

SSB 6839 - S AMD 94

By Senators Haugen, Finkbeiner

ADOPTED 02/11/2006

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 46.68.035 and 2005 c 314 s 205 are each amended to
4 read as follows:

5 All proceeds from combined vehicle licensing fees received by the
6 director for vehicles licensed under RCW 46.16.070 and 46.16.085(~~, the~~
7 ~~license fee under RCW 46.16.086, and the farm vehicle trip permit under~~
8 ~~RCW 46.16.162)) shall be forwarded to the state treasurer to be
9 distributed into accounts according to the following method:~~

10 (1) The sum of two dollars for each vehicle shall be deposited into
11 the multimodal transportation account, except that for each vehicle
12 registered by a county auditor or agent to a county auditor pursuant to
13 RCW 46.01.140, the sum of two dollars shall be credited to the current
14 county expense fund.

15 (2) The remainder and the proceeds from the license fee under RCW
16 46.16.086 and the farm vehicle trip permit under RCW 46.16.162 shall be
17 distributed as follows:

18 (a) (~~(24.00)~~) 22.36 percent shall be deposited into the state
19 patrol highway account of the motor vehicle fund;

20 (b) (~~(1.8)~~) 1.375 percent shall be deposited into the Puget Sound
21 ferry operations account of the motor vehicle fund;

22 (c) (~~(6.38)~~) 5.237 percent shall be deposited into the
23 transportation 2003 account (nickel account); (~~and~~)

24 (d) (~~(On July 1, 2006, six million dollars shall be deposited into~~
25 ~~the freight mobility investment account created in RCW 46.68.300 and~~
26 ~~beginning on July 1, 2007, and every July 1st thereafter, three million~~
27 ~~dollars shall be deposited into the freight mobility investment account~~
28 ~~created in RCW 46.68.300;)~~) 11.533 percent shall be deposited into the
29 transportation partnership account created in RCW 46.68.290; and

1 (e) The remaining proceeds shall be deposited into the motor
2 vehicle fund.

3 **Sec. 2.** RCW 46.16.086 and 2005 c 314 s 203 are each amended to
4 read as follows:

5 In lieu of the license tab fees provided in RCW 46.16.0621, private
6 use single-axle trailers of two thousand pounds scale weight or less
7 may be licensed upon the payment of a license fee in the sum of fifteen
8 dollars, but only if the trailer is operated upon public highways. The
9 license fee must be collected annually for each registration year or
10 fraction of a registration year. This reduced license fee applies only
11 to trailers operated for personal use of the owners, and not trailers
12 held for rental to the public or used in any commercial or business
13 endeavor. The proceeds from the fees collected under this section
14 shall be distributed in accordance with RCW 46.68.035(2).

15 **Sec. 3.** RCW 46.16.162 and 2005 c 314 s 206 are each amended to
16 read as follows:

17 (1) The owner of a farm vehicle licensed under RCW 46.16.090
18 purchasing a monthly license under RCW 46.16.135 may, as an alternative
19 to the first partial month of the license registration, secure and
20 operate the vehicle under authority of a farm vehicle trip permit
21 issued by this state. The licensed gross weight may not exceed eighty
22 thousand pounds for a combination of vehicles nor forty thousand pounds
23 for a single unit vehicle with three or more axles.

24 (2) If a monthly license previously issued has expired, the owner
25 of a farm vehicle may, as an alternative to purchasing a full monthly
26 license, secure and operate the vehicle under authority of a farm
27 vehicle trip permit issued by this state. The licensed gross weight
28 may not exceed eighty thousand pounds for a combination of vehicles nor
29 forty thousand pounds for a single unit vehicle with three or more
30 axles.

31 (3) Each farm vehicle trip permit shall authorize the operation of
32 a single vehicle at the maximum legal weight limit for the vehicle for
33 the period remaining in the first month of monthly license, commencing
34 with the day of first use. No more than four such permits may be used
35 for any one vehicle in any twelve-month period. Every permit shall
36 identify, as the department may require, the vehicle for which it is

1 issued and shall be completed in its entirety and signed by the
2 operator before operation of the vehicle on the public highways of this
3 state. Correction of data on the permit such as dates, license number,
4 or vehicle identification number invalidates the permit. The farm
5 vehicle trip permit shall be displayed on the vehicle to which it is
6 issued as prescribed by the department.

