
SENATE BILL 5849

State of Washington

58th Legislature

2003 Regular Session

By Senators Roach and Reardon; by request of Office of Financial Management

Read first time 02/14/2003. Referred to Committee on Government Operations & Elections.

1 AN ACT Relating to responsibilities of the office of financial
2 management; amending RCW 7.68.085, 26.34.050, 34.12.140, 34.12.150,
3 34.12.160, 36.70A.200, 40.14.025, 41.04.380, 41.60.041, 43.09.412,
4 43.10.160, 43.41.100, 43.41.104, 43.79.460, 43.88A.010, 43.88A.030,
5 43.88A.040, 43.133.050, 82.01.070, and 82.23B.020; reenacting and
6 amending RCW 43.135.035; and repealing RCW 8.04.160, 41.48.120,
7 41.48.130, 41.48.170, 41.50.800, 43.19.1921, 43.41.102, 43.41.905,
8 43.99I.090, 43.99J.070, 70.48A.040, 70.168.030, 71.36.020, 74.08.278,
9 and 74.14C.070.

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

11 **Sec. 1.** RCW 7.68.085 and 1990 c 3 s 504 are each amended to read
12 as follows:

13 The director of labor and industries shall institute a cap on
14 medical benefits of one hundred fifty thousand dollars per injury or
15 death. Payment for medical services in excess of the cap shall be made
16 available to any innocent victim under the same conditions as other
17 medical services and if the medical services are:

18 (1) Necessary for a previously accepted condition;

1 (2) Necessary to protect the victim's life or prevent deterioration
2 of the victim's previously accepted condition; and

3 (3) Not available from an alternative source.

4 (~~The director of financial management and the director of labor
5 and industries shall monitor expenditures from the public safety and
6 education account. Once each fiscal quarter, the director of financial
7 management shall determine if expenditures from the public safety and
8 education account during the prior fiscal quarter exceeded allotments
9 by more than ten percent. Within thirty days of a determination that
10 expenditures exceeded allotments by more than ten percent, the director
11 of financial management shall develop and implement a plan to reduce
12 expenditures from the account to a level that does not exceed the
13 allotments. Such a plan may include across the board reductions in
14 allotments from the account to all nonjudicial agencies except for the
15 crime victims compensation program. In implementing the plan, the
16 director of financial management shall seek the cooperation of judicial
17 agencies in reducing their expenditures from the account. The director
18 of financial management shall notify the legislative fiscal committees
19 prior to implementation of the plan.~~

20 ~~Development and implementation of the plan is not required if the
21 director of financial management notifies the legislative fiscal
22 committees that increases in the official revenue forecast for the
23 public safety and education account for that fiscal quarter will
24 eliminate the need to reduce expenditures from the account.)~~) The
25 official revenue forecast for the public safety and education account
26 shall be prepared by the economic and revenue forecast council pursuant
27 to RCW 82.33.020 and 82.33.010.

28 For the purposes of this section, an individual will not be
29 required to use his or her assets other than funds recovered as a
30 result of a civil action or criminal restitution, for medical expenses
31 or pain and suffering, in order to qualify for an alternative source of
32 payment.

33 The director shall, in cooperation with the department of social
34 and health services, establish by October 1, 1989, a process to aid
35 crime victims in identifying and applying for appropriate alternative
36 benefit programs, if any, administered by the department of social and
37 health services.

1 **Sec. 2.** RCW 26.34.050 and 1979 c 151 s 10 are each amended to read
2 as follows:

3 The officers and agencies of this state and its subdivisions having
4 authority to place children are hereby empowered to enter into
5 agreements with appropriate officers or agencies of or in other party
6 states pursuant to paragraph (b) of Article V of the Interstate Compact
7 on the Placement of Children. Any such agreement which contains a
8 financial commitment or imposes a financial obligation on this state or
9 subdivision or agency thereof shall not be binding unless it has the
10 approval in writing (~~(of the director of financial management in the~~
11 ~~case of the state and)) of the treasurer in the case of a subdivision~~
12 of the state.

