

CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 5741

Chapter 311, Laws of 2011

62nd Legislature
2011 Regular Session

ECONOMIC DEVELOPMENT COMMISSION

EFFECTIVE DATE: 07/22/11

Passed by the Senate April 20, 2011
YEAS 41 NAYS 6

BRAD OWEN

President of the Senate

Passed by the House April 9, 2011
YEAS 88 NAYS 7

FRANK CHOPP

Speaker of the House of Representatives

Approved May 10, 2011, 4:30 p.m.

CHRISTINE GREGOIRE

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 **SUBSTITUTE SENATE BILL 5741** as passed by the Senate and the House of Representatives on the dates hereon set forth.

THOMAS HOEMANN

Secretary

FILED

May 11, 2011

**Secretary of State
State of Washington**

SUBSTITUTE SENATE BILL 5741

AS AMENDED BY THE HOUSE

Passed Legislature - 2011 Regular Session

State of Washington 62nd Legislature 2011 Regular Session

By Senate Economic Development, Trade & Innovation (originally sponsored by Senators Kastama and Chase)

READ FIRST TIME 02/18/11.

1 AN ACT Relating to the economic development commission; amending
2 RCW 43.162.005, 43.162.010, 43.162.015, 43.162.020, 43.162.025, and
3 43.162.030; reenacting and amending RCW 43.84.092; and adding new
4 sections to chapter 43.162 RCW.

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

6 **Sec. 1.** RCW 43.162.005 and 2007 c 232 s 1 are each amended to read
7 as follows:

8 (1) ~~The legislature finds that ((Washington's innovation and trade-~~
9 ~~driven economy has provided tremendous opportunities for citizens of~~
10 ~~the state, but that there is no guarantee that globally competitive~~
11 ~~firms will continue to grow and locate in the state. The current~~
12 ~~economic development system is fragmented among numerous programs,~~
13 ~~councils, — centers, — and — organizations — with — inadequate — overall~~
14 ~~coordination and insufficient guidance built into the system to ensure~~
15 ~~that the system is responsive to its customers. The current economic~~
16 ~~development — system's — data gathering — and — evaluation — methods — are~~
17 ~~inconsistent and unable to provide adequate information for determining~~
18 ~~how well the system is performing on a regular basis so the system may~~
19 ~~be held accountable for its outcomes.~~

1 ~~The legislature also finds that developing a comprehensive economic~~
2 ~~development strategic plan to guide the operation of effective economic~~
3 ~~development programs, including workforce training, infrastructure~~
4 ~~development, small business assistance, technology transfer, and export~~
5 ~~assistance, is vital to the state's efforts to increase the~~
6 ~~competitiveness of state businesses, encourage employment growth,~~
7 ~~increase state revenues, and generate economic well being. There is a~~
8 ~~need for responsive and consistent involvement of the private sector in~~
9 ~~the state's economic development efforts. The legislature finds that~~
10 ~~there is a need for the development of coordination criteria for~~
11 ~~business recruitment, expansion, and retention activities carried out~~
12 ~~by the state and local entities. It is the intent of the legislature))~~
13 in order to achieve long-term global competitiveness, prosperity, and
14 economic opportunity for all the state's citizens, Washington state
15 must become the most attractive, creative, and fertile investment
16 environment for innovation in the world.

17 (2) The legislature finds that the state must take a strategic
18 approach to fostering an innovation economy, and that success will be
19 driven by public and private sector leaders who are committed to
20 developing and advocating a shared vision and collaborating across
21 organizational and geographic boundaries. The legislature therefore
22 intends to create an economic development commission that will provide
23 planning, coordination, evaluation, monitoring, and policy analysis and
24 development for the state economic development system as a whole, and
25 advice to the governor and legislature concerning the state economic
26 development system.

