treasurer shall distribute the earnings
6 credited to the treasury income account. The state treasurer shall
7 credit the general fund with all the earnings credited to the
8 treasury income account except:

9 (a) The following accounts and funds shall receive their
10 proportionate share of earnings based upon each account's and
11 fund's average daily balance for the period: The capitol building
12 construction account, the Cedar River channel construction and
13 operation account, the Central Washington University capital
14 projects account, the charitable, educational, penal and
15 reformatory institutions account, the common school construction
16 fund, the county criminal justice assistance account, the county
17 sales and use tax equalization account, the data processing
18 building construction account, the deferred compensation
19 administrative account, the deferred compensation principal
20 account, the department of retirement systems expense account, the
21 developmental disabilities community trust account, the drinking
22 water assistance account, the drinking water assistance
23 administrative account, the drinking water assistance repayment
24 account, the Eastern Washington University capital projects
25 account, the education construction fund, the election account, the
26 emergency reserve fund, The Evergreen State College capital
27 projects account, the federal forest revolving account, the health
28 services account, the public health services account, the health
29 system capacity account, the personal health services account, the
30 state higher education construction account, the higher education
31 construction account, the highway infrastructure account, the
32 industrial insurance premium refund account, the judges' retirement
33 account, the judicial retirement administrative account, the
34 judicial retirement principal account, the local leasehold excise
35 tax account, the local real estate excise tax account, the local
36 sales and use tax account, the medical aid account, the mobile home
37 park relocation fund, the multimodal transportation account, the
38 municipal criminal justice assistance account, the municipal sales
39 and use tax equalization account, the natural resources deposit

1 account, the oyster reserve land account, the perpetual
2 surveillance and maintenance account, the public employees'
3 retirement system plan 1 account, the public employees' retirement
4 system combined plan 2 and plan 3 account, the public facilities
5 construction loan revolving account beginning July 1, 2004, the
6 public health supplemental account, the public works assistance
7 account, the Puyallup tribal settlement account, the regional
8 transportation investment district account, the resource management
9 cost account, the site closure account, the special wildlife
10 account, the state employees' insurance account, the state
11 employees' insurance reserve account, the state investment board
12 expense account, the state investment board commingled trust fund
13 accounts, the supplemental pension account, the Tacoma Narrows toll
14 bridge account, the teachers' retirement system plan 1 account, the
15 teachers' retirement system combined plan 2 and plan 3 account, the
16 tobacco prevention and control account, the tobacco settlement
17 account, the transportation infrastructure account, the tuition
18 recovery trust fund, the University of Washington bond retirement
19 fund, the University of Washington building account, the volunteer
20 fire fighters' and reserve officers' relief and pension principal
21 fund, the volunteer fire fighters' and reserve officers'
22 administrative fund, the Washington fruit express account, the
23 Washington judicial retirement system account, the Washington law
24 enforcement officers' and fire fighters' system plan 1 retirement
25 account, the Washington law enforcement officers' and fire
26 fighters' system plan 2 retirement account, the Washington school
27 employees' retirement system combined plan 2 and 3 account, the
28 Washington state health insurance pool account, the Washington
29 state patrol retirement account, the Washington State University
30 building account, the Washington State University bond retirement
31 fund, the water pollution control revolving fund, and the Western
32 Washington University capital projects account. Earnings derived
33 from investing balances of the agricultural permanent fund, the
34 normal school permanent fund, the permanent common school fund, the
35 scientific permanent fund, and the state university permanent fund
36 shall be allocated to their respective beneficiary accounts. All
37 earnings to be distributed under this subsection (4)(a) shall first
38 be reduced by the allocation to the state treasurer's service fund
39 pursuant to RCW 43.08.190.

1 (b) The following accounts and funds shall receive eighty
2 percent of their proportionate share of earnings based upon each
3 account's or fund's average daily balance for the period: The
4 aeronautics account, the aircraft search and rescue account, the
5 county arterial preservation account, the department of licensing
6 services account, the essential rail assistance account, the ferry
7 bond retirement fund, the grade crossing protective fund, the high
8 capacity transportation account, the highway bond retirement fund,
9 the highway safety account, the motor vehicle fund, the motorcycle
10 safety education account, the pilotage account, the public
11 transportation systems account, the Puget Sound capital
12 construction account, the Puget Sound ferry operations account, the
13 recreational vehicle account, the rural arterial trust account, the
14 safety and education account, the special category C account, the
15 state patrol highway account, the transportation 2003 account
16 (nickel account), the transportation equipment fund, the
17 transportation fund, the transportation improvement account, the
18 transportation improvement board bond retirement account, and the
19 urban arterial trust account.

20 (5) In conformance with Article II, section 37 of the state
21 Constitution, no treasury accounts or funds shall be allocated
22 earnings without the specific affirmative directive of this
23 section.

24 NEW SECTION. **Sec. 6.** This act is necessary for the immediate
25 preservation of the public peace, health, or safety, or support of
26 the state government and its existing public institutions, and
27 takes effect immediately, except for section 5 of this act which
28 takes effect July 1, 2005.

29 NEW SECTION. **Sec. 7.** Section 4 of this act expires July 1,
30 2005."

31 Correct the title.

EFFECT: Rather than selling the excess property and depositing
the sale proceeds in the trust account, the excess property
must be managed to provide income to the extent feasible short
of sale of the property. The property managed by Washington

State University at Rainier School is exempt from producing income for the trust. Yakima Valley School is included, and clarification is made that excess property does not include property necessary to support the mission of the residential habilitation center.