13 **Sec. 3.** RCW 34.12.140 and 1982 c 189 s 10 are each amended to read
14 as follows:

15 The amounts to be disbursed from the administrative hearings
16 revolving fund from time to time shall be transferred thereto by the
17 state treasurer from funds appropriated to any and all agencies for
18 administrative hearings expenses on a quarterly basis. Agencies
19 operating in whole or in part from nonappropriated funds shall pay into
20 the administrative hearings revolving fund such funds as will fully
21 reimburse funds appropriated to the office of administrative hearings
22 for any services provided activities financed by nonappropriated funds.
23 The funds from the employment security department for the
24 administrative hearings services provided by the office of
25 administrative hearings shall not exceed that portion of the resources
26 provided to the employment security department by the department of
27 labor, employment and training administration, for such administrative
28 hearings services. To satisfy department of labor funding
29 requirements, the office of administrative hearings shall meet or
30 exceed timeliness standards under federal regulations in the conduct of
31 employment security department appeals.

32 (~~The director of financial management shall allot all such funds~~
33 ~~to the office of administrative hearings for the operation of the~~
34 ~~office, pursuant to appropriation, in the same manner as appropriated~~
35 ~~funds are allocated to other agencies under chapter 43.88 RCW.))~~

36 Disbursements from the administrative hearings revolving fund shall

1 be pursuant to vouchers executed by the chief administrative law judge
2 or his designee.

3 **Sec. 4.** RCW 34.12.150 and 1982 c 189 s 11 are each amended to read
4 as follows:

5 The chief administrative law judge shall keep such records as are
6 necessary to facilitate proper allocation of costs to funds and
7 agencies served (~~and the director of financial management shall~~
8 ~~prescribe appropriate accounting procedures to accurately allocate~~
9 ~~costs to funds and agencies served~~). Billings shall be adjusted in
10 line with actual costs incurred at intervals not to exceed six months.

11 **Sec. 5.** RCW 34.12.160 and 1982 c 189 s 12 are each amended to read
12 as follows:

13 In cases where there are unanticipated demands for services of the
14 office of administrative hearings or where there are insufficient funds
15 on hand or available for payment through the administrative hearings
16 revolving fund or in other cases of necessity, the chief administrative
17 law judge may request payment for services directly from agencies for
18 whom the services are performed to the extent that revenues or other
19 funds are available. (~~Upon approval by the director of financial~~
20 ~~management, the agency shall make the requested payment.~~) The payment
21 may be made on either an advance or reimbursable basis as approved by
22 the director of financial management.

23 **Sec. 6.** RCW 36.70A.200 and 2002 c 68 s 2 are each amended to read
24 as follows:

25 (1) The comprehensive plan of each county and city that is planning
26 under RCW 36.70A.040 shall include a process for identifying and siting
27 essential public facilities. Essential public facilities include those
28 facilities that are typically difficult to site, such as airports,
29 state education facilities and state or regional transportation
30 facilities as defined in RCW 47.06.140, state and local correctional
31 facilities, solid waste handling facilities, and in-patient facilities
32 including substance abuse facilities, mental health facilities, group
33 homes, and secure community transition facilities as defined in RCW
34 71.09.020.

1 (2) Each county and city planning under RCW 36.70A.040 shall, not
2 later than September 1, 2002, establish a process, or amend its
3 existing process, for identifying and siting essential public
4 facilities and adopt or amend its development regulations as necessary
5 to provide for the siting of secure community transition facilities
6 consistent with statutory requirements applicable to these facilities.

7 (3) Any city or county not planning under RCW 36.70A.040 shall, not
8 later than September 1, 2002, establish a process for siting secure
9 community transition facilities and adopt or amend its development
10 regulations as necessary to provide for the siting of such facilities
11 consistent with statutory requirements applicable to these facilities.

12 ~~(4) ((The office of financial management shall maintain a list of
13 those essential state public facilities that are required or likely to
14 be built within the next six years. The office of financial management
15 may at any time add facilities to the list.~~

16 ~~(5))~~ No local comprehensive plan or development regulation may
17 preclude the siting of essential public facilities.