7 (4) Vehicles operating under authority of farm vehicle trip permits
8 are subject to all laws, rules, and regulations affecting the operation
9 of like vehicles in this state.

10 (5) Farm vehicle trip permits may be obtained from the department
11 of licensing or agents and subagents appointed by the department. The
12 fee for each farm vehicle trip permit is six dollars and twenty-five
13 cents. Farm vehicle trip permits sold by the department's agents or
14 subagents are subject to fees specified in RCW 46.01.140 (4)(a),
15 (5)(b), or (6).

16 (6) The proceeds from farm vehicle trip permits received by the
17 director shall be forwarded to the state treasurer to be distributed as
18 provided in RCW 46.68.035(2).

19 (7) No exchange, credits, or refunds may be given for farm vehicle
20 trip permits after they have been purchased.

21 (8) The department of licensing may adopt rules as it deems
22 necessary to administer this section.

23 **Sec. 4.** RCW 46.68.135 and 2005 c 314 s 111 are each amended to
24 read as follows:

25 ((Beginning)) By July 1, ((2007)) 2006, and each year thereafter,
26 the state treasurer shall transfer ((five)) two and one-half million
27 dollars from the multimodal account to the transportation
28 infrastructure account created under RCW 82.44.190. The funds must be
29 distributed for rail capital improvements only.

30 **Sec. 5.** RCW 46.68.290 and 2005 c 314 s 104 are each amended to
31 read as follows:

32 (1) The transportation partnership account is hereby created in the
33 state treasury. All distributions to the account from RCW 46.68.090
34 must be deposited into the account. Money in the account may be spent
35 only after appropriation. Expenditures from the account must be used
36 only for projects or improvements identified as 2005 transportation

1 partnership projects or improvements in the omnibus transportation
2 appropriations act, including any principal and interest on bonds
3 authorized for the projects or improvements.

4 ~~(2) ((If a regional transportation plan has not been adopted by
5 January 2007, the legislature intends to reprioritize allocation of
6 funding for the projects identified on the 2005 transportation
7 partnership project list so that complete and functioning
8 transportation projects can be constructed in a reasonable time.~~

9 ~~(3) By January 1, 2006, the transportation performance audit board
10 must develop performance measures and benchmarks for the evaluation of
11 the expenditures of the transportation partnership account. The board
12 must also develop an audit plan and schedule for audits of the
13 performance of the department of transportation's delivery of the plan
14 as defined by project list, schedule, and budget enacted by the
15 legislature.~~

16 ~~(4))~~ The legislature finds that:

17 (a) Citizens demand and deserve accountability of transportation-
18 related programs and expenditures. Transportation-related programs
19 must continuously improve in quality, efficiency, and effectiveness in
20 order to increase public trust;

21 (b) Transportation-related agencies that receive tax dollars must
22 continuously improve the way they operate and deliver services so
23 citizens receive maximum value for their tax dollars; and

24 (c) Fair, independent, comprehensive performance audits of
25 transportation-related agencies overseen by the elected state auditor
26 are essential to improving the efficiency, economy, and effectiveness
27 of the state's transportation system.

28 ~~((+5))~~ (3) For purposes of chapter 314, Laws of 2005:

29 (a) "Performance audit" means an objective and systematic
30 assessment of a state agency or agencies or any of their programs,
31 functions, or activities by the state auditor or designee in order to
32 help improve agency efficiency, effectiveness, and accountability.
33 Performance audits include economy and efficiency audits and program
34 audits.

