SENATE BILL 6082

State of Washington 58th Legislature 2003 Regular Session

By Senators Parlette, Doumit and Rasmussen

Read first time 04/25/2003. Referred to Committee on Parks, Fish & Wildlife.

AN ACT Relating to expanding the criteria for habitat conservation programs; amending RCW 79A.15.010, 79A.15.030, 79A.15.040, 79A.15.050, 79A.15.060, 79A.15.070, and 79A.15.080; reenacting and amending RCW 43.84.092; adding new sections to chapter 79A.15 RCW; adding a new section to chapter 79.70 RCW; adding a new section to chapter 79.71 RCW; and providing an effective date.

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

8 Sec. 1. RCW 79A.15.010 and 1990 1st ex.s. c 14 s 2 are each 9 amended to read as follows:

10 The definitions set forth in this section apply throughout this 11 chapter.

(1) "Acquisition" means the purchase on a willing seller basis of
fee or less than fee interests in real property. These interests
include, but are not limited to, options, rights of first refusal,
conservation easements, leases, and mineral rights.

16 (2) "Committee" means the interagency committee for outdoor 17 recreation.

(3) "Critical habitat" means lands important for the protection,management, or public enjoyment of certain wildlife species or groups

of species, including, but not limited to, wintering range for deer, elk, and other species, waterfowl and upland bird habitat, fish habitat, and habitat for endangered, threatened, or sensitive species. (4) <u>"Farmlands" means any land defined as "farm and agricultural</u> land" in RCW 84.34.020(2).

6 (5) "Local agencies" means a city, county, town, tribe, special 7 purpose district, port district, or other political subdivision of the 8 state providing services to less than the entire state.

9 (((5))) <u>(6)</u> "Natural areas" means areas that have, to a significant 10 degree, retained their natural character and are important in 11 preserving rare or vanishing flora, fauna, geological, natural 12 historical, or similar features of scientific or educational value.

13 (((6))) <u>(7) "Riparian habitat" means land adjacent to water bodies,</u> 14 <u>as well as submerged land such as streambeds, which can provide</u> 15 <u>functional habitat for salmonids and other fish and wildlife species.</u> 16 <u>Riparian habitat includes, but is not limited to, shorelines and near-</u> 17 <u>shore marine habitat, estuaries, lakes, wetlands, streams, and rivers.</u>

18 (8) "Special needs populations" means physically restricted people 19 or people of limited means.

20 (((7))) <u>(9) "State agencies" means the state parks and recreation</u>
21 commission, the department of natural resources, the department of
22 general administration, and the department of fish and wildlife.

23 (10) "Trails" means public ways constructed for and open to 24 pedestrians, equestrians, or bicyclists, or any combination thereof, 25 other than a sidewalk constructed as a part of a city street or county 26 road for exclusive use of pedestrians.

27 (((+8))) (11) "Urban wildlife habitat" means lands that provide 28 habitat important to wildlife in proximity to a metropolitan area.

29 (((9))) <u>(12)</u> "Water access" means boat or foot access to marine 30 waters, lakes, rivers, or streams.

31 **Sec. 2.** RCW 79A.15.030 and 2000 c 11 s 66 are each amended to read 32 as follows:

(1) Moneys appropriated for this chapter shall be divided ((equally between the habitat conservation and outdoor recreation accounts and shall be used exclusively for the purposes specified in this chapter)) as follows:

(a) Appropriations of forty million dollars or less must be
 allocated equally between the habitat conservation account and the
 outdoor recreation account.

(b) If appropriations total more than forty million dollars, the 4 money must be allocated as follows: (i) Twenty million dollars to the 5 habitat conservation account and twenty million dollars to the outdoor б recreation account; (ii) any remaining amounts must be allocated as 7 follows: (A) Thirty percent to the habitat conservation account; (B) 8 thirty percent to the outdoor recreation account; (C) thirty percent to 9 the riparian protection account; and (D) ten percent to the farmlands 10 preservation account. 11

(2) Except as otherwise provided in this act, moneys deposited in
 these accounts shall be invested as authorized for other state funds,
 and any earnings on them shall be credited to the respective account.

