
SUBSTITUTE HOUSE BILL 1493

State of Washington

59th Legislature

2005 Regular Session

By House Committee on Natural Resources, Ecology & Parks (originally sponsored by Representatives B. Sullivan, Upthegrove, Buck, Orcutt and Eickmeyer; by request of Commissioner of Public Lands)

READ FIRST TIME 02/17/05.

1 AN ACT Relating to the purchase of tidelands and shorelands and
2 authorizing the sale of nonriparian state-owned filled tidelands or
3 shorelands, that are currently upland in nature and no longer provide
4 the ecological functions and public benefits normally intrinsic to
5 functioning aquatic lands as described in RCW 79.90.450 and 79.90.455;
6 amending RCW 79.90.010, 79.94.090, 79.94.150, 79.90.245, and 43.84.092;
7 reenacting and amending RCW 43.84.092; adding new sections to chapter
8 79.94 RCW; adding a new section to chapter 79.90 RCW; creating a new
9 section; repealing RCW 79.90.250; making an appropriation; providing an
10 effective date; and providing an expiration date.

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

12 NEW SECTION. **Sec. 1.** The legislature finds that a high percentage
13 of state-owned tidelands and shorelands were sold into private
14 ownership as part of the state legislature's earliest efforts to foster
15 Washington's economic expansion. The remaining state-owned tideland
16 and shoreland ownership is fragmented and some state-owned tidelands
17 and shorelands have been altered by fill to such a degree that they
18 have the characteristics of uplands. These filled lands may no longer
19 provide public benefits as aquatic lands as described in RCW 79.90.450

1 and 79.90.455 and remain underutilized as dry land because they are
2 subject to a management philosophy dedicated to the protection of
3 submerged lands.

4 The legislature recognizes that certain state-owned filled
5 tidelands and filled shorelands should be designated as aquatic
6 investment properties and commercially managed in order to generate
7 funding for the acquisition, protection, and management of functioning
8 aquatic lands. It is the intent of this act to authorize the
9 department of natural resources to buy and sell certain filled
10 tidelands and shorelands which, if bought or sold, would not cause the
11 loss of aquatic ecological functions, public access opportunities, or
12 interfere with water-dependent activities and businesses.

13 NEW SECTION. **Sec. 2.** A new section is added to chapter 79.94 RCW
14 to read as follows:

15 (1) The legislature finds that maintaining state-owned aquatic
16 lands in public ownership is often in the public interest. However,
17 when state-owned filled tidelands and filled shorelands do not provide
18 the ecological functions and public benefits normally associated with
19 state-owned aquatic lands and are better managed to generate revenue to
20 support acquisition of functioning aquatic lands, then the sale or
21 commercial management of such lands is not contrary to the public
22 interest.

23 (2) The department shall manage aquatic investment properties for
24 the purpose of generating revenue. This includes the authority to sell
25 lands designated as aquatic investment properties. Subject to sections
26 4, 6, and 9 of this act, revenue generated from the sale or leasing of
27 aquatic investment properties must be used to fund acquisition,
28 preservation, and management of functioning aquatic lands or for
29 reinvestment in more manageable filled lands that were formerly below
30 ordinary high tide in tidal waters or ordinary high water on navigable
31 rivers and lakes. The sale of aquatic investment properties must
32 demonstrate a clear economic benefit to the state.

33 **Sec. 3.** RCW 79.90.010 and 1982 1st ex.s. c 21 s 1 are each amended
34 to read as follows:

35 (~~Whenever used in~~) The definitions in this section apply

1 throughout chapters 79.90 through 79.96 RCW (~~the term~~) unless the
2 context clearly requires otherwise.

3 (1) "Aquatic investment properties" means state-owned filled
4 tidelands and filled shorelands, designated by the board according to
5 section 4 of this act, that are currently upland in nature and no
6 longer provide the ecological functions and public benefits normally
7 intrinsic to functioning aquatic lands.

8 (2) "Aquatic lands" means all state-owned tidelands, shorelands,
9 harbor areas, and the beds of navigable waters.

10 (3) "Functioning aquatic lands" means lands that, in their current
11 condition, are below ordinary high tide in tidal waters or ordinary
12 high water on navigable rivers and lakes, and provide for important
13 ecological functions or public benefits as described in RCW 79.90.455.

