
SENATE BILL 5819

State of Washington

65th Legislature

2017 Regular Session

By Senators King and Hobbs

Read first time 02/15/17. Referred to Committee on Transportation.

1 AN ACT Relating to the board of pilotage commissioners; amending
2 RCW 88.16.035, 88.16.061, and 88.16.090; reenacting and amending RCW
3 43.79A.040 and 43.84.092; creating a new section; providing an
4 effective date; and declaring an emergency.

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

6 NEW SECTION. **Sec. 1.** (1) The joint legislative audit and review
7 committee must conduct a performance audit of the board of pilotage
8 commissioners. The audit must examine whether the board is complying
9 with the statutory requirements in chapter 88.16 RCW. The audit must
10 include, but is not limited to:

- 11 (a) The board's compliance with statutory reporting requirements;
- 12 (b) The composition of the fees charged for pilotage, how fees
13 are developed, and the relationship between the fees, pilotage
14 tariffs, and pilotage district expenditures;
- 15 (c) An analysis of how other states structure pilotage fees,
16 training, and licensing;
- 17 (d) An analysis of the diversity in the pilot applicant pool and
18 pilot training program;
- 19 (e) An analysis of the composition and size of the board.

20 (2) The joint legislative audit and review committee must provide
21 the results of the audit to the transportation committees of the

1 legislature and the office of financial management by December 31,
2 2018.

3 **Sec. 2.** RCW 88.16.035 and 2009 c 496 s 1 are each amended to
4 read as follows:

5 (1) The board of pilotage commissioners shall:

6 (a) Adopt rules, pursuant to chapter 34.05 RCW, necessary for the
7 enforcement and administration of this chapter;

8 (b)(i) Issue training licenses and pilot licenses to pilot
9 applicants meeting the qualifications provided for in RCW 88.16.090
10 and such additional qualifications as may be determined by the board;

11 (ii) Establish a comprehensive training program to assist in the
12 training and evaluation of pilot applicants before final licensing;
13 and

14 (iii) Establish additional training requirements, including a
15 program of continuing education developed after consultation with
16 pilot organizations, including those located within the state of
17 Washington, as required to maintain a competent pilotage service;

18 (c) Maintain a register of pilots, records of pilot accidents,
19 and other history pertinent to pilotage;

20 (d) Determine from time to time the number of pilots necessary to
21 be licensed in each district of the state to optimize the operation
22 of a safe, fully regulated, efficient, and competent pilotage service
23 in each district;

24 (e) Subject to subsection (3) of this section, annually fix the
25 pilotage tariffs for pilotage services provided under this chapter:
26 PROVIDED, That the board may fix extra compensation for extra
27 services to vessels in distress, for awaiting vessels, for all
28 vessels in direct transit to or from a Canadian port where Puget
29 Sound pilotage is required for a portion of the voyage, or for being
30 carried to sea on vessels against the will of the pilot, and for such
31 other services as may be determined by the board: PROVIDED FURTHER,
32 That as an element of the Puget Sound pilotage district tariff, the
33 board may consider pilot retirement plan expenses incurred in the
34 prior year in either pilotage district. However, under no
35 circumstances shall the state be obligated to fund or pay for any
36 portion of retirement payments for pilots or retired pilots;

37 (f) By September 1, 2017, and annually thereafter, file
38 ((annually)) with the governor and the chairs of the transportation
39 committees of the senate and house of representatives a report which

