## SUBSTITUTE HOUSE BILL 1065

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## State of Washington 59th Legislature 2005 Regular Session

By House Committee on Transportation (originally sponsored by Representatives Hudgins, Ericksen, McCoy, Haigh, Miloscia, Simpson, Upthegrove, Kessler, Appleton, Williams, Curtis, Conway, Nixon, P. Sullivan, Kenney, Hinkle, Wallace, Jarrett, Dunn, Linville, Morris, Wood, Hunter, Sells, Clibborn, Morrell, Campbell, B. Sullivan and Chase; by request of Department of Veterans Affairs)

READ FIRST TIME 03/08/05.

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- AN ACT Relating to the armed forces license plate collection; amending RCW 46.16.755, 73.04.115, and 41.04.007; reenacting and
- 3 amending RCW 46.16.313, 73.04.110, and 43.79A.040; adding new sections
- 4 to chapter 46.16 RCW; and adding a new section to chapter 43.60A RCW.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 46.16 RCW 7 to read as follows:
  - (1) The legislature recognizes that the armed forces license plate collection has been reviewed and approved by the special license plate review board under RCW 46.16.725, and found to fully comply with all provisions of RCW 46.16.715 through 46.16.775.
- (2) The department shall issue a special license plate collection, approved by the special license plate review board and the legislature, recognizing the contribution of veterans, active duty military personnel, reservists, and members of the Washington national guard. The collection includes six separate designs, each containing a symbol representing a different branch of the armed forces to include army, navy, air force, marine corps, coast guard, and Washington national
- 19 guard.

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(3) Armed forces special license plates may be used in lieu of regular or personalized license plates for vehicles required to display one and two vehicle license plates, excluding vehicles registered under chapter 46.87 RCW, upon terms and conditions established by the department.

- (4) Upon request, the department must make available to the purchaser, at no additional cost, a decal indicating the purchaser's military status. The department must work with the department of veterans affairs to establish a list of the decals to be made available. The list of available decals must include, but is not limited to, "veteran," "disabled veteran," "reservist," "retiree," or "active duty." The department may specify where the decal may be placed on the license plate. Decals are required to be made available only for standard six-inch by twelve-inch license plates.
- (5) Armed forces license plates and decals are available only to veterans as defined in RCW 41.04.007, active duty military personnel, reservists, members of the Washington national guard, and the spouses of deceased veterans. Upon initial application, any purchaser requesting an armed forces license plate and decal will be required to show proof of eligibility by providing: A DD-214 or discharge papers if a veteran; a military identification or retired military identification card; or a declaration of fact attesting to the purchaser's eligibility as required under this section.
- (6) The department of veterans affairs must enter into an agreement with the department to reimburse the department for the costs associated with providing military status decals described in subsection (4) of this section.
- (7) Armed forces license plates are not available free of charge to disabled veterans, former prisoners of war, or spouses of deceased former prisoners of war under the privileges defined in RCW 73.04.110 and 73.04.115.
- 32 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 46.16 RCW 33 to read as follows:
- 34 (1) "Armed forces license plate collection" means the collection of 35 six separate license plate designs issued pursuant to section 1 of this 36 act. Each license plate design displays a symbol representing one of

the five branches of the armed forces, and one representing the Washington national guard.