27 **Sec. 2.** RCW 43.162.010 and 2007 c 232 s 2 are each amended to read
28 as follows:

29 (1) The Washington state economic development commission is
30 established to (~~oversee the economic development strategies and~~
31 ~~policies of the department of community, trade, and economic~~
32 ~~development)) assist the governor and legislature by providing
33 leadership, direction, and guidance on a long-term and systematic
34 approach to economic development that will result in enduring global
35 competitiveness, prosperity, and economic opportunity for all the
36 state's citizens.~~

1 (2)(a) The (~~Washington state economic development commission shall~~
2 ~~consist of eleven voting members~~) commission consists of twenty-four
3 members. Fifteen of the members must be voting members appointed by
4 the governor as follows: (~~Six~~) Eight representatives of the private
5 sector, one representative of labor from east of the crest of the
6 Cascade mountains and one representative of labor from west of the
7 crest of the Cascade mountains, one representative of port districts,
8 one representative of four-year state public higher education, one
9 representative (~~for~~) of state community or technical colleges, one
10 representative with expertise in international trade, and one
11 representative of associate development organizations. The director of
12 the department of (~~community, trade, and economic development~~)
13 commerce, the director of the workforce training and education
14 coordinating board, the commissioner of the employment security
15 department, the secretary of the department of transportation, the
16 director of the department of agriculture, and the chairs and ranking
17 minority members of the standing committees of the house of
18 representatives and the senate overseeing economic development policies
19 (~~shall~~) must serve as nonvoting ex officio members.

20 (b) Members may not designate alternates, substitutes, or
21 surrogates. However, members may participate in a meeting by
22 conference telephone or similar communications equipment so that all
23 persons participating in the meeting can hear each other at the same
24 time. Participation by that method constitutes presence in person at
25 a meeting.

26 (c) The chair of the commission (~~shall~~) must be a private sector
27 voting member selected by the governor with the consent of the senate,
28 and shall serve at the pleasure of the governor. (~~In selecting the~~
29 ~~chair, the governor shall seek a person who understands the future~~
30 ~~economic needs of the state and nation and the role the state's~~
31 ~~economic development system has in meeting those needs.~~

32 (~~b~~) A vice chair must be elected by members of the commission but
33 may not be the director of an executive branch agency or a member of
34 the legislature. The vice chair must exercise the duties of the
35 commission chair in his or her absence.

36 (d) In making the appointments, the governor (~~shall~~) must consult
37 with the commission and with organizations that have an interest in
38 economic development, including, but not limited to, industry

1 associations, labor organizations, minority business associations,
2 economic development councils, chambers of commerce, port associations,
3 tribes, and the chairs of the legislative committees with jurisdiction
4 over economic development.

5 ~~((e))~~ (e) The members ~~((shall))~~ must be representative of the
6 geographic regions of the state, including eastern and central
7 Washington, as well as represent the ethnic diversity of the state.
8 Private sector members ~~((shall))~~ must represent existing and emerging
9 industries, small businesses, women-owned businesses, and minority-
10 owned businesses. Members of the commission ~~((shall))~~ must serve
11 statewide interests while preserving their diverse perspectives, and
12 ~~((shall))~~ must be recognized leaders in their fields with demonstrated
13 experience in economic development, innovation, or disciplines related
14 to economic development.

15 (3) Members appointed by the governor ~~((shall))~~ serve at the
16 pleasure of the governor for not more than two consecutive three-year
17 terms, except that, as determined by the governor, the terms of four of
18 the appointees on the commission on the effective date of this section
19 expire in 2012, the terms of four of the appointees on the commission
20 on the effective date of this section expire in 2013, and the terms of
21 three of the appointees on the commission on the effective date of this
22 section expire in 2014. Thereafter all terms are for three years.
23 Vacancies must be filled in the same manner as the original
24 appointments.

25 (4) The commission may establish committees as it desires, and may
26 invite nonmembers of the commission to serve as committee members.

