

CERTIFICATION OF ENROLLMENT

SENATE BILL 6722

60th Legislature
2008 Regular Session

Passed by the Senate March 11, 2008
YEAS 46 NAYS 0

President of the Senate

Passed by the House March 5, 2008
YEAS 96 NAYS 0

Speaker of the House of Representatives

Approved

Governor of the State of Washington

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SENATE BILL 6722** as passed by the Senate and the House of Representatives on the dates hereon set forth.

Secretary

FILED

**Secretary of State
State of Washington**

SENATE BILL 6722

AS AMENDED BY THE HOUSE

Passed Legislature - 2008 Regular Session

State of Washington 60th Legislature 2008 Regular Session

By Senators Regala, Delvin, Schoesler, Pridemore, and Shin; by request of Department of Ecology

Read first time 01/22/08. Referred to Committee on Ways & Means.

1 AN ACT Relating to the creation and use of the cleanup settlement
2 account; reenacting and amending RCW 43.84.092, 43.84.092, and
3 43.84.092; adding a new section to chapter 70.105D RCW; providing
4 effective dates; and providing expiration dates.

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

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 70.105D
7 RCW to read as follows:

8 (1) The cleanup settlement account is created in the state
9 treasury. The account is not intended to replace the state toxics
10 control account established under RCW 70.105D.070. All receipts from
11 the sources identified in subsection (2) of this section must be
12 deposited into the account. Moneys in the account may be spent only
13 after appropriation. Expenditures from the account may be used only as
14 identified in subsection (4) of this section.

15 (2) The following receipts must be deposited into the cleanup
16 settlement account:

17 (a) Receipts from settlements or court orders that direct payment
18 to the account and resolve a person's liability or potential liability
19 under this chapter for either or both of the following:

1 (i) Conducting future remedial action at a specific facility, if it
2 is not feasible to require the person to conduct the remedial action
3 based on the person's financial insolvency, limited ability to pay, or
4 insignificant contribution under RCW 70.105D.040(4)(a);

5 (ii) Assessing or addressing the injury to natural resources caused
6 by the release of a hazardous substance from a specific facility; and

7 (b) Receipts from investment of the moneys in the account.

8 (3) If a settlement or court order does not direct payment of
9 receipts described in subsection (2)(a) of this section into the
10 cleanup settlement account, then the receipts from any payment to the
11 state must be deposited into the state toxics control account.

12 (4) Expenditures from the cleanup settlement account may only be
13 used to conduct remedial actions at the specific facility or to assess
14 or address the injury to natural resources caused by the release of
15 hazardous substances from that facility for which the moneys were
16 deposited in the account. Conducting remedial actions or assessing or
17 addressing injury to natural resources includes direct expenditures and
18 indirect expenditures such as department oversight costs.

19 (5) The department shall track moneys received, interest earned,
20 and moneys expended separately for each facility.

21 (6) After the department determines that all remedial actions at a
22 specific facility, and all actions assessing or addressing injury to
23 natural resources caused by the release of hazardous substances from
24 that facility, are completed, including payment of all related costs,
25 any moneys remaining for the specific facility must be transferred to
26 the state toxics control account established under RCW 70.105D.070.

27 (7) The department shall provide the office of financial management
28 and the fiscal committees of the legislature with a report by October
29 31st of each year regarding the activity within the cleanup settlement
30 account during the previous fiscal year.

31 **Sec. 2.** RCW 43.84.092 and 2007 c 514 s 3 and 2007 c 356 s 9 are
32 each reenacted and amended to read as follows:

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

36 (2) The treasury income account shall be utilized to pay or receive
37 funds associated with federal programs as required by the federal cash