- (2) Armed forces license plates are not available free of charge to disabled veterans, former prisoners of war, or spouses of deceased former prisoners of war under the privileges defined in RCW 73.04.110 and 73.04.115.
- 7 Sec. 3. RCW 46.16.313 and 2004 c 221 s 3, 2004 c 48 s 3, and 2004 8 c 35 s 3 are each reenacted and amended to read as follows:
  - (1) The department may establish a fee of no more than forty dollars for each type of special license plates issued under RCW 46.16.301(1) (a), (b), or (c), as existing before amendment by section 5, chapter 291, Laws of 1997, in an amount calculated to offset the cost of production of the special license plates and the administration of this program. This fee is in addition to all other fees required to register and license the vehicle for which the plates have been requested. All such additional special license plate fees collected by the department shall be deposited in the state treasury and credited to the motor vehicle fund.
    - (2) In addition to all fees and taxes required to be paid upon application and registration of a motor vehicle, the holder of a collegiate license plate shall pay an initial fee of forty dollars. The department shall deduct an amount not to exceed twelve dollars of each fee collected under this subsection for administration and collection expenses incurred by it. The remaining proceeds shall be remitted to the custody of the state treasurer with a proper identifying detailed report. The state treasurer shall credit the funds to the appropriate collegiate license plate fund as provided in RCW 28B.10.890.
  - (3) In addition to all fees and taxes required to be paid upon renewal of a motor vehicle registration, the holder of a collegiate license plate shall pay a fee of thirty dollars. The department shall deduct an amount not to exceed two dollars of each fee collected under this subsection for administration and collection expenses incurred by it. The remaining proceeds shall be remitted to the custody of the state treasurer with a proper identifying detailed report. The state treasurer shall credit the funds to the appropriate collegiate license plate fund as provided in RCW 28B.10.890.

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(4) In addition to all fees and taxes required to be paid upon application and registration of a motor vehicle, the holder of a special baseball stadium license plate shall pay an initial fee of forty dollars. The department shall deduct an amount not to exceed twelve dollars of each fee collected under this subsection for administration and collection expenses incurred by it. The remaining proceeds, minus the cost of plate production, shall be distributed to a county for the purpose of paying the principal and interest payments on bonds issued by the county to construct a baseball stadium, as defined in RCW 82.14.0485, including reasonably preconstruction costs, while the taxes are being collected under RCW 82.14.360. After this date, the state treasurer shall credit the funds to the state general fund.

- (5) In addition to all fees and taxes required to be paid upon renewal of a motor vehicle registration, the holder of a special baseball stadium license plate shall pay a fee of thirty dollars. The department shall deduct an amount not to exceed two dollars of each fee collected under this subsection for administration and collection expenses incurred by it. The remaining proceeds shall be distributed to a county for the purpose of paying the principal and interest payments on bonds issued by the county to construct a baseball stadium, as defined in RCW 82.14.0485, including reasonably necessary preconstruction costs, while the taxes are being collected under RCW 82.14.360. After this date, the state treasurer shall credit the funds to the state general fund.
- (6) Effective with vehicle registrations due or to become due on January 1, 2005, in addition to all fees and taxes required to be paid upon application and registration of a vehicle, the holder of a professional fire fighters and paramedics license plate shall pay an initial fee of forty dollars. The department shall deduct an amount not to exceed twelve dollars of each fee collected under this subsection for administration and collection expenses incurred by it. The remaining proceeds must be remitted to the custody of the state treasurer with a proper identifying detailed report. Under RCW 46.16.755, the state treasurer shall credit the proceeds to the motor vehicle account until the department determines that the state has been reimbursed for the cost of implementing the professional fire fighters and paramedics license plates. Upon the determination by the

department that the state has been reimbursed, the treasurer shall credit the proceeds to the Washington State Council of Fire Fighters benevolent fund established under RCW 46.16.30902.

