

HOUSE BILL REPORT

HB 1829

As Reported by House Committee On: Appropriations

Title: An act relating to eliminating accounts and funds.

Brief Description: Eliminating accounts and funds.

Sponsors: Representatives Ormsby, Alexander and Hunter; by request of Office of Financial Management.

Brief History:

Committee Activity:

Appropriations: 2/18/13, 2/21/13 [DPS].

Brief Summary of Substitute Bill

- Eliminates numerous accounts and transfers amounts remaining in those accounts to the State General Fund or another account.
- Modifies other provisions relating to several accounts.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 28 members: Representatives Hunter, Chair; Ormsby, Vice Chair; Alexander, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Wilcox, Assistant Ranking Minority Member; Buys, Carlyle, Cody, Dahlquist, Dunshee, Fagan, Green, Haigh, Haler, Hudgins, Hunt, Jenkins, Kagi, Maxwell, Morrell, Parker, Pedersen, Pike, Ross, Schmick, Seaquist, Springer and Taylor.

Staff: Dave Johnson (786-7154).

Background:

In addition to the State General Fund, which may be expended for any lawful purpose, the state maintains several hundred funds and accounts that are dedicated to particular statutory purposes. These accounts generally fall into one of three categories: (1) accounts located in the state treasury, which require appropriation by the Legislature; (2) accounts held in the

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custody of the State Treasurer, which may or may not require legislative appropriation; and (3) accounts located in state agencies and institutions of higher education, known as local accounts.

The Department of Health may accept donations, grants, gifts, or other forms of voluntary contributions to support activities related to the creation and maintenance of the health care declarations registry and statewide public education campaigns related to the existence of the registry. Any funds received for that purpose are deposited into the appropriated Health Care Declarations Registry Account.

The Health Care Authority (HCA) is authorized to implement a self-funded or self-insured method of providing insurance coverage to subsidized enrollees of the basic health plan. To date, the HCA has not authorized such a method.

Summary of Substitute Bill:

The following accounts are eliminated:

- Freight Congestion Relief Account;
- Public Transportation Systems Account;
- Puyallup Tribal Settlement Account;
- Basic Health Plan Self-Insurance Reserve Account;
- Decontamination Account;
- Satellite System Management Account;
- Real Estate Excise Tax Electronic Technology Account;
- Health Care Declarations Registry Account;
- Rural Health Access Account;
- Manufacturing Innovation and Modernization Account; and
- Special Personnel Litigation Settlement Account.

Any residual balance of funds remaining in the Puyallup Tribal Settlement Account will be transferred to the Motor Vehicle Fund. Any residual balance of funds remaining in any other account abolished by the bill will be transferred to the State General Fund. Various statutory references to these accounts are eliminated or modified.

Any donations, grants, gifts, or other forms of voluntary contributions to support activities related to the health care declarations registry will be deposited into the State General Fund. Those funds may be spent only with an appropriation.

Authorization for the Health Care Authority to implement a self-funded or self-insured method of providing insurance coverage to subsidized enrollees is eliminated.

The State Treasurer, the Office of Financial Management, and the Code Reviser must review and recommend repeal or decodification of obsolete capital construction accounts and bond authorization statutes. Their recommendations will be submitted to the 2015 Legislature.

Substitute Bill Compared to Original Bill:

The original bill made changes to the allowable uses of the Personnel Service Fund and the Enterprise Services Account. Those provisions are removed. The original bill repealed the Public Printing Revolving Account and transferred any remaining fund balance to the Enterprise Services Account. Those provisions are also removed.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill contains an emergency clause and takes effect on June 30, 2013.

Staff Summary of Public Testimony:

(In support) A few years ago, the Legislature directed the Office of Financial Management (OFM) to work with the State Treasurer each biennium to identify obsolete accounts. One of the accounts, The Puyallup Tribal Settlement Account has a fund balance of \$3 but it is still an account we need to administer and earns a penny of interest each year. The other account with a balance, the Manufacturing Innovation and Modernization Account, relates to a program that the Legislature allowed to sunset. There is no other purpose for those funds other than to eliminate the accounting and allow the balance to benefit the State General Fund.

The bill may be a bit aggressive in including the accounts related to the Department of Enterprise services and we would be happy to introduce a new bill to continue that discussion. These changes are a continuation of the work to implement the reorganization of agencies. Now that we have both programs up and running, we want to separate the Personnel Service Fund and the Enterprise Services Account. Printing is now just another service offered by the Department of Enterprise Services and the OFM would like to see it handled using their general revolving fund rather than having a separate account for that purpose. The remaining accounts in this bill have had very little recent activity. We are just trying to clean up the books.

(Opposed) None.

Persons Testifying: Julie Murray, Office of Financial Management.

Persons Signed In To Testify But Not Testifying: None.