1 includes, but is not limited to, the following: The number, names,
2 ages, pilot license number, training license number, and years of
3 service as a Washington licensed pilot of any person licensed by the
4 board as a Washington state pilot or trainee; the names, employment,
5 and other information of the members of the board; the total number
6 of pilotage assignments by pilotage district, including information
7 concerning the various types and sizes of vessels and the total
8 annual tonnage; the annual earnings or stipends of individual pilots
9 and trainees before and after deduction for expenses of pilot
10 organizations, including extra compensation as a separate category;
11 the annual expenses of private pilot associations, including
12 personnel employed and capital expenditures; the status of pilotage
13 tariffs, extra compensation, and travel; the retirement contributions
14 paid to pilots and the disposition thereof; the number of groundings,
15 marine occurrences, or other incidents which are reported to or
16 investigated by the board, and which are determined to be accidents,
17 as defined by the board, including the vessel name, location of
18 incident, pilot's or trainee's name, and disposition of the case
19 together with information received before the board acted from all
20 persons concerned, including the United States coast guard; the
21 names, qualifications, time scheduled for examinations, and the
22 district of persons desiring to apply for Washington state pilotage
23 licenses; summaries of dispatch records, quarterly reports from
24 pilots, and the bylaws and operating rules of pilotage organizations;
25 the names, sizes in deadweight tons, surcharges, if any, port of
26 call, name of the pilot or trainee, and names and horsepower of tug
27 boats for any and all oil tankers subject to the provisions of RCW
28 88.16.190 together with the names of any and all vessels for which
29 the United States coast guard requires special handling pursuant to
30 their authority under the Ports and Waterways Safety Act of 1972; the
31 expenses of the board; and any and all other information which the
32 board deems appropriate to include;

33 (g) Make available information that includes the pilotage act and
34 other statutes of Washington state and the federal government that
35 affect pilotage, including the rules of the board, together with such
36 additional information as may be informative for pilots, agents,
37 owners, operators, and masters;

38 (h) Appoint advisory committees and employ marine experts as
39 necessary to carry out its duties under this chapter;

1 (i) Provide for the maintenance of efficient and competent
2 pilotage service on all waters covered by this chapter; and do such
3 other things as are reasonable, necessary, and expedient to insure
4 proper and safe pilotage upon the waters covered by this chapter and
5 facilitate the efficient administration of this chapter.

6 (2) The board may pay stipends to pilot trainees under subsection
7 (1)(b) of this section.

8 (3) Until six years after the effective date of this section, the
9 board may not increase the pilotage tariffs in existence on January
10 1, 2017.

11 **Sec. 3.** RCW 88.16.061 and 2008 c 128 s 17 are each amended to
12 read as follows:

13 ~~((The account in the general fund designated in RCW 43.79.330(17)~~
14 ~~as the "Puget Sound pilotage account" is hereby redesignated as the~~
15 ~~"pilotage account".))~~

16 The pilotage account is ~~((hereby redesignated as a~~
17 ~~nonappropriated account, and is therefore))~~ created in the ~~((custody~~
18 ~~of the))~~ state ~~((treasurer))~~ treasury. All receipts designated,
19 credited, or transferred to the pilotage account must be deposited
20 into the account. Moneys in the account may be spent only after
21 appropriation. Expenditures from the account may be used only for the
22 purposes of the board of pilotage commissioners as prescribed under
23 this chapter. ~~((Only the board or the board's designee may authorize~~
24 ~~expenditures from the account.))~~ The account is subject to allotment
25 procedures under chapter 43.88 RCW~~((, but an appropriation is not~~
26 ~~required for expenditures))~~.

27 **Sec. 4.** RCW 88.16.090 and 2009 c 470 s 708 are each amended to
28 read as follows:

29 (1) A person may pilot any vessel subject to this chapter on
30 waters covered by this chapter only if licensed to pilot such vessels
31 on such waters under this chapter.

32 (2)(a) A person is eligible to be licensed as a pilot or a pilot
33 trainee if the person:

34 (i) Is a citizen of the United States;

35 (ii) Is over the age of twenty-five years and under the age of
36 seventy years;

37 (iii)(A) Holds at the time of application, as a minimum, a United
38 States government license as master of steam or motor vessels of not

1 more than one thousand six hundred gross register tons (three
2 thousand international tonnage convention tons) upon oceans, near
3 coastal waters, or inland waters; or the then most equivalent federal
4 license as determined by the board; any such license to have been
5 held by the applicant for a period of at least two years before
6 application;

7 (B) Holds at the time of licensure as a pilot, after successful
8 completion of the board-required training program, a first class
9 United States endorsement without restrictions on the United States
10 government license for the pilotage district in which the pilot
11 applicant desires to be licensed; however, all applicants for a pilot
12 examination scheduled to be given before July 1, 2008, must have the
13 United States pilotage endorsement at the time of application; and

14 (C) The board may require that applicants and pilots have federal
15 licenses and endorsements as it deems appropriate; and

16 (iv) Successfully completes a board-specified training program.

