
Capital Budget Committee

SSB 6190

Brief Description: Preserving the developmental disabilities community trust.

Sponsors: Senate Committee on Health & Long Term Care (originally sponsored by Senators Braun, Keiser and Kuderer).

Brief Summary of Substitute Bill

- Modifies the use of the Developmental Disabilities Community Trust Account (Trust Account) to benefit eligible persons with intellectual or developmental disabilities who need community supports through grants, projects, or other means that increase community capacity and workforce.
- Requires proceeds from underutilized or vacated residential habilitation center (RHC) property, as defined in the bill, to be deposited into the Trust Account.
- Requires any lease or sale of Trust land, conservation easements, or sale of timber to be at fair market value.
- Requires the State Investment Board (SIB) to invest the Trust funds and to routinely consult and communicate with the Department of Social and Health Services (DSHS) and the Legislature on the investment policy, earnings of the Accounts, and related needs of the Trust Account.

Hearing Date: 2/25/20

Staff: Richelle Geiger (786-7139).

Background:

The DSHS Developmental Disability Administration (DDA) assists individuals with developmental disabilities and their families to obtain services and support based on individual references, capabilities, and needs. The DDA clients live in RHCs, an institutional setting, as well as in the community.

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The DSHS operates four RHCs for individuals with developmental disabilities:

- The Fircrest RHC in Shoreline supports about 190 long-term residents and includes both a nursing facility and an Intermediate Care Facility for Individuals with Intellectual Disabilities (ICF/IID).
- The Lakeland Village RHC in Medical Lake supports about 170 long-term residents and includes both a nursing facility and an ICF/IID.
- The Rainier School RHC in Buckley supports about 150 long-term residents and includes an ICF/IID.
- The Yakima Valley School RHC supports about 50 long-term residents in a nursing facility and provides planned respite services and crisis stabilization stays.

Nursing facilities provide 24-hour nursing care to aging individuals and individuals with developmental disabilities.

The Developmental Disabilities Community Trust Account (Trust Account), known as the Dan Thompson Memorial Trust Account, was established in 2005. All proceeds from the use of excess RHC property, specified in statute, are 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 RHC operations.

Summary of Bill:

Proceeds from underutilized or vacated RHC property must be deposited into the Trust Account. The sale of RHC property or timber from the property must be deposited into the Account. The sale of property or timber, or other periodic payments is considered investment income.

Any lease or sale of the land, conservation easements, or sale of timber must be at fair market value. Property and trust management services must be paid from the investment income. The Account funds must only be spent to benefit eligible persons with intellectual and developmental disabilities who need community supports through grants, projects, or other means that increase community capacity and workforce. The SIB must invest the trust funds and routinely consult and communicate with DSHS and the Legislature on the investment policy, earnings of the Accounts, and related needs of the Trust Account.

Appropriation: None.

Fiscal Note: Requested on 2/21/2020.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.