14 (4) "Net acreage" means the difference between the total acres of
15 aquatic lands acquired and the total acres of aquatic lands disposed of
16 by the department under the authority of this act.

17 (5) "State-owned aquatic land base" means the amount of state-owned
18 aquatic lands managed by the department on the effective date of this
19 act or as subsequently updated through biennial reports submitted to
20 the board pursuant to section 9 of this act.

21 NEW SECTION. Sec. 4. A new section is added to chapter 79.94 RCW
22 to read as follows:

23 (1) The department may, with approval of the board, purchase
24 functioning aquatic lands. Once acquired, these lands shall become a
25 permanent part of the state-owned aquatic land base and subject to the
26 provisions of chapters 79.90 through 79.96 RCW.

27 (2) The department may, with approval of the board, purchase filled
28 lands that were formerly below ordinary high tide in tidal waters or
29 ordinary high water on navigable rivers and lakes, and improvements
30 associated with any of these lands, that have the potential to generate
31 revenues to fund the acquisition, protection, and management of
32 functioning aquatic lands.

33 NEW SECTION. Sec. 5. A new section is added to chapter 79.94 RCW
34 to read as follows:

35 (1) Upon request by the department, the board may designate certain
36 state-owned filled tidelands and filled shorelands as aquatic

1 investment properties. At the time it approves the purchase of filled
2 lands that were formerly below ordinary high tide in tidal waters or
3 ordinary high water on navigable rivers and lakes, and improvements
4 associated with any of these lands, the board may direct that a
5 property will be designated as an aquatic investment property. Only
6 property meeting all of the following criteria is eligible for
7 designation as an aquatic investment property:

8 (a) The property is state-owned tidelands or shorelands that are
9 filled to an elevation above ordinary high tide or ordinary high water.
10 Tidelands and shorelands that are not filled, but simply diked and
11 therefore more easily returned to their natural, inundated state may
12 not be designated as aquatic investment properties. Nothing in this
13 section authorizes the filling of state-owned aquatic lands subsequent
14 to this act for the purpose of making them available for designation as
15 aquatic investment properties;

16 (b) Except for the capacity to generate revenue, the property is
17 incapable of providing the public benefits described under RCW
18 79.90.455; and

19 (c) The property has greater potential capacity for long-term
20 economic gain, if designated as an aquatic investment property, than it
21 would if not designated. Capacity for long-term economic gain is
22 determined in accordance with techniques specified by rule.

23 (2) Designated aquatic investment properties are not subject to RCW
24 79.90.245, 79.94.070, 79.94.175, 79.94.181, or 79.94.260, or the free
25 use provisions for public parks or public recreational purposes in RCW
26 79.90.470.

27 NEW SECTION. **Sec. 6.** A new section is added to chapter 79.94 RCW
28 to read as follows:

29 Aquatic investment properties and improvements associated with
30 these lands may be managed primarily for revenue generation. After
31 deducting the management costs as provided in RCW 79.64.040 and
32 payments to towns under RCW 79.92.110, twenty-five percent of revenues
33 from the lease of aquatic investment properties must be deposited in
34 the aquatic sustaining investment account created in section 11 of this
35 act and the remainder deposited in the aquatic lands enhancement
36 account created in RCW 79.90.245.

1 **Sec. 7.** RCW 79.94.090 and 1982 1st ex.s. c 21 s 94 are each
2 amended to read as follows:

3 All tidelands, other than first class, shall be offered for sale,
4 when otherwise permitted under RCW 79.94.150 to be sold, and sold in
5 the same manner as state lands, other than capitol building lands, but
6 for not less than five dollars per lineal chain, measured on the United
7 States meander line bounding the inner shore limit of such tidelands,
8 and each applicant shall furnish a copy of the United States field
9 notes, certified to by the officer in charge thereof, of said meander
10 line with his or her application(~~(, and shall pay one tenth of the~~
11 ~~purchase price on the date of sale)~~).

12 **Sec. 8.** RCW 79.94.150 and 1982 1st ex.s. c 21 s 100 are each
13 amended to read as follows:

14 (1) This section shall apply to:

15 (a) First class tidelands as defined in RCW 79.90.030;

16 (b) Second class tidelands as defined in RCW 79.90.035;

17 (c) First class shorelands as defined in RCW 79.90.040;

18 (d) Second class shorelands as defined in RCW 79.90.045, except as
19 included within RCW 79.94.210;

20 (e) Waterways as described in RCW 79.93.010.

