

# SENATE BILL REPORT

## SB 6442

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As Reported By Senate Committee On:  
Ways & Means, February 4, 2004

**Title:** An act relating to the developmental disabilities community trust account.

**Brief Description:** Creating the developmental disabilities community trust account.

**Sponsors:** Senators Zarelli, Prentice, Parlette, Regala, Hargrove, Hewitt, Winsley, B. Sheldon, Esser, Fraser, Eide, Hale, Kline, Brandland, Fairley, Schmidt, Stevens, Johnson, McCaslin, Carlson, Horn, Benton, Mulliken, Roach, McAuliffe, Murray, Rasmussen, Oke and Pflug.

**Brief History:**

**Committee Activity:** Ways & Means: 2/3/04, 2/4/04 [DPS].

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### SENATE COMMITTEE ON WAYS & MEANS

**Majority Report:** That Substitute Senate Bill No. 6442 be substituted therefor, and the substitute bill do pass.

Signed by Senators Zarelli, Chair; Hewitt, Vice Chair; Parlette, Vice Chair; Carlson, Doumit, Fairley, Fraser, Hale, Honeyford, Johnson, Pflug, Prentice, Rasmussen, Regala, Roach, Sheahan and B. Sheldon.

**Staff:** Carole Holland (786-7441)

**Background:** Residential habilitation centers (RHCs) are state-operated institutions that provide 24-hour residential services for qualified individuals with developmental disabilities needing institutional care. Five RHCs are established in statute: Fircrest School, located in Shoreline; Frances Haddon Morgan Center, located in Bremerton; Lakeland Village, located in Medical Lake; Rainier School, located in Buckley; and Yakima Valley School, located in Selah.

A December 2002 Joint Legislative Audit and Review Committee study of the possible alternative uses of the land and facilities currently used by RHCs identified "excess" property that was not needed for RHC operations. In 2003, the Legislature directed the State Investment Board to contract with a real estate investment consultant to prepare options and recommend investment strategies for excess property at the five state residential habilitation centers.

The report identified that excess property could be disposed of at Lakeland Village and Rainier School without impacting existing buildings. The disposal of property may include either the lease or sale of land at fair market value.

**Summary of Substitute Bill:** The developmental disabilities community trust account is established. If excess property at Lakeland Village or Rainier School is sold or leased, all proceeds from the disposal of the property is deposited into the trust account. Excess property

includes the property at Rainier School under the control of Washington State University. Only investment income from the principal of the account may be spent. Expenditures are subject to appropriation by the Legislature and are used exclusively to provide family support and/or employment/day services to persons with developmental disabilities who were not served prior to January 1, 2004. The disposal of excess property cannot impact current residential habilitation center operations.

**Substitute Bill Compared to Original Bill:** The original bill was not considered.

**Appropriation:** None.

**Fiscal Note:** Requested.

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

**Testimony For:** There is a need for additional services for individuals with developmental disabilities. The use of the resources not needed to operate the residential habilitation centers is a creative solution to meeting the needs of those waiting for services.

**Testimony Against:** The surrounding property of the Rainier RHC was transferred from the Department of Social and Health Services to Washington State University (WSU) in the early 1980s for the purposes of a dairy and scientific research facility. While the dairy is no longer operating, WSU is looking at alternate options for 750 acres of the excess property, such as establishing a 4-H equestrian center. There are concerns regarding the limitations on the use of the funding. Also the bill does not require community involvement in developing options for the disposal of the property.

**Testified:** PRO: John Reynolds, DSHS; Sandy Silvera, ARC of Washington; Ed Holen, DD Council; Lance Morehouse, Spokane Parent Coalition; Resa Hayes, People First of Washington; Suzanne Gries, parent; Terry Krecklow, People First of Washington; CON: Larry Ganders, WSU; CONCERNS: Tom Dean, Rainier School parent; Bob Gee, Rainier School parent.