35 (b) "Transportation-related agency" means any state agency, board,
36 or commission that receives funding primarily for transportation-
37 related purposes. At a minimum, the department of transportation, the
38 transportation improvement board or its successor entity, the county

1 road administration board or its successor entity, and the traffic
2 safety commission are considered transportation-related agencies. The
3 Washington state patrol and the department of licensing shall not be
4 considered transportation-related agencies under chapter 314, Laws of
5 2005.

6 ~~((+6+))~~ (4) Within the authorities and duties under chapter 43.09
7 RCW, the state auditor shall establish criteria and protocols for
8 performance audits. Transportation-related agencies shall be audited
9 using criteria that include generally accepted government auditing
10 standards as well as legislative mandates and performance objectives
11 established by state agencies. Mandates include, but are not limited
12 to, agency strategies, timelines, program objectives, and mission and
13 goals as required in RCW 43.88.090.

14 ~~((+7+))~~ (5) Within the authorities and duties under chapter 43.09
15 RCW, the state auditor may conduct performance audits for
16 transportation-related agencies. The state auditor shall contract with
17 private firms to conduct the performance audits.

18 ~~((+8+))~~ (6) The audits may include:

19 (a) Identification of programs and services that can be eliminated,
20 reduced, consolidated, or enhanced;

21 (b) Identification of funding sources to the transportation-related
22 agency, to programs, and to services that can be eliminated, reduced,
23 consolidated, or enhanced;

24 (c) Analysis of gaps and overlaps in programs and services and
25 recommendations for improving, dropping, blending, or separating
26 functions to correct gaps or overlaps;

27 (d) Analysis and recommendations for pooling information technology
28 systems used within the transportation-related agency, and evaluation
29 of information processing and telecommunications policy, organization,
30 and management;

31 (e) Analysis of the roles and functions of the transportation-
32 related agency, its programs, and its services and their compliance
33 with statutory authority and recommendations for eliminating or
34 changing those roles and functions and ensuring compliance with
35 statutory authority;

36 (f) Recommendations for eliminating or changing statutes, rules,
37 and policy directives as may be necessary to ensure that the

1 transportation-related agency carry out reasonably and properly those
2 functions vested in the agency by statute;

3 (g) Verification of the reliability and validity of transportation-
4 related agency performance data, self-assessments, and performance
5 measurement systems as required under RCW 43.88.090;

6 (h) Identification of potential cost savings in the transportation-
7 related agency, its programs, and its services;

8 (i) Identification and recognition of best practices;

9 (j) Evaluation of planning, budgeting, and program evaluation
10 policies and practices;

11 (k) Evaluation of personnel systems operation and management;

12 (l) Evaluation of purchasing operations and management policies and
13 practices;

14 (m) Evaluation of organizational structure and staffing levels,
15 particularly in terms of the ratio of managers and supervisors to
16 nonmanagement personnel; and

17 (n) Evaluation of transportation-related project costs, including
18 but not limited to environmental mitigation, competitive bidding
19 practices, permitting processes, and capital project management.

20 ~~((+9+))~~ (7) Within the authorities and duties under chapter 43.09
21 RCW, the state auditor must provide the preliminary performance audit
22 reports to the audited state agency for comment. The auditor also may
23 seek input on the preliminary report from other appropriate officials.
24 Comments must be received within thirty days after receipt of the
25 preliminary performance audit report unless a different time period is
26 approved by the state auditor. The final performance audit report
27 shall include the objectives, scope, and methodology; the audit
28 results, including findings and recommendations; the agency's response
29 and conclusions; and identification of best practices.

30 ~~((+10+))~~ (8) The state auditor shall provide final performance
31 audit reports to the citizens of Washington, the governor, the joint
32 legislative audit and review committee, the transportation performance
33 audit board, the appropriate legislative committees, and other
34 appropriate officials. Final performance audit reports shall be posted
35 on the internet.

36 ~~((+11+))~~ (9) The audited transportation-related agency is
37 responsible for follow-up and corrective action on all performance
38 audit findings and recommendations. The audited agency's plan for

1 addressing each audit finding and recommendation shall be included in
2 the final audit report. The plan shall provide the name of the contact
3 person responsible for each action, the action planned, and the
4 anticipated completion date. If the audited agency does not agree with
5 the audit findings and recommendations or believes action is not
6 required, then the action plan shall include an explanation and
7 specific reasons.

