H-1556.1

SUBSTITUTE HOUSE BILL 1014

State of Washington 57th Legislature 2001 Regular Session

By House Committee on Natural Resources (originally sponsored by Representatives Pennington, Mielke, Buck and Jackley)

READ FIRST TIME 02/07/01.

1 AN ACT Relating to the landowner contingency forest fire 2 suppression account; amending RCW 76.04.630, 43.84.092, and 3 43.84.092; adding a new section to chapter 43.135 RCW; creating a 4 new section; providing an effective date; and providing an 5 expiration date.

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

7 <u>NEW SECTION.</u> Sec. 1. The legislature finds that rapid and effective responses to forest fires are critical in keeping these 8 9 fires from spreading into larger fires. Large forest fires impair 10 air quality, destroy valuable watersheds and riparian areas, and denigrate salmon habitat. The legislature also finds that the costs 11 associated with one large forest fire is far greater than the 12 13 costs for extinguishing hundreds of small fires. The legislature 14 recognizes that a report issued in 1997 indicated that the 15 department of natural resources lacked the funding to adequately address the threat of forest fires. Forest fire suppression is paid 16 17 by annual assessments on landowners. The legislature further finds that landowner assessments that are paid for the particular 18

service of forest fire suppression should not lapse into the 1 2 general fund, particularly when there are not adequate funds for the department of natural resources to fight fires. The legislature 3 4 therefore finds that it is in the public interest for interest 5 earned on moneys in the landowner contingency forest fire suppression account to be credited to that account, and that б 7 moneys in the account should not lapse if they are not spent by 8 the end of the biennium.

9 **Sec. 2.** RCW 76.04.630 and 1993 c 36 s 2 are each amended to read 10 as follows:

There is created a landowner contingency forest fire 11 12 suppression account in the state treasury. Moneys in the account may be spent only as provided in this section. Disbursements from 13 14 the account shall be on authorization of the commissioner of public lands or the commissioner's designee. The account is subject 15 16 to the allotment procedure provided under chapter 43.88 RCW, but no appropriation is required for disbursements. Money in the 17 18 account that is not expended prior to the end of the biennium in which it was collected does not lapse, but must remain in the 19 account. Interest earned from money in the account must be credited 20 to the account. 21

22 The department may expend from this account the amounts as may 23 be available and as it considers appropriate for the payment of 24 emergency fire costs resulting from a participating landowner 25 fire. The department may, when moneys are available from the 26 landowner contingency forest fire suppression account, expend 27 moneys for summarily abating, isolating, or reducing an extreme fire hazard under RCW 76.04.660. All moneys recovered as a result 28 29 of the department's actions, from the owner or person responsible, under RCW 76.04.660 shall be deposited in the landowner 30 contingency forest fire suppression account. 31

When a determination is made that the fire was started by other than a landowner operation, moneys expended from this account in the suppression of such fire shall be recovered from the general fund appropriations as may be available for emergency fire suppression costs. The department shall deposit in the landowner

contingency forest fire suppression account moneys paid out of the
 account which are later recovered, less reasonable costs of
 recovery.

4 This account shall be established and renewed by an annual 5 special forest fire suppression account assessment paid by participating landowners at a rate to be established by the 6 7 department. In establishing assessments, the department shall seek 8 to establish and thereafter reestablish a balance in the account 9 of three million dollars. The department may establish a flat fee 10 assessment of no more than seven dollars and fifty cents for participating landowners owning parcels of fifty acres or less. For 11 12 participating landowners owning parcels larger than fifty acres, 13 the department may charge the flat fee assessment plus a per acre assessment for every acre over fifty acres. The per acre assessment 14 15 established by the department may not exceed fifteen cents per 16 acre per year. The assessments may differ to equitably distribute 17 the assessment based on emergency fire suppression cost experience necessitated by landowner operations. Amounts assessed for this 18 19 account shall be a lien upon the forest lands with respect to 20 which the assessment is made and may be collected as directed by the department in the same manner as forest protection 21 22 assessments. Payment of emergency costs from this account shall in 23 no way restrict the right of the department to recover costs pursuant to RCW 76.04.495 or other laws. 24

