FINAL BILL REPORT
SHB 1791

C 353 L 05
Synopsis as Enacted

Brief Description: Creating a developmental disabilities community trust account.

Sponsors: By House Committee on Capital Budget (originally sponsored by Representatives Dunshee, Schual-Berke, Kenney, Hankins, Lovick, Morrell, Wood, Kagi, Simpson, McDonald, Eickmeyer, Appleton, O'Brien, Ormsby, DeBolt, Wallace, Upthegrove, Strow, Moeller, Jarrett, Kessler, Miloscia, Murray, Cody, Conway, McCune, Lantz, P. Sullivan, Tom, Ericks, Haigh, McDermott, Hasegawa and Linville).

House Committee on Capital Budget
Senate Committee on Ways & Means

Background:

The Division of Developmental Disabilities (DDD) in the Department of Social and Health Services (DSHS) operates five Residential Habilitation Centers (RHCs), which provide 24-hour residential housing for qualified individuals with developmental disabilities needing institutional care. In addition, RHCs provide respite care and other specialized services to eligible individuals living in the community. Specific services provided at RHCs include occupational and physical therapy, limited job training, medical and dental care, pharmaceutical services, and all other services necessary to a population in an institutional setting, such as transportation, food service, recreation, personal hygiene, and social activities. The RHCs in operation are: 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.

Lakeland Village, the first RHC in the state, opened in 1915. At peak occupancy in 1967, 4,145 people with developmental disabilities lived in the state's six RHCs. At present, fewer than 1,000 of the state's 33,000 clients with developmental disabilities live in the five institutions, while the remaining 97 percent live in their communities.

In 2002, the Joint Legislative Audit and Review Committee (JLARC) completed a capital study of the RHCs. In the report, the JLARC concluded that Lakeland Village, Rainier School, and Yakima Valley School have excess property that can be sold with no impact on current institutional operations. The JLARC estimates that the sale of the excess parcels at these three facilities would generate approximately $7 million. Sale of timber is another potential revenue generating activity identified by the JLARC report.

The 2003-05 Operating Budget provided funds for transitional costs associated with downsizing the Fircrest School. The 2003-05 Capital Budget provided $6 million for RHC consolidation related activities.

Summary:

The Dan Thompson Memorial Developmental Disabilities Community Trust Account (Account) is created in the state treasury. All proceeds from the use of excess property identified in the 2002 JLARC capital study of the RHCs at Rainier School and Lakeland Village must be deposited into the account. Income may come from the lease of land, conservation easements, sale of timber, or other activities short of the sale of property. The disposal of excess property cannot impact current residential habilitation center operations.

The Account is authorized to retain its earnings from investments. Only investment income from the principal of the account may be spent. Expenditures are subject to legislative appropriation and must be used exclusively to provide family support and/or employment/day services to eligible persons with developmental disabilities. The Account should not be used to replace, supplant or reduce existing appropriations.

Statutory references to Washington State University agricultural operations on property at the Rainier School are repealed. This property is considered "excess" property.

By June 30, 2006, the DSHS must report on its efforts and strategies to provide income to the Account from activities on or lease of excess property identified in the JLARC study.

Votes on Final Passage:

House	97	1	
Senate	49	0	(Senate amended)
House			(House refused to concur)

<u>Conference Committee</u>

House	98	0

Senate 45-0

Effective: May 10, 2005
July 1, 2005 (Section 3)
July 1, 2006 (Section 4)