18 ~~((6))~~ (5) No person may bring a cause of action for civil damages
19 based on the good faith actions of any county or city to provide for
20 the siting of secure community transition facilities in accordance with
21 this section and with the requirements of chapter 12, Laws of 2001 2nd
22 sp. sess. For purposes of this subsection, "person" includes, but is
23 not limited to, any individual, agency as defined in RCW 42.17.020,
24 corporation, partnership, association, and limited liability entity.

25 ~~((7))~~ (6) Counties or cities siting facilities pursuant to
26 subsection (2) or (3) of this section shall comply with RCW 71.09.341.

27 ~~((8))~~ (7) The failure of a county or city to act by the deadlines
28 established in subsections (2) and (3) of this section is not:

29 (a) A condition that would disqualify the county or city for
30 grants, loans, or pledges under RCW 43.155.070 or 70.146.070;

31 (b) A consideration for grants or loans provided under RCW
32 43.17.250(2); or

33 (c) A basis for any petition under RCW 36.70A.280 or for any
34 private cause of action.

35 **Sec. 7.** RCW 40.14.025 and 1996 c 245 s 3 are each amended to read
36 as follows:

37 (1) The secretary of state ~~((and))~~ shall consult with the director

1 of financial management (~~shall jointly establish~~) in establishing a
2 procedure and formula for allocating the costs of services provided by
3 the division of archives and records management to state agencies. The
4 total amount allotted for services to state agencies shall not exceed
5 the appropriation to the archives and records management account during
6 any allotment period.

7 (~~{(2)}~~) (2) There is created the archives and records management
8 account in the state treasury which shall consist of all fees and
9 charges collected under this section, RCW 36.22.175, and 40.14.027.
10 The account shall be appropriated exclusively for the payment of costs
11 and expenses incurred in the operation of the division of archives and
12 records management as specified by law.

13 **Sec. 8.** RCW 41.04.380 and 1993 c 194 s 3 are each amended to read
14 as follows:

15 When suitable space is determined to be available, either agencies
16 or organizations of state employees may contract with one or more
17 providers to operate child care facilities.

18 (~~Subject to the approval of the director of financial management,~~
19 ~~suitable~~) Space for child care centers may be provided to
20 organizations of state employees without charge or at reduced charge
21 for rent or services solely for the purpose of reducing employee child
22 care costs.

23 **Sec. 9.** RCW 41.60.041 and 1999 c 50 s 5 are each amended to read
24 as follows:

25 (1) Cash awards for suggestions generating net savings, revenue, or
26 both to the state shall be determined by the board, or the board's
27 designee, based on the payment award scale. No award may be granted in
28 excess of ten thousand dollars. Savings, revenue, or both, shall be
29 calculated for the first year of implementation.

30 (2) The board shall establish guidelines for making cash awards for
31 suggestions for which benefits to the state are intangible or for which
32 benefits cannot be calculated.

33 (3) Funds for the awards shall be drawn from the appropriation of
34 the agency benefiting from the employee's suggestion. If the
35 suggestion reduces costs to a nonappropriated fund or reduces costs

1 paid without appropriation from a nonappropriated portion of an
2 appropriated fund, an award may be paid from the benefiting fund or
3 account without appropriation.

4 (4) Awards may be paid to state employees for suggestions which
5 generate new or additional money for the general fund or any other
6 funds of the state. (~~The director of financial management shall~~
7 ~~distribute moneys appropriated for this purpose with the concurrence of~~
8 ~~the productivity board.~~) Transfers shall be made from other funds of
9 the state to the general fund, in amounts equal to award payments made
10 by the general fund, for suggestions generating new or additional money
11 for those other funds.

12 **Sec. 10.** RCW 43.09.412 and 1995 c 301 s 26 are each amended to
13 read as follows:

14 The amounts to be disbursed from the auditing services revolving
15 account shall be paid from funds appropriated to any and all state
16 agencies for auditing services or administrative expenses. State
17 agencies operating in whole or in part from nonappropriated funds shall
18 pay into the auditing services revolving account such funds as will
19 fully reimburse funds appropriated to the state auditor for auditing
20 services provided.

