
SUBSTITUTE HOUSE BILL 1825

State of Washington

55th Legislature

1997 Regular Session

By House Committee on Natural Resources (originally sponsored by Representatives Sump, Thompson, Pennington, Sheldon, DeBolt, Kessler and Hatfield)

Read first time 03/05/97.

1 AN ACT Relating to the forest development account; amending RCW
2 76.12.030, 76.12.110, and 43.84.092; providing an effective date; and
3 declaring an emergency.

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

5 **Sec. 1.** RCW 76.12.030 and 1991 c 363 s 151 are each amended to
6 read as follows:

7 If any land acquired by a county through foreclosure of tax liens,
8 or otherwise, comes within the classification of land described in RCW
9 76.12.020 and can be used as state forest land and if the department
10 deems such land necessary for the purposes of this chapter, the county
11 shall, upon demand by the department, deed such land to the department
12 and the land shall become a part of the state forest lands.

13 Such land shall be held in trust and administered and protected by
14 the department as other state forest lands. Any moneys derived from
15 the lease of such land or from the sale of forest products, oils,
16 gases, coal, minerals, or fossils therefrom, shall be distributed as
17 follows:

18 (1) The expense incurred by the state, as well as any fees or
19 charges assessed by the state, for administration, reforestation, and

1 protection, not to exceed (~~twenty-five~~) twenty percent, which rate of
2 percentage shall be determined by the board of natural resources, shall
3 be returned to the forest development account in the state general
4 fund. By June 30th of each year, the board of natural resources must
5 establish the percentage and a budget for the following fiscal year in
6 such a manner that the balance in the account does not exceed the
7 amount necessary for six months of operating expenses for
8 administration, reforestation, and protection. The board of natural
9 resources must set the level of the balance of the account in
10 cooperation with the counties that have forest board transfer lands.

11 If the terms of a lease or sale of forest products or other
12 resources from the forest board transfer lands include any special fees
13 or charges that the lessee or the purchaser must pay to the state, then
14 those fees or charges shall be included in the calculation of the
15 expense for the administration, reforestation, and protection of these
16 lands. This shall include any charges the department may impose for
17 the use of roads as provided in RCW 79.38.030.

18 (2) Any balance remaining shall be paid to the county in which the
19 land is located to be paid, distributed, and prorated, except as
20 hereinafter provided, to the various funds in the same manner as
21 general taxes are paid and distributed during the year of payment:
22 PROVIDED, That any such balance remaining paid to a county with a
23 population of less than nine thousand shall first be applied to the
24 reduction of any indebtedness existing in the current expense fund of
25 such county during the year of payment.

26 **Sec. 2.** RCW 76.12.110 and 1988 c 128 s 31 are each amended to read
27 as follows:

28 There is created a forest development account in the state
29 treasury. The state treasurer shall keep an account of all sums
30 deposited therein and expended or withdrawn therefrom. Any sums placed
31 in the account shall be pledged for the purpose of paying interest and
32 principal on the bonds issued by the department, and for the purchase
33 of land for growing timber. Any bonds issued shall constitute a first
34 and prior claim and lien against the account for the payment of
35 principal and interest. No sums for the above purposes shall be
36 withdrawn or paid out of the account except upon approval of the
37 department. Interest earned by the forest development account must be
38 distributed back into that account.

1 Appropriations may be made by the legislature from the forest
2 development account to the department for the purpose of carrying on
3 the activities of the department on state forest lands, lands managed
4 on a sustained yield basis as provided for in RCW 79.68.040, and for
5 reimbursement of expenditures that have been made or may be made from
6 the resource management cost account in the management of state forest
7 lands.

8 **Sec. 3.** RCW 43.84.092 and 1996 c 262 s 4 are each amended to read
9 as follows:

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

13 (2) The treasury income account shall be utilized to pay or receive
14 funds associated with federal programs as required by the federal cash
15 management improvement act of 1990. The treasury income account is
16 subject in all respects to chapter 43.88 RCW, but no appropriation is
17 required for refunds or allocations of interest earnings required by
18 the cash management improvement act. Refunds of interest to the
19 federal treasury required under the cash management improvement act
20 fall under RCW 43.88.180 and shall not require appropriation. The
21 office of financial management shall determine the amounts due to or
22 from the federal government pursuant to the cash management improvement
23 act. The office of financial management may direct transfers of funds
24 between accounts as deemed necessary to implement the provisions of the
25 cash management improvement act, and this subsection. Refunds or
26 allocations shall occur prior to the distributions of earnings set
27 forth in subsection (4) of this section.

