
SENATE BILL 6176

State of Washington 52nd Legislature 1992 Regular Session

By Senators McCaslin and Madsen; by request of State Treasurer

Read first time 01/20/92. Referred to Committee on Financial
Institutions & Insurance.

1 AN ACT Relating to the transfer of investment responsibilities
2 between the state investment board and the office of the state
3 treasurer; amending RCW 51.44.090; adding new sections to chapter
4 43.33A RCW; adding a new section to chapter 43.08 RCW; creating new
5 sections; and providing an effective date.

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

7 NEW SECTION. **Sec. 1.** A new section is added to chapter 43.33A RCW
8 to read as follows:

9 The state investment board may, with the concurrence of the state
10 treasurer utilize the state treasurer for the investment of those funds
11 designated by the state investment board as necessary for liquidity
12 needs. Moneys remitted to the office of the state treasurer for
13 investment on behalf of the state investment board shall be deposited
14 in a fund designated as the money market fund which is to be separately

1 invested by the state treasurer. At the request of the state
2 investment board, the state treasurer shall invest the funds under the
3 investment authority of this chapter. The state treasurer shall report
4 on the investment activity of the money market fund in its entirety.
5 The state investment board is responsible for ownership allocation and
6 accounting of the funds participating in the money market fund. All
7 earnings on the invested funds shall be credited to the fund. The
8 state investment board shall reimburse the state treasurer for
9 reasonable fees for investment administration from earnings of the
10 funds so managed.

11 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.33A RCW
12 to read as follows:

13 The state investment board shall account for and report on the
14 investments authorized by this chapter in the manner prescribed by the
15 office of financial management under chapter 43.88 RCW.

16 NEW SECTION. **Sec. 3.** A new section is added to chapter 43.08 RCW
17 to read as follows:

18 The state treasurer or a designee of the state treasurer shall
19 provide custody trust services for all investments authorized under
20 chapters 43.84, 43.79A, 43.250, and 43.33A RCW. The state treasurer
21 may delegate all or a portion of the responsibilities of this section
22 to the state investment board for investments authorized under chapter
23 43.33A RCW.

24 **Sec. 4.** RCW 51.44.090 and 1972 ex.s. c 43 s 31 are each amended to
25 read as follows:

26 The state (~~(treasurer)~~) investment board shall keep accurate
27 accounts of the reserve fund and the investment and earnings thereof,

1 to the end that the total reserve fund shall at all times, as nearly as
2 may be, be properly and fully invested and, to meet current demands for
3 pension or lump sum payments, may, if necessary, make temporary loans
4 to the reserve fund out of the accident fund, repaying the same from
5 the earnings of the reserve fund or from collections of its investments
6 or, if necessary, sales of the same.

7 NEW SECTION. **Sec. 5.** All reports, documents, surveys, books,
8 records, files, papers, or written material in the possession of the
9 office of the state treasurer or the state investment board relating to
10 the functions and duties transferred by this act, shall be delivered
11 accordingly. All cabinets, furniture, office equipment, and other
12 tangible property employed by the office of the state treasurer and the
13 state investment board in carrying out the accounting functions and
14 duties transferred by this act, shall be transferred. All funds,
15 credits, or other assets held in connection with the functions and
16 duties transferred by this act, shall also be assigned to the
17 appropriate entity.

18 Any appropriations for carrying out the functions and duties
19 transferred by this act, shall, on the effective date of this section,
20 and upon the approval of the director of the office of financial
21 management be transferred and credited to the appropriate entity.

22 Whenever any question arises as to the transfer of any personnel,
23 funds, books, documents, records, papers, files, equipment, or other
24 tangible property used in the performance of the duties and functions
25 transferred, the director of financial management shall make a
26 determination as to the proper allocation.

27 NEW SECTION. **Sec. 6.** All positions necessary for the
28 performance of the functions and duties transferred by this act, shall

1 be transferred to the appropriate entity. All employees assigned to
2 such classified positions under chapter 41.06 RCW, the state civil
3 service law, are assigned, effective upon approval of the director of
4 the office of financial management as outlined in this act, to perform
5 their usual duties upon the same terms as formerly, without any loss of
6 rights, subject to any action that may be appropriate thereafter in
7 accordance with the laws and rules governing state civil service.

8 NEW SECTION. **Sec. 7.** All rules and all pending business
9 before the office of the state treasurer and the state investment board
10 pertaining to the functions and duties transferred shall be continued
11 and acted upon. As applicable, all contracts and obligations existing
12 at the time of the transfer shall remain in full force.

13 NEW SECTION. **Sec. 8.** The transfer of the duties, functions,
14 and personnel shall not affect the validity of any act performed prior
15 to the effective date of this section.

16 NEW SECTION. **Sec. 9.** This act shall take effect July 1, 1992.

17 NEW SECTION. **Sec. 10.** If any provision of this act or its
18 application to any person or circumstance is held invalid, the
19 remainder of the act or the application of the provision to other
20 persons or circumstances is not affected.