
SENATE BILL 6824

State of Washington 56th Legislature 2000 Regular Session

By Senators Heavey, Haugen and Gardner

Read first time 02/02/2000. Referred to Committee on Transportation.

1 AN ACT Relating to transportation-related funds and accounts;
2 reenacting and amending RCW 43.84.092 and 43.84.092; creating new
3 sections; providing effective dates; 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 a periodic review
6 of treasury accounts and their uses is necessary. While creating new
7 accounts may facilitate the implementation of legislative intent, the
8 creation of too many accounts limits the effectiveness of performance-
9 based budgeting. Too many accounts also limit the flexibility of the
10 legislature to address emerging and changing issues, in addition to
11 creating administrative burdens for the responsible agencies. Accounts
12 created for specific purposes may no longer be valid or needed.
13 Accordingly this act eliminates accounts that have been repealed, are
14 not in use, or are unneeded and consolidates accounts that are similar
15 in nature.

16 NEW SECTION. **Sec. 2.** The multimodal fund is created in the state
17 treasury. The aeronautics account, the aircraft search and rescue
18 account, the essential rail assistance account, the grade crossing

1 protective fund, the high capacity transportation account, the highway
2 safety account, the motorcycle safety education account, the pilotage
3 account, and the public transportation systems account are merged into
4 the multimodal fund. Any appropriations made to them are transferred
5 to the multimodal fund, and are subject to the restrictions of that
6 fund.

7 Moneys in the fund may be spent only after appropriation.
8 Expenditures from the fund may be used only for transportation
9 purposes.

10 **Sec. 3.** RCW 43.84.092 and 1999 c 380 s 8, 1999 c 309 s 928, 1999
11 c 268 s 4, 1999 c 94 s 3, and 1999 c 94 s 2 are each reenacted and
12 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 receive
17 funds associated with federal programs as required by the federal cash
18 management improvement act of 1990. The treasury income account is
19 subject in all respects to chapter 43.88 RCW, but no appropriation is
20 required for refunds or allocations of interest earnings required by
21 the cash management improvement act. Refunds of interest to the
22 federal treasury required under the cash management improvement act
23 fall under RCW 43.88.180 and shall not require appropriation. The
24 office of financial management shall determine the amounts due to or
25 from the federal government pursuant to the cash management improvement
26 act. The office of financial management may direct transfers of funds
27 between accounts as deemed necessary to implement the provisions of the
28 cash management improvement act, and this subsection. Refunds or
29 allocations shall occur prior to the distributions of earnings set
30 forth in subsection (4) of this section.

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

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

5 (a) The following accounts and funds shall receive their
6 proportionate share of earnings based upon each account's and fund's
7 average daily balance for the period: The capitol building
8 construction account, the Cedar River channel construction and
9 operation account, the Central Washington University capital projects
10 account, the charitable, educational, penal and reformatory
11 institutions account, the common school construction fund, the county
12 criminal justice assistance account, the county sales and use tax
13 equalization account, the data processing building construction
14 account, the deferred compensation administrative account, the deferred
15 compensation principal account, the department of retirement systems
16 expense account, the drinking water assistance account, the Eastern
17 Washington University capital projects account, the education
18 construction fund, the emergency reserve fund, the federal forest
19 revolving account, the health services account, the public health
20 services account, the health system capacity account, the personal
21 health services account, the state higher education construction
22 account, the higher education construction account, the highway
23 infrastructure account, the industrial insurance premium refund
24 account, the judges' retirement account, the judicial retirement
25 administrative account, the judicial retirement principal account, the
26 local leasehold excise tax account, the local real estate excise tax
27 account, the local sales and use tax account, the medical aid account,
28 the mobile home park relocation fund, the municipal criminal justice
29 assistance account, the municipal sales and use tax equalization
30 account, the natural resources deposit account, the perpetual
31 surveillance and maintenance account, the public employees' retirement
32 system plan 1 account, the public employees' retirement system plan 2
33 account, the Puyallup tribal settlement account, the resource
34 management cost account, the site closure account, the special wildlife
35 account, the state employees' insurance account, the state employees'
36 insurance reserve account, the state investment board expense account,
37 the state investment board commingled trust fund accounts, the
38 supplemental pension account, the teachers' retirement system plan 1
39 account, the teachers' retirement system plan 2 account, the tobacco

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

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

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

4 **Sec. 4.** RCW 43.84.092 and 1999 c 380 s 9, 1999 c 309 s 929, 1999
5 c 268 s 5, and 1999 c 94 s 4 are each reenacted and amended to read as
6 follows:

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

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

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

33 (4) Monthly, the state treasurer shall distribute the earnings
34 credited to the treasury income account. The state treasurer shall
35 credit the general fund with all the earnings credited to the treasury
36 income account except:

37 (a) The following accounts and funds shall receive their
38 proportionate share of earnings based upon each account's and fund's

1 average daily balance for the period: The capitol building
2 construction account, the Cedar River channel construction and
3 operation account, the Central Washington University capital projects
4 account, the charitable, educational, penal and reformatory
5 institutions account, the common school construction fund, the county
6 criminal justice assistance account, the county sales and use tax
7 equalization account, the data processing building construction
8 account, the deferred compensation administrative account, the deferred
9 compensation principal account, the department of retirement systems
10 expense account, the drinking water assistance account, the Eastern
11 Washington University capital projects account, the education
12 construction fund, the emergency reserve fund, the federal forest
13 revolving account, the health services account, the public health
14 services account, the health system capacity account, the personal
15 health services account, the state higher education construction
16 account, the higher education construction account, the highway
17 infrastructure account, the industrial insurance premium refund
18 account, the judges' retirement account, the judicial retirement
19 administrative account, the judicial retirement principal account, the
20 local leasehold excise tax account, the local real estate excise tax
21 account, the local sales and use tax account, the medical aid account,
22 the mobile home park relocation fund, the municipal criminal justice
23 assistance account, the municipal sales and use tax equalization
24 account, the natural resources deposit account, the perpetual
25 surveillance and maintenance account, the public employees' retirement
26 system plan 1 account, the public employees' retirement system plan 2
27 account, the Puyallup tribal settlement account, the resource
28 management cost account, the site closure account, the special wildlife
29 account, the state employees' insurance account, the state employees'
30 insurance reserve account, the state investment board expense account,
31 the state investment board commingled trust fund accounts, the
32 supplemental pension account, the teachers' retirement system plan 1
33 account, the teachers' retirement system combined plan 2 and plan 3
34 account, the tobacco prevention and control account, the tobacco
35 settlement account, the transportation infrastructure account, the
36 tuition recovery trust fund, the University of Washington bond
37 retirement fund, the University of Washington building account, the
38 volunteer fire fighters' and reserve officers' relief and pension
39 principal (~~account~~) fund, the volunteer fire fighters' (~~relief and~~

1 pension)) and reserve officers' administrative ((account)) fund, the
2 Washington judicial retirement system account, the Washington law
3 enforcement officers' and fire fighters' system plan 1 retirement
4 account, the Washington law enforcement officers' and fire fighters'
5 system plan 2 retirement account, the Washington school employees'
6 retirement system combined plan 2 and 3 account, the Washington state
7 patrol retirement account, the Washington State University building
8 account, the Washington State University bond retirement fund, the
9 water pollution control revolving fund, and the Western Washington
10 University capital projects account. Earnings derived from investing
11 balances of the agricultural permanent fund, the normal school
12 permanent fund, the permanent common school fund, the scientific
13 permanent fund, and the state university permanent fund shall be
14 allocated to their respective beneficiary accounts. All earnings to be
15 distributed under this subsection (4)(a) shall first be reduced by the
16 allocation to the state treasurer's service fund pursuant to RCW
17 43.08.190.

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

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

1 NEW SECTION. **Sec. 5.** The senate transportation committee has
2 determined that the implementation of performance-based budgeting is
3 important. Detailed accounts have many positive and negative
4 attributes associated with their existence. On the positive side they
5 usually offer a dedicated stream of revenue that can be used only for
6 a specific purpose. Conversely, on the negative side, this binds
7 decision makers in both the executive and legislative branches as to
8 their ability to make investment decisions using all available
9 resources at their disposal.

10 The senate transportation committee directs a budget working group
11 to be formed for the purpose of conducting an examination of all of the
12 transportation-related funds and accounts for possible elimination or
13 consolidation. The working group will conduct an examination of the
14 various funds and accounts during the interim and report back to the
15 senate transportation committee during the 2001 legislative session.

16 NEW SECTION. **Sec. 6.** (1) Sections 2 and 3 of this act take effect
17 July 1, 2000.

18 (2) Section 4 of this act takes effect September 1, 2000.

19 NEW SECTION. **Sec. 7.** Section 3 of this act expires September 1,
20 2000.

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