8 The office of financial management shall require periodic progress
9 reports from the audited agency until all resolution has occurred. The
10 office of financial management is responsible for achieving audit
11 resolution. The office of financial management shall annually report
12 by December 31st the status of performance audit resolution to the
13 appropriate legislative committees and the state auditor. The
14 legislature shall consider the performance audit results in connection
15 with the state budget process.

16 The auditor may request status reports on specific audits or
17 findings.

18 ~~((+12))~~ (10) For the period from July 1, 2005, until June 30,
19 2007, the amount of \$~~((4,000,000))~~ 2,000,000 is appropriated from the
20 transportation partnership account to the state auditors office for the
21 purposes of subsections ~~((+4))~~ (2) through ~~((+11))~~ (9) of this
22 section.

23 ~~((+13))~~ ~~When appointing the citizen members with performance~~
24 ~~measurement expertise to the transportation performance audit board,~~
25 ~~the governor shall appoint the state auditor, or his or her designee.~~

26 ~~(+14))~~ (11) If the state auditor's financial audit of a
27 transportation-related agency implies that a performance audit is
28 warranted, the transportation performance audit board shall include in
29 its annual work plan the performance audit recommended by the state
30 auditor.

31 NEW SECTION. Sec. 6. A new section is added to chapter 46.68 RCW
32 to read as follows:

33 (1) On July 1, 2006, and by each July 1st thereafter, the state
34 treasurer shall transfer from the transportation partnership account
35 created in RCW 46.68.290:

36 (a) One million dollars to the small city pavement and sidewalk
37 account created in RCW 47.26.340;

1 (b) Two and one-half million dollars to the transportation
2 improvement account created in RCW 47.26.084; and

3 (c) One and one-half million dollars to the county arterial
4 preservation account created in RCW 46.68.090(2)(i).

5 (2) On July 1, 2006, the state treasurer shall transfer six million
6 dollars from the transportation partnership account created in RCW
7 46.68.290 into the freight mobility investment account created in RCW
8 46.68.300 and by July 1, 2007, and by every July 1st thereafter, three
9 million dollars shall be deposited into the freight mobility investment
10 account.

11 NEW SECTION. **Sec. 7.** A new section is added to chapter 46.68 RCW
12 to read as follows:

13 The freight mobility multimodal account is created in the state
14 treasury. Money in the account may be spent only after appropriation.
15 Expenditures from the account may be used only for freight mobility
16 projects identified in the omnibus transportation appropriations act,
17 including any principal and interest on bonds authorized for the
18 projects or improvements.

19 NEW SECTION. **Sec. 8.** A new section is added to chapter 46.68 RCW
20 to read as follows:

21 (1) The regional mobility grant program account is hereby created
22 in the state treasury. Moneys in the account may be spent only after
23 appropriation. Expenditures from the account may be used only for the
24 grants provided under RCW 47.66.030.

25 (2) Beginning with September 2007, by the last day of September,
26 December, March, and June of each year, the state treasurer shall
27 transfer from the multimodal transportation account to the regional
28 mobility grant program account five million dollars.

29 (3) Beginning with September 2015, by the last day of September,
30 December, March, and June of each year, the state treasurer shall
31 transfer from the multimodal transportation account to the regional
32 mobility grant program account six million two hundred fifty thousand
33 dollars.

34 **Sec. 9.** RCW 46.17.010 and 2005 c 314 s 201 are each amended to
35 read as follows:

1 (1) There shall be paid and collected annually for motor vehicles
2 subject to the fee under RCW 46.16.0621, except motor homes, a vehicle
3 weight fee. The amount of the fee shall be based upon the vehicle
4 scale weight, which is correlated with vehicle size and roadway lane
5 usage. Fees imposed under this section must be used for transportation
6 purposes, and shall not be used for the general support of state
7 government. The vehicle weight fee shall be that portion of the fee as
8 reflected on the scale weight set forth in schedule B provided in RCW
9 46.16.070 that is in excess of the fee imposed under RCW 46.16.0621.
10 This fee is due at the time of initial and renewal of vehicle
11 registration.