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

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

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

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

1 community trust account, the drinking water assistance account, the
2 drinking water assistance administrative account, the drinking water
3 assistance repayment account, the Eastern Washington University capital
4 projects account, the education construction fund, the education legacy
5 trust account, the election account, the emergency reserve fund, the
6 energy freedom account, The Evergreen State College capital projects
7 account, the federal forest revolving account, the freight congestion
8 relief account, the freight mobility investment account, the freight
9 mobility multimodal account, the health services account, the public
10 health services account, the health system capacity account, the
11 personal health services account, the state higher education
12 construction account, the higher education construction account, the
13 highway infrastructure account, the high-occupancy toll lanes
14 operations account, the industrial insurance premium refund account,
15 the judges' retirement account, the judicial retirement administrative
16 account, the judicial retirement principal account, the local leasehold
17 excise tax account, the local real estate excise tax account, the local
18 sales and use tax account, the medical aid account, the mobile home
19 park relocation fund, the multimodal transportation account, the
20 municipal criminal justice assistance account, the municipal sales and
21 use tax equalization account, the natural resources deposit account,
22 the oyster reserve land account, the pension funding stabilization
23 account, the perpetual surveillance and maintenance account, the public
24 employees' retirement system plan 1 account, the public employees'
25 retirement system combined plan 2 and plan 3 account, the public
26 facilities construction loan revolving account beginning July 1, 2004,
27 the public health supplemental account, the public works assistance
28 account, the Puyallup tribal settlement account, the real estate
29 appraiser commission account, the regional mobility grant program
30 account, the resource management cost account, the rural Washington
31 loan fund, the site closure account, the small city pavement and
32 sidewalk account, the special wildlife account, the state employees'
33 insurance account, the state employees' insurance reserve account, the
34 state investment board expense account, the state investment board
35 commingled trust fund accounts, the supplemental pension account, the
36 Tacoma Narrows toll bridge account, the teachers' retirement system
37 plan 1 account, the teachers' retirement system combined plan 2 and
38 plan 3 account, the tobacco prevention and control account, the tobacco

1 settlement account, the transportation infrastructure account, the
2 transportation partnership account, the traumatic brain injury account,
3 the tuition recovery trust fund, the University of Washington bond
4 retirement fund, the University of Washington building account, the
5 volunteer firefighters' and reserve officers' relief and pension
6 principal fund, the volunteer firefighters' and reserve officers'
7 administrative fund, the Washington fruit express account, the
8 Washington judicial retirement system account, the Washington law
9 enforcement officers' and firefighters' system plan 1 retirement
10 account, the Washington law enforcement officers' and firefighters'
11 system plan 2 retirement account, the Washington public safety
12 employees' plan 2 retirement account, the Washington school employees'
13 retirement system combined plan 2 and 3 account, the Washington state
14 health insurance pool account, the Washington state patrol retirement
15 account, the Washington State University building account, the
16 Washington State University bond retirement fund, the water pollution
17 control revolving fund, and the Western Washington University capital
18 projects account. Earnings derived from investing balances of the
19 agricultural permanent fund, the normal school permanent fund, the
20 permanent common school fund, the scientific permanent fund, and the
21 state university permanent fund shall be allocated to their respective
22 beneficiary accounts. All earnings to be distributed under this
23 subsection (4)(a) shall first be reduced by the allocation to the state
24 treasurer's service fund pursuant to RCW 43.08.190.

25 (b) The following accounts and funds shall receive eighty percent
26 of their proportionate share of earnings based upon each account's or
27 fund's average daily balance for the period: The aeronautics account,
28 the aircraft search and rescue account, the county arterial
29 preservation account, the department of licensing services account, the
30 essential rail assistance account, the ferry bond retirement fund, the
31 grade crossing protective fund, the high capacity transportation
32 account, the highway bond retirement fund, the highway safety account,
33 the motor vehicle fund, the motorcycle safety education account, the
34 pilotage account, the public transportation systems account, the Puget
35 Sound capital construction account, the Puget Sound ferry operations
36 account, the recreational vehicle account, the rural arterial trust
37 account, the safety and education account, the special category C
38 account, the state patrol highway account, the transportation 2003

1 account (nickel account), the transportation equipment fund, the
2 transportation fund, the transportation improvement account, the
3 transportation improvement board bond retirement account, and the urban
4 arterial trust account.

