

HOUSE BILL REPORT

SJR 8214

As Passed House:

March 1, 2000

Brief Description: Amending the Constitution to allow certain trust fund moneys to be invested as authorized by the legislature.

Sponsors: Senators Wojahn, McDonald, Loveland and Winsley.

Brief History:

Committee Activity:

Appropriations: 2/26/00 [DP].

Floor Activity:

Passed House: 3/1/00, 98-0.

Brief Summary of Bill

· Amends the State Constitution to permit investment of the Developmental Disabilities Endowment Trust Fund as authorized by the Legislature.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass. Signed by 30 members: Representatives Huff, Republican Co-Chair; H. Sommers, Democratic Co-Chair; Barlean, Republican Vice Chair; Doumit, Democratic Vice Chair; D. Schmidt, Republican Vice Chair; Alexander; Benson; Boldt; Clements; Cody; Crouse; Gombosky; Grant; Kagi; Keiser; Kenney; Kessler; Lambert; Linville; Lisk; Mastin; McMorris; Mulliken; Parlette; Regala; Rockefeller; Ruderman; Sullivan; Sump and Tokuda.

Staff: Amy Hanson (786-7118).

Background: The state Constitution prohibits the state from being "interested in the stock of any company, association, or corporation." This provision limits state investments to fixed-income securities such as government and corporate bonds and certificates of deposits. However, the constitution exempts certain funds, such as pension and industrial insurance funds, from this restriction.

Summary of Bill: At the next general election, an amendment to the State Constitution will be presented to the voters to add funds held in trust for the benefit of persons with developmental disabilities to the list of public funds exempt from current constitutional investment restrictions. This permits the Developmental Disabilities Endowment Trust Fund to be invested as authorized by law.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: Goals of investment growth and income can be better realized for the Developmental Disabilities Endowment Trust Fund by removing constitutional investment restrictions.

Testimony Against: None.

Testified: Senator Lorraine Wojahn, prime sponsor; Jeanne Marie Thomas, Department of Community Trade and Economic Development; and Janet Adams, Arc of Washington.