

HOUSE BILL REPORT

SB 6429

As Passed House:

March 4, 1998

Title: An act relating to the treasurer's trust fund.

Brief Description: Allowing the children's trust fund to retain its proportionate share of earnings.

Sponsors: Senators Long, Kline, Wojahn, Fairley, Winsley and Kohl; by request of Washington Council for Prevention of Child Abuse and Neglect.

Brief History:

Committee Activity:

Appropriations: 2/28/98 [DP].

Floor Activity:

Passed House: 3/4/98, 97-0.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass. Signed by 29 members: Representatives Huff, Chairman; Alexander, Vice Chairman; Clements, Vice Chairman; Wensman, Vice Chairman; Doumit, Assistant Ranking Minority Member; Gombosky, Assistant Ranking Minority Member; Benson; Carlson; Chopp; Cody; Cooke; Crouse; Dyer; Grant; Keiser; Kenney; Kessler; Lambert; Linville; Lisk; Mastin; McMorris; Poulsen; Regala; D. Schmidt; Sehlin; Sheahan; Talcott and Tokuda.

Staff: Julie Salvi (786-7349).

Background: From 1973 to 1991, each account and fund within the treasurer's trust fund received 80 percent of its proportionate share of interest earnings from the investment account. The remaining 20 percent was distributed to the treasurer's service fund to defray costs associated with administering the treasurer's trust fund.

Legislation enacted in 1991 changed this formula. The general fund now receives the earnings credited to the investment account, except for the interest from a statutory list of funds designated to receive either a 100 percent or 80 percent proportionate share of interest earnings. Currently, 13 funds receive a 100 percent proportionate share and six funds receive an 80 percent share. Before the investment earnings are distributed to funds receiving a 100 percent proportionate share, the total interest earnings are reduced

by the allocation to the state treasurer's service account. Up to 1 percent of the earnings of the treasurer's trust fund can be allocated to the state treasurer's service account. The treasurer's service fund supports the operations of the State Treasurer's Office.

The children's trust fund receives revenue from the sale of birth certificates requested after the original birth certificate. A fee of \$25 is collected for these birth certificates. The children's trust funds receives all revenues after a deduction from the office of the registrar for expenses incurred in administering the program. In addition, the Council for the Prevention of Child Abuse and Neglect may accept contributions, grants, or gifts in cash to be deposited in the children's trust fund. The trust fund is a non-appropriated fund that can be disbursed upon the authorization of the Council for the Prevention of Child Abuse and Neglect.

Summary of Bill: The children's trust fund is added to the list of funds that receive a 100 percent proportionate share of interest earnings from the interest earnings account of the treasurer's trust fund. This results in the transfer of these earnings from the general fund to the children's trust fund. The impact to each fund has been estimated at \$7,000 per biennium.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: None.

Testimony Against: None.

Testified: None.