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- (7) Effective with annual renewals due or to become due on January 1, 2006, in addition to all fees and taxes required to be paid upon renewal of a vehicle registration, the holder of a professional fire fighters and paramedics license plate shall, upon application, pay a fee of thirty dollars. The department shall deduct an amount not to exceed two dollars of each fee collected under this subsection for administration and collection expenses incurred by it. The remaining proceeds must be remitted to the custody of the state treasurer with a proper identifying detailed report. Under RCW 46.16.755, the state treasurer shall credit the proceeds to the motor vehicle account until the department determines that the state has been reimbursed for the cost of implementing the professional fire fighters and paramedics special license plate. Upon the determination by the department that the state has been reimbursed, the treasurer shall credit the proceeds to the Washington State Council of Fire Fighters benevolent fund established under RCW 46.16.30902.
- (8) Effective with vehicle registrations due or to become due on November 1, 2004, in addition to all fees and taxes required to be paid upon application and registration of a vehicle, the holder of a "Helping Kids Speak" license plate shall pay an initial fee of forty dollars. The department shall deduct an amount not to exceed twelve dollars of each fee collected under this subsection for administration and collection expenses incurred by it. The remaining proceeds must be remitted to the custody of the state treasurer with a proper identifying detailed report. Pursuant to RCW 46.16.755, the state treasurer shall credit the proceeds to the motor vehicle account until the department determines that the state has been reimbursed for the cost of implementing the "Helping Kids Speak" special license plate. Upon the determination by the department that the state has been reimbursed, the treasurer shall credit the proceeds to the "Helping Kids Speak" account established under RCW 46.16.30904.
- (9) Effective with annual renewals due or to become due on November 1, 2005, in addition to all fees and taxes required to be paid upon renewal of a vehicle registration, the holder of a "Helping Kids Speak" license plate shall, upon application, pay a fee of thirty dollars.

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The department shall deduct an amount not to exceed two dollars of each fee collected under this subsection for administration and collection expenses incurred by it. The remaining proceeds must be remitted to the custody of the state treasurer with a proper identifying detailed report. Pursuant to RCW 46.16.755, the state treasurer shall credit the proceeds to the motor vehicle account until the department determines that the state has been reimbursed for the cost of implementing the "Helping Kids Speak" special license plate. Upon the determination by the department that the state has been reimbursed, the treasurer shall credit the proceeds to the "Helping Kids Speak" account established under RCW 46.16.30904. 

January 1, 2005, in addition to all fees and taxes required to be paid upon application and registration of a vehicle, the holder of a "law enforcement memorial" license plate shall pay an initial fee of forty dollars. The department shall deduct an amount not to exceed twelve dollars of each fee collected under this subsection for administration and collection expenses incurred by it. The remaining proceeds shall be remitted to the custody of the state treasurer with a proper identifying detailed report. Pursuant to RCW 46.16.755, the state treasurer shall credit the proceeds to the motor vehicle account until the department determines that the state has been reimbursed for the cost of implementing the law enforcement memorial special license plate. Upon the determination by the department that the state has been reimbursed, the treasurer shall credit the proceeds to the law enforcement memorial account established under RCW 46.16.30906.

(11) Effective with annual renewals due or to become due on January 1, 2006, in addition to all fees and taxes required to be paid upon renewal of a vehicle registration, the holder of a "law enforcement memorial" license plate shall, upon application, pay a fee of thirty dollars. The department shall deduct an amount not to exceed two dollars of each fee collected under this subsection for administration and collection expenses incurred by it. The remaining proceeds shall be remitted to the custody of the state treasurer with a proper identifying detailed report. Pursuant to RCW 46.16.755, the state treasurer shall credit the proceeds to the motor vehicle account until the department determines that the state has been reimbursed for the cost of implementing the law enforcement memorial special license

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plate. Upon the determination by the department that the state has been reimbursed, the treasurer shall credit the proceeds to the law enforcement memorial account established under RCW 46.16.30906.