(3) All moneys deposited in the habitat conservation ((and)), 15 outdoor recreation, riparian protection, and farmlands preservation 16 accounts shall be allocated as provided under RCW 79A.15.040 ((and)), 17 79A.15.050, and sections 5 and 6 of this act as grants to state or 18 local agencies for acquisition, development, and renovation within the 19 jurisdiction of those agencies, or as grants to qualified nonprofit 20 organizations, subject to legislative appropriation. The committee may 21 22 use or permit the use of any funds appropriated for this chapter as matching funds where federal, local, or other funds are made available 23 24 for projects within the purposes of this chapter.

(4) Projects receiving grants under this chapter that are developed
or otherwise accessible for public recreational uses shall be available
to the public ((on a nondiscriminatory basis)).

(5) The committee may make grants to an eligible project from ((both)) the habitat conservation ((and)), outdoor recreation, riparian protection, and farmlands preservation accounts and any one or more of the applicable categories under such accounts described in RCW 79A.15.040 ((and)), 79A.15.050, and sections 5 and 6 of this act.

33 (6) The committee may accept private donations to the habitat 34 conservation account, the outdoor recreation account, the riparian 35 protection account, and the farmlands preservation account for the 36 purposes specified in this chapter.

37 (7) The committee may apply up to three percent of the funds

1 appropriated for this chapter for the administration of the programs

2 and purposes specified in this chapter.

3 **Sec. 3.** RCW 79A.15.040 and 1999 c 379 s 917 are each amended to 4 read as follows:

5 (1) Moneys appropriated for this chapter to the habitat 6 conservation account shall be distributed in the following way:

7 (a) Not less than ((thirty-five)) forty-five percent for the
8 acquisition and development of critical habitat;

9 (b) Not less than ((twenty)) thirty percent for the acquisition and 10 development of natural areas;

11 (c) Not less than ((fifteen)) twenty percent for the acquisition 12 and development of urban wildlife habitat; and

(d) The remaining amount shall be considered unallocated and shall 13 be used by the committee to fund high priority acquisition and 14 development needs for critical habitat, natural areas, and urban 15 16 wildlife habitat. ((During the fiscal biennium ending June 30, 2001, 17 the remaining amount reappropriated from the fiscal biennium ending June 30, 1999, may be allocated for matching grants for riparian zone 18 habitat protection projects that implement watershed plans under the 19 20 program established in section 329(6), chapter 235, Laws of 1997.))

(2) In distributing these funds, the committee retains discretion to meet the most pressing needs for critical habitat, natural areas, and urban wildlife habitat, and is not required to meet the percentages described in subsection (1) of this section in any one biennium.

25 (3) Only state agencies may apply for acquisition and development 26 funds for (($\frac{critical habitat and}$)) natural areas projects under 27 subsection (1)(($\frac{(a)}{r}$)) (b)(($\frac{1}{r}$)) and (d) of this section.

(4) State and local agencies may apply for acquisition and
development funds for <u>critical habitat and</u> urban wildlife habitat
projects under subsection (1)(<u>a)</u>, (c), and (d) of this section.

31 (5) State agencies receiving grants for acquisition of land under 32 this section shall pay an amount in lieu of real property taxes and an 33 additional amount for control of noxious weeds as determined in RCW 34 77.12.203.

35 **Sec. 4.** RCW 79A.15.050 and 1999 c 379 s 941 are each amended to 36 read as follows:

(1) Moneys appropriated for this chapter to the outdoor recreation
 account shall be distributed in the following way:

3 (a) Not less than ((twenty-five)) thirty percent to ((the)) state ((parks and recreation commission)) agencies for the acquisition and 4 development of state parks, state campgrounds, and other recreation 5 <u>facilities</u>, with at least ((seventy-five)) <u>fifty</u> percent of ((this)) 6 7 the money granted to the state agencies to be used only for acquisition costs((. However, during the 1999-2001 biennium, distributions for 8 9 acquisition and development of state parks shall not exceed four 10 million two hundred fifty thousand dollars, and the proportion for acquisition costs shall be determined by the commission)); 11

12 (b) Not less than ((twenty-five)) thirty percent for the 13 acquisition, development, and renovation of local parks, with at least 14 fifty percent of this money for acquisition costs;

15 (c) Not less than ((fifteen)) twenty percent for the acquisition 16 and development of trails;

(d) Not less than ((ten)) <u>fifteen</u> percent for the acquisition and development of water access sites, with at least seventy-five percent of this money for acquisition costs; and

20 (e) The remaining amount shall be considered unallocated and shall 21 be distributed by the committee to state and local agencies to fund 22 high priority acquisition and development needs for <u>state parks</u>, <u>state</u> 23 <u>campgrounds</u>, <u>and other recreation facilities</u>, <u>local</u> parks, trails, and 24 water access sites.