25 When the department determines that a forest fire was started 26 in the course of or as a result of a landowner operation, it shall notify the forest fire advisory board of the determination. 27 The determination shall be final, unless, within ninety days of the 28 29 notification, the forest fire advisory board or an interested 30 party serves a request for a hearing before the department. The hearing shall constitute an adjudicative proceeding under chapter 31 34.05 RCW, the administrative procedure act, and an appeal shall 32 be in accordance with RCW 34.05.510 through 34.05.598. 33

34 sec. 3. RCW 43.84.092 and 2000 2nd sp.s. c 4 s 5 are each amended 35 to read as follows: 36 (1) All earnings of investments of surplus balances in the

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state treasury shall be deposited to the treasury income account,
 which account is hereby established in the state treasury.

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

19 (3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased 20 banking services on behalf of treasury funds including, but not 21 limited to, depository, safekeeping, and disbursement functions 22 23 for the state treasury and affected state agencies. The treasury 24 income account is subject in all respects to chapter 43.88 RCW, 25 but no appropriation is required for payments to financial 26 institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section. 27

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

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the common school construction

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

fund, the Washington judicial retirement system account, the 1 Washington law enforcement officers' and fire fighters' system 2 plan 1 retirement account, the Washington law enforcement 3 4 officers' and fire fighters' system plan 2 retirement account, the 5 Washington school employees' retirement system combined plan 2 and 3 account, the Washington state health insurance pool account, the 6 7 Washington state patrol retirement account, the Washington State 8 University building account, the Washington State University bond 9 retirement fund, the water pollution control revolving fund, and 10 the Western Washington University capital projects account. Earnings derived from investing balances of the agricultural 11 permanent fund, the normal school permanent fund, the permanent 12 13 common school fund, the scientific permanent fund, and the state university permanent fund shall be allocated to their respective 14 15 beneficiary accounts. All earnings to be distributed under this subsection (4)(a) shall first be reduced by the allocation to the 16 17 state treasurer's service fund pursuant to RCW 43.08.190.

(b) The following accounts and funds shall receive eighty 18 19 percent of their proportionate share of earnings based upon each 20 account's or fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the 21 county arterial preservation account, the department of licensing 22 services account, the essential rail assistance account, the ferry 23 24 bond retirement fund, the grade crossing protective fund, the high 25 capacity transportation account, the highway bond retirement fund, 26 the highway safety account, the motor vehicle fund, the motorcycle 27 safety education account, the pilotage account, the public transportation systems account, the Puget Sound capital 28 29 construction account, the Puget Sound ferry operations account, 30 the recreational vehicle account, the rural arterial trust account, the safety and education account, the special category C 31 account, the state patrol highway account, the transportation 32 33 equipment fund, the transportation fund, the transportation 34 improvement account, the transportation improvement board bond 35 retirement account, and the urban arterial trust account. (5) In conformance with Article II, section 37 of the state 36 37 Constitution, no treasury accounts or funds shall be allocated

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earnings without the specific affirmative directive of this
 section.

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4 Sec. 4. RCW 43.84.092 and 2000 2nd sp.s. c 4 s 6 are each amended 5 to read as follows:

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

9 (2) The treasury income account shall be utilized to pay or 10 receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury 11 income account is subject in all respects to chapter 43.88 RCW, 12 but no appropriation is required for refunds or allocations of 13 interest earnings required by the cash management improvement 14 15 act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall 16 17 not require appropriation. The office of financial management shall determine the amounts due to or from the federal government 18 19 pursuant to the cash management improvement act. The office of 20 financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the 21 cash management improvement act, and this subsection. Refunds or 22 allocations shall occur prior to the distributions of earnings set 23 24 forth in subsection (4) of this section.