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

8 **Sec. 3.** RCW 43.84.092 and 2007 c 514 s 3, 2007 c 484 s 4, and 2007
9 c 356 s 9 are each reenacted and amended to read as follows:

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

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

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

36 (4) Monthly, the state treasurer shall distribute the earnings

1 credited to the treasury income account. The state treasurer shall
2 credit the general fund with all the earnings credited to the treasury
3 income account except:

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

1 perpetual surveillance and maintenance account, the public employees'
2 retirement system plan 1 account, the public employees' retirement
3 system combined plan 2 and plan 3 account, the public facilities
4 construction loan revolving account beginning July 1, 2004, the public
5 health supplemental account, the public works assistance account, the
6 Puyallup tribal settlement account, the real estate appraiser
7 commission account, the regional mobility grant program account, the
8 resource management cost account, the rural Washington loan fund, the
9 site closure account, the small city pavement and sidewalk account, the
10 special wildlife account, the state employees' insurance account, the
11 state employees' insurance reserve account, the state investment board
12 expense account, the state investment board commingled trust fund
13 accounts, the supplemental pension account, the Tacoma Narrows toll
14 bridge account, the teachers' retirement system plan 1 account, the
15 teachers' retirement system combined plan 2 and plan 3 account, the
16 tobacco prevention and control account, the tobacco settlement account,
17 the transportation infrastructure account, the transportation
18 partnership account, the traumatic brain injury account, the tuition
19 recovery trust fund, the University of Washington bond retirement fund,
20 the University of Washington building account, the volunteer
21 firefighters' and reserve officers' relief and pension principal fund,
22 the volunteer firefighters' and reserve officers' administrative fund,
23 the Washington fruit express account, the Washington judicial
24 retirement system account, the Washington law enforcement officers' and
25 firefighters' system plan 1 retirement account, the Washington law
26 enforcement officers' and firefighters' system plan 2 retirement
27 account, the Washington public safety employees' plan 2 retirement
28 account, the Washington school employees' retirement system combined
29 plan 2 and 3 account, the Washington state health insurance pool
30 account, the Washington state patrol retirement account, the Washington
31 State University building account, the Washington State University bond
32 retirement fund, the water pollution control revolving fund, and the
33 Western Washington University capital projects account. Earnings
34 derived from investing balances of the agricultural permanent fund, the
35 normal school permanent fund, the permanent common school fund, the
36 scientific permanent fund, and the state university permanent fund
37 shall be allocated to their respective beneficiary accounts. All

1 earnings to be distributed under this subsection (4)(a) shall first be
2 reduced by the allocation to the state treasurer's service fund
3 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. 4.** RCW 43.84.092 and 2007 c 514 s 3, 2007 c 513 s 1, 2007 c
26 484 s 4, and 2007 c 356 s 9 are each reenacted and amended to read as
27 follows:

28 (1) All earnings of investments of surplus balances in the state
29 treasury shall be deposited to the treasury income account, which
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32 funds associated with federal programs as required by the federal cash
33 management improvement act of 1990. The treasury income account is
34 subject in all respects to chapter 43.88 RCW, but no appropriation is
35 required for refunds or allocations of interest earnings required by
36 the cash management improvement act. Refunds of interest to the
37 federal treasury required under the cash management improvement act

1 fall under RCW 43.88.180 and shall not require appropriation. The
2 office of financial management shall determine the amounts due to or
3 from the federal government pursuant to the cash management improvement
4 act. The office of financial management may direct transfers of funds
5 between accounts as deemed necessary to implement the provisions of the
6 cash management improvement act, and this subsection. Refunds or
7 allocations shall occur prior to the distributions of earnings set
8 forth in subsection (4) of this section.

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

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18 credited to the treasury income account. The state treasurer shall
19 credit the general fund with all the earnings credited to the treasury
20 income account except:

21 The following accounts and funds shall receive their proportionate
22 share of earnings based upon each account's and fund's average daily
23 balance for the period: The aeronautics account, the aircraft search
24 and rescue account, the budget stabilization account, the capitol
25 building construction account, the Cedar River channel construction and
26 operation account, the Central Washington University capital projects
27 account, the charitable, educational, penal and reformatory
28 institutions account, the cleanup settlement account, the Columbia
29 river basin water supply development account, the common school
30 construction fund, the county arterial preservation account, the county
31 criminal justice assistance account, the county sales and use tax
32 equalization account, the data processing building construction
33 account, the deferred compensation administrative account, the deferred
34 compensation principal account, the department of licensing services
35 account, the department of retirement systems expense account, the
36 developmental disabilities community trust account, the drinking water
37 assistance account, the drinking water assistance administrative
38 account, the drinking water assistance repayment account, the Eastern

