

2 **SSB 5359** - H COMM AMD
3 By Committee on Appropriations

4

5 Strike everything after the enacting clause and insert the
6 following:

7 NEW SECTION. **Sec. 1.** A new section is added to chapter 43.79 RCW
8 to read as follows:

9 The legislature recognizes that the citizens of the state of
10 Washington have suffered substantial harm as a result of the marketing,
11 sale, and use of tobacco products. Moneys received by the state of
12 Washington in accordance with the settlement of the state's legal
13 action against tobacco product manufacturers, exclusive of costs and
14 attorneys' fees, shall be deposited in the tobacco settlement account
15 created in section 2 of this act.

16 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.79 RCW
17 to read as follows:

18 The tobacco settlement account is created in the state treasury.
19 Moneys in the tobacco settlement account may be transferred to the
20 health services account for the purposes set forth in RCW 43.72.900 and
21 to the tobacco prevention and control account for purposes set forth in
22 section 3 of this act.

23 NEW SECTION. **Sec. 3.** A new section is added to chapter 43.79 RCW
24 to read as follows:

25 The tobacco prevention and control account is created in the state
26 treasury. The sources of revenue for this account are moneys
27 transferred to the account from the tobacco settlement account,
28 investment earnings, donations to the account, and other revenues as
29 directed by law. Expenditures from the account are subject to
30 appropriation.

31 **Sec. 4.** RCW 43.84.092 and 1997 c 218 s 5 are each amended to read
32 as follows:

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

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

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

27 (4) Monthly, the state treasurer shall distribute the earnings
28 credited to the treasury income account. The state treasurer shall
29 credit the general fund with all the earnings credited to the treasury
30 income account except:

31 (a) The following accounts and funds shall receive their
32 proportionate share of earnings based upon each account's and fund's
33 average daily balance for the period: The capitol building
34 construction account, the Cedar River channel construction and
35 operation account, the Central Washington University capital projects
36 account, the charitable, educational, penal and reformatory
37 institutions account, the common school construction fund, the county
38 criminal justice assistance account, the county sales and use tax
39 equalization account, the data processing building construction

1 account, the deferred compensation administrative account, the deferred
2 compensation principal account, the department of retirement systems
3 expense account, the drinking water assistance account, the Eastern
4 Washington University capital projects account, the education
5 construction fund, the emergency reserve fund, the federal forest
6 revolving account, the health services account, the public health
7 services account, the health system capacity account, the personal
8 health services account, the highway infrastructure account, the
9 industrial insurance premium refund account, the judges' retirement
10 account, the judicial retirement administrative account, the judicial
11 retirement principal account, the local leasehold excise tax account,
12 the local real estate excise tax account, the local sales and use tax
13 account, the medical aid account, the mobile home park relocation fund,
14 the municipal criminal justice assistance account, the municipal sales
15 and use tax equalization account, the natural resources deposit
16 account, the perpetual surveillance and maintenance account, the public
17 employees' retirement system plan I account, the public employees'
18 retirement system plan II account, the Puyallup tribal settlement
19 account, the resource management cost account, the site closure
20 account, the special wildlife account, the state employees' insurance
21 account, the state employees' insurance reserve account, the state
22 investment board expense account, the state investment board commingled
23 trust fund accounts, the supplemental pension account, the teachers'
24 retirement system plan I account, the teachers' retirement system plan
25 II account, the tobacco prevention and control account, the tobacco
26 settlement account, the transportation infrastructure account, the
27 tuition recovery trust fund, the University of Washington bond
28 retirement fund, the University of Washington building account, the
29 volunteer fire fighters' relief and pension principal account, the
30 volunteer fire fighters' relief and pension administrative account, the
31 Washington judicial retirement system account, the Washington law
32 enforcement officers' and fire fighters' system plan I retirement
33 account, the Washington law enforcement officers' and fire fighters'
34 system plan II retirement account, the Washington state patrol
35 retirement account, the Washington State University building account,
36 the Washington State University bond retirement fund, the water
37 pollution control revolving fund, and the Western Washington University
38 capital projects account. Earnings derived from investing balances of
39 the agricultural permanent fund, the normal school permanent fund, the

1 permanent common school fund, the scientific permanent fund, and the
2 state university permanent fund shall be allocated to their respective
3 beneficiary accounts. All earnings to be distributed under this
4 subsection (4)(a) shall first be reduced by the allocation to the state
5 treasurer's service fund pursuant to RCW 43.08.190.

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

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

31 **Sec. 5.** RCW 43.84.092 and 1998 c 341 s 708 are each amended to
32 read as follows:

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

36 (2) The treasury income account shall be utilized to pay or receive
37 funds associated with federal programs as required by the federal cash
38 management improvement act of 1990. The treasury income account is

1 subject in all respects to chapter 43.88 RCW, but no appropriation is
2 required for refunds or allocations of interest earnings required by
3 the cash management improvement act. Refunds of interest to the
4 federal treasury required under the cash management improvement act
5 fall under RCW 43.88.180 and shall not require appropriation. The
6 office of financial management shall determine the amounts due to or
7 from the federal government pursuant to the cash management improvement
8 act. The office of financial management may direct transfers of funds
9 between accounts as deemed necessary to implement the provisions of the
10 cash management improvement act, and this subsection. Refunds or
11 allocations shall occur prior to the distributions of earnings set
12 forth in subsection (4) of this section.

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

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

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

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

1 reduced by the allocation to the state treasurer's service fund
2 pursuant to RCW 43.08.190.

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

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

28 NEW SECTION. **Sec. 6.** If any provision of this act or its
29 application to any person or circumstance is held invalid, the
30 remainder of the act or the application of the provision to other
31 persons or circumstances is not affected.

32 NEW SECTION. **Sec. 7.** Section 4 of this act expires September 1,
33 2000.

34 NEW SECTION. **Sec. 8.** (1) Sections 1 through 4 of this act are
35 necessary for the immediate preservation of the public peace, health,

1 or safety, or support of the state government and its existing public
2 institutions, and take effect immediately.

3 (2) Section 5 of this act takes effect September 1, 2000."

4 Correct the title.

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