- (12) Effective with vehicle registrations due or to become due on January 1, 2006, in addition to all fees and taxes required to be paid upon application and registration of a vehicle, the holder of an armed forces license plate shall pay an initial fee of forty dollars. The department shall retain an amount not to exceed twelve dollars of each fee collected under this subsection for administration and collection expenses incurred by it. The remaining proceeds shall be remitted to the custody of the state treasurer with a proper identifying report. Pursuant to RCW 46.16.755, the state treasurer shall credit the proceeds to the motor vehicle account until the department determines that the state has been reimbursed for the cost of implementing the armed forces special license plate collection. Upon determination by the department that the state has been reimbursed, the treasurer shall credit the proceeds to the veterans stewardship account established under section 5 of this act.
- (13) Effective with annual renewals due or to become due on or after January 1, 2007, in addition to all fees and taxes required to be paid upon renewal of a vehicle registration, the holder of an armed forces license plate shall, upon application, pay a fee of thirty dollars. The department shall deduct an amount not to exceed two dollars of each fee collected under this subsection for administration and collection expenses incurred by it. The remaining proceeds shall be remitted to the custody of the state treasurer with a proper identifying report. Pursuant to RCW 46.16.755, the state treasurer shall credit the proceeds to the motor vehicle account until the department determines that the state has been reimbursed for the cost of implementing the armed forces special license plate collection. Upon the determination by the department that the state has been reimbursed, the treasurer shall credit the proceeds to the veterans stewardship account established in section 5 of this act.
- **Sec. 4.** RCW 46.16.755 and 2004 c 222 s 4 are each amended to read as follows:
  - (1)(a) Revenues generated from the sale of special license plates for those sponsoring organizations who used the application process in

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1 RCW 46.16.745(3) must be deposited into the motor vehicle account until 2 the department determines that the state's implementation costs have 3 been fully reimbursed. The department shall apply the application fee 4 required under RCW 46.16.745(3)(a) towards those costs.

- (b) When it is determined that the state has been fully reimbursed the department must notify the house of representatives and senate transportation committees, the sponsoring organization, and the treasurer, and commence the distribution of the revenue as otherwise provided by law.
- (c) For purposes of meeting the reimbursement requirements stated in this section, an organization sponsoring a license plate collection that includes two or more license plate designs must inform the department how the reimbursement requirement is to be met for that collection. Unless the state's implementation costs have been prepaid, the sponsoring organization must elect one of the two following reimbursement options:
- (i) The sponsoring organization may elect to dedicate the revenues from each plate in the collection to meet the reimbursement requirement for implementation of that individual plate design. If one or more plate designs within the collection cannot meet the reimbursement requirement, those specific plates may be placed in probationary status or discontinued as provided in subsection (2) of this section. Those plates that meet the reimbursement requirement, however, will continue to be made available for sale by the department of licensing.
- (ii) Alternately, the organization may elect to dedicate the revenues from all plates to meet a common reimbursement requirement for the collection in its entirety. Although one or more of the plate designs within the collection cannot meet the reimbursement requirements individually, if the total revenues from the sale of all the plates within the collection are sufficient to meet the entire collection's reimbursement requirements, the complete collection will continue to be made available. If revenues are insufficient to meet the reimbursement requirement for the complete collection, the entire collection may be placed on probation or discontinued as provided in subsection (2) of this section.
- (d) Selection of either of the alternatives in (c)(i) or (ii) of this subsection does not preclude an organization from reimbursing the

department at any time from sources other than revenue from the sale of the special license plates.

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- (2) If reimbursement does not occur within two years from the date the plate is first offered for sale to the public, the special license plate series must be placed in probationary status for a period of one year from that date. If the state is still not fully reimbursed for its implementation costs after the one-year probation, the plate series must be discontinued immediately. Special plates issued before discontinuation are valid until replaced under RCW 46.16.233.
- (3) The special license plate applicant trust account is created in the custody of the state treasurer. All receipts from special license plate applicants, except the application fee as provided in RCW 46.16.745(3), must be deposited into the account. Only the director of the department or the director's designee may authorize disbursements from the account. The account is not subject to the allotment procedures under chapter 43.88 RCW, nor is an appropriation required for disbursements.
- (4) The department shall provide the special license plate applicant with a written receipt for the payment.
- (5) The department shall maintain a record of each special license plate applicant trust account deposit, including, but not limited to, the name and address of each special license plate applicant whose funds are being deposited, the amount paid, and the date of the deposit.
- (6) After the department receives written notice that the special license plate applicant's application has been:
- 27 (a) Approved by the legislature the director shall request that the 28 money be transferred to the motor vehicle account;
- 29 (b) Denied by the special license plate review board or the 30 legislature the director shall provide a refund to the applicant within 31 thirty days; or
- 32 (c) Withdrawn by the special license plate applicant the director 33 shall provide a refund to the applicant within thirty days.
- 34 <u>NEW SECTION.</u> **Sec. 5.** A new section is added to chapter 43.60A RCW 35 to read as follows:
- 36 (1) The veterans stewardship account is created in the custody of 37 the state treasurer. Disbursements of funds shall be on the

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authorization of the director or the director's designee, and only for the purposes stated in subsection (4) of this section. In order to maintain an effective expenditure and revenue control, funds shall be subject in all respects to chapter 43.88 RCW, but no appropriation is required to permit expenditure of the funds.