21 (~~The director of financial management shall allot all such funds~~
22 ~~to the state auditor for the operation of his or her office, pursuant~~
23 ~~to appropriation, in the same manner as appropriated funds are~~
24 ~~allocated to other state agencies headed by elected officers under~~
25 ~~chapter 43.88 RCW.~~)

26 **Sec. 11.** RCW 43.10.160 and 1979 c 151 s 94 are each amended to
27 read as follows:

28 The amounts to be disbursed from the legal services revolving fund
29 from time to time shall be transferred thereto by the state treasurer
30 from funds appropriated to any and all agencies for legal services or
31 administrative expenses on a quarterly basis. Agencies operating in
32 whole or in part from nonappropriated funds shall pay into the legal
33 services revolving fund such funds as will fully reimburse funds
34 appropriated to the attorney general for any legal services provided
35 activities financed by nonappropriated funds.

1 (~~The director of financial management shall allot all such funds~~
2 ~~to the attorney general for the operation of his office, pursuant to~~
3 ~~appropriation, in the same manner as appropriated funds are allocated~~
4 ~~to other agencies headed by elected officers under chapter 43.88 RCW.))~~)

5 **Sec. 12.** RCW 43.41.100 and 1979 c 151 s 114 are each amended to
6 read as follows:

7 The director of financial management shall:

8 (1) Supervise and administer the activities of the office of
9 financial management.

10 (2) Exercise all the powers and perform all the duties prescribed
11 by law with respect to the administration of the state budget and
12 accounting system.

13 (3) Advise the governor and the legislature with respect to matters
14 affecting program management and planning.

15 (~~(4)~~) The director may make efficiency surveys of all state
16 departments and institutions, and the administrative and business
17 methods pursued (~~therein~~) by those agencies, examine into the
18 physical needs and industrial activities (~~thereof~~), and make
19 confidential reports to the governor, recommending necessary
20 betterments, repairs, and the installation of improved and more
21 economical administrative methods, and advising such action as will
22 result in a greater measure of self-support and remedies for
23 inefficient functioning.

24 The director may enter into contracts on behalf of the state to
25 carry out the purposes of this chapter; he may act for the state in the
26 initiation of or participation in any multi-governmental agency program
27 relative to the purposes of this chapter; and he may accept gifts and
28 grants, whether such grants be of federal or other funds.

29 **Sec. 13.** RCW 43.41.104 and 1979 c 151 s 116 are each amended to
30 read as follows:

31 Upon receipt of information from the state auditor as provided in
32 RCW 43.09.050(~~(5)~~) (6) as now or hereafter amended, the director of
33 financial management shall require (~~all~~) persons who have received
34 any moneys belonging to the state and have not accounted (~~therefor~~)
35 for them, to settle their accounts and make payment (~~thereof~~).

1 **Sec. 14.** RCW 43.79.460 and 1998 c 302 s 1 are each amended to read
2 as follows:

3 (1) The savings incentive account is created in the custody of the
4 state treasurer. The account shall consist of all moneys appropriated
5 to the account by the legislature. The account is subject to the
6 allotment procedures under chapter 43.88 RCW, but no appropriation is
7 required for expenditures from the account.

8 (2) Within the savings incentive account, the state treasurer may
9 create subaccounts to be credited with incentive savings attributable
10 to individual state agencies, as determined by the office of financial
11 management in consultation with the legislative fiscal committees.
12 Moneys deposited in the subaccounts may be expended only on the
13 authorization of the agency's executive head or designee and only for
14 the purpose of one-time expenditures to improve the quality,
15 efficiency, and effectiveness of services to customers of the state,
16 such as one-time expenditures for employee training, employee
17 incentives, technology improvements, new work processes, or performance
18 measurement. Funds may not be expended from the account to establish
19 new programs or services, expand existing programs or services, or
20 incur ongoing costs that would require future expenditures.

