CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 6581

Chapter 198, Laws of 2012

62nd Legislature 2012 Regular Session

ACCOUNTS AND FUNDS--ELIMINATION

EFFECTIVE DATE: 07/01/12

Passed by the Senate March 5, 2012 YEAS 46 NAYS 2

BRAD OWEN

President of the Senate

Passed by the House March 7, 2012 YEAS 97 NAYS 0

FRANK CHOPP

Speaker of the House of Representatives

Approved March 29, 2012, 7:39 p.m.

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 6581** as passed by the Senate and the House of Representatives on the dates hereon set forth.

THOMAS HOEMANN

Secretary

FILED

March 29, 2012

CHRISTINE GREGOIRE

Governor of the State of Washington

Secretary of State State of Washington

SUBSTITUTE SENATE BILL 6581

Passed Legislature - 2012 Regular Session

State of Washington

62nd Legislature

2012 Regular Session

By Senate Ways & Means (originally sponsored by Senator Murray; by request of Office of Financial Management)

READ FIRST TIME 02/24/12.

- AN ACT Relating to eliminating accounts and funds; amending RCW 1 2 70.94.6532, 43.330.090, 43.99G.020, 28A.300.440, 82.32.393, 82.45.210, 43.79A.040, 50.04.070, 50.04.072, 50.16.010, 43.330.310, 43.99I.020, 3 43.99Q.130, 78.56.080, 28B.95.150, 59.22.020, 59.22.032, 59.22.034, 4 5 42.16.011, 42.16.012, 28B.109.020, 28B.109.040, 28B.133.030, and 6 43.31A.400; reenacting and amending RCW 43.84.092; creating a new 7 section; repealing RCW 82.14.200, 82.14.210, 70.05.125, 43.330.092, 8 82.14.380, 28B.57.050, 76.09.400, 43.155.055, 43.211.050, 28A.300.445, 9 43.63A.760, 50.12.280, 43.79.485, 82.45.200, 90.88.060, 50.16.015, 43.43.565, 41.04.395, 43.21K.170, 77.65.230, 38.52.106, 43.176.040, 10 43.340.120, 43.155.100, 59.22.030, 43.72.904, 42.16.016, 42.26.010, 11 12 28B.109.050, 70.94.630, 82.32.392, 28B.109.060, 43.43.866, 66.08.235; repealing 1997 c 149 s 707 (uncodified); repealing 2000 2nd 13 14 sp.s. c 1 ss 711, 717, and 719 (uncodified); repealing 2007 c 522 s 15 1621 (uncodified); making an appropriation; and providing an effective 16 date.
- 17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 18 **Sec. 1.** RCW 70.94.6532 and 2009 c 118 s 403 are each amended to read as follows:

It is hereby declared to be the policy of this state that strong efforts should be made to minimize adverse effects on air quality from the open burning of field and turf grasses grown for seed. To such end this section is intended to promote the development of economical and practical alternate agricultural practices to such burning, and to provide for interim regulation of such burning until practical alternates are found.

- (1) The department shall approve of a study or studies for the exploration and identification of economical and practical alternate agricultural practices to the open burning of field and turf grasses grown for seed. Any study conducted pursuant to this section shall be conducted by Washington State University. The university may not charge more than eight percent for administrative overhead. Prior to the issuance of any permit for such burning under RCW 70.94.6528, there shall be collected a fee not to exceed one dollar per acre of crop to be burned. Any such fees received by any authority shall be transferred to the department of ecology. The department of ecology shall deposit all such acreage fees in ((a special grass seed burning research account, hereby created, in the state—treasury)) the general fund.
- (2) The department shall allocate moneys annually ((from—this account)) for the support of any approved study or studies as provided for in subsection (1) of this section. ((Whenever the department of ecology shall conclude that sufficient reasonably available alternates to open burning have been developed, and at such time as all costs of any studies have been paid, the grass seed burning research account shall be dissolved, and any money remaining therein shall revert to the general fund.)) The fee collected under subsection (1) of this section shall constitute the research portion of fees required under RCW 70.94.6528 for open burning of grass grown for seed.
- (3) Whenever on the basis of information available to it, the department after public hearings have been conducted wherein testimony will be received and considered from interested parties wishing to testify shall conclude that any procedure, program, technique, or device constitutes a practical alternate agricultural practice to the open burning of field or turf grasses grown for seed, the department shall, by order, certify approval of such alternate. Thereafter, in

any case which any such approved alternate is reasonably available, the open burning of field and turf grasses grown for seed shall be disallowed and no permit shall issue therefor.

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- (4) Until approved alternates become available, the department or the authority may limit the number of acres on a pro rata basis among those affected for which permits to burn will be issued in order to effectively control emissions from this source.
- (5) Permits issued for burning of field and turf grasses may be conditioned to minimize emissions insofar as practical, including denial of permission to burn during periods of adverse meteorological conditions.
- 12 (6) Every two years until grass seed burning is prohibited,
 13 Washington State University may prepare a brief report assessing the
 14 potential of the university's research to result in economical and
 15 practical alternatives to grass seed burning.
- 20 (1) All earnings of investments of surplus balances in the state 21 treasury shall be deposited to the treasury income account, which 22 account is hereby established in the state treasury.
 - (2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.

