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**SUBSTITUTE SENATE BILL 5003**

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**State of Washington**

**54th Legislature**

**1995 Regular Session**

**By** Senate Committee on Agriculture & Agricultural Trade & Development (originally sponsored by Senators Rasmussen, Newhouse, Loveland, Sellar, Snyder, Hochstatter, Prince, Bauer, Morton, Haugen, Winsley and A. Anderson)

Read first time 01/16/95.

1 AN ACT Relating to the deposit of interest earnings from  
2 agricultural funds and accounts; amending RCW 15.36.551, 16.38.060,  
3 17.21.280, 17.24.131, and 69.07.120; reenacting and amending RCW  
4 43.79A.040; adding a new section to chapter 43.84 RCW; adding a new  
5 section to chapter 43.23 RCW; providing an effective date; and  
6 declaring an emergency.

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

8 NEW SECTION. **Sec. 1.** A new section is added to chapter 43.84 RCW  
9 to read as follows:

10 It is the purpose of this section to establish a consistent policy  
11 for determining where interest earnings from various funds and accounts  
12 in the state treasury are deposited.

13 (1) Interest earnings from various funds and accounts in the state  
14 treasury shall be deposited into the state general fund. However,  
15 funds and accounts that meet one or more of the following criteria and  
16 are included in RCW 43.84.092 or 43.79A.040 shall receive their  
17 prorated share of interest earnings:

1 (a) A contractual agreement requires that all revenues in the fund  
2 or account, including interest earnings, be spent for a specific  
3 purpose;

4 (b) The income in the fund or account is derived from trust lands  
5 originally granted at statehood for a specified purpose;

6 (c) The revenues of the fund or account are collected by the state  
7 for distribution to local governments;

8 (d) The revenues of the fund or account are derived from state  
9 employee contributions to retirement and workers' compensation  
10 programs; or

11 (e) The fund or account is established for a program or programs  
12 that are entirely supported by fees.

13 (2) Nothing in chapter . . . , Laws of 1995 (this act) shall be  
14 construed as affecting where interest is deposited from funds or  
15 accounts specified in RCW 43.84.092 or 43.79A.040 except for the grain  
16 inspection revolving fund and the agricultural local fund.

17 **Sec. 2.** RCW 43.79A.040 and 1993 sp.s. c 8 s 2 and 1993 c 500 s 5  
18 are each reenacted and amended to read as follows:

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

23 (2) All income received from investment of the treasurer's trust  
24 fund shall 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 shall occur prior to distribution of  
33 earnings set forth in subsection (4) of this section.

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

37 (b) The following accounts and funds shall receive their  
38 proportionate share of earnings based upon each account's or fund's

1 average daily balance for the period: The agricultural local fund, the  
2 American Indian scholarship endowment fund, the energy account, the  
3 game farm alternative account, the grain inspection revolving fund, the  
4 rural rehabilitation account, and the self-insurance revolving fund.  
5 However, the earnings to be distributed shall first be reduced by the  
6 allocation to the state treasurer's service fund pursuant to RCW  
7 43.08.190.

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

11 **Sec. 3.** RCW 15.36.551 and 1994 c 34 s 1 are each amended to read  
12 as follows:

13 There is levied on all milk processed in this state an assessment  
14 not to exceed fifty-four one-hundredths of one cent per hundredweight.  
15 The director shall determine, by rule, an assessment, that with  
16 contribution from the general fund, will support an inspection program  
17 to maintain compliance with the provisions of the pasteurized milk  
18 ordinance of the national conference on interstate milk shipment. All  
19 assessments shall be levied on the operator of the first milk plant  
20 receiving the milk for processing. This shall include milk plants that  
21 produce their own milk for processing and milk plants that receive milk  
22 from other sources. All moneys collected under this section shall be  
23 paid to the director by the twentieth day of the succeeding month for  
24 the previous month's assessments. The director shall deposit the funds  
25 into the dairy inspection account hereby created within the  
26 agricultural (~~local fund~~) health and safety account established in  
27 (~~RCW 43.23.230~~) section 8 of this act. The funds shall be used only  
28 to provide inspection services to the dairy industry. If the operator  
29 of a milk plant fails to remit any assessments, that sum shall be a  
30 lien on any property owned by him or her, and shall be reported by the  
31 director and collected in the manner and with the same priority over  
32 other creditors as prescribed for the collection of delinquent taxes  
33 under chapters 84.60 and 84.64 RCW.

34 This section shall expire June 30, 1995.

35 **Sec. 4.** RCW 16.38.060 and 1986 c 203 s 6 are each amended to read  
36 as follows:

1       The director may, following a public hearing, establish a schedule  
2 of fees for services performed in carrying out such diagnostic service  
3 program. All fees collected under this provision shall be (~~retained~~  
4 ~~by the director of agriculture~~) deposited in the agricultural health  
5 and safety account to be spent only for carrying out the purposes of  
6 this chapter.

7       **Sec. 5.** RCW 17.21.280 and 1994 c 283 s 29 are each amended to read  
8 as follows:

9       All moneys collected under the provisions of this chapter shall be  
10 paid to the director and deposited in the agricultural (~~local fund,~~  
11 ~~RCW 43.23.230,~~) health and safety account created in section 8 of this  
12 act for use exclusively in the enforcement of this chapter. All fees,  
13 fines, forfeitures and penalties collected or assessed by a district  
14 court because of the violation of a state law shall be remitted as  
15 provided in chapter 3.62 RCW.

16       **Sec. 6.** RCW 17.24.131 and 1991 c 257 s 17 are each amended to read  
17 as follows:

18       To facilitate the movement or sale of forest, agricultural,  
19 floricultural, horticultural and related products, or bees and related  
20 products, the director may provide, if requested by farmers, growers,  
21 or other interested persons, special inspections, pest identifications,  
22 plant identifications, plant diagnostic services, other special  
23 certifications and activities not otherwise authorized by statute and  
24 to prescribe a fee for that service. The fee shall, as closely as  
25 practical, cover the cost of the service rendered, including the  
26 salaries and expenses of the personnel involved. Moneys collected  
27 shall be deposited in the plant pest account, which is hereby created  
28 within the agricultural (~~local fund~~) health and safety account. No  
29 appropriation is required for disbursement from the plant pest account  
30 to provide the services authorized by this section.

31       **Sec. 7.** RCW 69.07.120 and 1992 c 160 s 5 are each amended to read  
32 as follows:

33       All moneys received by the department under the provisions of this  
34 chapter shall be paid into the food processing inspection account  
35 hereby created within the agricultural (~~local fund~~) health and safety  
36 account established in (~~RCW 43.23.230~~) section 8 of this act and

1 shall be used solely to carry out the provisions of this chapter and  
2 chapter 69.04 RCW.

3 NEW SECTION. **Sec. 8.** A new section is added to chapter 43.23 RCW  
4 to read as follows:

5 The agricultural health and safety account is hereby established in  
6 the custody of the state treasurer. The account shall consist of such  
7 money as is directed by law for deposit in the account, and such other  
8 money not subject to appropriation that the department authorizes to be  
9 deposited in the account. Any money deposited in the account, the use  
10 of which has been restricted by law, may only be expended in accordance  
11 with those restrictions. The department may make disbursements from  
12 the account. The account is subject to allotment procedures under  
13 chapter 43.88 RCW, but no appropriation is required for expenditures.

14 NEW SECTION. **Sec. 9.** This act is necessary for the immediate  
15 preservation of the public peace, health, or safety, or support of the  
16 state government and its existing public institutions, and shall take  
17 effect June 1, 1995.

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