1 Washington University capital projects account, the education
2 construction fund, the education legacy trust account, the election
3 account, the energy freedom account, the essential rail assistance
4 account, The Evergreen State College capital projects account, the
5 federal forest revolving account, the ferry bond retirement fund, the
6 freight congestion relief account, the freight mobility investment
7 account, the freight mobility multimodal account, the grade crossing
8 protective fund, the health services account, the public health
9 services account, the health system capacity account, the personal
10 health services account, the high capacity transportation account, the
11 state higher education construction account, the higher education
12 construction account, the highway bond retirement fund, the highway
13 infrastructure account, the highway safety account, the high-occupancy
14 toll lanes operations account, the industrial insurance premium refund
15 account, the judges' retirement account, the judicial retirement
16 administrative account, the judicial retirement principal account, the
17 local leasehold excise tax account, the local real estate excise tax
18 account, the local sales and use tax account, the medical aid account,
19 the mobile home park relocation fund, the motor vehicle fund, the
20 motorcycle safety education account, the multimodal transportation
21 account, the municipal criminal justice assistance account, the
22 municipal sales and use tax equalization account, the natural resources
23 deposit account, the oyster reserve land account, the pension funding
24 stabilization account, the perpetual surveillance and maintenance
25 account, the pilotage account, the public employees' retirement system
26 plan 1 account, the public employees' retirement system combined plan
27 2 and plan 3 account, the public facilities construction loan revolving
28 account beginning July 1, 2004, the public health supplemental account,
29 the public transportation systems account, the public works assistance
30 account, the Puget Sound capital construction account, the Puget Sound
31 ferry operations account, the Puyallup tribal settlement account, the
32 real estate appraiser commission account, the recreational vehicle
33 account, the regional mobility grant program account, the resource
34 management cost account, the rural arterial trust account, the rural
35 Washington loan fund, the safety and education account, the site
36 closure account, the small city pavement and sidewalk account, the
37 special category C account, the special wildlife account, the state
38 employees' insurance account, the state employees' insurance reserve

1 account, the state investment board expense account, the state
2 investment board commingled trust fund accounts, the state patrol
3 highway account, the supplemental pension account, the Tacoma Narrows
4 toll bridge account, the teachers' retirement system plan 1 account,
5 the teachers' retirement system combined plan 2 and plan 3 account, the
6 tobacco prevention and control account, the tobacco settlement account,
7 the transportation 2003 account (nickel account), the transportation
8 equipment fund, the transportation fund, the transportation improvement
9 account, the transportation improvement board bond retirement account,
10 the transportation infrastructure account, the transportation
11 partnership account, the traumatic brain injury account, the tuition
12 recovery trust fund, the University of Washington bond retirement fund,
13 the University of Washington building account, the urban arterial trust
14 account, the volunteer firefighters' and reserve officers' relief and
15 pension principal fund, the volunteer firefighters' and reserve
16 officers' administrative fund, the Washington fruit express account,
17 the Washington judicial retirement system account, the Washington law
18 enforcement officers' and firefighters' system plan 1 retirement
19 account, the Washington law enforcement officers' and firefighters'
20 system plan 2 retirement account, the Washington public safety
21 employees' plan 2 retirement account, the Washington school employees'
22 retirement system combined plan 2 and 3 account, the Washington state
23 health insurance pool account, the Washington state patrol retirement
24 account, the Washington State University building account, the
25 Washington State University bond retirement fund, the water pollution
26 control revolving fund, and the Western Washington University capital
27 projects account. Earnings derived from investing balances of the
28 agricultural permanent fund, the normal school permanent fund, the
29 permanent common school fund, the scientific permanent fund, and the
30 state university permanent fund shall be allocated to their respective
31 beneficiary accounts. All earnings to be distributed under this
32 subsection (4)(a) shall first be reduced by the allocation to the state
33 treasurer's service fund pursuant to RCW 43.08.190.

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

1 NEW SECTION. **Sec. 5.** (1) Section 2 of this act expires July 1,
2 2008.

3 (2) Section 3 of this act expires July 1, 2009.

4 NEW SECTION. **Sec. 6.** (1) Section 3 of this act takes effect July
5 1, 2008.

6 (2) Section 4 of this act takes effect July 1, 2009.

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