

2 **SSB 6254** - H COMM AMD **ADOPTED 3/6/02**  
3 By Committee on Agriculture & Ecology

4

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

7 "**Sec. 1.** RCW 15.17.230 and 1998 c 154 s 15 are each amended to  
8 read as follows:

9 For the purpose of this chapter the state shall be divided into not  
10 less than ~~((three))~~ two fruit and vegetable inspection districts ~~((to~~  
11 ~~which the director may assign a district manager who shall supervise~~  
12 ~~and administer regulatory and inspection affairs of the districts))~~.  
13 The director, by rule, shall establish the boundaries of the districts  
14 and may adjust the boundaries for purposes of efficiency and economy.

15 **Sec. 2.** RCW 15.17.240 and 1998 c 154 s 16 are each amended to read  
16 as follows:

17 (1) ~~((The district managers shall collect the fees provided for~~  
18 ~~under this chapter and deposit them in the fruit and vegetable district~~  
19 ~~fund in any bank in the district approved for the deposit of state~~  
20 ~~funds. The fees shall be used to carry out the provisions of this~~  
21 ~~chapter and no appropriation is required for disbursement from the~~  
22 ~~fund. District managers shall approve payments from the fruit and~~  
23 ~~vegetable inspection district funds to the fruit and vegetable~~  
24 ~~inspection trust account in accordance with RCW 15.17.245. On a~~  
25 ~~monthly basis, each district manager shall provide to the director a~~  
26 ~~detailed account of the receipts and disbursements for the preceding~~  
27 ~~month.~~

28 (2) ~~Assessments and other fees approved by the director or~~  
29 ~~authorized by law and collected by the district managers shall be~~  
30 ~~deposited in the fruit and vegetable inspection district funds and~~  
31 ~~distributed to the appropriate fund or agency.))~~ The fruit and  
32 vegetable inspection account is created in the custody of the state  
33 treasurer. All fees collected under this chapter must be deposited  
34 into the account. The director may authorize expenditures from the  
35 account solely for the implementation and enforcement of this chapter

1 and any other expenditures authorized by statute or session law and  
2 applying specifically to the account. The account is subject to  
3 allotment procedures under chapter 43.88 RCW, but an appropriation is  
4 not required for expenditures.

5 The director shall establish and maintain an account within the  
6 fruit and vegetable inspection account for each district established  
7 under RCW 15.17.230.

8 (2) By August 1, 2004, and by August 1st of each even-numbered year  
9 thereafter, the director shall review the balance of each of the  
10 district accounts in the fruit and vegetable inspection account at the  
11 end of the previous fiscal year. If the balance in the district  
12 account exceeds the sum of the following: An amount equal to the total  
13 expenditures of the district served by that account for the last six  
14 months of that previous fiscal year; any budgeted capital expenditures  
15 from the account for the current fiscal year; and six hundred thousand  
16 dollars, the director shall temporarily and equally, on a percentage  
17 basis, reduce each of the fees accruing to the district account until  
18 such time that the district account has a balance equal to the amount  
19 of the total expenditures from the account for the last seven months of  
20 the previous fiscal year, at which time the fees shall be returned to  
21 the amounts before the temporary reduction. In making the reductions,  
22 the director shall attempt to reduce fees for a twelve-month period so  
23 as to apply the reductions to as many of the persons who annually pay  
24 fees for services provided by the district. The temporary fee  
25 reductions shall be initially provided through the adoption of  
26 emergency rules. The emergency and subsequent rules temporarily  
27 reducing the fees are exempt from the requirements of RCW 34.05.310 and  
28 chapter 19.85 RCW. These fees shall be reinstated through the  
29 expiration of the rules temporarily reducing them and the authority to  
30 reinstate them is hereby granted.

31 NEW SECTION. Sec. 3. (1) Except as provided in subsection (2) of  
32 this section, any residual balance in any fruit and vegetable district  
33 fund on the effective date of this act shall be transferred to the  
34 fruit and vegetable inspection account established in RCW 15.17.240.  
35 Any such residual balance in the district fund for district number 2,  
36 as the district is constituted by rule on January 1, 2002, shall be  
37 transferred to the district account for the district containing Yakima  
38 county. Any such residual balance in the district fund for any other

1 district shall be transferred to the district account for the district  
2 not containing Yakima county. Any residual balance in the fruit and  
3 vegetable inspection trust account on the effective date of this act  
4 shall be transferred to the fruit and vegetable inspection account  
5 established in RCW 15.17.240 and shall be equally distributed among the  
6 district accounts.

7 (2) The director shall review the residual balance of each of the  
8 district funds transferred to the fruit and vegetable inspection  
9 account under subsection (1) of this section.