21 (2) Notwithstanding any other provision of law, from and after
22 August 9, 1971, all tidelands and shorelands enumerated in subsection
23 (1) of this section owned by the state of Washington shall not be sold
24 except to public entities as may be authorized by law and they shall
25 not be given away.

26 (3) Tidelands and shorelands enumerated in subsection (1) of this
27 section may be leased for a period not to exceed fifty-five years:
28 PROVIDED, That nothing in this section shall be construed as modifying
29 or canceling any outstanding lease during its present term.

30 (4) Nothing in this section shall:

31 (a) Be construed to cancel an existing sale contract;

32 (b) Prohibit sale or exchange of beds and shorelands where the
33 water course has changed and the area now has the characteristics of
34 uplands;

35 (c) Prevent exchange involving state-owned tide and shore lands;

36 (d) Prohibit the sale of aquatic investment properties as defined
37 in RCW 79.90.010.

1 NEW SECTION. **Sec. 9.** A new section is added to chapter 79.94 RCW
2 to read as follows:

3 (1) Aquatic investment properties and improvements associated with
4 these lands may be sold for no less than fair market value if they meet
5 the criteria in subsection (2) of this section.

6 (2) Only an aquatic investment property meeting all of the
7 following criteria is eligible for sale:

8 (a) The property does not abut functioning aquatic lands; and

9 (b) The department determines through an economic analysis that
10 selling the property would be economically more advantageous than if it
11 were retained and managed by the department.

12 (3) Proceeds from the sale of aquatic investment properties shall
13 be deposited into the aquatic sustaining investment account created in
14 section 11 of this act. In addition, the department may charge the
15 reasonable direct administrative costs incurred in processing the sale.
16 For the purposes of this subsection, direct administrative costs
17 include, but are not limited to, the cost of hours worked directly on
18 the transaction, based on salaries and benefits, plus travel
19 reimbursement and other actual out-of-pocket costs, plus cost of
20 contracted services such as appraisals and environmental site
21 assessments. Direct administrative costs recovered by the department
22 must be deposited into the resource management cost account.

23 (4)(a) The department must maintain or increase the state-owned
24 aquatic land base over time.

25 (b) By December 31st of each even-numbered year, the department
26 must provide a report to the board on the acquisitions and disposals
27 completed under this act. If the report shows that a net acreage
28 reduction to the state-owned aquatic land base has occurred from
29 acquisitions and disposals completed under this act, the authority to
30 sell aquatic investment properties is suspended until such a time as
31 the state-owned aquatic land base is restored through acquisitions to
32 the level of the previous report to the board.

33 (c) Nothing in this section prohibits sales, exchanges, or
34 transfers of aquatic lands to public entities as permitted under RCW
35 79.94.150 or sales of second class shorelands on lakes as permitted
36 under RCW 79.94.210. These conveyances do not count toward a reported
37 increase or reduction to the state-owned aquatic land base.

1 **Sec. 10.** RCW 79.90.245 and 2004 c 276 s 914 are each amended to
2 read as follows:

3 After deduction for management costs as provided in RCW 79.64.040
4 and payments to towns under RCW 79.92.110(2), all moneys received by
5 the state from the ((~~sale or~~)) lease of state-owned aquatic lands and
6 from the sale of valuable material from state-owned aquatic lands shall
7 be deposited in the aquatic lands enhancement account which is hereby
8 created in the state treasury. After appropriation, these funds shall
9 be used solely for aquatic lands enhancement projects; for the
10 purchase, improvement, or protection of aquatic lands for public
11 purposes; for providing and improving access to such lands; and for
12 volunteer cooperative fish and game projects.

13 In providing grants for aquatic lands enhancement projects, the
14 department shall require grant recipients to incorporate the
15 environmental benefits of the project into their grant applications,
16 and the department shall utilize the statement of environmental
17 benefits in its prioritization and selection process. The department
18 shall also develop appropriate outcome-focused performance measures to
19 be used both for management and performance assessment of the grants.
20 To the extent possible, the department should coordinate its
21 performance measure system with other natural resource-related agencies
22 as defined in RCW 43.41.270. The department shall consult with
23 affected interest groups in implementing this section.

