

HOUSE BILL REPORT

HB 2675

As Amended by the Senate

Title: An act relating to accounts.

Brief Description: Concerning accounts.

Sponsors: Representatives Macri and Ormsby; by request of Office of Financial Management.

Brief History:

Committee Activity:

Appropriations: 2/5/26, 2/9/26 [DP].

Floor Activity:

Passed House: 2/23/26, 89-0.

Senate Amended.

Passed Senate: 3/9/26, 37-12.

Brief Summary of Bill

- Eliminates certain accounts.
- Modifies the amount of administrative costs that may be charged to the Abandoned Recreational Vehicle Disposal Account.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass. Signed by 29 members: Representatives Ormsby, Chair; Gregerson, Vice Chair; Macri, Vice Chair; Couture, Ranking Minority Member; Connors, Assistant Ranking Minority Member; Penner, Assistant Ranking Minority Member; Schmick, Assistant Ranking Minority Member; Berg, Bergquist, Burnett, Callan, Corry, Cortes, Doglio, Dye, Fitzgibbon, Keaton, Leavitt, Lekanoff, Manjarrez, Marshall, Peterson, Pollet, Ryu, Springer, Stonier, Street, Thai and Valdez.

Staff: Dave Johnson (786-7154).

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Background:

In addition to the State General Fund, which may be expended for any lawful purpose, the state maintains several hundred 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 always 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.

Independent Youth Housing Account.

In 2007 the Legislature created the Independent Youth Housing Account as an appropriated account in the State Treasury. Revenue directed to the independent youth housing program is deposited into the account. The account may only be used for the independent youth housing program. According to the Office of Financial Management (OFM), the account balance is zero.

Hospital Infection Control Grant Account.

In 2007 the Legislature created the Hospital Infection Control Grant Account as a nonappropriated account in the custody of the State Treasurer. Gifts, grants, and other funds used to support the program are deposited into the account. The account may only be used to award hospital infection control grants including the administrative costs associated with the grant program. According to the OFM, the account balance is zero.

Climate Resiliency Account.

In 2020 the Legislature created the Climate Resiliency Account as an appropriated account in the State Treasury. Revenues to the account include appropriations and transfers by the Legislature and other funding directed for deposit into the account. The account may be used only for activities that increase climate resiliency. According to the OFM, the account balance is zero.

Criminal Justice Training Commission Firing Range Maintenance Account.

In 2013 the Legislature created the Criminal Justice Training Commission Firing Range Maintenance Account as a non-appropriated account in the custody of the State Treasurer. Moneys generated by the rental of the commission's firing range facilities, property, and equipment are deposited into the account as well as grants. The account may only be used for costs related to the rental, maintenance, or development of the firing range facilities, property, and equipment. According to the OFM, there is an account balance of \$213,403.

COVID-19 Unemployment Account.

In 2020 the Legislature created the COVID-19 Unemployment Account as a nonappropriated account in the custody of the State Treasurer. Revenues to the account consists of appropriations and transfers made by the Legislature. The account may be used only for reimbursing the unemployment trust fund account for unemployment benefits.

According to the OFM, the account balance is zero.

Institutional Impact Account.

In 1979 the Legislature created the Institutional Impact Account as an appropriated account in the State Treasury. The account may be used to reimburse political subdivisions for criminal justice costs incurred directly as a result of crimes committed by individuals residing in institutions under the jurisdiction of either the Department of Children, Youth, and Families or the Department of Corrections. According to the OFM, there is an account balance of \$19,145.

Hydraulic Project Approval Account.

In 2012 the Legislature created the Hydraulic Project Approval Account as an appropriated account in the State Treasury. Revenues to the account consist of receipts from application fees for hydraulic project approval applications. Expenditures from the account may be used by the Department of Fish and Wildlife to implement and operate the hydraulic project approval program. According to the OFM, the account balance is zero.

Unemployment Insurance Relief Account.

In 2021 the Legislature created the Unemployment Insurance Relief Account as a nonappropriated account in the custody of the State Treasurer. Revenues to the account consist of appropriations and transfers made by the Legislature. The account may only be used for reimbursing the unemployment compensation fund for forgiven benefits for COVID-19 impacted businesses. According to the OFM, the account balance is zero.

Abandoned Recreational Vehicle Disposal Account.

In 2018 the Legislature created the Abandoned Recreational Vehicle Disposal Account as an appropriated account in the State Treasury. Revenue to the account includes an \$8 fee on recreational vehicle registrations as well as legislative appropriations and transfers. The account may be used to reimburse tow truck operators and licensed dismantlers for the transport, dismantling, and disposal of abandoned recreational vehicles. From the 2019-21 fiscal biennium and through December 31, 2025, up to 15 percent of the expenditures from the account may be used for administrative expenses. Beginning January 1, 2026, up to 10 percent of the expenditures from the account may be used for administrative expenses of the Department of Licensing in implementing this chapter.

Salary/Insurance Contribution Increase Revolving Fund.

The Salary/Insurance Contribution Increase Revolving Fund was created by the OFM for the purpose of administering compensation allocations made in the operating budget.

Summary of Bill:

The following accounts are repealed and residual amounts, if any, in the eliminated accounts are transferred as follows:

- Independent Youth Housing Account (zero fund balance);

- Hospital Infection Control Grant Account (zero fund balance);
- Climate Resiliency Account (zero fund balance);
- Criminal Justice Training Commission Firing Range Maintenance Account (to the State General Fund);
- COVID-19 Unemployment Account (zero fund balance);
- Institutional Impact Account Account (to the State General Fund);
- Hydraulic Project Approval Account (zero fund balance); and
- Unemployment Insurance Relief Account (zero fund balance).

Up to 15 percent of the expenditures from the Abandoned Recreational Vehicle Disposal Account may continue to be used for administrative expenses after December 31, 2025.

Beginning July 1, 2026, all revenues and receipts in the Salary/Insurance Contribution Increase Revolving Fund must be deposited into the State General Fund and the OFM may not make expenditures or transfers from account.

EFFECT OF SENATE AMENDMENT(S):

The Senate amendment creates the Adult Day Service Facilities Account in the state treasury. The account is to be used for grants to eligible adult day service providers for minor renovations or repairs of existing buildings used to provide adult day services.

The Senate amendment eliminates the Warm Water Game Fish Account and redirects revenues received by that account, and transfers any residual fund balance in that account, to the Fish, Wildlife, and Conservation Account.

The Senate amendment redirects certain tobacco product tax revenues from State General Fund to:

1. The Andy Hill Cancer Research Endowment Fund Match Transfer Account until distributions reach \$10 million per fiscal year; and
2. the Foundational Public Health Services Account until distributions reach \$20 million per fiscal year.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Section 2 of the bill contains an emergency clause and takes effect immediately. The remainder of the bill takes effect on July 1, 2026.

Staff Summary of Public Testimony:

(In support) This is our annual accounts bill in collaboration with the Treasurer's Office.

(Opposed) None.

Persons Testifying: Representative Nicole Macri, prime sponsor; and Sheri Sawyer, Office of Financial Management.

Persons Signed In To Testify But Not Testifying: None.