17 (b) In addition to the requirements of (a) of this subsection, a
18 pilot applicant must meet such other qualifications as may be
19 required by the board.

20 (c) A person applying for a license under this section shall not
21 have been convicted of an offense involving drugs or the personal
22 consumption of alcohol in the twelve months prior to the date of
23 application. This restriction does not apply to license renewals
24 under this section.

25 (3) The board may establish such other training license and pilot
26 license requirements as it deems appropriate.

27 (4) Pilot applicants shall be evaluated and may be ranked for
28 entry into a board-specified training program in a manner specified
29 by the board based on their performance on a written examination or
30 examinations established by the board, performance on other
31 evaluation exercises as may be required by the board, and other
32 criteria or qualifications as may be set by the board.

33 When the board determines that the demand for pilots requires
34 entry of an applicant into the training program it shall issue a
35 training license to that applicant, but under no circumstances may an
36 applicant be issued a training license more than four years after
37 taking the written entry examination. The training license authorizes
38 the trainee to do such actions as are specified in the training
39 program.

1 After the completion of the training program the board shall
2 evaluate the trainee's performance and knowledge. The board, as it
3 deems appropriate, may then issue a pilot license, delay the issuance
4 of the pilot license, deny the issuance of the pilot license, or
5 require further training and evaluation.

6 (5) The board may (a) appoint a special independent committee or
7 (b) contract with private or governmental entities knowledgeable and
8 experienced in the development, administration, and grading of
9 licensing examinations or simulator evaluations for marine pilots, or
10 (c) do both. Active, licensed pilots designated by the board may
11 participate in the development, administration, and grading of
12 examinations and other evaluation exercises. If the board does
13 appoint a special examination or evaluation development committee, it
14 is authorized to pay the members of the committee the same
15 compensation and travel expenses as received by members of the board.
16 Any person who willfully gives advance knowledge of information
17 contained on a pilot examination or other evaluation exercise is
18 guilty of a gross misdemeanor.

19 (6) This subsection applies to the review of a pilot applicant's
20 written examinations and evaluation exercises to qualify to be placed
21 on a waiting list to become a pilot trainee. Failure to comply with
22 the process set forth in this subsection renders the results of the
23 pilot applicant's written examinations and evaluation exercises
24 final. A pilot applicant may seek board review, administrative
25 review, and judicial review of the results of the written
26 examinations and evaluation exercises in the following manner:

27 (a) A pilot applicant who seeks a review of the results of his or
28 her written examinations or evaluation exercises must request from
29 the board-appointed or board-designated examination committee an
30 administrative review of the results of his or her written
31 examinations or evaluation exercises as set forth by board rule.

32 (b) The determination of the examination committee's review of a
33 pilot applicant's examination results becomes final after thirty days
34 from the date of service of written notification of the committee's
35 determination unless a full adjudicative hearing before an
36 administrative law judge has been requested by the pilot applicant
37 before the thirty-day period has expired, as set forth by board rule.

38 (c) When a full adjudicative hearing has been requested by the
39 pilot applicant, the board shall request the appointment of an
40 administrative law judge under chapter 34.12 RCW who has sufficient

1 experience and familiarity with pilotage matters to be able to
2 conduct a fair and impartial hearing. The hearing shall be governed
3 by chapter 34.05 RCW. The administrative law judge shall issue an
4 initial order.

5 (d) The initial order of the administrative law judge is final
6 unless within thirty days of the date of service of the initial order
7 the board or pilot applicant requests review of the initial order
8 under chapter 34.05 RCW.

9 (e) The board may appoint a person to review the initial order
10 and to prepare and enter a final order as governed by chapter 34.05
11 RCW and as set forth by board rule. The person appointed by the board
12 under this subsection (6)(e) is called the board reviewing officer.