24 During the fiscal biennium ending June 30, 2005, the funds may be
25 appropriated for boating safety, settlement costs for aquatic lands
26 cleanup, and shellfish management, enforcement, and enhancement.

27 NEW SECTION. **Sec. 11.** A new section is added to chapter 79.90 RCW
28 to read as follows:

29 The aquatic sustaining investment account is created in the state
30 treasury. All receipts from money received by the department from the
31 sale or lease of aquatic investment properties and money received by
32 the state from the sale of state-owned aquatic lands permitted to be
33 sold under RCW 79.94.150 or 79.94.210 must be deposited into the
34 account. Receipts from moneys received by the department from the
35 lease of aquatic investment properties must be distributed as described
36 in section 6 of this act. Moneys in the account may be spent only
37 after appropriation. Expenditures from the account may be used only

1 for the acquisition of functioning aquatic lands, filled lands that
2 were formerly below ordinary high tide in tidal waters or ordinary high
3 water on navigable rivers and lakes, and improvements associated with
4 any of these lands.

5 NEW SECTION. **Sec. 12.** A new section is added to chapter 79.94 RCW
6 to read as follows:

7 The department must adopt rules as necessary to carry out the
8 purposes of this act, specifically including:

9 (1) Evaluation criteria for determining when state-owned aquatic
10 land may be designated as aquatic investment properties, as described
11 in sections 5 and 9 of this act; and

12 (2) Evaluation criteria for determining whether an aquatic
13 investment property should be retained and managed for revenue
14 generation or sold at no less than fair market value, as described in
15 section 5 of this act.

16 **Sec. 13.** RCW 43.84.092 and 2003 c 361 s 602, 2003 c 324 s 1, 2003
17 c 150 s 2, and 2003 c 48 s 2 are each reenacted and amended to read as
18 follows:

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

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

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

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

13 (a) The following accounts and funds shall receive their
14 proportionate share of earnings based upon each account's and fund's
15 average daily balance for the period: The aquatic sustaining
16 investment account, the capitol building construction account, the
17 Cedar River channel construction and operation account, the Central
18 Washington University capital projects account, the charitable,
19 educational, penal and reformatory institutions account, the common
20 school construction fund, the county criminal justice assistance
21 account, the county sales and use tax equalization account, the data
22 processing building construction account, the deferred compensation
23 administrative account, the deferred compensation principal account,
24 the department of retirement systems expense account, the drinking
25 water assistance account, the drinking water assistance administrative
26 account, the drinking water assistance repayment account, the Eastern
27 Washington University capital projects account, the education
28 construction fund, the election account, the emergency reserve fund,
29 The Evergreen State College capital projects account, the federal
30 forest revolving 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 industrial insurance premium refund
35 account, the judges' retirement account, the judicial retirement
36 administrative account, the judicial retirement principal account, the
37 local leasehold excise tax account, the local real estate excise tax
38 account, the local sales and use tax account, the medical aid account,

1 the mobile home park relocation fund, the multimodal transportation
2 account, the municipal criminal justice assistance account, the
3 municipal sales and use tax equalization account, the natural resources
4 deposit account, the oyster reserve land account, the perpetual
5 surveillance and maintenance account, the public employees' retirement
6 system plan 1 account, the public employees' retirement system combined
7 plan 2 and plan 3 account, the public facilities construction loan
8 revolving account beginning July 1, 2004, the public health
9 supplemental account, the public works assistance account, the Puyallup
10 tribal settlement account, the regional transportation investment
11 district account, the resource management cost account, the site
12 closure account, the special wildlife account, the state employees'
13 insurance account, the state employees' insurance reserve account, the
14 state investment board expense account, the state investment board
15 commingled trust fund accounts, the supplemental pension account, the
16 Tacoma Narrows toll bridge account, the teachers' retirement system
17 plan 1 account, the teachers' retirement system combined plan 2 and
18 plan 3 account, the tobacco prevention and control account, the tobacco
19 settlement account, the transportation infrastructure account, the
20 tuition recovery trust fund, the University of Washington bond
21 retirement fund, the University of Washington building account, the
22 volunteer fire fighters' and reserve officers' relief and pension
23 principal fund, the volunteer fire fighters' and reserve officers'
24 administrative fund, the Washington fruit express account, the
25 Washington judicial retirement system account, the Washington law
26 enforcement officers' and fire fighters' system plan 1 retirement
27 account, the Washington law enforcement officers' and fire fighters'
28 system plan 2 retirement account, the Washington school employees'
29 retirement system combined plan 2 and 3 account, the Washington state
30 health insurance pool account, the Washington state patrol retirement
31 account, the Washington State University building account, the
32 Washington State University bond retirement fund, the water pollution
33 control revolving fund, and the Western Washington University capital
34 projects account. Earnings derived from investing balances of the
35 agricultural permanent fund, the normal school permanent fund, the
36 permanent common school fund, the scientific permanent fund, and the
37 state university permanent fund shall be allocated to their respective