27 (5) The executive director of the commission ~~((shall))~~ must be
28 appointed by the governor with the consent of the ~~((voting members of~~
29 ~~the))~~ commission. The salary of the executive director must be set by
30 the governor with the consent of the commission. The governor may
31 dismiss the executive director only with the approval of a majority
32 vote of the commission. The commission, by a majority vote, may
33 dismiss the executive director with the approval of the governor. The
34 commission must evaluate the performance of the executive director in
35 a manner consistent with the process used by the governor to evaluate
36 the performance of agency directors.

37 (6) The commission may adopt ~~((rules))~~ policies and procedures for
38 its own governance.

1 NEW SECTION. Sec. 3. A new section is added to chapter 43.162 RCW
2 to read as follows:

3 For the purposes of this chapter, unless the context clearly
4 requires otherwise, "commission" means the Washington state economic
5 development commission created under RCW 43.162.005.

6 **Sec. 4.** RCW 43.162.015 and 2007 c 232 s 3 are each amended to read
7 as follows:

8 (1) ~~((The commission shall employ an executive director.))~~ The
9 executive director ~~((shall serve as chief executive officer of the
10 commission and shall))~~ of the commission must serve as its chief
11 executive officer. Subject to available resources and in accordance
12 with commission direction, the executive director must:

13 (a) Administer the provisions of this chapter, employ such
14 personnel as may be necessary to implement the purposes of this
15 chapter, utilize staff of existing operating agencies to the fullest
16 extent possible, and employ outside consulting and service agencies
17 when appropriate(~~(-~~

18 ~~(2) The executive director may not be the chair of the commission.~~

19 ~~(3) The executive director shall));~~

20 (b) Appoint necessary staff who ~~((shall be))~~ are exempt from the
21 provisions of chapter 41.06 RCW. The executive director's appointees
22 ~~((shall))~~ serve at the executive director's pleasure on such terms and
23 conditions as the executive director determines but subject to chapter
24 42.52 RCW.

25 ~~((4) The executive director shall appoint and employ such other
26 employees as may be required for the proper discharge of the functions
27 of the commission.~~

28 ~~(5))~~ The executive director shall, subject to the availability of
29 funds for this purpose, implement a hiring process for a research
30 manager responsible for managing the data collection, database, and
31 evaluation functions under RCW 43.162.020 and 43.162.025. By October
32 1, 2011, the executive director must make a recommendation to the
33 commission on a qualified candidate to fill the research manager
34 position. The commission is responsible for making the final decision
35 on hiring the research manager;

36 (c) Appoint employees who are subject to the provisions of chapter
37 41.06 RCW; and

1 (d) Contract with additional persons who have specific technical
2 expertise if needed to carry out a specific, time-limited project.

3 (2) The executive director (~~shall exercise such additional~~
4 ~~powers~~) must exercise additional authority, other than rule making, as
5 may be delegated by the commission.

6 (3) The executive director must develop for commission review and
7 approval an annual commission budget and work plan in accordance with
8 the omnibus appropriations bill approved by the legislature, and must
9 present a fiscal report to the commission quarterly for its review and
10 comment.

11 (4) The executive director of the commission must report solely to
12 the governor and the commissioners on matters pertaining to commission
13 operations.

14 **Sec. 5.** RCW 43.162.020 and 2009 c 151 s 9 are each amended to read
15 as follows:

16 ~~((The Washington state economic development commission shall:~~

17 ~~(1) Concentrate its major efforts on planning, coordination,~~
18 ~~evaluation, policy analysis, and recommending improvements to the~~
19 ~~state's economic development system using, but not limited to, the~~
20 ~~"Next Washington" plan and the global competitiveness council~~
21 ~~recommendations;~~

22 ~~(2) Develop and maintain on a biennial basis a state comprehensive~~
23 ~~plan for economic development, including but not limited to goals,~~
24 ~~objectives, and priorities for the state economic development system;~~
25 ~~identify the elements local associate development organizations must~~
26 ~~include in their countywide economic development plans; and review the~~
27 ~~state system for consistency with the state comprehensive plan. The~~
28 ~~plan shall)) (1) The commission must concentrate its major efforts on~~
29 strategic planning, policy research and analysis, advocacy, evaluation,
30 and promoting coordination and collaboration.