(2) In distributing these funds, the committee retains discretion to meet the most pressing needs for state ((and)) parks, state campgrounds, and other recreation facilities, local parks, trails, and water access sites, and is not required to meet the percentages described in subsection (1) of this section in any one biennium.

30 (3) Only state agencies may apply for acquisition and development 31 funds under subsection (1)(a) of this section.

32 (4) Only local agencies may apply for acquisition, development, or 33 renovation funds for local parks under subsection (1)(b) of this 34 section.

35 (((4))) <u>(5) Only s</u>tate and local agencies may apply for funds for 36 trails under subsection (1)(c) of this section.

37 ((((5))) <u>(6) Only s</u>tate and local agencies may apply for funds for 38 water access sites under subsection (1)(d) of this section. <u>NEW SECTION.</u> Sec. 5. A new section is added to chapter 79A.15 RCW
 to read as follows:

3 (1) The riparian protection account is established in the state 4 treasury. The committee must administer the account in accordance with 5 chapter 79A.25 RCW and this chapter, and hold it separate and apart 6 from all other money, funds, and accounts of the committee.

7 (2) Moneys appropriated for this chapter to the riparian protection 8 account must be distributed for the acquisition and enhancement or 9 restoration of riparian habitat. All enhancement or restoration 10 projects must include the acquisition of a real property interest in 11 order to be eligible. At least fifty percent of riparian protection 12 account funds must be used for the acquisition of real property 13 interests.

14 (3) State and local agencies may apply for acquisition and 15 enhancement or restoration funds for riparian habitat projects under 16 subsection (1) of this section.

17 (4) The committee may adopt rules establishing acquisition policies18 and priorities for distributions from the riparian protection account.

19 (5) Except as provided in RCW 79A.15.030(7), moneys appropriated 20 for this section may not be used by the committee to fund staff 21 positions or other overhead expenses, or by a state, regional, or local 22 agency to fund operation or maintenance of areas acquired under this 23 chapter.

(6) Moneys appropriated for this section may be used by grant
 recipients for costs incidental to acquisition, including, but not
 limited to, surveying expenses, fencing, and signing.

(7) The committee may not approve a local or qualified nonprofit organization project where the local agency or qualified nonprofit organization share is less than the amount to be awarded from the riparian protection account. In-kind contributions, including contributions of a real property interest in land may be used to satisfy the local agency or qualified nonprofit organization's share.

33 (8) State agencies receiving grants for acquisition of land under 34 this section shall pay an amount in lieu of real property taxes and an 35 additional amount for control of noxious weeds as determined in RCW 36 77.12.203.

37 (9) In determining acquisition priorities with respect to the

р. б

1 riparian protection account, the committee must consider, at a minimum,

2 the following criteria:

3 (a) Benefits to wild salmonids, including endangered salmonid4 species;

5

(b) Benefits to other endangered, threatened, or sensitive species;

6 (c) Estimated number of fish and species of fish that will benefit;

7 (d) Community support;

8 (e) A recommendation as part of a limiting factors or critical 9 pathways analysis, a watershed plan or habitat conservation plan, or a 10 coordinated regionwide prioritization effort;

11

(f) Immediacy of threat to the site;

12 (g) Integration with other salmon recovery efforts;

(h) Quality of the habitat or for projects including restoration or
enhancement, the potential for restoring quality habitat, including
linkage of the site to other high quality habitat;

(i) Consistency with a local land use plan, or a regional or statewide recreational or resource plan. The projects that assist in the implementation of local shoreline master plans updated according to RCW 90.58.080 or local comprehensive plans updated according to RCW 36.70A.130 must be highly considered in the process;

21

(j) Design and cost-effectiveness; and

22

(k) Educational and scientific value of the site.

(10) Before November 1st of each even-numbered year, the committee will recommend to the governor a prioritized list of projects to be funded under this section. The governor may remove projects from the list recommended by the committee and will submit this amended list in the capital budget request to the legislature. The list must include, but not be limited to, a description of each project and any particular match requirement.

