S-2286.1

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**SENATE BILL 5911**

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**State of Washington 65th Legislature 2017 Regular Session**

**By** Senators Nelson, Saldaña, Liias, and McCoy

AN ACT Relating to making expenditures from the budget stabilization account; adding a new section to chapter 41.50 RCW; adding a new section to chapter 41.45 RCW; adding a new section to chapter 43.330 RCW; making appropriations; and declaring an emergency.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF RETIREMENT SYSTEMS—PUBLIC EMPLOYEES' RETIREMENT SYSTEM PLAN 1 FUND**

The sum of $700,000,000 is appropriated from the budget stabilization account on June 30, 2017, and is provided solely for expenditure into the public employees' retirement system plan 1 fund to reduce the unfunded actuarially accrued liability in the public employees' retirement system plan 1. For purposes of RCW 43.88.055(4), the appropriation in this section does not suspend the requirements of RCW 43.88.055(1).

NEW SECTION. **Sec.**  A new section is added to chapter 41.50 RCW to read as follows:

(1) A surcharge is established on each employer, as defined in RCW 41.35.010, 41.37.010, or 41.40.010, to reimburse the state general fund for the expected reduction in the unfunded actuarially accrued liability for all employers due to the payment made from the state general fund under section 1 of this act.

(2)(a) Beginning July 1, 2017, and ending June 30, 2019, the department shall bill each employer a surcharge of 0.40 percent each month.

(b) Beginning July 1, 2019, and ending June 30, 2021, the department shall bill each employer a surcharge of 0.65 percent each month.

(c) Beginning July 1, 2021, and ending June 30, 2023, the department shall bill each employer a surcharge of 0.36 percent each month.

(d) Beginning July 1, 2027, and ending June 30, 2028, the department shall bill each employer a surcharge of 0.03 percent each month.

(e) Beginning July 1, 2028, and ending June 30, 2029, the department shall bill each employer a surcharge of 3.50 percent each month.

(f) Beginning July 1, 2029, and ending June 30, 2030, the department shall bill each employer a surcharge of 0.74 percent each month. The surcharge rate in this subsection (2)(f) represents one-half of the expected reduction in the unfunded actuarially accrued liability to allow local government employers to benefit from savings that result from the payment made from the state general fund under section 1 of this act.

(3) Collections of the surcharge established in this section shall be deposited to the state general fund.

NEW SECTION. **Sec.**  A new section is added to chapter 41.45 RCW to read as follows:

For the 2019 fiscal year, the pension funding council shall adopt an annual supplemental employer rate that reflects the impact of the state's contribution toward the public employees' retirement system plan's underfunded actuarially accrued liability under section 2 of this act.

NEW SECTION. **Sec.**  A new section is added to chapter 43.330 RCW to read as follows:

The homeless assistance account is created in the state treasury. Legislative appropriations and transfers from the budget stabilization account may be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for housing assistance, support services, and other purposes to address the state's homeless population.

NEW SECTION. **Sec.**  (1) The sum of sixty million dollars, or as much thereof as may be necessary, is appropriated for the biennium ending June 30, 2019, from the budget stabilization account to the homeless assistance account for the purposes set forth in subsection (2) of this section.

(2) The sum of sixty million dollars is appropriated for the biennium ending June 30, 2019, from the homeless assistance account to the department of commerce for the purposes set forth in this subsection. This appropriation is subject to the following conditions and limitations: No more than one percent of the funds may be used for administrative purposes; and the funds must be distributed statewide, to sheltering, including emergency shelter and support services, for individuals and families, including assistance to families in the temporary assistance for needy families program, and to the housing and essential needs program.

NEW SECTION. **Sec.**  The sum of one hundred million dollars, or as much thereof as may be necessary, is appropriated for the biennium ending June 30, 2019, from the budget stabilization account to the housing trust fund for the following purposes: Ninety-five million dollars to fund new construction, renovation, or conversion of existing housing stock for permanent supportive housing or other housing options particularly to provide assistance for people who are homeless and those, including families, who are at risk of becoming homeless; and five million dollars to assist in operations and maintenance costs for affordable and supportive housing.

NEW SECTION. **Sec.**  This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

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