21 (3) For purposes of this section, "incentive savings" means state
22 general fund appropriations that are unspent as of June 30th of a
23 fiscal year, excluding any amounts included in across-the-board
24 reductions under RCW 43.88.110 and excluding unspent appropriations
25 for:

26 (a) Caseload and enrollment in entitlement programs, except to the
27 extent that an agency has clearly demonstrated that efficiencies have
28 been achieved in the administration of the entitlement program.
29 "Entitlement program," as used in this section, includes programs for
30 which specific sums of money are appropriated for pass-through to third
31 parties or other entities;

32 (b) Enrollments in state institutions of higher education;

33 (c) A specific amount contained in a condition or limitation to an
34 appropriation in the biennial appropriations act, if the agency did not
35 achieve the specific purpose or objective of the condition or
36 limitation;

37 (d) Debt service on state obligations; and

38 (e) State retirement system obligations.

1 ~~((4) The office of fiscal [financial] management, after consulting~~
2 ~~with the legislative fiscal committees, shall report to the treasurer~~
3 ~~the amount of savings incentives achieved. By December 1, 1998, and~~
4 ~~each December 1st thereafter, the office of financial management shall~~
5 ~~submit a report to the fiscal committees of the legislature on the~~
6 ~~implementation of this section. The report shall (a) evaluate the~~
7 ~~impact of this section on agency reversions and end of biennium~~
8 ~~expenditure patterns, and (b) itemize agency expenditures from the~~
9 ~~savings recovery account.))~~

10 **Sec. 15.** RCW 43.88A.010 and 1977 ex.s. c 25 s 1 are each amended
11 to read as follows:

12 The legislature ~~((hereby))~~ recognizes the necessity of developing
13 a uniform and coordinated procedure for determining the expected fiscal
14 impact of bills and resolutions ~~((on state government))~~. The
15 legislature also recognizes that developing such statements of fiscal
16 impact, which shall be known as fiscal notes, requires ~~((the~~
17 ~~designation of))~~ that a state agency ~~((to))~~ be designated principally
18 responsible ~~((therefor))~~ for developing the note. The fiscal notes may
19 be provided in either paper or electronic form.

20 **Sec. 16.** RCW 43.88A.030 and 1986 c 158 s 16 are each amended to
21 read as follows:

22 When ~~((a fiscal note is prepared and approved as to form, accuracy,~~
23 ~~and completeness by the office of financial management, which depicts~~
24 ~~the expected fiscal impact of a bill or resolution))~~ the office of
25 financial management has prepared and approved the form, accuracy, and
26 completeness of the expected fiscal impact of a bill or resolution
27 contained in a fiscal note, electronic copies shall be ((filed))
28 provided immediately ((with)) to:

- 29 (1) The chairperson of the committee to which the bill or
30 resolution was referred upon introduction in the house of origin;
31 (2) The senate committee on ways and means, or its successor; and
32 (3) The house committees on revenue and appropriations, or their
33 successors.

34 Whenever possible, such fiscal note shall be provided prior to or
35 at the time the bill or resolution is first heard by the committee of
36 reference in the house of origin.

1 When a fiscal note has been prepared for a bill or resolution, a
2 copy of the fiscal note shall be placed in the bill books or otherwise
3 attached to the bill or resolution and shall remain with the bill or
4 resolution throughout the legislative process insofar as possible.

5 **Sec. 17.** RCW 43.88A.040 and 1979 c 151 s 148 are each amended to
6 read as follows:

7 The office of financial management shall also provide a fiscal note
8 on any legislative proposal at the request of any legislator. ~~((Such))~~
9 The completed fiscal note shall be ~~((returned))~~ electronically provided
10 to the requesting legislator, and electronic copies shall be ~~((filed~~
11 ~~with))~~ provided to the appropriate legislative committees pursuant to
12 RCW 43.88A.030 at the time such proposed legislation is introduced in
13 either house.

14 **Sec. 18.** RCW 43.133.050 and 1995 c 399 s 82 are each amended to
15 read as follows:

16 (1) Upon request by the legislature, the office of financial
17 management shall prepare sunrise notes for legislation concerning the
18 creation of new boards. The department of community, trade, and
19 economic development shall prepare sunrise notes for legislation
20 creating new types of special purpose districts.

21 (2) A sunrise note shall be prepared for all executive and agency
22 request legislation that creates a board or special purpose district.