30 <u>NEW SECTION.</u> Sec. 6. A new section is added to chapter 79A.15 RCW 31 to read as follows:

(1) The farmlands preservation account is established in the state treasury. The committee will administer the account in accordance with chapter 79A.25 RCW and this chapter, and hold it separate and apart from all other money, funds, and accounts of the committee. Moneys appropriated for this chapter to the farmlands preservation account 1 must be distributed for the acquisition and preservation of farmlands 2 in order to maintain the opportunity for agricultural activity upon 3 these lands.

4 (2) Moneys appropriated for this chapter to the farmlands 5 preservation account must be distributed for the fee simple or less 6 than fee simple acquisition of farmlands, and for the enhancement or 7 restoration of ecological functions on those properties. In order for 8 a farmland preservation grant to provide for an environmental 9 enhancement or restoration project, the project must include the 10 acquisition of a real property interest in perpetuity.

(3) Local agencies and qualified nonprofit organizations may apply for acquisition and enhancement or restoration funds for farmland preservation projects under subsection (1) of this section.

(4) The committee may adopt rules establishing acquisition and
 enhancement or restoration policies and priorities for distributions
 from the farmlands preservation account.

(5) Except as provided in RCW 79A.15.030(7), moneys appropriated for this section may not be used by the committee to fund staff positions or other overhead expenses, or by a state, regional, or local agency to fund operation or maintenance of areas acquired under this chapter.

(6) Moneys appropriated for this section may be used by grant recipients for costs incidental to acquisition, including, but not limited to, surveying expenses, fencing, and signing.

25 (7) The committee may not approve a local or qualified nonprofit local 26 organization where the agency or qualified nonprofit 27 organization's share is less than the amount to be awarded from the farmlands preservation account. In-kind contributions, including 28 contributions of a real property interest in land may be used to 29 satisfy the local agency or qualified nonprofit organization's share. 30

(8) In determining the acquisition priorities, the committee mustconsider, at a minimum, the following criteria:

33

(a) Community support;

34 (b) A recommendation as part of a limiting factors or critical
 35 pathways analysis, a watershed plan or habitat conservation plan, or a
 36 coordinated regionwide prioritization effort;

37 (c) The likelihood of the conversion of the site to nonagricultural38 or more highly developed usage;

(d) Consistency with a local land use plan, or a regional or 1 2 statewide recreational or resource plan. The projects that assist in the implementation of local shoreline master plans updated according to 3 RCW 90.58.080 or local comprehensive plans updated according to RCW 4 5 36.70A.130 must be highly considered in the process; (e) Benefits to wild salmonids; 6 7 (f) Benefits to other fish and wildlife habitat; (g) Integration with recovery efforts for endangered, threatened, 8 or sensitive species; 9 (h) The viability of the site for continued agricultural 10 production, including, but not limited to: 11 12 (i) Soil types; 13 (ii) On-site production and support facilities such as barns, irrigation systems, crop processing and storage facilities, wells, 14 housing, livestock sheds, and other farming infrastructure; 15 16 (iii) Suitability for producing different types or varieties of 17 crops; (iv) Farm-to-market access; 18 19 (v) Water availability; and 20 (i) Other community values provided by the property when used as 21 agricultural land, including, but not limited to: 22 (i) Viewshed; 23 (ii) Aquifer recharge; 24 (iii) Occasional or periodic collector for storm water runoff; 25 (iv) Agricultural sector job creation; (v) Migratory bird habitat and forage area; and 26 27 (vi) Educational and curriculum potential. (9) In allotting funds for environmental enhancement or restoration 28 projects, the committee will require the projects to meet the following 29 30 criteria: 31 (a) Enhancement or restoration projects must further the ecological 32 functions of the farmlands; The projects, such as fencing, bridging watercourses, 33 (b) replanting native vegetation, replacing culverts, clearing of 34 waterways, etc., must be less than fifty percent of the acquisition 35 cost of the project including any in-kind contribution by any party; 36 37 (c) The projects should be based on accepted methods of achieving 38 beneficial enhancement or restoration results; and

(d) The projects should enhance the viability of the preserved
 farmland to provide agricultural production while conforming to any
 legal requirements for habitat protection.