12 (2) If the resultant weight according to this section is not listed
13 in schedule B provided in RCW 46.16.070, it shall be increased to the
14 next higher weight pursuant to chapter 46.44 RCW.

15 (3) For the purpose of administering this section, the department
16 shall rely on the vehicle empty scale weights as provided by vehicle
17 manufacturers, or other sources defined by the department, to determine
18 the weight of each vehicle. The department shall adopt rules for
19 determining weight for vehicles without manufacturer empty scale
20 weights.

21 (4) The vehicle weight fee under this section is imposed to provide
22 funds to mitigate the impact of vehicle loads on the state roads and
23 highways and is separate and distinct from other vehicle license fees.
24 Proceeds from the fee may be used for transportation purposes, or for
25 facilities and activities that reduce the number of vehicles or load
26 weights on the state roads and highways.

27 (5) The vehicle weight fee collected under this section shall be
28 deposited as follows:

29 (a) On July 1, 2006, six million dollars shall be deposited into
30 the freight mobility (~~(investment)~~) multimodal account created in (~~RCW~~
31 ~~46.68.300~~) section 7 of this act, and the remainder collected from
32 (~~January 1, 2006~~) the effective date of this section, through June
33 30, 2006, shall be deposited into the multimodal transportation
34 account;

35 (b) Beginning July 1, 2007, and every July 1st thereafter, three
36 million dollars shall be deposited into the freight mobility
37 (~~(investment)~~) multimodal account created in (~~RCW 46.68.300~~) section

1 7 of this act, and the remainder shall be deposited into the multimodal
2 transportation account.

3 **Sec. 10.** RCW 43.84.092 and 2005 c 514 s 1105, 2005 c 353 s 3, 2005
4 c 339 s 22, 2005 c 314 s 109, 2005 c 312 s 7, and 2005 c 94 s 1 are
5 each reenacted and amended to read as follows:

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

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

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

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

36 (a) The following accounts and funds shall receive their
37 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 developmental disabilities community trust
11 account, the drinking water assistance account, the drinking water
12 assistance administrative account, the drinking water assistance
13 repayment account, the Eastern Washington University capital projects
14 account, the education construction fund, the education legacy trust
15 account, the election account, the emergency reserve fund, The
16 Evergreen State College capital projects account, the federal forest
17 revolving account, the freight mobility investment account, the freight
18 mobility multimodal account, the health services account, the public
19 health services account, the health system capacity account, the
20 personal health services account, the state higher education
21 construction account, the higher education construction account, the
22 highway infrastructure account, the high-occupancy toll lanes
23 operations account, the industrial insurance premium refund account,
24 the judges' retirement account, the judicial retirement administrative
25 account, the judicial retirement principal account, the local leasehold
26 excise tax account, the local real estate excise tax account, the local
27 sales and use tax account, the medical aid account, the mobile home
28 park relocation fund, the multimodal transportation account, the
29 municipal criminal justice assistance account, the municipal sales and
30 use tax equalization account, the natural resources deposit account,
31 the oyster reserve land account, the perpetual surveillance and
32 maintenance account, the public employees' retirement system plan 1
33 account, the public employees' retirement system combined plan 2 and
34 plan 3 account, the public facilities construction loan revolving
35 account beginning July 1, 2004, the public health supplemental account,
36 the Puyallup tribal settlement account, the real estate appraiser
37 commission account, the regional mobility grant program account, the
38 regional transportation investment district account, the resource

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

32 (b) The following accounts and funds shall receive eighty percent
33 of their proportionate share of earnings based upon each account's or
34 fund's average daily balance for the period: The aeronautics account,
35 the aircraft search and rescue account, the county arterial
36 preservation account, the department of licensing services account, the
37 essential rail assistance account, the ferry bond retirement fund, the
38 grade crossing protective fund, the high capacity transportation

1 account, the highway bond retirement fund, the highway safety account,
2 the motor vehicle fund, the motorcycle safety education account, the
3 pilotage account, the public transportation systems account, the Puget
4 Sound capital construction account, the Puget Sound ferry operations
5 account, the recreational vehicle account, the rural arterial trust
6 account, the safety and education account, the special category C
7 account, the state patrol highway account, the transportation 2003
8 account (nickel account), the transportation equipment fund, the
9 transportation fund, the transportation improvement account, the
10 transportation improvement board bond retirement account, and the urban
11 arterial trust account.

