
SENATE BILL 5697

State of Washington

56th Legislature

1999 Regular Session

By Senators Prentice, Winsley, T. Sheldon, Benton, Rasmussen and Deccio

Read first time 02/03/1999. Referred to Committee on Commerce, Trade, Housing & Financial Institutions.

1 AN ACT Relating to distributing the earnings credited to the
2 treasury income account; amending RCW 43.84.092, 43.84.092, and
3 18.39.800; providing an effective date; and providing an expiration
4 date.

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

6 **Sec. 1.** RCW 43.84.092 and 1997 c 218 s 5 are each amended to read
7 as follows:

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

11 (2) The treasury income account shall be utilized to pay or receive
12 funds associated with federal programs as required by the federal cash
13 management improvement act of 1990. The treasury income account is
14 subject in all respects to chapter 43.88 RCW, but no appropriation is
15 required for refunds or allocations of interest earnings required by
16 the cash management improvement act. Refunds of interest to the
17 federal treasury required under the cash management improvement act
18 fall under RCW 43.88.180 and shall not require appropriation. The
19 office of financial management shall determine the amounts due to or

1 from the federal government pursuant to the cash management improvement
2 act. The office of financial management may direct transfers of funds
3 between accounts as deemed necessary to implement the provisions of the
4 cash management improvement act, and this subsection. Refunds or
5 allocations shall occur prior to the distributions of earnings set
6 forth in subsection (4) of this section.

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

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

19 (a) The following accounts and funds shall receive their
20 proportionate share of earnings based upon each account's and fund's
21 average daily balance for the period: The architects' license account,
22 the capitol building construction account, the Cedar River channel
23 construction and operation account, the Central Washington University
24 capital projects account, the charitable, educational, penal and
25 reformatory institutions account, the common school construction fund,
26 the county criminal justice assistance account, the county sales and
27 use tax equalization account, the data processing building construction
28 account, the deferred compensation administrative account, the deferred
29 compensation principal account, the department of retirement systems
30 expense account, the drinking water assistance account, the Eastern
31 Washington University capital projects account, the education
32 construction fund, the emergency reserve fund, the federal forest
33 revolving account, the funeral directors and embalmers account, the
34 health services account, the public health services account, the health
35 system capacity account, the personal health services account, the
36 highway infrastructure account, the industrial insurance premium refund
37 account, the judges' retirement account, the judicial retirement
38 administrative account, the judicial retirement principal account, the
39 local leasehold excise tax account, the local real estate excise tax

1 account, the local sales and use tax account, the medical aid account,
2 the mobile home park relocation fund, the municipal criminal justice
3 assistance account, the municipal sales and use tax equalization
4 account, the natural resources deposit account, the perpetual
5 surveillance and maintenance account, the public employees' retirement
6 system plan I account, the public employees' retirement system plan II
7 account, the Puyallup tribal settlement account, the real estate
8 commission account, the real estate education account, the resource
9 management cost account, the site closure account, the special wildlife
10 account, the state employees' insurance account, the state employees'
11 insurance reserve account, the state investment board expense account,
12 the state investment board commingled trust fund accounts, the
13 supplemental pension account, the teachers' retirement system plan I
14 account, the teachers' retirement system plan II account, the
15 transportation infrastructure account, the tuition recovery trust fund,
16 the University of Washington bond retirement fund, the University of
17 Washington building account, the volunteer fire fighters' relief and
18 pension principal account, the volunteer fire fighters' relief and
19 pension administrative account, the Washington judicial retirement
20 system account, the Washington law enforcement officers' and fire
21 fighters' system plan I retirement account, the Washington law
22 enforcement officers' and fire fighters' system plan II retirement
23 account, the Washington state patrol retirement account, the Washington
24 State University building account, the Washington State University bond
25 retirement fund, the water pollution control revolving fund, and the
26 Western Washington University capital projects account. Earnings
27 derived from investing balances of the agricultural permanent fund, the
28 normal school permanent fund, the permanent common school fund, the
29 scientific permanent fund, and the state university permanent fund
30 shall be allocated to their respective beneficiary accounts. All
31 earnings to be distributed under this subsection (4)(a) shall first be
32 reduced by the allocation to the state treasurer's service fund
33 pursuant to RCW 43.08.190.