1 beneficiary accounts. All earnings to be distributed under this
2 subsection (4)(a) shall first be reduced by the allocation to the state
3 treasurer's service fund pursuant to RCW 43.08.190.

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

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

25 **Sec. 14.** RCW 43.84.092 and 2004 c 242 s 60 are each amended to
26 read as follows:

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

30 (2) The treasury income account shall be utilized to pay or receive
31 funds associated with federal programs as required by the federal cash
32 management improvement act of 1990. The treasury income account is
33 subject in all respects to chapter 43.88 RCW, but no appropriation is
34 required for refunds or allocations of interest earnings required by
35 the cash management improvement act. Refunds of interest to the
36 federal treasury required under the cash management improvement act
37 fall under RCW 43.88.180 and shall not require appropriation. The

1 office of financial management shall determine the amounts due to or
2 from the federal government pursuant to the cash management improvement
3 act. The office of financial management may direct transfers of funds
4 between accounts as deemed necessary to implement the provisions of the
5 cash management improvement act, and this subsection. Refunds or
6 allocations shall occur prior to the distributions of earnings set
7 forth in subsection (4) of this section.

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

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

20 (a) The following accounts and funds shall receive their
21 proportionate share of earnings based upon each account's and fund's
22 average daily balance for the period: The aquatic sustaining
23 investment account, the capitol building construction account, the
24 Cedar River channel construction and operation account, the Central
25 Washington University capital projects account, the charitable,
26 educational, penal and reformatory institutions account, the common
27 school construction fund, the county criminal justice assistance
28 account, the county sales and use tax equalization account, the data
29 processing building construction account, the deferred compensation
30 administrative account, the deferred compensation principal account,
31 the department of retirement systems expense account, the drinking
32 water assistance account, the drinking water assistance administrative
33 account, the drinking water assistance repayment account, the Eastern
34 Washington University capital projects account, the education
35 construction fund, the election account, the emergency reserve fund,
36 The Evergreen State College capital projects account, the federal
37 forest revolving account, the health services account, the public
38 health services account, the health system capacity account, the

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

1 account, the Washington State University building account, the
2 Washington State University bond retirement fund, the water pollution
3 control revolving fund, and the Western Washington University capital
4 projects account. Earnings derived from investing balances of the
5 agricultural permanent fund, the normal school permanent fund, the
6 permanent common school fund, the scientific permanent fund, and the
7 state university permanent fund shall be allocated to their respective
8 beneficiary accounts. All earnings to be distributed under this
9 subsection (4)(a) shall first be reduced by the allocation to the state
10 treasurer's service fund pursuant to RCW 43.08.190.

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

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

32 NEW SECTION. **Sec. 15.** The sum of five hundred thousand dollars,
33 or as much thereof as may be necessary, is appropriated for the
34 biennium ending June 30, 2007, from the aquatic sustaining investment
35 account to the department of natural resources for the purposes
36 described in section 4 of this act.

1 NEW SECTION. **Sec. 16.** Section 13 of this act expires July 1,
2 2006.

3 NEW SECTION. **Sec. 17.** Section 14 of this act takes effect July 1,
4 2006.

5 NEW SECTION. **Sec. 18.** RCW 79.90.250 (Sale procedure--Terms of
6 payment--Deferred payments, rate of interest) and 1982 1st ex.s. c 21
7 s 31 are each repealed.

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