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SENATE BILL 6043

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State of Washington                      64th Legislature                      2015 Regular Session

By Senators Habib, Litzow, Hobbs, Hill, Parlette, Fain, and Conway

Read first time 02/19/15. Referred to Committee on Health Care.

1            AN ACT Relating to the creation of the Washington achieving a  
2 better life experience program; amending RCW 43.330.010; reenacting  
3 and amending RCW 43.79A.040; adding new sections to chapter 43.330  
4 RCW; and providing an expiration date.

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

6            **Sec. 1.** RCW 43.330.010 and 2014 c 112 s 401 are each amended to  
7 read as follows:

8            Unless the context clearly requires otherwise, the definitions in  
9 this section apply throughout this chapter.

10            (1) "Associate development organization" means a local economic  
11 development nonprofit corporation that is broadly representative of  
12 community interests.

13            (2) "Department" means the department of commerce.

14            (3) "Director" means the director of the department of commerce.

15            (4) "Financial institution" means a bank, trust company, mutual  
16 savings bank, savings and loan association, or credit union  
17 authorized to do business in this state under state or federal law.

18            (5) "Small business" has the same meaning as provided in RCW  
19 39.26.010.

20            (6) "Eligible individual" means individuals entitled to benefits  
21 based on blindness or disability under 42 U.S.C. Sec. 401 or 1381 et

1 seq. as amended, and such blindness or disability occurred before the  
2 date the individual turned age twenty-six or an individual who has  
3 filed a disability certification to the satisfaction of the secretary  
4 of the United States treasury.

5 (7) "Individual Washington achieving a better life experience  
6 program account" means an account established by an eligible  
7 individual and owned by the eligible individual pursuant to the  
8 Washington achieving a better life experience program.

9 (8) "Washington achieving a better life experience program" means  
10 a savings program that allows eligible individuals to establish and  
11 contribute to individual Washington achieving a better life  
12 experience program accounts pursuant to section 529A of the federal  
13 internal revenue code of 1986, as amended.

14 NEW SECTION. Sec. 2. A new section is added to chapter 43.330  
15 RCW to read as follows:

16 (1) The Washington achieving a better life experience program is  
17 created in the department. The department is authorized to  
18 administer, manage, promote, and market the Washington achieving a  
19 better life experience program. This program must allow for the  
20 creation of savings accounts for eligible individuals with  
21 disabilities and the funds must be invested.

22 (2) The department may consult with the office of the state  
23 treasurer, the department of social and health services, and the  
24 state investment board in implementing the Washington achieving a  
25 better life experience program. The department shall adopt rules to  
26 implement the Washington achieving a better life experience program.

27 (3) The department shall take any action required to keep the  
28 program in compliance with requirements of this chapter and as  
29 required to qualify as a "qualified ABLE program" as defined in  
30 section 529A of the federal internal revenue code of 1986, as amended  
31 or any rules and regulations adopted by the secretary of the United  
32 States treasury pursuant to that act.

33 NEW SECTION. Sec. 3. A new section is added to chapter 43.330  
34 RCW to read as follows:

35 (1) The department shall annually report to the appropriate  
36 committees of the legislature by December 1st regarding the progress  
37 that has been made in implementing the Washington achieving a better  
38 life experience program. At a minimum, this report must include any

1 recommendations regarding legislative changes that are necessary to  
2 implement the program and an estimate regarding the timeline for  
3 implementing the program.

4 (2) This section expires July 1, 2018.

5 NEW SECTION. **Sec. 4.** A new section is added to chapter 43.330  
6 RCW to read as follows:

7 (1) The Washington achieving a better life experience program  
8 account is created in the custody of the state treasurer. The account  
9 must be a discrete nontreasury account retaining its interest  
10 earnings in accordance with RCW 43.79A.040.

11 (2) The account must be self-sustaining and consist of payments  
12 received from contributors to individual Washington achieving a  
13 better life experience program accounts. All payments contributed to  
14 the Washington achieving a better life experience program must be  
15 deposited in the account. With the exception of investment and  
16 operating costs associated with the investment of money by the  
17 investment board paid under RCW 43.33A.160 and 43.84.160, the account  
18 must be credited with all investment income earned by the account.  
19 Disbursements from the account are exempt from appropriations and the  
20 allotment provisions of chapter 43.88 RCW. An appropriation is not  
21 required for expenditures.

22 (3) The assets of the account may be spent without appropriation  
23 for the purpose of making payments to individual Washington achieving  
24 a better life experience program account holders. Disbursements from  
25 the account may be made only on the authorization of the department.

26 (4) With regard to the assets of the account, the state acts in a  
27 fiduciary, not ownership, capacity. Therefore, the assets of the  
28 account are not considered state money, common cash, or revenue to  
29 the state.

30 NEW SECTION. **Sec. 5.** A new section is added to chapter 43.330  
31 RCW to read as follows:

32 (1) The state investment board created in RCW 43.33A.020 has the  
33 full power to invest, reinvest, manage, contract, sell, or exchange  
34 investment money in the Washington achieving a better life experience  
35 program account. All investment and operating costs associated with  
36 the investment of money must be paid pursuant to RCW 43.33A.160 and  
37 43.84.160. With the exception of these expenses, the earnings from  
38 the investment of the money must be retained by the account.