31 (2) During each regular legislative session, the commission must
32 consult with appropriate legislative committees about the state's
33 economic development needs and opportunities.

34 (3)(a) By October 1st of each even-numbered year, the commission
35 must submit to the governor and legislature a biennial comprehensive
36 statewide economic development strategy with a report on progress from
37 the previous comprehensive strategy.

1 (b) The comprehensive statewide economic development strategy must
2 include the industry clusters in the state and the strategic clusters
3 targeted by the commission for economic development efforts. The
4 commission (~~(shall)~~) must consult with the workforce training and
5 education coordinating board and include labor market and economic
6 information by the employment security department in developing the
7 list of clusters and strategic clusters that meet the criteria
8 identified by the working group convened by the economic development
9 commission and the workforce training and education coordinating board
10 under chapter 43.330 RCW.

11 (4)(a) In developing the (~~(state comprehensive plan for economic~~
12 ~~development))~~ comprehensive statewide economic development strategy,
13 the commission (~~(shall)~~) must use, but may not be limited to:
14 Economic, labor market, and populations trend reports in office of
15 financial management forecasts; the annual state economic climate
16 report prepared by the economic climate council; joint office of
17 financial management and employment security department labor force,
18 industry employment, and occupational forecasts; the results of
19 scientifically based outcome evaluations; the needs of industry
20 associations, industry clusters, businesses, and employees as evidenced
21 in formal surveys and other input(~~(+~~

22 ~~(3) Establish and maintain an inventory of the programs of the~~
23 ~~state economic development system and related state programs; perform~~
24 ~~a biennial assessment of the ongoing and strategic economic development~~
25 ~~needs of the state; and assess the extent to which the economic~~
26 ~~development system and related programs represent a consistent,~~
27 ~~coordinated, efficient, and integrated approach to meet such needs; and~~

28 ~~(4) Produce a biennial report to the governor and the legislature~~
29 ~~on progress by the commission in coordinating the state's economic~~
30 ~~development system and meeting the other obligations of this chapter,~~
31 ~~as well as include recommendations for any statutory changes necessary~~
32 ~~to enhance operational efficiencies or improve coordination.~~

33 ~~The commission may delegate to the executive director any of the~~
34 ~~functions of this section)).~~

35 (b) The comprehensive statewide economic development strategy may
36 include:

37 (i) An assessment of the state's economic vitality;

1 (ii) Recommended goals, objectives, and priorities for the next
2 biennium, and the future;

3 (iii) A common set of outcomes and benchmarks for the economic
4 development system as a whole;

5 (iv) Recommendations for removing barriers and promoting
6 collaboration among participants in the innovation ecosystem;

7 (v) An inventory of existing relevant programs compiled by the
8 commission from materials submitted by agencies;

9 (vi) Recommendations for expanding, discontinuing, or redirecting
10 existing programs, or adding new programs; and

11 (vii) Recommendations of best practices and public and private
12 sector roles in implementing the comprehensive statewide economic
13 development strategy.

14 (5) In developing the biennial statewide economic development
15 strategy, plans, inventories, assessments, and policy research, the
16 commission must consult, collaborate, and coordinate with relevant
17 state agencies, private sector businesses, nonprofit organizations
18 involved in economic development, trade associations, and relevant
19 local organizations in order to avoid duplication of effort.

20 (6) State agencies must cooperate with the commission and provide
21 information as the commission may reasonably request.

22 (7) The commission must develop a biennial budget request for
23 approval by the office of financial management. The commission must
24 adopt an annual budget and work plan in accordance with the omnibus
25 appropriations bill approved by the legislature.