23 (3) The ~~((office of financial management or the))~~ department of
24 community, trade, and economic development shall also provide a sunrise
25 note at the request of any committee of the legislature.

26 **Sec. 19.** RCW 43.135.035 and 2001 c 3 s 8 and 2000 2nd sp.s. c 2 s
27 2 are each reenacted and amended to read as follows:

28 (1) After July 1, 1995, any action or combination of actions by the
29 legislature that raises state revenue or requires revenue-neutral tax
30 shifts may be taken only if approved by a two-thirds vote of each
31 house, and then only if state expenditures in any fiscal year,
32 including the new revenue, will not exceed the state expenditure limits
33 established under this chapter.

34 (2)(a) If the legislative action under subsection (1) of this
35 section will result in expenditures in excess of the state expenditure

1 limit, then the action of the legislature shall not take effect until
2 approved by a vote of the people at a November general election. The
3 (~~office of financial management~~) state expenditure limit committee
4 shall adjust the state expenditure limit by the amount of additional
5 revenue approved by the voters under this section. This adjustment
6 shall not exceed the amount of revenue generated by the legislative
7 action during the first full fiscal year in which it is in effect. The
8 state expenditure limit shall be adjusted downward upon expiration or
9 repeal of the legislative action.

10 (b) The ballot title for any vote of the people required under this
11 section shall be substantially as follows:

12 "Shall taxes be imposed on in order to allow a
13 spending increase above last year's authorized spending adjusted for
14 inflation and population increases?"

15 (3)(a) The state expenditure limit may be exceeded upon declaration
16 of an emergency for a period not to exceed twenty-four months by a law
17 approved by a two-thirds vote of each house of the legislature and
18 signed by the governor. The law shall set forth the nature of the
19 emergency, which is limited to natural disasters that require immediate
20 government action to alleviate human suffering and provide humanitarian
21 assistance. The state expenditure limit may be exceeded for no more
22 than twenty-four months following the declaration of the emergency and
23 only for the purposes contained in the emergency declaration.

24 (b) Additional taxes required for an emergency under this section
25 may be imposed only until thirty days following the next general
26 election, unless an extension is approved at that general election.
27 The additional taxes shall expire upon expiration of the declaration of
28 emergency. The legislature shall not impose additional taxes for
29 emergency purposes under this subsection unless funds in the education
30 construction fund have been exhausted.

31 (c) The state or any political subdivision of the state shall not
32 impose any tax on intangible property listed in RCW 84.36.070 as that
33 statute exists on January 1, 1993.

34 (4) If the cost of any state program or function is shifted from
35 the state general fund on or after January 1, 1993, to another source
36 of funding, or if moneys are transferred from the state general fund to
37 another fund or account, the state expenditure limit committee, acting
38 pursuant to RCW 43.135.025(5), shall lower the state expenditure limit

1 to reflect the shift. For the purposes of this section, a transfer of
2 money from the state general fund to another fund or account includes
3 any state legislative action taken after July 1, 2000, that has the
4 effect of reducing revenues from a particular source, where such
5 revenues would otherwise be deposited into the state general fund,
6 while increasing the revenues from that particular source to another
7 state or local government account. This subsection does not apply to
8 the dedication or use of lottery revenues under RCW 67.70.240(3) or
9 property taxes under RCW 84.52.068, in support of education or
10 education expenditures.

11 (5) If the cost of any state program or function is shifted to the
12 state general fund on or after January 1, 2000, from another source of
13 funding, or if moneys are transferred to the state general fund from
14 another fund or account, the state expenditure limit committee, acting
15 pursuant to RCW 43.135.025(5), shall increase the state expenditure
16 limit to reflect the shift.