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- (2) The department may request and accept nondedicated contributions, grants, or gifts in cash or otherwise, including funds generated by the issuance of the armed forces license plate collection under chapter 46.16 RCW.
- (3) All receipts, except as provided in RCW 46.16.313 (12) and (13), from the sale of armed forces license plates must be deposited into the veterans stewardship account.
- (4) All moneys deposited into the veterans stewardship account must be used by the department for activities that benefit veterans, including but not limited to, providing programs and services for homeless veterans; establishing memorials honoring veterans; and maintaining a future state veterans' cemetery. Funds from the account may not be used to supplant existing funds received by the department.
- 19 **Sec. 6.** RCW 73.04.115 and 1990 c 250 s 91 are each amended to read 20 as follows:
  - (1) The department shall issue to the surviving spouse of any deceased former prisoner of war described in RCW 73.04.110(2), one set of regular or special license plates for use on a personal passenger vehicle registered to that person.
  - (2) The plates shall be issued without the payment of any license fees or excise tax on the vehicle. Whenever any person who has been issued license plates under this section applies to the department for transfer of the plates to a subsequently acquired motor vehicle, a transfer fee of five dollars shall be charged in addition to all other appropriate fees. If the surviving spouse remarries, he or she shall return the special plates to the department within fifteen days and apply for regular license plates.
- 33 (3) For purposes of this section, the term "special license plates"
  34 does not include any plate from the armed forces license plate
  35 collection established in section 1 of this act.

- Sec. 7. RCW 73.04.110 and 2004 c 223 s 6 and 2004 c 125 s 1 are each reenacted and amended to read as follows:
  - (1) Any person who is a veteran as defined in RCW 41.04.007 who submits to the department of licensing satisfactory proof of a service-connected disability rating from the veterans administration or the military service from which the veteran was discharged and:
    - $((\frac{1}{1}))$  (a) Has lost the use of both hands or one foot;

- 8 ((<del>(2)</del>)) <u>(b)</u> Was captured and incarcerated for more than twenty-nine 9 days by an enemy of the United States during a period of war with the 10 United States;
- $((\frac{3}{3}))$  (c) Has become blind in both eyes as the result of military 12 service; or
  - ((4))) (d) Is rated by the veterans administration or the military service from which the veteran was discharged and is receiving service-connected compensation at the one hundred percent rate that is expected to exist for more than one year;
  - is entitled to regular or special license plates issued by the department of licensing. The special license plates shall bear distinguishing marks, letters, or numerals indicating that the motor vehicle is owned by a disabled veteran or former prisoner of war. This license shall be issued annually for one personal use vehicle without payment of any license fees or excise tax thereon. Whenever any person who has been issued license plates under the provisions of this section applies to the department for transfer of the plates to a subsequently acquired motor vehicle, a transfer fee of ten dollars shall be charged in addition to all other appropriate fees. The department may periodically verify the one hundred percent rate as provided in subsection ((4+)) (1) (1) (d) of this section.
  - (2) Any person who has been issued free motor vehicle license plates under this section prior to July 1, 1983, shall continue to be eligible for the annual free license plates.
  - (3) For the purposes of this section, (a): "Blind" means the definition of "blind" used by the state of Washington in determining eligibility for financial assistance to the blind under Title 74 RCW; and (b) "special license plates" does not include any plate from the armed forces license plate collection established in section 1 of this act.
- Any unauthorized use of a special plate is a gross misdemeanor.