34 (b) The following accounts and funds shall 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 aeronautics account,
37 the aircraft search and rescue account, the central Puget Sound public
38 transportation account, the city hardship assistance account, the
39 county arterial preservation account, the department of licensing

1 services account, the economic development account, the essential rail
2 assistance account, the essential rail banking account, the ferry bond
3 retirement fund, the gasohol exemption holding account, the grade
4 crossing protective fund, the high capacity transportation account, the
5 highway bond retirement fund, the highway construction stabilization
6 account, the highway safety account, the marine operating fund, the
7 motor vehicle fund, the motorcycle safety education account, the
8 pilotage account, the public transportation systems account, the Puget
9 Sound capital construction account, the Puget Sound ferry operations
10 account, the recreational vehicle account, the rural arterial trust
11 account, the safety and education account, the small city account, the
12 special category C account, the state patrol highway account, the
13 transfer relief account, the transportation capital facilities account,
14 the transportation equipment fund, the transportation fund, the
15 transportation improvement account, the transportation revolving loan
16 account, and the urban arterial trust account.

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

20 **Sec. 2.** RCW 43.84.092 and 1998 c 341 s 708 are each amended to
21 read as follows:

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

25 (2) The treasury income account shall be utilized to pay or receive
26 funds associated with federal programs as required by the federal cash
27 management improvement act of 1990. The treasury income account is
28 subject in all respects to chapter 43.88 RCW, but no appropriation is
29 required for refunds or allocations of interest earnings required by
30 the cash management improvement act. Refunds of interest to the
31 federal treasury required under the cash management improvement act
32 fall under RCW 43.88.180 and shall not require appropriation. The
33 office of financial management shall determine the amounts due to or
34 from the federal government pursuant to the cash management improvement
35 act. The office of financial management may direct transfers of funds
36 between accounts as deemed necessary to implement the provisions of the
37 cash management improvement act, and this subsection. Refunds or

1 allocations shall occur prior to the distributions of earnings set
2 forth in subsection (4) of this section.

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

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

15 (a) The following accounts and funds shall receive their
16 proportionate share of earnings based upon each account's and fund's
17 average daily balance for the period: The architects' license account,
18 the capitol building construction account, the Cedar River channel
19 construction and operation account, the Central Washington University
20 capital projects account, the charitable, educational, penal and
21 reformatory institutions account, the common school construction fund,
22 the county criminal justice assistance account, the county sales and
23 use tax equalization account, the data processing building construction
24 account, the deferred compensation administrative account, the deferred
25 compensation principal account, the department of retirement systems
26 expense account, the drinking water assistance account, the Eastern
27 Washington University capital projects account, the education
28 construction fund, the emergency reserve fund, the federal forest
29 revolving account, the funeral directors and embalmers account, the
30 health services account, the public health services account, the health
31 system capacity account, the personal health services account, the
32 highway infrastructure account, the industrial insurance premium refund
33 account, the judges' retirement account, the judicial retirement
34 administrative account, the judicial retirement principal account, the
35 local leasehold excise tax account, the local real estate excise tax
36 account, the local sales and use tax account, the medical aid account,
37 the mobile home park relocation fund, the municipal criminal justice
38 assistance account, the municipal sales and use tax equalization
39 account, the natural resources deposit account, the perpetual