17 **Sec. 20.** RCW 82.01.070 and 1997 c 156 s 1 are each amended to read
18 as follows:

19 The director shall have charge and general supervision of the
20 department of revenue. The director shall appoint an assistant
21 director for administration, hereinafter in chapter 26, Laws of 1967
22 ex. sess. referred to as the assistant director, and subject to the
23 provisions of chapter 41.06 RCW may appoint and employ such clerical,
24 technical and other personnel as may be necessary to carry out the
25 powers and duties of the department. The director may also enter into
26 personal service contracts with out-of-state individuals or business
27 entities for the performance of auditing services outside the state of
28 Washington when normal efforts to recruit classified employees are
29 unsuccessful. The director may agree to pay to the department's
30 employees or contractors who reside out of state such amounts in
31 addition to their ordinary rate of compensation as are necessary to
32 defray the extra costs of facilities, living, and other costs
33 reasonably related to the out-of-state services, subject to legislative
34 appropriation for those purposes. (~~The special allowances shall be in~~
35 ~~such amounts or at such rates as are approved by the office of~~
36 ~~financial management.~~) This section does not apply to audit functions
37 performed in states contiguous to the state of Washington.

1 **Sec. 21.** RCW 82.23B.020 and 2000 c 69 s 25 are each amended to
2 read as follows:

3 (1) An oil spill response tax is imposed on the privilege of
4 receiving crude oil or petroleum products at a marine terminal within
5 this state from a waterborne vessel or barge operating on the navigable
6 waters of this state. The tax imposed in this section is levied upon
7 the owner of the crude oil or petroleum products immediately after
8 receipt of the same into the storage tanks of a marine terminal from a
9 waterborne vessel or barge at the rate of one cent per barrel of crude
10 oil or petroleum product received.

11 (2) In addition to the tax imposed in subsection (1) of this
12 section, an oil spill administration tax is imposed on the privilege of
13 receiving crude oil or petroleum products at a marine terminal within
14 this state from a waterborne vessel or barge operating on the navigable
15 waters of this state. The tax imposed in this section is levied upon
16 the owner of the crude oil or petroleum products immediately after
17 receipt of the same into the storage tanks of a marine terminal from a
18 waterborne vessel or barge at the rate of four cents per barrel of
19 crude oil or petroleum product.

20 (3) The taxes imposed by this chapter shall be collected by the
21 marine terminal operator from the taxpayer. If any person charged with
22 collecting the taxes fails to bill the taxpayer for the taxes, or in
23 the alternative has not notified the taxpayer in writing of the
24 imposition of the taxes, or having collected the taxes, fails to pay
25 them to the department in the manner prescribed by this chapter,
26 whether such failure is the result of the person's own acts or the
27 result of acts or conditions beyond the person's control, he or she
28 shall, nevertheless, be personally liable to the state for the amount
29 of the taxes. Payment of the taxes by the owner to a marine terminal
30 operator shall relieve the owner from further liability for the taxes.

31 (4) Taxes collected under this chapter shall be held in trust until
32 paid to the department. Any person collecting the taxes who
33 appropriates or converts the taxes collected shall be guilty of a gross
34 misdemeanor if the money required to be collected is not available for
35 payment on the date payment is due. The taxes required by this chapter
36 to be collected shall be stated separately from other charges made by
37 the marine terminal operator in any invoice or other statement of
38 account provided to the taxpayer.

1 (5) If a taxpayer fails to pay the taxes imposed by this chapter to
2 the person charged with collection of the taxes and the person charged
3 with collection fails to pay the taxes to the department, the
4 department may, in its discretion, proceed directly against the
5 taxpayer for collection of the taxes.

6 (6) The taxes shall be due from the marine terminal operator, along
7 with reports and returns on forms prescribed by the department, within
8 twenty-five days after the end of the month in which the taxable
9 activity occurs.

10 (7) The amount of taxes, until paid by the taxpayer to the marine
11 terminal operator or to the department, shall constitute a debt from
12 the taxpayer to the marine terminal operator. Any person required to
13 collect the taxes under this chapter who, with intent to violate the
14 provisions of this chapter, fails or refuses to do so as required and
15 any taxpayer who refuses to pay any taxes due under this chapter, shall
16 be guilty of a misdemeanor as provided in chapter 9A.20 RCW.

17 (8) Upon prior approval of the department, the taxpayer may pay the
18 taxes imposed by this chapter directly to the department. The
19 department shall give its approval for direct payment under this
20 section whenever it appears, in the department's judgment, that direct
21 payment will enhance the administration of the taxes imposed under this
22 chapter. The department shall provide by rule for the issuance of a
23 direct payment certificate to any taxpayer qualifying for direct
24 payment of the taxes. Good faith acceptance of a direct payment
25 certificate by a terminal operator shall relieve the marine terminal
26 operator from any liability for the collection or payment of the taxes
27 imposed under this chapter.

