
Capital Budget Committee

SSB 5702

Brief Description: Creating the developmental disabilities community trust account.

Sponsors: Senators Zarelli, Kline, Fairley, Regala, Rasmussen and McAuliffe.

Brief Summary of Substitute Bill

- Creates the Dan Thompson Memorial Developmental Disabilities Community Trust Account in the state treasury. If excess property at Lakeland Village or Rainier School is sold or leased, all proceeds from the disposal of the property is deposited into the trust account.
- Expenditures must be used exclusively to provide family support and/or employment/day services to eligible persons with developmental disabilities who were not served prior to January 1, 2005.

Hearing Date: 3/24/05

Staff: Susan Howson (786-7142).

Background:

Residential habilitation centers (RHCs) are state-operated institutions that provide 24-hour residential services for qualified individuals with developmental disabilities needing institutional care. Five RHCs are established in statute: Fircrest School, located in Shoreline; Frances Haddon Morgan Center, located in Bremerton; Lakeland Village, located in Medical Lake; Rainier School, located in Buckley; and Yakima Valley School, located in Selah.

A December 2002 Joint Legislative Audit and Review Committee (JLARC) study of the possible alternative uses of the land and facilities currently used by RHCs identified "excess" property that was not needed for RHC operations. In 2003, the Legislature directed the State Investment Board to contract with a real estate investment consultant to prepare options and recommend investment strategies for excess property at the five state residential habilitation centers.

The report identified that excess property could be disposed of at Lakeland Village and Rainier School without impacting existing buildings. The disposal of property may include either the lease or sale of land at fair market value.

Summary of Bill:

A developmental disabilities community trust account is established in the state treasury. This account will be known as the Dan Thompson Memorial Developmental Disabilities Community Trust Account.

If excess property at Lakeland Village or Rainier School is sold or leased, all proceeds from the disposal of the property is deposited into the trust account. Disposal may also include other transactions involving land, timber, or other natural resources of the RHCs.

The account is authorized to retain its earnings from investments. Only investment income from the principle of the account may be spent. Expenditures are subject to appropriation by the Legislature and must be used exclusively to provide family support and/or employment/day services to eligible persons with developmental disabilities who were not served prior to January 1, 2005. The bill states that the disposal of excess property cannot impact current residential habilitation center operations.

Appropriation: None.

Fiscal Note: Available.

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