

SENATE BILL REPORT

SB 6098

As of January 15, 2024

Title: An act relating to accounts.

Brief Description: Concerning accounts.

Sponsors: Senators Robinson and Nguyen; by request of Office of Financial Management.

Brief History:

Committee Activity: Ways & Means: 1/15/24.

Brief Summary of Bill

- Creates the Fern Lodge Maintenance Account and Clean Fuels Credit Account.
- Transfers expenditure authority for the Down Payment Assistance Account to the director of Commerce.
- Abolishes eight accounts which are inactive or have no cash balance.
- Transfers the remaining balance in the Washington Sexual Assault Kit Account to the Fingerprint Identification Account.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Samuel Brown (786-7470)

Background: In addition to the State General Fund, which may be expended for any lawful purpose, the state maintains several hundred accounts dedicated to particular statutory purposes. These accounts generally fall into one of the three following categories:

- accounts located in the state treasury, which require appropriation by the Legislature;
- accounts held in the custody of the state treasurer, which may or may not require legislative appropriation; and

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- accounts located in state agencies and institutions of higher education, known as local accounts, which may require approval by the Office of Financial Management.

Accounts are generally created in policy bills for the purpose of dedicating moneys in the account for the policy purposes of the bill. Accounts are also created in omnibus appropriation bills to dedicate funding for specific purposes and appropriations.

Expenditures from dedicated accounts are limited to the purposes defined in law, and therefore, legislative action is required to temporarily or permanently expand or further restrict the purposes of a dedicated account. Expenditures from accounts which do not require legislative appropriation must be authorized by an official designated in the statute creating the account.

Summary of Bill: Expenditure authority for the Down Payment Assistance Account is transferred from the Housing Finance Commission to the director of the Department of Commerce.

The following accounts are abolished:

- the State and Local Improvements Revolving Account;
- the State and Local Improvements Revolving Account for Waste Disposal Facilities;
- the Heritage Barn Preservation Fund;
- the Basic Health Plan Stabilization Account;
- the Brownfield Redevelopment Trust Fund Account;
- the Dairy Nutrient Infrastructure Account;
- the Shared Information Technology System Revolving Account; and
- the State Efficiency and Restructuring Account.

Any residual funds on June 30, 2024 in an account abolished under the act are transferred to the State General Fund. Any residual funds in the Washington Sexual Assault Kit Account as of June 30, 2022, the date the account expired, must be transferred to the Fingerprint Identification Account by June 1, 2024.

Two new accounts are created. The Fern Lodge Maintenance Account is created to provide dedicated funding for the ongoing maintenance and operational costs of the Fern Lodge civil commitment facility. The Clean Fuels Credit Account is created to provide dedicated funding for measures to reduce state agency transportation-related emissions such as electric vehicle infrastructure and purchases of electric vehicles, vessels, and boats.

Appropriation: None.

Fiscal Note: Requested on January 9, 2024.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: The bill contains several effective dates. Sections 1 through 3, 10, and 11

contain an emergency clause and take effect June 1, 2024. Please refer to the bill.

Staff Summary of Public Testimony: PRO: This is a technical piece of legislation. The Office of Financial Management (OFM) and state treasurer worked jointly to identify accounts that are no longer necessary. The Housing Finance Commission isn't a state agency and doesn't have the ability to expend funds. Both new accounts were identified by OFM as needing to be created. A similar account was created last year for agencies funded in the transportation budget; this new account is meant to mirror that for agencies funded in the operating budget.

Persons Testifying: PRO: K.D. Chapman-See, Office of Financial Management.

Persons Signed In To Testify But Not Testifying: No one.