
HOUSE BILL 1519

State of Washington

59th Legislature

2005 Regular Session

By Representatives Shabro, McDermott, Priest, Flannigan, Rodne, Jarrett, Talcott, Roach, Morrell, Alexander, Simpson, O'Brien, Wood, Conway, McCune, Schindler, McDonald, Linville, Kagi and Moeller

Read first time 01/26/2005. Referred to Committee on Capital Budget.

1 AN ACT Relating to the developmental disabilities community trust
2 account; amending RCW 43.84.092; reenacting and amending RCW 43.84.092
3 and 43.84.092; adding new sections to chapter 71A.20 RCW; creating a
4 new section; providing effective dates; providing expiration dates; and
5 declaring an emergency.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 NEW SECTION. **Sec. 1.** The December 4, 2002, capital study of the
8 division of developmental disabilities residential habilitation centers
9 by the joint legislative audit and review committee identifies options
10 to dispose of excess property at Lakeland Village, Rainier School, and
11 Yakima Valley School that would not impact current residential
12 habilitation center operations.

13 The legislature recognizes the importance of serving individuals
14 with developmental disabilities in the communities in which they
15 reside. The legislature finds that using these excess properties to
16 provide services in the community will promote the integration and
17 independence of individuals with developmental disabilities and will
18 enable these individuals to avoid reliance on institutional services.

1 It is the intent of the legislature to allow use of these excess
2 capital properties at residential habilitation centers for persons with
3 developmental disabilities and to place the proceeds from their use
4 into a perpetual trust account for unserved persons with developmental
5 disabilities waiting for community-based developmental disability
6 services.

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

9 (1) Excess property identified in the 2002 joint legislative audit
10 and review committee capital study of the division of developmental
11 disabilities residential habilitation centers must be managed to
12 provide as much income as feasible and this income deposited into the
13 developmental disabilities community trust account created in section
14 3 of this act. Income may come from the sale or lease of the land,
15 conservation easements, sale of timber, or other activities.

16 (2) The department shall report on its efforts and strategies to
17 provide income to the developmental disabilities community trust
18 account from the excess property identified in subsection (1) of this
19 section from the sale or lease of the property, sale of timber, or
20 other activities. The department shall report by June 30, 2006.

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

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

1 expenditures for community services to persons with developmental
2 disabilities.

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

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

8 (2) The treasury income account shall be utilized to pay or receive
9 funds associated with federal programs as required by the federal cash
10 management improvement act of 1990. The treasury income account is
11 subject in all respects to chapter 43.88 RCW, but no appropriation is
12 required for refunds or allocations of interest earnings required by
13 the cash management improvement act. Refunds of interest to the
14 federal treasury required under the cash management improvement act
15 fall under RCW 43.88.180 and shall not require appropriation. The
16 office of financial management shall determine the amounts due to or
17 from the federal government pursuant to the cash management improvement
18 act. The office of financial management may direct transfers of funds
19 between accounts as deemed necessary to implement the provisions of the
20 cash 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 income
24 account may be utilized for the payment of purchased banking services
25 on behalf of treasury funds including, but not limited to, depository,
26 safekeeping, and disbursement functions for the state treasury and
27 affected state agencies. The treasury income account is subject in all
28 respects to chapter 43.88 RCW, but no appropriation is required for
29 payments to financial institutions. Payments shall occur prior to
30 distribution of earnings set forth in subsection (4) of this section.

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

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

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

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

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

1 account, the state patrol highway account, the transportation 2003
2 account (nickel account), the transportation equipment fund, the
3 transportation fund, the transportation improvement account, the
4 transportation improvement board bond retirement account, and the urban
5 arterial trust account.

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

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

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

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

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

1 (4) Monthly, the state treasurer shall distribute the earnings
2 credited to the treasury income account. The state treasurer shall
3 credit the general fund with all the earnings credited to the treasury
4 income account except:

5 (a) The following accounts and funds shall receive their
6 proportionate share of earnings based upon each account's and fund's
7 average daily balance for the period: The capitol building
8 construction account, the Cedar River channel construction and
9 operation account, the Central Washington University capital projects
10 account, the charitable, educational, penal and reformatory
11 institutions account, the common school construction fund, the county
12 criminal justice assistance account, the county sales and use tax
13 equalization account, the data processing building construction
14 account, the deferred compensation administrative account, the deferred
15 compensation principal account, the department of retirement systems
16 expense account, the developmental disabilities community trust
17 account, the drinking water assistance account, the drinking water
18 assistance administrative account, the drinking water assistance
19 repayment account, the Eastern Washington University capital projects
20 account, the education construction fund, the election account, the
21 emergency reserve fund, The Evergreen State College capital projects
22 account, the federal forest revolving account, the health services
23 account, the public health services account, the health system capacity
24 account, the personal health services account, the state higher
25 education construction account, the higher education construction
26 account, the highway infrastructure account, the industrial insurance
27 premium refund account, the judges' retirement account, the judicial
28 retirement administrative account, the judicial retirement principal
29 account, the local leasehold excise tax account, the local real estate
30 excise tax account, the local sales and use tax account, the medical
31 aid account, the mobile home park relocation fund, the multimodal
32 transportation account, the municipal criminal justice assistance
33 account, the municipal sales and use tax equalization account, the
34 natural resources deposit account, the oyster reserve land account, the
35 perpetual surveillance and maintenance account, the public employees'
36 retirement system plan 1 account, the public employees' retirement
37 system combined plan 2 and plan 3 account, the public facilities
38 construction loan revolving account beginning July 1, 2004, the public