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

15 **Sec. 11.** RCW 43.84.092 and 2005 c 514 s 1106, 2005 c 353 s 4, 2005
16 c 339 s 23, 2005 c 314 s 110, 2005 c 312 s 8, and 2005 c 94 s 2 are
17 each reenacted and amended to read as follows:

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

21 (2) The treasury income account shall be utilized to pay or receive
22 funds associated with federal programs as required by the federal cash
23 management improvement act of 1990. The treasury income account is
24 subject in all respects to chapter 43.88 RCW, but no appropriation is
25 required for refunds or allocations of interest earnings required by
26 the cash management improvement act. Refunds of interest to the
27 federal treasury required under the cash management improvement act
28 fall under RCW 43.88.180 and shall not require appropriation. The
29 office of financial management shall determine the amounts due to or
30 from the federal government pursuant to the cash management improvement
31 act. The office of financial management may direct transfers of funds
32 between accounts as deemed necessary to implement the provisions of the
33 cash management improvement act, and this subsection. Refunds or
34 allocations shall occur prior to the distributions of earnings set
35 forth in subsection (4) of this section.

36 (3) Except for the provisions of RCW 43.84.160, the treasury income
37 account may be utilized for the payment of purchased banking services

1 on behalf of treasury funds including, but not limited to, depository,
2 safekeeping, and disbursement functions for the state treasury and
3 affected state agencies. The treasury income account is subject in all
4 respects to chapter 43.88 RCW, but no appropriation is required for
5 payments to financial institutions. Payments shall occur prior to
6 distribution of earnings set forth in subsection (4) of this section.

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

11 (a) The following accounts and funds shall receive their
12 proportionate share of earnings based upon each account's and fund's
13 average daily balance for the period: The capitol building
14 construction account, the Cedar River channel construction and
15 operation account, the Central Washington University capital projects
16 account, the charitable, educational, penal and reformatory
17 institutions account, the common school construction fund, the county
18 criminal justice assistance account, the county sales and use tax
19 equalization account, the data processing building construction
20 account, the deferred compensation administrative account, the deferred
21 compensation principal account, the department of retirement systems
22 expense account, the developmental disabilities community trust
23 account, the drinking water assistance account, the drinking water
24 assistance administrative account, the drinking water assistance
25 repayment account, the Eastern Washington University capital projects
26 account, the education construction fund, the education legacy trust
27 account, the election account, the emergency reserve fund, The
28 Evergreen State College capital projects account, the federal forest
29 revolving account, the freight mobility investment account, the freight
30 mobility multimodal account, the health services account, the public
31 health services account, the health system capacity account, the
32 personal health services account, the state higher education
33 construction account, the higher education construction account, the
34 highway infrastructure account, the high-occupancy toll lanes
35 operations account, the industrial insurance premium refund account,
36 the judges' retirement account, the judicial retirement administrative
37 account, the judicial retirement principal account, the local leasehold
38 excise tax account, the local real estate excise tax account, the local

