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SSB 6190 - H COMM AMD By Committee on Capital Budget

ADOPTED 03/04/2020

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

- 3 "Sec. 1. RCW 71A.20.170 and 2011 1st sp.s. c 30 s 12 are each 4 amended to read as follows:
 - (1) The developmental disabilities community ((trust)) services account is created in the state treasury. ((All net proceeds from the use of excess property identified in the 2002 joint legislative audit and review committee capital study or other studies of the division of developmental disabilities residential habilitation centers that would not impact current residential habilitation center operations must be deposited into the account.))
 - (2) ((Proceeds may come from the lease of the land, conservation easements, sale of timber, or other activities short of sale of the property, except as permitted under section 7 of this act.)) The following revenues must be deposited in the account:
 - (a) All net proceeds from leases or sales of real property, conservation easements, and sales of timber, from the state properties at the Fircrest residential habilitation center, the Lakeland Village residential habilitation center, the Rainier school, and the Yakima Valley school. However, real property that is determined by the department of social and health services to be required for the operations of the residential habilitation centers is excluded from the real property that may be leased or sold for the benefit of the account. In addition, real property owned by the charitable, educational, penal, and reformatory institutions trust, and revenue therefrom, is excluded; and
- 27 <u>(b) Any other moneys appropriated or transferred to the account</u> 28 <u>by the legislature.</u>
- (3) (("Excess property" includes that portion of the property at Rainier school previously under the cognizance and control of Washington State University for use as a dairy/forage research

- 1 <u>facility.</u>)) <u>Any sale, lease, or easement under this section must be</u>
 2 <u>at fair market value.</u>
 - (4) ((Only investment income from the principal of the proceeds deposited into the trust account may be spent from the account. For purposes of this section, "investment income" includes lease payments, rent payments, or other periodic payments deposited into the trust account. For purposes of this section, "principal" is the actual excess land from which proceeds are assigned to the trust account.
 - (5))) Moneys in the account may be spent only after appropriation. Expenditures from the account shall be used exclusively ((to provide family support and/or employment/day services to eligible persons with developmental disabilities who can be served by community-based developmental disability services. It is the intent of the legislature that the account should not be used to replace, supplant, or reduce existing appropriations.

(6))) <u>for:</u>

- (a) Supports and services in a community setting to benefit eligible persons with intellectual and developmental disabilities; or
 - (b) Investment expenses of the state investment board.
- (5) The department of social and health services must solicit recommendations from the Washington state developmental disabilities council regarding expenditure of moneys from the Dan Thompson memorial developmental disabilities community services account for supports and services in a community setting to benefit eligible persons with developmental disabilities.
- (6) Expenditures from the account must supplement, and may not replace, supplant, or reduce current state expenditure levels for supports and services in the community setting for eligible persons with developmental disabilities.
- (7) (a) The state investment board must invest moneys in the account. The state investment board has the full power to invest, reinvest, manage, contract, sell, or exchange investment money in the account. All investment and operating costs associated with the investment of money shall be paid under RCW 43.33A.160 and 43.84.160.
- 36 (b) All investments made by the state investment board shall be
 37 made with the degree of judgment and care required under RCW
 38 43.33A.140 and the investment policy established by the state
 39 investment board.

- (c) The state investment board shall routinely consult and communicate with the department of social and health services and the legislature on the investment policy, earnings of the account, and related needs of the account.
 - (8) The account shall be known as the Dan Thompson memorial developmental disabilities community ((trust)) services account."

7 Correct the title.

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- EFFECT: (1) The Dan Thompson Memorial Developmental Disabilities Community Trust Account is restructured and renamed the Dan Thompson Memorial Developmental Disabilities Community Services Account (Account). The requirement that proceeds from certain excess DSHS property on RHCs be deposited in the Account, and related definitions, from SSB 6190 and underlying law, are removed.
- (2) The definition of Account "proceeds" is revised. As in SSB 6190, proceeds from the sale of land must be deposited in the Account, and sales or leases must be at fair market value. As in SSB 6190 and the underlying law, net proceeds for leases, conservation easements, or timber sales must be deposited in the Account. The legislature may also make deposits to the Account.
- (3) Real property DSHS determines is required for operations of residential habilitation centers is excluded from the real property that may be leased or sold for the benefit of the Account. Proceeds from real property owned by the charitable, educational, penal, and reformatory institutions trust may not be deposited in the Account.
- (4) The distinction in the Account between "investment earnings" and "principal" is removed, as is the prohibition on spending the principal of the Account. The declaration that the excess land is the principal of the Account is removed.
- (5) The purposes for which the Account may be spent are revised. Rather than being for family support or employment/day services as in the underlying law, or for grants, projects, or other means that increase community capacity and workforce, as in SSB 6190, the Account may be spent for supports and services in the community setting for eligible persons with developmental disabilities. Expenditures from the Account must supplement, and may not supplant, current state expenditure levels for these purposes. The Account may also be spent for the State Investment Board's costs of investing the Account.
- (6) As in SSB 6190, the State Investment Board invests the proceeds of the $\mbox{Account.}$
- (7) DSHS must consult with the Washington State Developmental Disabilities Council regarding expenditures from the Account.

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