26 (8)(a) The commission and its fiscal agent must jointly develop and
27 adopt a memorandum of understanding to outline and establish clear
28 lines of authority and responsibility between them related to budget
29 and administrative services.

30 (b) The memorandum of understanding may not provide any additional
31 grant of authorities to the commission or the fiscal agent that is not
32 already provided for by statute, nor diminish any authorities or powers
33 granted to either party by statute.

34 (c) Periodically, but not less often than biannually, the
35 commission and fiscal agent must review the memorandum of understanding
36 and, if necessary, recommend changes to the other party.

37 (d) As provided generally under RCW 43.162.015, the executive

1 director of the commission must report solely to the governor and the
2 commissioners on matters pertaining to commission operations.

3 (9) To maintain its objectivity and concentration on strategic
4 planning, policy research and analysis, and evaluation, the commission
5 may not take an administrative role in the delivery of services.
6 However, subject to available resources and consistent with its work
7 plan, the commission or the executive director may conduct outreach
8 activities such as regional forums and best practices seminars.

9 (10) The commission must evaluate its own performance on a regular
10 basis.

11 (11) The commission may accept gifts, grants, donations,
12 sponsorships, or contributions from any federal, state, or local
13 governmental agency or program, or any private source, and expend the
14 same for any purpose consistent with this chapter.

15 **Sec. 6.** RCW 43.162.025 and 2007 c 232 s 5 are each amended to read
16 as follows:

17 (1) Subject to available funds, the Washington state economic
18 development commission may:

19 ~~((1))~~ (a) Periodically review for consistency with the state
20 comprehensive plan for economic development the policies and plans
21 established for:

22 ~~((a))~~ (i) Business and technical assistance by the small business
23 development center, the Washington manufacturing service, the
24 Washington technology center, associate development organizations, the
25 department of ~~(community, trade, and economic development)~~ commerce,
26 and the office of minority and women-owned business enterprises;

27 ~~((b))~~ (ii) Export assistance by the small business export finance
28 assistance center, the international marketing program for agricultural
29 commodities and trade, the department of agriculture, the center for
30 international trade in forest products, associate development
31 organizations, and the department of ~~(community, trade, and economic~~
32 ~~development)~~ commerce; and

33 ~~((c))~~ (iii) Infrastructure development by the department of
34 ~~(community, trade, and economic development)~~ commerce and the
35 department of transportation; and

36 ~~((2))~~ (b) Review and make recommendations to the office of
37 financial management and the legislature on budget requests and

1 legislative proposals relating to the state economic development system
2 for purposes of consistency with the state comprehensive plan for
3 economic development((;

4 ~~(3) Provide for coordination among the different agencies,~~
5 ~~organizations, and components of the state economic development system~~
6 ~~at the state level and at the regional level;~~

7 ~~(4) Advocate for the state economic development system and for~~
8 ~~meeting the needs of industry associations, industry clusters,~~
9 ~~businesses, and employees;~~

10 ~~(5) Identify partners and)).~~

11 (2) The Washington state economic development commission must:

12 (a) In collaboration with the department of commerce and other
13 partners, develop a plan ~~((to develop))~~ for a consistent and reliable
14 database on participation rates, costs, program activities, and
15 outcomes from publicly funded economic development programs in this
16 state by ~~((January 1, 2011.))~~ October 1, 2012;

17 ~~((a) In coordination with the development of the database, the~~
18 ~~commission shall))~~

19 (b) By October 1, 2012, establish standards for data collection and
20 maintenance for providers in the economic development system in a
21 format that is accessible to use by the commission. The commission
22 ~~((shall))~~ must require a minimum of common core data to be collected by
23 each entity providing economic development services with public funds
24 and shall develop requirements for minimum common core data in
25 consultation with the economic climate council, the office of financial
26 management, and the providers of economic development services;

