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## Appropriations Committee

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### SSB 5287

**Brief Description:** Eliminating accounts and funds.

**Sponsors:** Senate Committee on Ways & Means (originally sponsored by Senators Hill and Hargrove; by request of Office of Financial Management).

#### Brief Summary of Substitute Bill

- Eliminates numerous accounts and transfers amounts remaining in those accounts to the State General Fund or another account.
- Changes the Enterprise Services Account from a partially non-appropriated account to a fully non-appropriated account.
- Modifies other provisions relating to several accounts.

**Hearing Date:** 3/18/13

**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 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 Personnel Service Fund is an internal service fund used to support the provision of various personnel related services and programs. Examples of programs or services include statewide personnel administration as well as training and recruitment. The account is appropriated. By statute, only the Office of Financial Management (OFM) and the Department of Enterprise Services (DES) are authorized to expend from the account. In the current biennium,

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expenditures from the account are made by the OFM, the DES and the Public Employment Relations Commission.

The Enterprise Services Account is an internal service fund used to support the provision of various services and programs administered by the DES. Examples of programs and services include building and grounds, motor pool, facilities and surplus property. Expenditures from the account may be either appropriated or non-appropriated. By statute, only the DES is authorized to expend from the account. In the current biennium, expenditures from the account are made by the DES.

Governor Gregoire, in her budget proposal, proposes to shift expenditure authority for certain activities from the appropriated Personnel Service Fund to the non-appropriated Enterprise Services Account. Her budget proposal would also shift expenditure authority from the non-appropriated Public Printing Revolving Account and the non-appropriated Data Processing Revolving Account to the non-appropriated Enterprise Services Account. Finally, Governor Gregoire assumed that the Enterprise Services Account would become entirely non-appropriated. Taken together, these changes net to zero.

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 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;
- Public Printing Revolving Account; and
- Special Personnel Litigation Settlement Account.
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Any residual balance of funds remaining in the Public Printing Revolving Account will be transferred to the Enterprise Services 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.

In addition to eliminating the Public Printer Revolving Account, a number of accounts are restructured or modified to implement policy changes proposed in Governor Gregoire's budget:

- The Personnel Service Fund may be used only by the OFM rather than by the OFM and the DES.
- An appropriation is no longer required for any expenditure from the Enterprise Services Account.
- The Enterprise Services Account may not be used for information technology activities.

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 OFM, 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.

**Appropriation:** None.

**Fiscal Note:** Available.

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