13 (7) Pilots are licensed under this section for a term of five
14 years from and after the date of the issuance of their respective
15 state licenses. Licenses must thereafter be renewed as a matter of
16 course, unless the board withholds the license for good cause. Each
17 pilot shall pay to the state treasurer an annual license fee (~~(in an~~
18 ~~amount set by the board by rule. Pursuant to RCW 43.135.055, the fees~~
19 ~~established under this subsection may be increased through the fiscal~~
20 ~~year ending June 30, 2011)) of twenty-six thousand dollars. The fees
21 must be deposited in the pilotage account. (~~The board may assess~~
22 ~~partially active or inactive pilots a reduced fee.))~~~~

23 (8) All pilots and pilot trainees are subject to an annual
24 physical examination by a physician chosen by the board. The
25 physician shall examine the pilot's or pilot trainee's heart, blood
26 pressure, circulatory system, lungs and respiratory system, eyesight,
27 hearing, and such other items as may be prescribed by the board.
28 After consultation with a physician and the United States coast
29 guard, the board shall establish minimum health standards to ensure
30 that pilots and pilot trainees licensed by the state are able to
31 perform their duties. Within ninety days of the date of each annual
32 physical examination, and after review of the physician's report, the
33 board shall make a determination of whether the pilot or pilot
34 trainee is fully able to carry out the duties of a pilot or pilot
35 trainee under this chapter. The board may in its discretion check
36 with the appropriate authority for any convictions of or information
37 regarding offenses by a licensed pilot or pilot trainee involving
38 drugs or the personal consumption of alcohol in the prior twelve
39 months.

1 (9) The board may require vessel simulator training for a pilot
2 trainee and shall require vessel simulator training for a licensed
3 pilot subject to RCW 88.16.105. The board shall also require vessel
4 simulator training in the first year of active duty for a new pilot
5 and at least once every five years for all active pilots.

6 (10) The board shall prescribe, pursuant to chapter 34.05 RCW,
7 such reporting requirements and review procedures as may be necessary
8 to assure the accuracy and validity of license and service claims.
9 Willful misrepresentation of such required information by a pilot
10 applicant shall result in disqualification of the pilot applicant.

11 **Sec. 5.** RCW 43.79A.040 and 2016 c 203 s 2, 2016 c 173 s 10, 2016
12 c 69 s 21, and 2016 c 39 s 7 are each reenacted and amended to read
13 as follows:

14 (1) Money in the treasurer's trust fund may be deposited,
15 invested, and reinvested by the state treasurer in accordance with
16 RCW 43.84.080 in the same manner and to the same extent as if the
17 money were in the state treasury, and may be commingled with moneys
18 in the state treasury for cash management and cash balance purposes.

19 (2) All income received from investment of the treasurer's trust
20 fund must be set aside in an account in the treasury trust fund to be
21 known as the investment income account.

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

30 (4)(a) Monthly, the state treasurer must distribute the earnings
31 credited to the investment income account to the state general fund
32 except under (b), (c), and (d) of this subsection.

33 (b) The following accounts and funds must receive their
34 proportionate share of earnings based upon each account's or fund's
35 average daily balance for the period: The 24/7 sobriety account, the
36 Washington promise scholarship account, the Washington advanced
37 college tuition payment program account, the Washington college
38 savings program account, the accessible communities account, the
39 Washington achieving a better life experience program account, the