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**Sec. 8.** RCW 41.04.007 and 2002 c 292 s 2 are each amended to read 2 as follows:

"Veteran" includes every person, who at the time he or she seeks the benefits of <u>section 1 of this act</u>, RCW 72.36.030, 41.04.010, 73.04.090, 73.04.110, 73.08.010, 73.08.060, 73.08.070, or 73.08.080 has received an honorable discharge or received a discharge for medical reasons with an honorable record, where applicable, and who has served in at least one of the following capacities:

- (1) As a member in any branch of the armed forces of the United States, including the national guard and armed forces reserves, and has fulfilled his or her initial military service obligation;
  - (2) As a member of the women's air forces service pilots;
- (3) As a member of the armed forces reserves, national guard, or coast guard, and has been called into federal service by a presidential select reserve call up for at least one hundred eighty cumulative days;
- (4) As a civil service crewmember with service aboard a U.S. army transport service or U.S. naval transportation service vessel in oceangoing service from December 7, 1941, through December 31, 1946; or
- 19 (5) As a member of the Philippine armed forces/scouts during the 20 period of armed conflict from December 7, 1941, through August 15, 21 1945.
- **Sec. 9.** RCW 43.79A.040 and 2004 c 246 s 8 and 2004 c 58 s 10 are 23 each reenacted and amended to read as follows:
  - (1) Money in the treasurer's trust fund may be deposited, invested, and reinvested by the state treasurer in accordance with RCW 43.84.080 in the same manner and to the same extent as if the money were in the state treasury.
  - (2) All income received from investment of the treasurer's trust fund shall be set aside in an account in the treasury trust fund to be known as the investment income account.
  - (3) The investment income account may be utilized for the payment of purchased banking services on behalf of treasurer's trust funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasurer or affected state agencies. The investment income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to

financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.

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- (4)(a) Monthly, the state treasurer shall distribute the earnings credited to the investment income account to the state general fund except under (b) and (c) of this subsection.
- The following accounts and funds shall receive their 6 7 proportionate share of earnings based upon each account's or fund's average daily balance for the period: The Washington promise 8 9 scholarship account, the college savings program account, 10 Washington advanced college tuition payment program account, the agricultural local fund, the American Indian scholarship endowment 11 12 fund, the students with dependents grant account, the basic health plan 13 self-insurance reserve account, the contract harvesting revolving account, the Washington state combined fund drive account, the 14 Washington international exchange scholarship endowment fund, the 15 developmental disabilities endowment trust fund, the energy account, 16 17 the fair fund, the fruit and vegetable inspection account, the future teachers conditional scholarship account, the game farm alternative 18 19 account, the grain inspection revolving fund, the juvenile accountability incentive account, the law enforcement officers' and 20 21 fire fighters' plan 2 expense fund, the local tourism promotion 22 account, the produce railcar pool account, the rural rehabilitation account, the stadium and exhibition center account, the youth athletic 23 24 facility account, the self-insurance revolving fund, the sulfur dioxide 25 abatement account, the children's trust fund, the veterans stewardship account, the Washington horse racing commission Washington bred owners' 26 27 bonus fund account, the Washington horse racing commission class C purse fund account, and the Washington horse racing commission 28 operating account (earnings from the Washington horse racing commission 29 operating account must be credited to the Washington horse racing 30 commission class C purse fund account). However, the earnings to be 31 32 distributed shall first be reduced by the allocation to the state treasurer's service fund pursuant to RCW 43.08.190. 33
  - (c) The following accounts and funds shall receive eighty percent of their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The advanced right of way revolving fund, the advanced environmental mitigation revolving account, the city and county advance right-of-way revolving fund, the

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federal narcotics asset forfeitures account, the high occupancy vehicle account, the local rail service assistance account, and the miscellaneous transportation programs account.

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5 6 (5) In conformance with Article II, section 37 of the state Constitution, no trust accounts or funds shall be allocated earnings without the specific affirmative directive of this section.

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