10 (a) Except as provided in (b) of this subsection, if such a  
11 residual balance in the district fund exceeds an amount equal to the  
12 total of the expenditures of the district served by that fund for the  
13 last six months of fiscal year 2002, the director of agriculture shall  
14 temporarily reduce each of the inspection fees adopted by rule that are  
15 collected for inspection services conducted in the area served by the  
16 district as it is constituted on January 1, 2002, and shall use such  
17 excess amount to provide the fee reductions. The fees shall be  
18 temporarily reduced by twelve and one-half percent for that area until  
19 the excess amount remaining is equal to an average one month's  
20 expenditures from the district fund during the six months ending June  
21 30, 2002, at which time the fees charged shall return to the level of  
22 the fees adopted by rule. The amount equal to the average one month's  
23 expenditures shall be deposited in the district account to which other  
24 portions of the residual balance from the district fund were deposited.

25 (b) A portion of the amount transferred to the account from the  
26 district fund from district number three, as the district is  
27 constituted by rule on January 1, 2002, shall be used exclusively to  
28 reduce the fees charged for inspection services in the area served by  
29 the district as the district is constituted by rule on January 1, 2002.  
30 The fees shall be temporarily reduced by nine and one-half percent for  
31 that area for a period of twelve months at which time the fees charged  
32 shall return to the level of the fees adopted by rule.

33 **Sec. 4.** RCW 15.17.243 and 2001 c 92 s 1 are each amended to read  
34 as follows:

35 The district manager for district two as defined in WAC 16-458-075  
36 is authorized to transfer two hundred thousand dollars from the fruit  
37 and vegetable district fund to the plant pest account within the  
38 agricultural local fund. The amount transferred is to be derived from

1 fees collected for state inspections of tree fruits and is to be used  
2 solely for activities related to the control of *Rhagoletis pomonella* in  
3 district two. The transfer of funds shall occur by June 1, 1997. On  
4 June 30, 2003, any unexpended portion of the two hundred thousand  
5 dollars shall be (~~returned~~) transferred to the fruit and vegetable  
6 (~~district fund~~) inspection account and deposited in the district  
7 account for the district that includes Yakima county.

8 **Sec. 5.** RCW 43.79A.040 and 2001 c 201 s 4 and 2001 c 184 s 4 are  
9 each reenacted and amended to read as follows:

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

14 (2) All income received from investment of the treasurer's trust  
15 fund shall be set aside in an account in the treasury trust fund to be  
16 known as the investment income account.

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

25 (4)(a) Monthly, the state treasurer shall distribute the earnings  
26 credited to the investment income account to the state general fund  
27 except under (b) and (c) of this subsection.

28 (b) The following accounts and funds shall receive their  
29 proportionate share of earnings based upon each account's or fund's  
30 average daily balance for the period: The college savings program  
31 account, the Washington advanced college tuition payment program  
32 account, the agricultural local fund, the American Indian scholarship  
33 endowment fund, the basic health plan self-insurance reserve account,  
34 the Washington international exchange scholarship endowment fund, the  
35 developmental disabilities endowment trust fund, the energy account,  
36 the fair fund, the fruit and vegetable inspection account, the game  
37 farm alternative account, the grain inspection revolving fund, the  
38 juvenile accountability incentive account, the rural rehabilitation

1 account, the stadium and exhibition center account, the youth athletic  
2 facility account, the self-insurance revolving fund, the sulfur dioxide  
3 abatement account, and the children's trust fund. However, the  
4 earnings to be distributed shall first be reduced by the allocation to  
5 the state treasurer's service fund pursuant to RCW 43.08.190.

6 (c) 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 advanced right of way  
9 revolving fund, the advanced environmental mitigation revolving  
10 account, the city and county advance right-of-way revolving fund, the  
11 federal narcotics asset forfeitures account, the high occupancy vehicle  
12 account, the local rail service assistance account, and the  
13 miscellaneous transportation programs account.

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

17 NEW SECTION. **Sec. 6.** If fruit and vegetable inspection districts  
18 that existed on January 1, 2002, under RCW 15.17.230 are consolidated  
19 or otherwise altered during 2002, the consolidation or alternation must  
20 not result in a reduction of inspection services or the availability or  
21 quality of those services in any of the districts, but may result in a  
22 consolidation of administrative support for those services.

23 NEW SECTION. **Sec. 7.** RCW 15.17.245 (Fruit and vegetable  
24 inspection trust account) and 1998 c 154 s 19, 1987 c 393 s 2, 1986 c  
25 203 s 1, 1969 ex.s. c 76 s 1, & 1961 c 11 s 15.04.100 are each  
26 repealed.

27 NEW SECTION. **Sec. 8.** This act takes effect July 1, 2002.  
28 However, the director of the department of agriculture and the state  
29 treasurer may take actions before July 1, 2002, to permit the creation  
30 of the fruit and vegetable inspection account and the district accounts  
31 described in RCW 15.17.240 by July 1, 2002."

1 **SSB 6254** - H COMM AMD  
2 By Committee on Agriculture & Ecology

3  
4 On page 1, line 1 of the title, after "account;" strike the  
5 remainder of the title and insert "amending RCW 15.17.230, 15.17.240,  
6 and 15.17.243; reenacting and amending RCW 43.79A.040; creating new  
7 sections; repealing RCW 15.17.245; and providing an effective date."

--- END ---