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HOUSE BILL 2425

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State of Washington

57th Legislature

2002 Regular Session

By Representatives Doumit, Dunn, Hatfield, Veloria, Conway, Ogden, Rockefeller, Linville, Lantz, Kagi, McIntire, Haigh, Wood, Kessler, Kenney, Simpson and Jackley; by request of Governor Locke

Read first time 01/16/2002. Referred to Committee on Trade & Economic Development.

1 AN ACT Relating to the community economic revitalization board;  
2 reenacting and amending RCW 43.84.092; adding a new section to chapter  
3 43.84 RCW; creating new sections; and providing an expiration date.

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

5 NEW SECTION. **Sec. 1.** The legislature finds that the community  
6 economic revitalization board plays a valuable and unique role in  
7 stimulating and diversifying local economies, attracting private  
8 investment, creating new jobs, and generating additional state and  
9 local tax revenues by investing in public facilities projects that  
10 result in new or expanded economic development. The legislature also  
11 finds that it is in the best interest of the state and local  
12 communities to secure a stable and dedicated source of funds for the  
13 community economic revitalization board. To this end, the legislature  
14 directs that the interest earnings generated by the public works  
15 assistance account and the public facilities construction loan  
16 revolving account be used to fund the community economic revitalization  
17 board's financial assistance programs. The legislature further directs  
18 that for the next eleven years, an amount equal to one-eleventh of the  
19 principal and interest payments from loans issued by the public works

1 board under the timber and rural natural resources programs shall be  
2 used to fund the community economic revitalization board's financial  
3 assistance programs. It is the intent of the legislature to establish  
4 an ongoing funding source for the community economic revitalization  
5 board that will be used exclusively to advance economic development  
6 infrastructure. These funds are not for use other than for the stated  
7 purpose and goals of the community economic revitalization board.

8 **Sec. 2.** RCW 43.84.092 and 2001 2nd sp.s. c 14 s 608, 2001 c 273 s  
9 6, 2001 c 141 s 3, and 2001 c 80 s 5 are each reenacted and amended to  
10 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  
19 the cash management improvement act. Refunds of interest to the  
20 federal treasury required under the cash management improvement act  
21 fall under RCW 43.88.180 and shall not require appropriation. The  
22 office of financial management shall determine the amounts due to or  
23 from the federal government pursuant to the cash management improvement  
24 act. The office of financial management may direct transfers of funds  
25 between accounts as deemed necessary to implement the provisions of the  
26 cash management improvement act, and this subsection. Refunds or  
27 allocations shall occur prior to the distributions of earnings set  
28 forth in subsection (4) of this section.

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

37 (4) Monthly, the state treasurer shall distribute the earnings  
38 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 drinking water assistance account, the drinking  
15 water assistance administrative account, the drinking water assistance  
16 repayment account, the Eastern Washington University capital projects  
17 account, the education construction fund, the emergency reserve fund,  
18 the federal forest revolving account, the health services account, the  
19 public health services account, the health system capacity account, the  
20 personal health services account, the state higher education  
21 construction account, the higher education construction account, the  
22 highway infrastructure account, the industrial insurance premium refund  
23 account, the judges' retirement account, the judicial retirement  
24 administrative account, the judicial retirement principal account, the  
25 local leasehold excise tax account, the local real estate excise tax  
26 account, the local sales and use tax account, the medical aid account,  
27 the mobile home park relocation fund, the multimodal transportation  
28 account, the municipal criminal justice assistance account, the  
29 municipal sales and use tax equalization account, the natural resources  
30 deposit account, the oyster reserve land account, the perpetual  
31 surveillance and maintenance account, the public employees' retirement  
32 system plan 1 account, the public employees' retirement system combined  
33 plan 2 and plan 3 account, the public facilities construction loan  
34 revolving account, the public health supplemental account, the public  
35 works assistance account, the Puyallup tribal settlement account, the  
36 resource management cost account, the site closure account, the special  
37 wildlife account, the state employees' insurance account, the state  
38 employees' insurance reserve account, the state investment board  
39 expense account, the state investment board commingled trust fund

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

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

1 fund, the transportation fund, the transportation improvement account,  
2 the transportation improvement board bond retirement account, and the  
3 urban arterial trust account.

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

7 NEW SECTION. **Sec. 3.** A new section is added to chapter 43.84 RCW  
8 to read as follows:

9 The proportionate share of earnings based on the average daily  
10 balance in the public works assistance account for the period shall be  
11 placed in the public facilities construction loan revolving account.

12 NEW SECTION. **Sec. 4.** The public works assistance account shall  
13 annually transfer funds to the public facilities construction loan  
14 revolving account in an amount equal to one-eleventh of the principal  
15 and interest payments from loans issued by the public works board under  
16 the timber and rural natural resources programs. In no event shall  
17 this transfer exceed one million nine hundred thousand dollars per  
18 year.

19 This section expires June 30, 2013.

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