1 community and technical college innovation account, the agricultural
2 local fund, the American Indian scholarship endowment fund, the
3 foster care scholarship endowment fund, the foster care endowed
4 scholarship trust fund, the contract harvesting revolving account,
5 the Washington state combined fund drive account, the commemorative
6 works account, the county enhanced 911 excise tax account, the toll
7 collection account, the developmental disabilities endowment trust
8 fund, the energy account, the fair fund, the family leave insurance
9 account, the food animal veterinarian conditional scholarship
10 account, the fruit and vegetable inspection account, the future
11 teachers conditional scholarship account, the game farm alternative
12 account, the GET ready for math and science scholarship account, the
13 Washington global health technologies and product development
14 account, the grain inspection revolving fund, the industrial
15 insurance rainy day fund, the juvenile accountability incentive
16 account, the law enforcement officers' and firefighters' plan 2
17 expense fund, the local tourism promotion account, the multiagency
18 permitting team account, (~~the pilotage account,~~) the produce
19 railcar pool account, the regional transportation investment district
20 account, the rural rehabilitation account, the Washington sexual
21 assault kit account, the stadium and exhibition center account, the
22 youth athletic facility account, the self-insurance revolving fund,
23 the children's trust fund, the Washington horse racing commission
24 Washington bred owners' bonus fund and breeder awards account, the
25 Washington horse racing commission class C purse fund account, the
26 individual development account program account, the Washington horse
27 racing commission operating account, the life sciences discovery
28 fund, the Washington state heritage center account, the reduced
29 cigarette ignition propensity account, the center for childhood
30 deafness and hearing loss account, the school for the blind account,
31 the Millersylvania park trust fund, the public employees' and
32 retirees' insurance reserve fund, and the radiation perpetual
33 maintenance fund.

34 (c) The following accounts and funds must receive eighty percent
35 of their proportionate share of earnings based upon each account's or
36 fund's average daily balance for the period: The advanced right-of-
37 way revolving fund, the advanced environmental mitigation revolving
38 account, the federal narcotics asset forfeitures account, the high
39 occupancy vehicle account, the local rail service assistance account,
40 and the miscellaneous transportation programs account.

1 (d) Any state agency that has independent authority over accounts
2 or funds not statutorily required to be held in the custody of the
3 state treasurer that deposits funds into a fund or account in the
4 custody of the state treasurer pursuant to an agreement with the
5 office of the state treasurer shall receive its proportionate share
6 of earnings based upon each account's or fund's average daily balance
7 for the period.

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

11 **Sec. 6.** RCW 43.84.092 and 2016 c 194 s 5, 2016 c 161 s 20, and
12 2016 c 112 s 4 are each reenacted and amended to read as follows:

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

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

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

1 prior to distribution of earnings set forth in subsection (4) of this
2 section.

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

7 (a) The following accounts and funds shall receive their
8 proportionate share of earnings based upon each account's and fund's
9 average daily balance for the period: The aeronautics account, the
10 aircraft search and rescue account, the Alaskan Way viaduct
11 replacement project account, the brownfield redevelopment trust fund
12 account, the budget stabilization account, the capital vessel
13 replacement account, the capitol building construction account, the
14 Cedar River channel construction and operation account, the Central
15 Washington University capital projects account, the charitable,
16 educational, penal and reformatory institutions account, the Chehalis
17 basin account, the cleanup settlement account, the Columbia river
18 basin water supply development account, the Columbia river basin
19 taxable bond water supply development account, the Columbia river
20 basin water supply revenue recovery account, the common school
21 construction fund, the community forest trust account, the connecting
22 Washington account, the county arterial preservation account, the
23 county criminal justice assistance account, the deferred compensation
24 administrative account, the deferred compensation principal account,
25 the department of licensing services account, the department of
26 retirement systems expense account, the developmental disabilities
27 community trust account, the diesel idle reduction account, the
28 drinking water assistance account, the drinking water assistance
29 administrative account, the drinking water assistance repayment
30 account, the Eastern Washington University capital projects account,
31 the Interstate 405 express toll lanes operations account, the
32 education construction fund, the education legacy trust account, the
33 election account, the electric vehicle charging infrastructure
34 account, the energy freedom account, the energy recovery act account,
35 the essential rail assistance account, The Evergreen State College
36 capital projects account, the federal forest revolving account, the
37 ferry bond retirement fund, the freight mobility investment account,
38 the freight mobility multimodal account, the grade crossing
39 protective fund, the public health services account, the high
40 capacity transportation account, the state higher education