1 sales and use tax account, the medical aid account, the mobile home
2 park relocation fund, the multimodal transportation account, the
3 municipal criminal justice assistance account, the municipal sales and
4 use tax equalization account, the natural resources deposit account,
5 the oyster reserve land account, the perpetual surveillance and
6 maintenance account, the public employees' retirement system plan 1
7 account, the public employees' retirement system combined plan 2 and
8 plan 3 account, the public facilities construction loan revolving
9 account beginning July 1, 2004, the public health supplemental account,
10 the public works assistance account, the Puyallup tribal settlement
11 account, the real estate appraiser commission account, the regional
12 mobility grant program account, the regional transportation investment
13 district account, the resource management cost account, the rural
14 Washington loan fund, the site closure account, the small city pavement
15 and sidewalk account, the special wildlife account, the state
16 employees' insurance account, the state employees' insurance reserve
17 account, the state investment board expense account, the state
18 investment board commingled trust fund accounts, the supplemental
19 pension account, the Tacoma Narrows toll bridge account, the teachers'
20 retirement system plan 1 account, the teachers' retirement system
21 combined plan 2 and plan 3 account, the tobacco prevention and control
22 account, the tobacco settlement account, the transportation
23 infrastructure account, the transportation partnership account, the
24 tuition recovery trust fund, the University of Washington bond
25 retirement fund, the University of Washington building account, the
26 volunteer fire fighters' and reserve officers' relief and pension
27 principal fund, the volunteer fire fighters' and reserve officers'
28 administrative fund, the Washington fruit express account, the
29 Washington judicial retirement system account, the Washington law
30 enforcement officers' and fire fighters' system plan 1 retirement
31 account, the Washington law enforcement officers' and fire fighters'
32 system plan 2 retirement account, the Washington public safety
33 employees' plan 2 retirement account, the Washington school employees'
34 retirement system combined plan 2 and 3 account, the Washington state
35 health insurance pool account, the Washington state patrol retirement
36 account, the Washington State University building account, the
37 Washington State University bond retirement fund, the water pollution
38 control revolving fund, and the Western Washington University capital

1 projects account. Earnings derived from investing balances of the
2 agricultural permanent fund, the normal school permanent fund, the
3 permanent common school fund, the scientific permanent fund, and the
4 state university permanent fund shall be allocated to their respective
5 beneficiary accounts. All earnings to be distributed under this
6 subsection (4)(a) shall first be reduced by the allocation to the state
7 treasurer's service fund pursuant to RCW 43.08.190.

8 (b) The following accounts and funds shall receive eighty percent
9 of their proportionate share of earnings based upon each account's or
10 fund's average daily balance for the period: The aeronautics account,
11 the aircraft search and rescue account, the county arterial
12 preservation account, the department of licensing services account, the
13 essential rail assistance account, the ferry bond retirement fund, the
14 grade crossing protective fund, the high capacity transportation
15 account, the highway bond retirement fund, the highway safety account,
16 the motor vehicle fund, the motorcycle safety education account, the
17 pilotage account, the public transportation systems account, the Puget
18 Sound capital construction account, the Puget Sound ferry operations
19 account, the recreational vehicle account, the rural arterial trust
20 account, the safety and education account, the special category C
21 account, the state patrol highway account, the transportation 2003
22 account (nickel account), the transportation equipment fund, the
23 transportation fund, the transportation improvement account, the
24 transportation improvement board bond retirement account, and the urban
25 arterial trust account.

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

29 NEW SECTION. **Sec. 12.** Section 10 of this act expires July 1,
30 2006.

31 NEW SECTION. **Sec. 13.** Section 11 of this act takes effect July 1,
32 2006.

33 NEW SECTION. **Sec. 14.** Section 1 of this act applies to license
34 fees due on or after July 1, 2006."

ADOPTED 02/11/2006

1 On page 1, line 2 of the title, after "distributions;" strike the
2 remainder of the title and insert "amending RCW 46.68.035, 46.16.086,
3 46.16.162, 46.68.135, 46.68.290, and 46.17.010; reenacting and amending
4 RCW 43.84.092 and 43.84.092; adding new sections to chapter 46.68 RCW;
5 creating a new section; providing an effective date; and providing an
6 expiration date."

EFFECT: (1) Restores the requirement that the state auditor
implement performance audits of transportation related agencies.

(2) Changes the 2005-07 appropriation from the transportation
partnership account for state auditor performance audits from
\$4,000,000 to \$2,000,000.

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