25 (3) Except for the provisions of RCW 43.84.160, the treasury 26 income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not 27 28 limited to, depository, safekeeping, and disbursement functions 29 for the state treasury and affected state agencies. The treasury 30 income account is subject in all respects to chapter 43.88 RCW, 31 but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of 32 earnings set forth in subsection (4) of this section. 33

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

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(a) The following accounts and funds shall receive their

proportionate share of earnings based upon each account's and 1 2 fund's average daily balance for the period: The capitol building construction account, the Cedar River channel construction and 3 4 operation account, the Central Washington University capital projects account, the charitable, educational, penal and 5 reformatory institutions account, the common school construction 6 7 fund, the county criminal justice assistance account, the county 8 sales and use tax equalization account, the data processing 9 building construction account, the deferred compensation 10 administrative account, the deferred compensation principal account, the department of retirement systems expense account, the 11 drinking water assistance account, the Eastern Washington 12 13 University capital projects account, the education construction fund, the emergency reserve fund, the federal forest revolving 14 15 account, the health services account, the public health services 16 account, the health system capacity account, the personal health 17 services account, the state higher education construction account, the higher education construction account, the highway 18 19 infrastructure account, the industrial insurance premium refund 20 account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, 21 the landowner contingency forest fire suppression account, the 22 local leasehold excise tax account, the local real estate excise 23 24 tax account, the local sales and use tax account, the medical aid 25 account, the mobile home park relocation fund, the multimodal 26 transportation account, the municipal criminal justice assistance 27 account, the municipal sales and use tax equalization account, the natural resources deposit account, the perpetual surveillance and 28 maintenance account, the public employees' retirement system plan 29 30 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the Puyallup tribal settlement account, the 31 resource management cost account, the site closure account, the 32 33 special wildlife account, the state employees' insurance account, 34 the state employees' insurance reserve account, the state 35 investment board expense account, the state investment board commingled trust fund accounts, the supplemental pension account, 36 37 the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco 38

prevention and control account, the tobacco settlement account, 1 2 the transportation infrastructure account, the tuition recovery trust fund, the University of Washington bond retirement fund, the 3 4 University of Washington building account, the volunteer fire 5 fighters' and reserve officers' relief and pension principal fund, the volunteer fire fighters' and reserve officers' administrative 6 7 fund, the Washington judicial retirement system account, the 8 Washington law enforcement officers' and fire fighters' system 9 plan 1 retirement account, the Washington law enforcement 10 officers' and fire fighters' system plan 2 retirement account, the 11 Washington school employees' retirement system combined plan 2 and 12 3 account, the Washington state health insurance pool account, the 13 Washington state patrol retirement account, the Washington State University building account, the Washington State University bond 14 15 retirement fund, the water pollution control revolving fund, and 16 the Western Washington University capital projects 17 account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the 18 19 permanent common school fund, the scientific permanent fund, and 20 the state university permanent fund shall be allocated to their respective beneficiary accounts. All earnings to be distributed 21 under this subsection (4)(a) shall first be reduced by the 22 23 allocation to the state treasurer's service fund pursuant to RCW 24 43.08.190.

25 (b) The following accounts and funds shall receive eighty percent of their proportionate share of earnings based upon each 26 27 account's or fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the 28 29 county arterial preservation account, the department of licensing 30 services account, the essential rail assistance account, the ferry bond retirement fund, the grade crossing protective fund, the high 31 capacity transportation account, the highway bond retirement fund, 32 33 the highway safety account, the motor vehicle fund, the motorcycle 34 safety education account, the pilotage account, the public 35 transportation systems account, the Puget Sound capital construction account, the Puget Sound ferry operations account, 36 37 the recreational vehicle account, the rural arterial trust account, the safety and education account, the special category C 38

account, the state patrol highway account, the transportation 1 equipment fund, the transportation fund, the transportation 2 3 improvement account, the transportation improvement board bond 4 retirement account, and the urban arterial trust account. 5 (5) In conformance with Article II, section 37 of the state Constitution, no treasury accounts or funds shall be allocated б 7 earnings without the specific affirmative directive of this 8 section.

9 <u>NEW SECTION.</u> Sec. 5. A new section is added to chapter 43.135 10 RCW to read as follows:

11 RCW 43.135.035(4) does not apply to interest earned from money 12 in the landowner contingency forest fire suppression account and 13 credited to that account in accordance with RCW 76.04.630.

14 <u>NEW SECTION.</u> Sec. 6. Section 3 of this act expires March 1, 15 2002.

16 <u>NEW SECTION.</u> Sec. 7. Section 4 of this act takes effect March 17 1, 2002.

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