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- (3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.
- (4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:
- The following accounts and funds shall receive their (a) proportionate share of earnings based upon each account's and fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the budget stabilization account, capital vessel replacement account, the capitol construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the cleanup settlement account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the common school construction fund, the county arterial preservation account, the county criminal justice assistance account, ((the county sales and use tax equalization account,)) the deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of retirement systems expense account, the developmental disabilities community trust account, the drinking water assistance account, the drinking water assistance administrative account, the drinking water assistance repayment account, the Eastern Washington University capital projects account, the Interstate 405 express toll lanes operations account, the education construction fund, the education legacy trust account, the election account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the federal forest revolving account, the ferry bond

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retirement fund, the freight congestion relief account, the freight 1 2 mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the public health services account, 3 ((the — health — system — capacity — account,)) the 4 high 5 transportation account, the state higher education construction account, the higher education construction account, the highway bond 6 7 retirement fund, the highway infrastructure account, the highway safety account, the high occupancy toll lanes operations account, the hospital 8 safety net assessment fund, the industrial insurance premium refund 9 10 account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the 11 12 local leasehold excise tax account, the local real estate excise tax 13 account, the local sales and use tax account, the marine resources 14 stewardship trust account, the medical aid account, the mobile home park relocation fund, the motor vehicle fund, the motorcycle safety 15 education account, the multiagency permitting team account, the 16 17 multimodal transportation account, the municipal criminal justice assistance account, ((the-municipal-sales-and-use-tax-equalization 18 account,)) the natural resources deposit account, the oyster reserve 19 land account, the pension funding stabilization account, the perpetual 20 21 surveillance and maintenance account, the public employees' retirement 22 system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan 23 24 revolving account beginning July 1, 2004, the public health 25 supplemental account, the public transportation systems account, the public works assistance account, the Puget Sound capital construction 26 27 account, the Puget Sound ferry operations account, the Puyallup tribal settlement account, the real estate appraiser commission account, the 28 recreational vehicle account, the regional mobility grant program 29 account, the resource management cost account, the rural arterial trust 30 31 account, the rural mobility grant program account, the rural Washington 32 loan fund, the site closure account, the skilled nursing facility safety net trust fund, the small city pavement and sidewalk account, 33 the special category C account, the special wildlife account, the state 34 employees' insurance account, the state employees' insurance reserve 35 account, the state investment board expense account, the state 36 37 investment board commingled trust fund accounts, the state patrol 38 highway account, the state route number 520 civil penalties account,

the state route number 520 corridor account, the state wildlife 1 2 account, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the 3 teachers' retirement system combined plan 2 and plan 3 account, the 4 tobacco prevention and control account, the tobacco settlement account, 5 the transportation 2003 account (nickel account), the transportation 6 7 equipment fund, the transportation fund, the transportation improvement account, the transportation improvement board bond retirement account, 8 infrastructure account, 9 transportation the transportation partnership account, the traumatic brain injury account, the tuition 10 recovery trust fund, the University of Washington bond retirement fund, 11 12 University of Washington building account, the volunteer 13 firefighters' and reserve officers' relief and pension principal fund, 14 the volunteer firefighters' and reserve officers' administrative fund, the Washington judicial retirement system account, the Washington law 15 enforcement officers' and firefighters' system plan 1 retirement 16 account, the Washington law enforcement officers' and firefighters' 17 system plan 2 retirement account, the Washington public safety 18 employees' plan 2 retirement account, the Washington school employees' 19 retirement system combined plan 2 and 3 account, the Washington state 20 21 economic development commission account, the Washington state health 22 insurance pool account, the Washington state patrol retirement account, the Washington State University building account, the Washington State 23 24 University bond retirement fund, the water pollution control revolving 25 fund, and the Western Washington University capital projects account. Earnings derived from investing balances of the agricultural permanent 26 27 fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state university permanent 28 fund shall be allocated to their respective beneficiary accounts. 29

- (b) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the state treasury that deposits funds into a fund or account in the state treasury pursuant to an agreement with the office of the state treasurer shall receive its proportionate share of earnings based upon each account's or fund's average daily balance for the period.
- 36 (5) In conformance with Article II, section 37 of the state 37 Constitution, no treasury accounts or funds shall be allocated earnings 38 without the specific affirmative directive of this section.

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- 1 **Sec. 3.** RCW 43.330.090 and 2010 1st sp.s. c 7 s 59 are each 2 amended to read as follows:
- (1) The department shall work with private sector organizations, 3 industry and sector associations, federal agencies, state agencies that 4 5 use a sector-based approach to service delivery, local governments, local associate development organizations, and higher education and 6 7 training institutions in the development of industry sector-based strategies to diversify the economy, facilitate technology transfer and 8 diffusion, and increase value-added production. The industry sectors 9 targeted by the department may include, but are not limited to, 10 aerospace, agriculture, food processing, forest products, marine 11 12 services, health and biomedical, software, digital and interactive 13 media, transportation and distribution, and microelectronics. 14 department shall, on a continuing basis, evaluate the potential return to the state from devoting additional resources to an industry sector-15 based approach to economic development and identifying and assisting 16 17 additional sectors.
 - (2) The department's sector-based strategies shall include, but not be limited to, cluster-based strategies that focus on assisting regional industry sectors and related firms and institutions that meet the definition of an industry cluster in this section and based on criteria identified by the working group established in this chapter.