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

34 (b) The following accounts and funds shall receive eighty percent
35 of their proportionate share of earnings based upon each account's or
36 fund's average daily balance for the period: The aeronautics account,
37 the aircraft search and rescue account, the county arterial
38 preservation account, the department of licensing services account, the

1 essential rail assistance account, the ferry bond retirement fund, the
2 grade crossing protective fund, the high capacity transportation
3 account, the highway bond retirement fund, the highway safety account,
4 the motor vehicle fund, the motorcycle safety education account, the
5 pilotage account, the public transportation systems account, the Puget
6 Sound capital construction account, the Puget Sound ferry operations
7 account, the recreational vehicle account, the rural arterial trust
8 account, the safety and education account, the special category C
9 account, the state patrol highway account, the transportation 2003
10 account (nickel account), the transportation equipment fund, the
11 transportation fund, the transportation improvement account, the
12 transportation improvement board bond retirement account, and the urban
13 arterial trust account.

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

17 **Sec. 6.** RCW 43.84.092 and 2004 c 242 s 60 are each amended to read
18 as follows:

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

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

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

9 (4) Monthly, the state treasurer shall distribute the earnings
10 credited to the treasury income account. The state treasurer shall
11 credit the general fund with all the earnings credited to the treasury
12 income account except:

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

1 aid account, the mobile home park relocation fund, the multimodal
2 transportation account, the municipal criminal justice assistance
3 account, the municipal sales and use tax equalization account, the
4 natural resources deposit account, the oyster reserve land account, the
5 perpetual surveillance and maintenance account, the public employees'
6 retirement system plan 1 account, the public employees' retirement
7 system combined plan 2 and plan 3 account, the public facilities
8 construction loan revolving account beginning July 1, 2004, the public
9 health supplemental account, the public works assistance account, the
10 Puyallup tribal settlement account, the regional transportation
11 investment district account, the resource management cost account, the
12 site closure account, the special wildlife account, the state
13 employees' insurance account, the state employees' insurance reserve
14 account, the state investment board expense account, the state
15 investment board commingled trust fund accounts, the supplemental
16 pension account, the Tacoma Narrows toll bridge account, the teachers'
17 retirement system plan 1 account, the teachers' retirement system
18 combined plan 2 and plan 3 account, the tobacco prevention and control
19 account, the tobacco settlement account, the transportation
20 infrastructure account, the tuition recovery trust fund, the University
21 of Washington bond retirement fund, the University of Washington
22 building account, the volunteer fire fighters' and reserve officers'
23 relief and pension principal fund, the volunteer fire fighters' and
24 reserve officers' administrative fund, the Washington fruit express
25 account, the Washington judicial retirement system account, the
26 Washington law enforcement officers' and fire fighters' system plan 1
27 retirement account, the Washington law enforcement officers' and fire
28 fighters' system plan 2 retirement account, the Washington public
29 safety employees' plan 2 retirement account, the Washington school
30 employees' retirement system combined plan 2 and 3 account, the
31 Washington state health insurance pool account, the Washington state
32 patrol retirement account, the Washington State University building
33 account, the Washington State University bond retirement fund, the
34 water pollution control revolving fund, and the Western Washington
35 University capital projects account. Earnings derived from investing
36 balances of the agricultural permanent fund, the normal school
37 permanent fund, the permanent common school fund, the scientific
38 permanent fund, and the state university permanent fund shall be

1 allocated to their respective beneficiary accounts. All earnings to be
2 distributed under this subsection (4)(a) shall first be reduced by the
3 allocation to the state treasurer's service fund pursuant to RCW
4 43.08.190.

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

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

26 NEW SECTION. **Sec. 7.** (1) Section 4 of this act expires July 1,
27 2005.

28 (2) Section 5 of this act expires July 1, 2006.

29 NEW SECTION. **Sec. 8.** This act is necessary for the immediate
30 preservation of the public peace, health, or safety, or support of the
31 state government and its existing public institutions, and takes effect
32 immediately, except section 5 of this act which takes effect July 1,
33 2005, and section 6 of this act which takes effect July 1, 2006.

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