4 (10) Before November 1st of each year, the committee will recommend 5 to the governor a prioritized list of all projects to be funded under 6 this section. The governor may remove projects from the list 7 recommended by the committee and must submit this amended list in the 8 capital budget request to the legislature. The list must include, but 9 not be limited to, a description of each project and any particular 10 match requirement.

11 **Sec. 7.** RCW 79A.15.060 and 2000 c 11 s 67 are each amended to read 12 as follows:

(1) The committee may adopt rules establishing acquisition policies 13 and priorities for distributions from the habitat conservation account. 14 (2) Except as provided in RCW 79A.15.030(7), moneys appropriated 15 16 for this chapter may not be used by the committee to fund 17 ((additional)) staff positions or other overhead expenses, or by a state, regional, or local agency to fund operation ((and)) or 18 maintenance of areas acquired under this chapter((, except that the 19 20 committee may use moneys appropriated for this chapter for the fiscal biennium ending June 30, 2001, for the administrative costs of 21 implementing the pilot watershed plan implementation program 22 23 established in section 329(6), chapter 235, Laws of 1997, and 24 developing an inventory of publicly owned lands established in section 329(7), chapter 235, Laws of 1997)). 25

(3) Moneys appropriated for this chapter may be used <u>by grant</u>
 <u>recipients</u> for costs incidental to acquisition, including, but not
 limited to, surveying expenses, fencing, and signing.

(4) ((Except as provided in subsection (5) of this section,)) The committee may not approve a local project where the local agency share is less than the amount to be awarded from the habitat conservation account.

(5) ((During the fiscal biennium ending June 30, 2001, the committee may approve a riparian zone habitat protection project established in section 329(6), chapter 235, Laws of 1997, where the local agency share is less than the amount to be awarded from the habitat conservation account.

(6)) In determining acquisition priorities with respect to the 1 habitat conservation account, the committee shall consider, at a 2 minimum, the following criteria: 3 (a) For critical habitat and natural areas proposals: 4 5 (i) Community support; (ii) <u>Recommendations as part of a limiting factors or critical</u> 6 7 pathways analysis, a watershed plan or habitat conservation plan, or a coordinated regionwide prioritization effort; 8 (iii) Immediacy of threat to the site; 9 10 ((((iii)))) (iv) Uniqueness of the site; ((((iv))) (v) Diversity of species using the site; 11 ((((v))) (vi) Quality of the habitat; 12 13 ((((vi))) (vii) Long-term viability of the site; 14 (((vii))) (viii) Presence of endangered, threatened, or sensitive 15 species; 16 (((viii))) (ix) Enhancement of existing public property; 17 (((ix))) (x) Consistency with a local land use plan, or a regional or statewide recreational or resource plan, including projects that 18 assist in the implementation of local shoreline master plans updated 19 according to RCW 90.58.080 or local comprehensive plans updated 20 21 according to RCW 36.70A.130; ((and 22 (x) (xi) Educational and scientific value of the site; (xii) Integration with recovery efforts for endangered, threatened, 23 24 or sensitive species; (xiii) For critical habitat proposals by local agencies and 25 qualified nonprofit organizations, the statewide significance of the 26 27 site. (b) For urban wildlife habitat proposals, in addition to the 28 criteria of (a) of this subsection: 29 (i) Population of, and distance from, the nearest urban area; 30 31 (ii) Proximity to other wildlife habitat; 32 (iii) Potential for public use; and (iv) Potential for use by special needs populations. 33 (((7))) <u>(6)</u> Before ((0ctober)) <u>November</u> 1st of each even-numbered 34 year, the committee shall recommend to the governor a prioritized list 35 of state agency projects to be funded under RCW 79A.15.040(1) (a), (b), 36 37 The governor may remove projects from the list recommended by and (c). 38 the committee and shall submit this amended list in the capital budget

1 request to the legislature. The list shall include, but not be limited 2 to, a description of each project; and shall describe for each project 3 any anticipated restrictions upon recreational activities allowed prior 4 to the project.

