
SENATE BILL 6497

State of Washington

54th Legislature

1996 Regular Session

By Senators Zarelli, Swecker, Strannigan, Schow, A. Anderson, Deccio, Moyer, Johnson, McDonald, Oke, Sellar, Cantu and Roach

Read first time 01/16/96. Referred to Committee on Ways & Means.

1 AN ACT Relating to requiring approval by a two-thirds vote of each
2 house to amend Initiative 601; amending RCW 43.88.033; reenacting and
3 amending RCW 43.84.092; and adding a new section to chapter 43.135 RCW.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 43.135 RCW
6 to read as follows:

7 The legislature may amend chapter 2, Laws of 1994 (Initiative 601)
8 only with approval by a two-thirds vote of each house.

9 **Sec. 2.** RCW 43.84.092 and 1995 c 394 s 1 and 1995 c 122 s 12 are
10 each reenacted and amended to read as follows:

11 (1) All earnings of investments of surplus balances in the state
12 treasury shall be deposited to the treasury income account, which
13 account is hereby established in the state treasury.

14 (2) The treasury income account shall be utilized to pay or receive
15 funds associated with federal programs as required by the federal cash
16 management improvement act of 1990. The treasury income account is
17 subject in all respects to chapter 43.88 RCW, but no appropriation is
18 required for refunds or allocations of interest earnings required by

1 the cash management improvement act. Refunds of interest to the
2 federal treasury required under the cash management improvement act
3 fall under RCW 43.88.180 and shall not require appropriation. The
4 office of financial management shall determine the amounts due to or
5 from the federal government pursuant to the cash management improvement
6 act. The office of financial management may direct transfers of funds
7 between accounts as deemed necessary to implement the provisions of the
8 cash management improvement act, and this subsection. Refunds or
9 allocations shall occur prior to the distributions of earnings set
10 forth in subsection (4) of this section.

11 (3) Except for the provisions of RCW 43.84.160, the treasury income
12 account may be utilized for the payment of purchased banking services
13 on behalf of treasury funds including, but not limited to, depository,
14 safekeeping, and disbursement functions for the state treasury and
15 affected state agencies. The treasury income account is subject in all
16 respects to chapter 43.88 RCW, but no appropriation is required for
17 payments to financial institutions. Payments shall occur prior to
18 distribution of earnings set forth in subsection (4) of this section.

19 (4) Monthly, the state treasurer shall distribute the earnings
20 credited to the treasury income account. The state treasurer shall
21 credit the general fund with all the earnings credited to the treasury
22 income account except:

23 (a) The following accounts and funds shall receive their
24 proportionate share of earnings based upon each account's and fund's
25 average daily balance for the period: The capitol building
26 construction account, the Cedar River channel construction and
27 operation account, the Central Washington University capital projects
28 account, the charitable, educational, penal and reformatory
29 institutions account, the common school construction fund, the county
30 criminal justice assistance account, the county sales and use tax
31 equalization account, the data processing building construction
32 account, the deferred compensation administrative account, the deferred
33 compensation principal account, the department of retirement systems
34 expense account, the Eastern Washington University capital projects
35 account, the education construction fund, the emergency reserve fund,
36 the federal forest revolving account, the health services account, the
37 public health services account, the health system capacity account, the
38 personal health services account, the industrial insurance premium
39 refund account, the judges' retirement account, the judicial retirement

1 administrative account, the judicial retirement principal account, the
2 local leasehold excise tax account, the local real estate excise tax
3 account, the local sales and use tax account, the medical aid account,
4 the mobile home park relocation fund, the municipal criminal justice
5 assistance account, the municipal sales and use tax equalization
6 account, the natural resources deposit account, the perpetual
7 surveillance and maintenance account, the public employees' retirement
8 system plan I account, the public employees' retirement system plan II
9 account, the Puyallup tribal settlement account, the resource
10 management cost account, the site closure account, the special wildlife
11 account, the state employees' insurance account, the state employees'
12 insurance reserve account, the state investment board expense account,
13 the state investment board commingled trust fund accounts, the
14 supplemental pension account, the teachers' retirement system plan I
15 account, the teachers' retirement system plan II account, the tuition
16 recovery trust fund, the University of Washington bond retirement fund,
17 the University of Washington building account, the volunteer fire
18 fighters' relief and pension principal account, the volunteer fire
19 fighters' relief and pension administrative account, the Washington
20 judicial retirement system account, the Washington law enforcement
21 officers' and fire fighters' system plan I retirement account, the
22 Washington law enforcement officers' and fire fighters' system plan II
23 retirement account, the Washington state patrol retirement account, the
24 Washington State University building account, the Washington State
25 University bond retirement fund, the water pollution control revolving
26 fund, and the Western Washington University capital projects account.
27 Earnings derived from investing balances of the agricultural permanent
28 fund, the normal school permanent fund, the permanent common school
29 fund, the scientific permanent fund, and the state university permanent
30 fund shall be allocated to their respective beneficiary accounts. All
31 earnings to be distributed under this subsection (4)(a) shall first be
32 reduced by the allocation to the state treasurer's service fund
33 pursuant to RCW 43.08.190.

34 (b) The following accounts and funds shall receive eighty percent
35 of their proportionate share of earnings based upon each account's or
36 fund's average daily balance for the period: The aeronautics account,
37 the aircraft search and rescue account, the central Puget Sound public
38 transportation account, the city hardship assistance account, the
39 county arterial preservation account, the department of licensing

1 services account, the economic development account, the essential rail
2 assistance account, the essential rail banking account, the ferry bond
3 retirement fund, the gasohol exemption holding account, the grade
4 crossing protective fund, the high capacity transportation account, the
5 highway bond retirement fund, the highway construction stabilization
6 account, the highway safety account, the marine operating fund, the
7 motor vehicle fund, the motorcycle safety education account, the
8 pilotage account, the public transportation systems account, the Puget
9 Sound capital construction account, the Puget Sound ferry operations
10 account, the recreational vehicle account, the rural arterial trust
11 account, the safety and education account, the small city account, the
12 special category C account, the state patrol highway account, the
13 transfer relief account, the transportation capital facilities account,
14 the transportation equipment fund, the transportation fund, the
15 transportation improvement account, the transportation revolving loan
16 account, and the urban arterial trust account.

17 (5) In conformance with Article II, section 37 of the state
18 Constitution, no treasury accounts or funds shall be allocated earnings
19 without the specific affirmative directive of this section.

20 (6) Section 1 of this act applies to this section.

21 **Sec. 3.** RCW 43.88.033 and 1994 c 2 s 7 are each amended to read as
22 follows:

23 The budget document submitted by the governor to the legislature
24 under RCW 43.88.030 shall reflect the state expenditure limit
25 established under chapter 43.135 RCW and shall not propose expenditures
26 in excess of that limit.

27 Section 1 of this act applies to this section.

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