1 (2) All investments made by the state investment board must be  
2 made with the exercise of that degree of judgment and care pursuant  
3 to RCW 43.33A.140 and the investment policy established by the state  
4 investment board.

5 (3) As deemed appropriate by the state investment board, money in  
6 the account may be commingled for investment with other funds subject  
7 to investment by the board.

8 (4) The authority to establish all policies relating to the  
9 account, other than the investment policies as set forth in  
10 subsections (1) through (3) of this section, resides with the  
11 department, and money in the account may be spent only for the  
12 purposes of the program as specified in this chapter.

13 (5) The state investment board shall routinely consult and  
14 communicate with the governing body on the investment policy,  
15 earnings of the account, and related needs of the program.

16 **Sec. 6.** RCW 43.79A.040 and 2013 c 251 s 5 and 2013 c 88 s 1 are  
17 each reenacted and amended to read as follows:

18 (1) Money in the treasurer's trust fund may be deposited,  
19 invested, and reinvested by the state treasurer in accordance with  
20 RCW 43.84.080 in the same manner and to the same extent as if the  
21 money were in the state treasury, and may be commingled with moneys  
22 in the state treasury for cash management and cash balance purposes.

23 (2) All income received from investment of the treasurer's trust  
24 fund must be set aside in an account in the treasury trust fund to be  
25 known as the investment income account.

26 (3) The investment income account may be utilized for the payment  
27 of purchased banking services on behalf of treasurer's trust funds  
28 including, but not limited to, depository, safekeeping, and  
29 disbursement functions for the state treasurer or affected state  
30 agencies. The investment income account is subject in all respects to  
31 chapter 43.88 RCW, but no appropriation is required for payments to  
32 financial institutions. Payments must occur prior to distribution of  
33 earnings set forth in subsection (4) of this section.

34 (4)(a) Monthly, the state treasurer must distribute the earnings  
35 credited to the investment income account to the state general fund  
36 except under (b), (c), and (d) of this subsection.

37 (b) The following accounts and funds must receive their  
38 proportionate share of earnings based upon each account's or fund's  
39 average daily balance for the period: The Washington promise

1 scholarship account, the Washington advanced college tuition payment  
2 program account, the accessible communities account, the Washington  
3 achieving a better life experience program account, the community and  
4 technical college innovation account, the agricultural local fund,  
5 the American Indian scholarship endowment fund, the foster care  
6 scholarship endowment fund, the foster care endowed scholarship trust  
7 fund, the contract harvesting revolving account, the Washington state  
8 combined fund drive account, the commemorative works account, the  
9 county enhanced 911 excise tax account, the toll collection account,  
10 the developmental disabilities endowment trust fund, the energy  
11 account, the fair fund, the family leave insurance account, the food  
12 animal veterinarian conditional scholarship account, the fruit and  
13 vegetable inspection account, the future teachers conditional  
14 scholarship account, the game farm alternative account, the GET ready  
15 for math and science scholarship account, the Washington global  
16 health technologies and product development account, the grain  
17 inspection revolving fund, the industrial insurance rainy day fund,  
18 the juvenile accountability incentive account, the law enforcement  
19 officers' and firefighters' plan 2 expense fund, the local tourism  
20 promotion account, the multiagency permitting team account, the  
21 pilotage account, the produce railcar pool account, the regional  
22 transportation investment district account, the rural rehabilitation  
23 account, the stadium and exhibition center account, the youth  
24 athletic facility account, the self-insurance revolving fund, the  
25 children's trust fund, the Washington horse racing commission  
26 Washington bred owners' bonus fund and breeder awards account, the  
27 Washington horse racing commission class C purse fund account, the  
28 individual development account program account, the Washington horse  
29 racing commission operating account, the life sciences discovery  
30 fund, the Washington state heritage center account, the reduced  
31 cigarette ignition propensity account, the center for childhood  
32 deafness and hearing loss account, the school for the blind account,  
33 the Millersylvania park trust fund, the public employees' and  
34 retirees' insurance reserve fund, and the radiation perpetual  
35 maintenance fund.

36 (c) The following accounts and funds must receive eighty percent  
37 of their proportionate share of earnings based upon each account's or  
38 fund's average daily balance for the period: The advanced right-of-  
39 way revolving fund, the advanced environmental mitigation revolving  
40 account, the federal narcotics asset forfeitures account, the high

1 occupancy vehicle account, the local rail service assistance account,  
2 and the miscellaneous transportation programs account.

3 (d) Any state agency that has independent authority over accounts  
4 or funds not statutorily required to be held in the custody of the  
5 state treasurer that deposits funds into a fund or account in the  
6 custody of the state treasurer pursuant to an agreement with the  
7 office of the state treasurer shall receive its proportionate share  
8 of earnings based upon each account's or fund's average daily balance  
9 for the period.

10 (5) In conformance with Article II, section 37 of the state  
11 Constitution, no trust accounts or funds shall be allocated earnings  
12 without the specific affirmative directive of this section.

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