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

36 (4) Monthly, the state treasurer shall distribute the earnings
37 credited to the treasury income account. The state treasurer shall

1 credit the general fund with all the earnings credited to the treasury
2 income account except:

3 (a) The following accounts and funds shall receive their
4 proportionate share of earnings based upon each account's and fund's
5 average daily balance for the period: The capitol building
6 construction account, the Cedar River channel construction and
7 operation account, the Central Washington University capital projects
8 account, the charitable, educational, penal and reformatory
9 institutions account, the common school construction fund, the county
10 criminal justice assistance account, the county sales and use tax
11 equalization account, the data processing building construction
12 account, the deferred compensation administrative account, the deferred
13 compensation principal account, the department of retirement systems
14 expense account, the Eastern Washington University capital projects
15 account, the education construction fund, the emergency reserve fund,
16 the federal forest revolving account, the forest development account,
17 the health services account, the public health services account, the
18 health system capacity account, the personal health services account,
19 the highway infrastructure account, the industrial insurance premium
20 refund account, the judges' retirement account, the judicial retirement
21 administrative account, the judicial retirement principal account, the
22 local leasehold excise tax account, the local real estate excise tax
23 account, the local sales and use tax account, the medical aid account,
24 the mobile home park relocation fund, the municipal criminal justice
25 assistance account, the municipal sales and use tax equalization
26 account, the natural resources deposit account, the perpetual
27 surveillance and maintenance account, the public employees' retirement
28 system plan I account, the public employees' retirement system plan II
29 account, the Puyallup tribal settlement account, the resource
30 management cost account, the site closure account, the special wildlife
31 account, the state employees' insurance account, the state employees'
32 insurance reserve account, the state investment board expense account,
33 the state investment board commingled trust fund accounts, the
34 supplemental pension account, the teachers' retirement system plan I
35 account, the teachers' retirement system plan II account, the
36 transportation infrastructure account, the tuition recovery trust fund,
37 the University of Washington bond retirement fund, the University of
38 Washington building account, the volunteer fire fighters' relief and
39 pension principal account, the volunteer fire fighters' relief and

1 pension administrative account, the Washington judicial retirement
2 system account, the Washington law enforcement officers' and fire
3 fighters' system plan I retirement account, the Washington law
4 enforcement officers' and fire fighters' system plan II retirement
5 account, the Washington state patrol retirement account, the Washington
6 State University building account, the Washington State University bond
7 retirement fund, the water pollution control revolving fund, and the
8 Western Washington University capital projects account. Earnings
9 derived from investing balances of the agricultural permanent fund, the
10 normal school permanent fund, the permanent common school fund, the
11 scientific permanent fund, and the state university permanent fund
12 shall be allocated to their respective beneficiary accounts. All
13 earnings to be distributed under this subsection (4)(a) shall first be
14 reduced by the allocation to the state treasurer's service fund
15 pursuant to RCW 43.08.190.

16 (b) The following accounts and funds shall receive eighty percent
17 of their proportionate share of earnings based upon each account's or
18 fund's average daily balance for the period: The aeronautics account,
19 the aircraft search and rescue account, the central Puget Sound public
20 transportation account, the city hardship assistance account, the
21 county arterial preservation account, the department of licensing
22 services account, the economic development account, the essential rail
23 assistance account, the essential rail banking account, the ferry bond
24 retirement fund, the gasohol exemption holding account, the grade
25 crossing protective fund, the high capacity transportation account, the
26 highway bond retirement fund, the highway construction stabilization
27 account, the highway safety account, the marine operating fund, the
28 motor vehicle fund, the motorcycle safety education account, the
29 pilotage account, the public transportation systems account, the Puget
30 Sound capital construction account, the Puget Sound ferry operations
31 account, the recreational vehicle account, the rural arterial trust
32 account, the safety and education account, the small city account, the
33 special category C account, the state patrol highway account, the
34 transfer relief account, the transportation capital facilities account,
35 the transportation equipment fund, the transportation fund, the
36 transportation improvement account, the transportation revolving loan
37 account, and the urban arterial trust account.

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

4 NEW SECTION. **Sec. 4.** This act is necessary for the immediate
5 preservation of the public peace, health, or safety, or support of the
6 state government and its existing public institutions, and takes effect
7 June 30, 1997.

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