27 ~~((b) The commission shall))~~ (c) Establish minimum common standards
28 and metrics for program evaluation of economic development programs,
29 and monitor such program evaluations; and

30 ~~((c) The commission shall,))~~ (d) Beginning no later than January
31 1, 2012, periodically administer, based on a schedule established by
32 the commission, scientifically based outcome evaluations of the state
33 economic development system including, but not limited to, surveys of
34 industry associations, industry cluster associations, and businesses
35 served by publicly funded economic development programs; matches with
36 employment security department payroll and wage files; and matches with
37 department of revenue tax files; and

1 (~~(6)~~) (e) Evaluate proposals for expenditure from the economic
2 development strategic reserve account and recommend expenditures from
3 the account.

4 (~~The commission may delegate to the director any of the functions~~
5 ~~of this section.~~) (3) The governor or legislature may direct the
6 commission, from time to time, to undertake additional research and
7 policy analysis, assessments, or other special projects related to its
8 mission.

9 **Sec. 7.** RCW 43.162.030 and 2007 c 232 s 7 are each amended to read
10 as follows:

11 Creation of the (~~Washington — state — economic — development~~)
12 commission (~~shall~~) may not be construed to modify any authority or
13 budgetary responsibility of the governor or the department of
14 (~~community, trade, and economic development~~) commerce.

15 NEW SECTION. **Sec. 8.** A new section is added to chapter 43.162 RCW
16 to read as follows:

17 (1) The Washington state economic development commission account is
18 created in the state treasury. All receipts from gifts, grants,
19 donations, sponsorships, or contributions under RCW 43.162.020 must be
20 deposited into the account. Moneys in the account may be spent only
21 after appropriation. Expenditures from the account may be used by the
22 Washington state economic development commission only for purposes
23 related to carrying out the mission, roles, and responsibilities of the
24 commission.

25 (2) Whenever any money, from the federal government or from other
26 sources, that was not anticipated in the budget approved by the
27 legislature, has actually been received and is designated to be spent
28 for a specific purpose, the executive director must use the
29 unanticipated receipts process as provided in RCW 43.79.270 to request
30 authority to spend the money.

31 **Sec. 9.** RCW 43.84.092 and 2010 1st sp.s. c 30 s 20, 2010 1st sp
32 s c 9 s 7, 2010 c 248 s 6, 2010 c 222 s 5, 2010 c 162 s 6, and 2010 c
33 145 s 11 are each reenacted and amended to read as follows:

34 (1) All earnings of investments of surplus balances in the state

1 treasury shall be deposited to the treasury income account, which
2 account is hereby established in the state treasury.

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

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

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

30 (a) The following accounts and funds shall receive their
31 proportionate share of earnings based upon each account's and fund's
32 average daily balance for the period: The aeronautics account, the
33 aircraft search and rescue account, the budget stabilization account,
34 the capitol building construction account, the Cedar River channel
35 construction and operation account, the Central Washington University
36 capital projects account, the charitable, educational, penal and
37 reformatory institutions account, the cleanup settlement account, the
38 Columbia river basin water supply development account, the common