28 (9) All receipts from the tax imposed in subsection (1) of this
29 section shall be deposited into the state oil spill response account.
30 All receipts from the tax imposed in subsection (2) of this section
31 shall be deposited into the oil spill prevention account.

32 (10) Within forty-five days after the end of each calendar quarter,
33 the office of financial management shall determine the balance of the
34 oil spill response account as of the last day of that calendar quarter.
35 Balance determinations by the office of financial management under this
36 section are final and shall not be used to challenge the validity of
37 any tax imposed under this chapter. The office of financial management
38 shall promptly notify the departments of revenue and ecology ((of))

1 when the account balance (~~((once a determination is made))~~) reaches the
2 level at which a tax change is triggered. For each subsequent calendar
3 quarter, the tax imposed by subsection (1) of this section shall be
4 imposed during the entire calendar quarter unless:

5 (a) Tax was imposed under subsection (1) of this section during the
6 immediately preceding calendar quarter, and the most recent quarterly
7 balance is more than nine million dollars; or

8 (b) Tax was not imposed under subsection (1) of this section during
9 the immediately preceding calendar quarter, and the most recent
10 quarterly balance is more than eight million dollars.

11 NEW SECTION. Sec. 22. The following acts or parts of acts are
12 each repealed:

13 (1) RCW 8.04.160 (Award, how paid into court) and 1979 c 151 s 8,
14 1973 c 106 s 8, & 1891 c 74 s 10;

15 (2) RCW 41.48.120 (Sick leave account created--Payments to state
16 employees on account of sickness--Exclusion from wages) and 1979 c 152
17 s 1;

18 (3) RCW 41.48.130 (Sick leave payments--Accounting plan and payroll
19 procedures) and 1979 c 152 s 2;

20 (4) RCW 41.48.170 (Sick leave payments--Transfers of moneys to sick
21 leave account) and 1979 ex.s. c 247 s 2;

22 (5) RCW 41.50.800 (Apportionment of budgeted funds of affected
23 agencies) and 1979 c 151 s 64 & 1975-'76 2nd ex.s. c 105 s 13;

24 (6) RCW 43.19.1921 (Central stores warehouse facilities--Central
25 maintenance, repair--Sales, exchanges, between state agencies) and 1979
26 c 151 s 100 & 1965 c 8 s 43.19.1921;

27 (7) RCW 43.41.102 (Director--Contract for collection and tabulation
28 of census block statistics) and 1979 c 151 s 115 & 1977 ex.s. c 128 s
29 5;

30 (8) RCW 43.41.905 (Interagency task force on unintended pregnancy)
31 and 1997 c 58 s 1001;

32 (9) RCW 43.99I.090 (Dairy products commission--Bond conditions and
33 limitations) and 1997 c 456 s 40 & 1992 c 235 s 5;

34 (10) RCW 43.99J.070 (Washington state fruit commission--Bond
35 conditions and limitations) and 1993 sp.s. c 12 s 5;

36 (11) RCW 70.48A.040 (Proceeds from bond sale--Administration) and
37 1987 c 462 s 14, 1986 c 118 s 17, & 1981 c 131 s 4;

1 (12) RCW 70.168.030 (Analysis of state's trauma system--Plan) and
2 1998 c 245 s 117 & 1988 c 183 s 3;
3 (13) RCW 71.36.020 (Inventory of mental health programs for
4 children--Plan for early periodic screening, diagnosis, and treatment
5 services) and 1991 c 326 s 13;
6 (14) RCW 74.08.278 (Central operating fund established) and 1979 c
7 141 s 327 & 1959 c 26 s 74.08.278; and
8 (15) RCW 74.14C.070 (Appropriations--Transfer of funds from foster
9 care services to family preservation services--Annual report) and 1995
10 c 311 s 11, 1994 c 288 s 3, & 1992 c 214 s 9.

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