

HOUSE BILL REPORT

HB 2471

*As Reported By House Committee on:
Human Services
Revenue*

Title: An act relating to prevention services for at-risk children and their families.

Brief Description: Enacting the children's investment trust act.

Sponsor(s): Representatives Rasmussen, Leonard, Winsley, Heavey, Moyer, Ballard, Wang, Beck, Belcher, Brumsickle, Fraser, Riley, Ebersole, Roland, Anderson, G. Cole, Prentice, Wood, Ludwig, R. Johnson, Cantwell, Spanel, Valle, Forner, Brekke, Ferguson, Hine, Morris, Ogden, May, Orr, Braddock, Appelwick, Prince, G. Fisher, Sheldon, Basich, R. Fisher, Day, Broback, O'Brien, J. Kohl, Morton, Franklin, Dorn, Kremen, Rayburn, Bowman, Hargrove, Chandler, Pruitt, Dellwo, Paris, Brough, R. King, Jones, Mitchell, Sprengle and H. Myers.

Brief History:

Reported by House Committee on:
Human Services, January 22, 1992, DPS;
Revenue, February 8, 1992, DPS(HS-A REV).

**HOUSE COMMITTEE ON
HUMAN SERVICES**

Majority Report: *The substitute bill be substituted therefor and the substitute bill do pass.* Signed by 11 members: Representatives Leonard, Chair; Riley, Vice Chair; Winsley, Ranking Minority Member; Tate, Assistant Ranking Minority Member; Anderson; Beck; Brekke; Hargrove; Hochstatter; R. King; and H. Myers.

Staff: David Knutson (786-7146).

Background: Preventive social and health programs for children are effective in addressing and alleviating childhood problems. Comprehensive services which serve children and their families as a unit have the potential to resolve problems before they become so severe that a crisis response service is necessary. There is no current trust account which is dedicated to fund childrens' services with

the proceeds of sales and use tax revenues from specific business activities.

Summary of Substitute Bill: A childrens' investment trust account is created in the state treasury to receive sales and use tax revenues from out-of-state taxpayers who do not maintain a place of business in this state but engage in certain business activities. Money deposited in the trust account will be appropriated by the Legislature to the Department of Community Development. The department will award appropriated money through a grant program to fund prevention services to and for young at-risk children and their families.

Substitute Bill Compared to Original Bill: A misspelling is corrected. A third party evaluation is added for all programs funded by the Department of Community Development through this act.

Fiscal Note: Not requested.

Effective Date of Substitute Bill: This bill shall take effect July 1, 1992.

Testimony For: Additional money is needed to fund prevention and early intervention services and programs for young children. The Department of Community Development is the best agency to have this responsibility.

Testimony Against: None.

Witnesses: Rep. Marilyn Rasmussen, Prime sponsor; Mike Ryherd, Community Action Association; Rick Allen, Pierce County Community Action; Janice Turnow, East Pierce Special Services Cooperative; Barbara Bingham, Tacoma-Pierce County Commission on Children, Youth, and their Families; Laurie Lippold, Childrens Home Society; John Walsh, Parent; and Rose Stidham, Metropolitan Development Council.

**HOUSE COMMITTEE ON
REVENUE**

Majority Report: *The substitute bill by Committee on Human Services be substituted therefor and the substitute bill as amended by Committee on Revenue do pass.* Signed by 14 members: Representatives Wang, Chair; Fraser, Vice Chair; Brumsickle, Ranking Minority Member; Wynne, Assistant Ranking Minority Member; Appelwick; Belcher; Carlson; Day; J. Kohl; Leonard; Morris; Morton; Rust; and Silver.

Staff: Robin Appleford (786-7093).

Summary of Recommendation of Committee on Revenue Compared to Recommendation of Committee on Human Services: The funding source for the bill is eliminated. The act is terminated if an appropriation is not made by June 30, 1995.

Fiscal Note: Available.

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

Testimony For: This is an opportunity to invest in the future of our children if the tax source becomes available. We can prevent children from becoming casualties of society. These programs need a stable, ongoing source of funding. The legislature would still have to appropriate money for these purposes.

Testimony Against: None.

Witnesses: Marilyn Rasmussen, Prime Sponsor; Larry Stuckart, Spokane Neighborhood Action Programs; Bill Riley, Kittitas County Action Council; Dini Duclos, Medina Children's Service; Kip Tokuda and Ruth Harms, Washington Council for Prevention of Child Abuse and Neglect; Mike Ryherd, Community Action Agencies; and Bob Swanson, Neighborhood House and Washington State Association of Community Action Agencies (all in favor).