1 school construction fund, the county arterial preservation account, the
2 county criminal justice assistance account, the county sales and use
3 tax equalization account, the deferred compensation administrative
4 account, the deferred compensation principal account, the department of
5 licensing services account, the department of retirement systems
6 expense account, the developmental disabilities community trust
7 account, the drinking water assistance account, the drinking water
8 assistance administrative account, the drinking water assistance
9 repayment account, the Eastern Washington University capital projects
10 account, the education construction fund, the education legacy trust
11 account, the election account, the energy freedom account, the energy
12 recovery act account, the essential rail assistance account, The
13 Evergreen State College capital projects account, the federal forest
14 revolving account, the ferry bond retirement fund, the freight
15 congestion relief account, the freight mobility investment account, the
16 freight mobility multimodal account, the grade crossing protective
17 fund, the public health services account, the health system capacity
18 account, the high capacity transportation account, the state higher
19 education construction account, the higher education construction
20 account, the highway bond retirement fund, the highway infrastructure
21 account, the highway safety account, the high occupancy toll lanes
22 operations account, the hospital safety net assessment fund, the
23 industrial insurance premium refund account, the judges' retirement
24 account, the judicial retirement administrative account, the judicial
25 retirement principal account, the local leasehold excise tax account,
26 the local real estate excise tax account, the local sales and use tax
27 account, the marine resources stewardship trust account, the medical
28 aid account, the mobile home park relocation fund, the motor vehicle
29 fund, the motorcycle safety education account, the multiagency
30 permitting team account, the multimodal transportation account, the
31 municipal criminal justice assistance account, the municipal sales and
32 use tax equalization account, the natural resources deposit account,
33 the oyster reserve land account, the pension funding stabilization
34 account, the perpetual surveillance and maintenance account, the public
35 employees' retirement system plan 1 account, the public employees'
36 retirement system combined plan 2 and plan 3 account, the public
37 facilities construction loan revolving account beginning July 1, 2004,
38 the public health supplemental account, the public transportation

1 systems account, the public works assistance account, the Puget Sound
2 capital construction account, the Puget Sound ferry operations account,
3 the Puyallup tribal settlement account, the real estate appraiser
4 commission account, the recreational vehicle account, the regional
5 mobility grant program account, the resource management cost account,
6 the rural arterial trust account, the rural Washington loan fund, the
7 site closure account, the small city pavement and sidewalk account, the
8 special category C account, the special wildlife account, the state
9 employees' insurance account, the state employees' insurance reserve
10 account, the state investment board expense account, the state
11 investment board commingled trust fund accounts, the state patrol
12 highway account, the state route number 520 civil penalties account,
13 the state route number 520 corridor account, the supplemental pension
14 account, the Tacoma Narrows toll bridge account, the teachers'
15 retirement system plan 1 account, the teachers' retirement system
16 combined plan 2 and plan 3 account, the tobacco prevention and control
17 account, the tobacco settlement 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, the
21 transportation infrastructure account, the transportation partnership
22 account, the traumatic brain injury account, the tuition recovery trust
23 fund, the University of Washington bond retirement fund, the University
24 of Washington building account, the urban arterial trust account, the
25 volunteer firefighters' and reserve officers' relief and pension
26 principal fund, the volunteer firefighters' and reserve officers'
27 administrative fund, the Washington judicial retirement system account,
28 the Washington law enforcement officers' and firefighters' system plan
29 1 retirement account, the Washington law enforcement officers' and
30 firefighters' system plan 2 retirement account, the Washington public
31 safety employees' plan 2 retirement account, the Washington school
32 employees' retirement system combined plan 2 and 3 account, the
33 Washington__state__economic__development__commission__account, the
34 Washington state health insurance pool account, the Washington state
35 patrol retirement account, the Washington State University building
36 account, the Washington State University bond retirement fund, the
37 water pollution control revolving fund, and the Western Washington
38 University capital projects account. Earnings derived from investing

1 balances of the agricultural permanent fund, the normal school
2 permanent fund, the permanent common school fund, the scientific
3 permanent fund, and the state university permanent fund shall be
4 allocated to their respective beneficiary accounts.

5 (b) Any state agency that has independent authority over accounts
6 or funds not statutorily required to be held in the state treasury that
7 deposits funds into a fund or account in the state treasury pursuant to
8 an agreement with the office of the state treasurer shall receive its
9 proportionate share of earnings based upon each account's or fund's
10 average daily balance for the period.

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

Passed by the Senate April 20, 2011.

Passed by the House April 9, 2011.

Approved by the Governor May 10, 2011.

Filed in Office of Secretary of State May 11, 2011.