(((8))) <u>(7)</u> Before ((October)) <u>November</u> 1st of each year, the 5 committee shall recommend to the governor a prioritized list of all б 7 local projects to be funded under RCW 79A.15.040(1)(c). The governor may remove projects from the list recommended by the committee and 8 shall submit this amended list in the capital budget request to the 9 legislature. The list shall include, but not be limited to, a 10 description of each project and any particular match requirement, and 11 12 describe for each project any anticipated restrictions upon recreational activities allowed prior to the project. 13

14 **Sec. 8.** RCW 79A.15.070 and 2000 c 11 s 68 are each amended to read 15 as follows:

16 (1) In determining which state parks proposals and local parks 17 proposals to fund, the committee shall use existing policies and 18 priorities.

19 (2) Except as provided in RCW 79A.15.030(7), moneys appropriated 20 for this chapter may not be used by the committee to fund 21 ((additional)) staff or other overhead expenses, or by a state, 22 regional, or local agency to fund operation ((and)) or maintenance of 23 areas acquired under this chapter((, except that the committee may use 24 moneys appropriated for this chapter for the fiscal biennium ending June 30, 2001, for the administrative costs of implementing the pilot 25 26 watershed plan implementation program established in section 329(6), 27 chapter 235, Laws of 1997, and developing an inventory of publicly owned lands established in section 329(7), chapter 235, Laws of 1997)). 28

29 (3) Moneys appropriated for this chapter may be used <u>by grant</u> 30 <u>recipients</u> for costs incidental to acquisition, including, but not 31 limited to, surveying expenses, fencing, and signing.

32 (4) The committee may not approve a project of a local agency where 33 the share contributed by the local agency is less than the amount to be 34 awarded from the outdoor recreation account.

(5) The committee may adopt rules establishing acquisition policiesand priorities for the acquisition and development of trails and water

access sites to be financed from moneys in the outdoor recreation 1 2 account. (6) In determining the acquisition and development priorities, the 3 committee shall consider, at a minimum, the following criteria: 4 5 (a) For trails proposals: (i) Community support; б 7 (ii) Immediacy of threat to the site; (iii) Linkage between communities; 8 (iv) Linkage between trails; 9 (v) Existing or potential usage; 10 (vi) Consistency with ((an existing)) a local land use plan, or a 11 12 regional or statewide recreational or resource plan, including projects 13 that assist in the implementation of local shoreline master plans updated according to RCW 90.58.080 or local comprehensive plans updated 14 according to RCW 36.70A.130; 15 16 (vii) Availability of water access or views; 17 (viii) Enhancement of wildlife habitat; and (ix) Scenic values of the site. 18 (b) For water access proposals: 19 (i) Community support; 20 21 (ii) Distance from similar water access opportunities; 22 (iii) Immediacy of threat to the site; 23 (iv) Diversity of possible recreational uses; ((and)) 24 (v) Public demand in the area; and (vi) Consistency with a local land use plan, or a regional or 25 statewide recreational or resource plan, including projects that assist 26 27 in the implementation of local shoreline master plans updated according to RCW 90.58.080 or local comprehensive plans updated according to RCW 28 36.70A.130. 29 (7) Before ((October)) November 1st of each even-numbered year, the 30 31 committee shall recommend to the governor a prioritized list of state 32 agency projects to be funded under RCW 79A.15.050(1) (a), (c), and (d). The governor may remove projects from the list recommended by the 33 committee and shall submit this amended list in the capital budget 34 request to the legislature. The list shall include, but not be limited 35 to, a description of each project; and shall describe for each project 36 37 any anticipated restrictions upon recreational activities allowed prior 38 to the project.

(8) Before ((October)) November 1st of each year, the committee 1 2 shall recommend to the governor a prioritized list of all local projects to be funded under RCW 79A.15.050(1) (b), (c), and (d). 3 The governor may remove projects from the list recommended by the committee 4 5 and shall submit this amended list in the capital budget request to the The list shall include, but not be limited to, a 6 legislature. 7 description of each project and any particular match requirement, and 8 describe for each project any anticipated restrictions upon recreational activities allowed prior to the project. 9

10 Sec. 9. RCW 79A.15.080 and 1990 1st ex.s. c 14 s 9 are each 11 amended to read as follows:

The committee shall not sign contracts or otherwise financially obligate funds from the habitat conservation account ((or)), the outdoor recreation account, the riparian protection account, or the <u>farmlands preservation account</u> as provided in this chapter before the legislature has appropriated funds for a specific list of projects. The legislature may remove projects from the list recommended by the governor.