1 construction account, the higher education construction account, the
2 highway bond retirement fund, the highway infrastructure account, the
3 highway safety fund, the high occupancy toll lanes operations
4 account, the hospital safety net assessment fund, the industrial
5 insurance premium refund account, the judges' retirement account, the
6 judicial retirement administrative account, the judicial retirement
7 principal account, the local leasehold excise tax account, the local
8 real estate excise tax account, the local sales and use tax account,
9 the marine resources stewardship trust account, the medical aid
10 account, the mobile home park relocation fund, the money-purchase
11 retirement savings administrative account, the money-purchase
12 retirement savings principal account, the motor vehicle fund, the
13 motorcycle safety education account, the multimodal transportation
14 account, the multiuse roadway safety account, the municipal criminal
15 justice assistance account, the natural resources deposit account,
16 the oyster reserve land account, the pension funding stabilization
17 account, the perpetual surveillance and maintenance account, the
18 pilotage account, the pollution liability insurance agency
19 underground storage tank revolving account, the public employees'
20 retirement system plan 1 account, the public employees' retirement
21 system combined plan 2 and plan 3 account, the public facilities
22 construction loan revolving account beginning July 1, 2004, the
23 public health supplemental account, the public works assistance
24 account, the Puget Sound capital construction account, the Puget
25 Sound ferry operations account, the Puget Sound taxpayer
26 accountability account, the real estate appraiser commission account,
27 the recreational vehicle account, the regional mobility grant program
28 account, the resource management cost account, the rural arterial
29 trust account, the rural mobility grant program account, the rural
30 Washington loan fund, the site closure account, the skilled nursing
31 facility safety net trust fund, the small city pavement and sidewalk
32 account, the special category C account, the special wildlife
33 account, the state employees' insurance account, the state employees'
34 insurance reserve account, the state investment board expense
35 account, the state investment board commingled trust fund accounts,
36 the state patrol highway account, the state route number 520 civil
37 penalties account, the state route number 520 corridor account, the
38 state wildlife account, the supplemental pension account, the Tacoma
39 Narrows toll bridge account, the teachers' retirement system plan 1
40 account, the teachers' retirement system combined plan 2 and plan 3

1 account, the tobacco prevention and control account, the tobacco
2 settlement account, the toll facility bond retirement account, the
3 transportation 2003 account (nickel account), the transportation
4 equipment fund, the transportation fund, the transportation future
5 funding program account, the transportation improvement account, the
6 transportation improvement board bond retirement account, the
7 transportation infrastructure account, the transportation partnership
8 account, the traumatic brain injury account, the tuition recovery
9 trust fund, the University of Washington bond retirement fund, the
10 University of Washington building account, the volunteer
11 firefighters' and reserve officers' relief and pension principal
12 fund, the volunteer firefighters' and reserve officers'
13 administrative fund, the Washington judicial retirement system
14 account, the Washington law enforcement officers' and firefighters'
15 system plan 1 retirement account, the Washington law enforcement
16 officers' and firefighters' system plan 2 retirement account, the
17 Washington public safety employees' plan 2 retirement account, the
18 Washington school employees' retirement system combined plan 2 and 3
19 account, the Washington state health insurance pool account, the
20 Washington state patrol retirement account, the Washington State
21 University building account, the Washington State University bond
22 retirement fund, the water pollution control revolving administration
23 account, the water pollution control revolving fund, the Western
24 Washington University capital projects account, the Yakima integrated
25 plan implementation account, the Yakima integrated plan
26 implementation revenue recovery account, and the Yakima integrated
27 plan implementation taxable bond account. Earnings derived from
28 investing balances of the agricultural permanent fund, the normal
29 school permanent fund, the permanent common school fund, the
30 scientific permanent fund, the state university permanent fund, and
31 the state reclamation revolving account shall be allocated to their
32 respective beneficiary accounts.

33 (b) Any state agency that has independent authority over accounts
34 or funds not statutorily required to be held in the state treasury
35 that deposits funds into a fund or account in the state treasury
36 pursuant to an agreement with the office of the state treasurer shall
37 receive its proportionate share of earnings based upon each account's
38 or fund's average daily balance for the period.

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

4 NEW SECTION. **Sec. 7.** This act is necessary for the immediate
5 preservation of the public peace, health, or safety, or support of
6 the state government and its existing public institutions, and takes
7 effect July 1, 2017.

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