1 surveillance and maintenance account, the public employees' retirement
2 system plan I account, the public employees' retirement system plan II
3 account, the Puyallup tribal settlement account, the real estate
4 commission account, the real estate education account, the resource
5 management cost account, the site closure account, the special wildlife
6 account, the state employees' insurance account, the state employees'
7 insurance reserve account, the state investment board expense account,
8 the state investment board commingled trust fund accounts, the
9 supplemental pension account, the teachers' retirement system plan I
10 account, the teachers' retirement system combined plan II and plan III
11 account, the transportation infrastructure account, the tuition
12 recovery trust fund, the University of Washington bond retirement fund,
13 the University of Washington building account, the volunteer fire
14 fighters' relief and pension principal account, the volunteer fire
15 fighters' relief and pension administrative account, the Washington
16 judicial retirement system account, the Washington law enforcement
17 officers' and fire fighters' system plan I retirement account, the
18 Washington law enforcement officers' and fire fighters' system plan II
19 retirement account, the Washington school employees' retirement system
20 combined plan II and III account, the Washington state patrol
21 retirement account, the Washington State University building account,
22 the Washington State University bond retirement fund, the water
23 pollution control revolving fund, and the Western Washington University
24 capital projects account. Earnings derived from investing balances of
25 the agricultural permanent fund, the normal school permanent fund, the
26 permanent common school fund, the scientific permanent fund, and the
27 state university permanent fund shall be allocated to their respective
28 beneficiary accounts. All earnings to be distributed under this
29 subsection (4)(a) shall first be reduced by the allocation to the state
30 treasurer's service fund pursuant to RCW 43.08.190.

31 (b) The following accounts and funds shall receive eighty percent
32 of their proportionate share of earnings based upon each account's or
33 fund's average daily balance for the period: The aeronautics account,
34 the aircraft search and rescue account, the central Puget Sound public
35 transportation account, the city hardship assistance account, the
36 county arterial preservation account, the department of licensing
37 services account, the economic development account, the essential rail
38 assistance account, the essential rail banking account, the ferry bond
39 retirement fund, the gasohol exemption holding account, the grade

1 crossing protective fund, the high capacity transportation account, the
2 highway bond retirement fund, the highway construction stabilization
3 account, the highway safety account, the marine operating fund, the
4 motor vehicle fund, the motorcycle safety education account, the
5 pilotage account, the public transportation systems account, the Puget
6 Sound capital construction account, the Puget Sound ferry operations
7 account, the recreational vehicle account, the rural arterial trust
8 account, the safety and education account, the small city account, the
9 special category C account, the state patrol highway account, the
10 transfer relief account, the transportation capital facilities account,
11 the transportation equipment fund, the transportation fund, the
12 transportation improvement account, the transportation revolving loan
13 account, and the urban arterial trust account.

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

17 **Sec. 3.** RCW 18.39.800 and 1996 c 217 s 9 are each amended to read
18 as follows:

19 The funeral directors and embalmers account is created in the state
20 treasury. All fees received by the department for licenses,
21 registrations, renewals, examinations, and audits shall be forwarded to
22 the state treasurer who shall credit the money to the account. All
23 fines and civil penalties ordered by the superior court or fines
24 ordered pursuant to RCW 18.130.160(8) against holders of licenses or
25 registrations issued under the provisions of this chapter shall be paid
26 to the account. All expenses incurred in carrying out the licensing
27 and registration activities of the department and the state funeral
28 directors and embalmers board under this chapter shall be paid from the
29 account as authorized by legislative appropriation. Any residue in the
30 account shall be accumulated and shall not revert to the general fund
31 at the end of the biennium. (~~All earnings of investments of balances
32 in the account shall be credited to the general fund. Any fund balance
33 remaining in the health professions account attributable to the funeral
34 director and embalmer professions as of July 1, 1993, shall be
35 transferred to the funeral directors and embalmers account.~~)

36 NEW SECTION. **Sec. 4.** Section 1 of this act expires August 31,
37 2000.

1 NEW SECTION. **Sec. 5.** Section 2 of this act takes effect September
2 1, 2000.

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