

CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 1010

Chapter 94, Laws of 1997

55th Legislature
1997 Regular Session

REIMBURSABLE TRANSPORTATION EXPENDITURES--PROCESSING AND
ACCOUNTING

EFFECTIVE DATE: 7/1/97

Passed by the House March 7, 1997
Yeas 95 Nays 0

CLYDE BALLARD
**Speaker of the
House of Representatives**

Passed by the Senate April 9, 1997
Yeas 45 Nays 0

BRAD OWEN
President of the Senate

Approved April 21, 1997

GARY LOCKE
Governor of the State of Washington

CERTIFICATE

I, Timothy A. Martin, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 1010** as passed by the House of Representatives and the Senate on the dates hereon set forth.

TIMOTHY A. MARTIN
Chief Clerk

FILED

April 21, 1997 - 4:11 p.m.

**Secretary of State
State of Washington**

SUBSTITUTE HOUSE BILL 1010

Passed Legislature - 1997 Regular Session

State of Washington

55th Legislature

1997 Regular Session

By House Committee on Transportation Policy & Budget (originally sponsored by Representatives Mitchell, Hankins, Cairnes, Skinner and Mielke)

Read first time 01/21/97.

1 AN ACT Relating to reimbursable transportation expenditures;
2 amending RCW 43.79A.040; adding a new section to chapter 47.04 RCW;
3 creating a new section; providing an effective date; and declaring an
4 emergency.

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

6 NEW SECTION. **Sec. 1.** Federal funds that are administered by the
7 department of transportation and are passed through to municipal
8 corporations or political subdivisions of the state and moneys that are
9 received as total reimbursement for goods, services, or projects
10 constructed by the department of transportation are removed from the
11 transportation budget. To process and account for these expenditures
12 a new treasury trust account is created to be used for all department
13 of transportation one hundred percent federal and local reimbursable
14 transportation expenditures. This new account is nonbudgeted and
15 nonappropriated. At the same time, federal and private local
16 appropriations and full-time equivalents in subprograms R2, R3, T6, Y6,
17 and Z2 processed through this new account are removed from the
18 department of transportation's 1997-99 budget.

1 The department of transportation may make expenditures from the
2 account before receiving federal and local reimbursements. However, at
3 the end of each biennium, the account must maintain a zero or positive
4 cash balance. In the twenty-fourth month of each biennium the
5 department of transportation shall calculate and transfer sufficient
6 cash from either the motor vehicle fund or the transportation fund to
7 cover any negative cash balances. The amount transferred is calculated
8 based on expenditures from each fund. In addition, any interest
9 charges accruing to the new account must be distributed to the motor
10 vehicle fund and the transportation fund.

11 The department of transportation shall provide an annual report to
12 the legislative transportation committee and the office of financial
13 management on expenditures and full-time equivalents processed through
14 the new account. The report must also include recommendations for
15 process changes, if needed.

16 NEW SECTION. **Sec. 2.** A new section is added to chapter 47.04 RCW
17 to read as follows:

18 (1) The miscellaneous transportation programs account is created in
19 the custody of the state treasurer.

20 (2) Moneys from the account may be used only for the costs of:

21 (a) Miscellaneous transportation services provided by the
22 department that are reimbursed by other public and private entities;

23 (b) Local transportation projects for which the department is a
24 conduit for federal reimbursement to a municipal corporation or
25 political subdivision; or

26 (c) Other reimbursable activities as recommended by the legislative
27 transportation committee and approved by the office of financial
28 management.

29 (3) Moneys received as reimbursement for expenditures under
30 subsection (2) of this section must be deposited into the account.

31 (4) No appropriation is required for expenditures from this
32 account. This fund is not subject to allotment procedures provided
33 under chapter 43.88 RCW.

34 (5) Only the secretary of transportation or the secretary's
35 designee may authorize expenditures from the account.

36 (6) It is the intent of the legislature that this account maintain
37 a zero or positive cash balance at the end of each biennium. Toward
38 this purpose the department may make expenditures from the account

1 before receiving reimbursements under subsection (2) of this section.
2 Before the end of the biennium, the department shall transfer
3 sufficient cash to cover any negative cash balances from the motor
4 vehicle and transportation funds to the miscellaneous transportation
5 programs account for unrecovered reimbursements. The department shall
6 calculate the distribution of this transfer based on expenditures. In
7 the ensuing biennium the department shall transfer the reimbursements
8 received in the miscellaneous transportation programs account back to
9 the motor vehicle and transportation funds to the extent of the cash
10 transferred at biennium end. The department shall also distribute any
11 interest charges accruing to the miscellaneous transportation programs
12 account to the motor vehicle and transportation funds. Adjustments for
13 any indirect cost recoveries may also be made at this time.

14 (7) The department shall provide an annual report to the
15 legislative transportation committee and the office of financial
16 management on the expenditures and full-time equivalents processed
17 through the miscellaneous transportation programs account. The report
18 must also include recommendations for changes to the process, if
19 needed.

20 **Sec. 3.** RCW 43.79A.040 and 1996 c 253 s 409 are each amended to
21 read as follows:

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

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

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

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

4 (b) The following accounts and funds shall receive their
5 proportionate share of earnings based upon each account's or fund's
6 average daily balance for the period: The agricultural local fund, the
7 American Indian scholarship endowment fund, the Washington
8 international exchange scholarship endowment fund, the energy account,
9 the fair fund, the game farm alternative account, the grain inspection
10 revolving fund, the rural rehabilitation account, and the self-
11 insurance revolving fund. However, the earnings to be distributed
12 shall first be reduced by the allocation to the state treasurer's
13 service fund pursuant to RCW 43.08.190.

14 (c) The following accounts and funds shall receive eighty percent
15 of their proportionate share of earnings based upon each account's or
16 fund's average daily balance for the period: The advanced right of way
17 revolving fund, the federal narcotics asset forfeitures account, the
18 high occupancy vehicle account, ~~((and))~~ the local rail service
19 assistance account, and the miscellaneous transportation programs
20 account.

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

24 NEW SECTION. **Sec. 4.** This act is necessary for the immediate
25 preservation of the public peace, health, or safety, or support of the
26 state government and its existing public institutions, and takes effect
27 July 1, 1997.

Passed the House March 7, 1997.

Passed the Senate April 9, 1997.

Approved by the Governor April 21, 1997.

Filed in Office of Secretary of State April 21, 1997.