19 <u>NEW SECTION.</u> Sec. 10. A new section is added to chapter 79.70 RCW 20 to read as follows:

For lands acquired under this chapter, the department shall pay an amount in lieu of real property tax and an additional amount for control of noxious weeds as determined in RCW 77.12.203.

24 <u>NEW SECTION.</u> **Sec. 11.** A new section is added to chapter 79.71 RCW 25 to read as follows:

For lands acquired under this chapter, the department shall pay an amount in lieu of real property tax and an additional amount for control of noxious weeds as determined in RCW 77.12.203.

29 Sec. 12. RCW 43.84.092 and 2002 c 242 s 2, 2002 c 114 s 24, and 30 2002 c 56 s 402 are each reenacted and amended to read as follows:

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

(2) The treasury income account shall be utilized to pay or receive 1 2 funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is 3 subject in all respects to chapter 43.88 RCW, but no appropriation is 4 required for refunds or allocations of interest earnings required by 5 the cash management improvement act. Refunds of interest to the 6 7 federal treasury required under the cash management improvement act 8 fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or 9 10 from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds 11 12 between accounts as deemed necessary to implement the provisions of the 13 cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set 14 15 forth in subsection (4) of this section.

(3) Except for the provisions of RCW 43.84.160, the treasury income 16 17 account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, 18 safekeeping, and disbursement functions for the state treasury and 19 affected state agencies. The treasury income account is subject in all 20 21 respects to chapter 43.88 RCW, but no appropriation is required for 22 payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section. 23

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

28 The following accounts and funds shall receive their (a) proportionate share of earnings based upon each account's and fund's 29 The average daily balance for the period: 30 capitol building construction account, the Cedar River channel 31 construction and 32 operation account, the Central Washington University capital projects account, charitable, educational, penal 33 the and reformatory institutions account, the common school construction fund, the county 34 35 criminal justice assistance account, the county sales and use tax equalization account, the data processing building construction 36 37 account, the deferred compensation administrative account, the deferred 38 compensation principal account, the department of retirement systems

expense account, the drinking water assistance account, the drinking 1 2 water assistance administrative account, the drinking water assistance repayment account, the Eastern Washington University capital projects 3 account, the education construction fund, the emergency reserve fund, 4 the farmlands preservation account, the federal forest revolving 5 account, the habitat conservation account, the health services account, 6 7 the public health services account, the health system capacity account, the personal health services account, the state higher education 8 construction account, the higher education construction account, the 9 10 highway infrastructure account, the industrial insurance premium refund account, the judges' retirement account, the judicial retirement 11 administrative account, the judicial retirement principal account, the 12 13 local leasehold excise tax account, the local real estate excise tax 14 account, the local sales and use tax account, the medical aid account, the mobile home park relocation fund, the multimodal transportation 15 account, the municipal criminal justice assistance account, the 16 17 municipal sales and use tax equalization account, the natural resources deposit account, the outdoor recreation account, the oyster reserve 18 19 land account, the perpetual surveillance and maintenance account, the public employees' retirement system plan 1 account, the public 20 21 employees' retirement system combined plan 2 and plan 3 account, the 22 public facilities construction loan revolving account beginning July 1, 2004, the public health supplemental account, the Puyallup tribal 23 24 settlement account, the regional transportation investment district 25 account, the resource management cost account, the riparian protection account, the site closure account, the special wildlife account, the 26 27 state employees' insurance account, the state employees' insurance reserve account, the state investment board expense account, the state 28 investment board commingled trust fund accounts, the supplemental 29 pension account, the Tacoma Narrows toll bridge account, the teachers' 30 31 retirement system plan 1 account, the teachers' retirement system 32 combined plan 2 and plan 3 account, the tobacco prevention and control settlement account, 33 account, the tobacco the transportation infrastructure account, the tuition recovery trust fund, the University 34 of Washington bond retirement fund, the University of Washington 35 building account, the volunteer fire fighters' and reserve officers' 36 37 relief and pension principal fund, the volunteer fire fighters' and reserve officers' administrative fund, the Washington fruit express 38

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

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

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

<u>NEW SECTION.</u> Sec. 13. Sections 1 through 11 of this act take
 effect July 1, 2005.

--- END ---