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- (3)(a) The department shall promote, market, and encourage growth in the production of films and videos, as well as television commercials within the state; to this end the department is directed to assist in the location of a film and video production studio within the state.
- (b) The department may, in carrying out its efforts to encourage film and video production in the state, solicit and receive gifts, grants, funds, fees, and endowments, in trust or otherwise, from tribal, local, or other governmental entities, as well as private sources, and may expend the same or any income therefrom for the encouragement of film and video production. All revenue received for such purposes shall be deposited into the ((film and video promotion account created in RCW 43.330.092)) general fund.
- 36 (4) In assisting in the development of regional and statewide 37 industry cluster-based strategies, the department's activities shall 38 include, but are not limited to:

- 1 (a) Facilitating regional focus group discussions and conducting 2 studies to identify industry clusters, appraise the current information 3 linkages within a cluster, and identify issues of common concern within 4 a cluster;
 - (b) Supporting industry and cluster associations, publications of association and cluster directories, and related efforts to create or expand the activities of industry and cluster associations;
 - (c) Administering a competitive grant program to fund economic development activities designed to further regional cluster growth. In administering the program, the department shall work with the economic development commission, the workforce training and education coordinating board, the state board for community and technical colleges, the employment security department, business, and labor.
 - (i) The department shall seek recommendations on criteria for evaluating applications for grant funds and recommend applicants for receipt of grant funds. Criteria shall include not duplicating the purpose or efforts of industry skill panels.
 - (ii) Applicants must include organizations from at least two counties and participants from the local business community. Eligible organizations include, but are not limited to, local governments, economic development councils, chambers of commerce, federally recognized Indian tribes, workforce development councils, and educational institutions.
 - (iii) Applications must evidence financial participation of the partner organizations.
 - (iv) Eligible activities include the formation of cluster economic development partnerships, research and analysis of economic development needs of the cluster, the development of a plan to meet the economic development needs of the cluster, and activities to implement the plan.
 - (v) Priority shall be given to applicants that complement industry skill panels and will use the grant funds to build linkages and joint projects.
 - (vi) The maximum amount of a grant is one hundred thousand dollars.
- (vii) A maximum of one hundred thousand dollars total can go to King, Pierce, Kitsap, and Snohomish counties combined.
- (viii) No more than ten percent of funds received for the grant program may be used by the department for administrative costs.

(5) As used in this chapter, "industry cluster" means a geographic concentration of interconnected companies in a single industry, related businesses in other industries, including suppliers and customers, and associated institutions, including government and education.

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Sec. 4. RCW 43.99G.020 and 1989 1st ex.s. c 14 s 13 are each amended to read as follows:

Bonds issued under RCW 43.99G.010 are subject to the following conditions and limitations:

- (1) General obligation bonds of the state of Washington in the sum of thirty-eight million fifty-four thousand dollars, or so much thereof as may be required, shall be issued for the purpose of providing funds for grants and loans to local governments and subdivisions of the state for capital projects through the community economic revitalization board and for the department of ((general administration)) enterprise services, military department, parks and recreation commission, and department of corrections to acquire real property and perform capital projects which consist of the planning, designing, constructing, remodeling, repairing, furnishing, and equipping of state buildings, structures, utilities, roads, grounds, lands, and waters, and to provide for the administrative cost of such projects, including costs of bond issuance and retirement, salaries and related costs of officials and employees of the state, costs of insurance or credit enhancement agreements, and other expenses incidental to administration of capital projects. The proceeds from the sale of the bonds issued for the purposes of this subsection shall be deposited in the state building construction account, shall be used exclusively for the purposes specified in this subsection and for the payment of expenses incurred in the issuance and sale of the bonds issued for the purposes of this subsection, and shall be administered by the department of ((general administration)) enterprise services, subject to legislative appropriation.
- (2) General obligation bonds of the state of Washington in the sum of four million six hundred thirty-five thousand dollars, or so much thereof as may be required, shall be issued for the purpose of providing funds for the planning, design, acquisition, construction, and improvement of a Washington state agricultural trade center, and to provide for the administrative cost of such projects, including costs

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- of bond issuance and retirement, salaries and related costs of officials and employees of the state, costs of insurance or credit enhancement agreements, and other expenses incidental to the administration of capital projects. The proceeds from the sale of the bonds issued for the purposes of this subsection shall be deposited in the state building construction account, shall be used exclusively for the purposes specified in this subsection and for the payment of expenses incurred in the issuance and sale of the bonds issued for the purposes of this subsection, and shall be administered as provided in the capital budget acts, subject to legislative appropriation.
- (3) General obligation bonds of the state of Washington in the sum of twenty-five million dollars, or so much thereof as may be required, shall be issued for the purpose of providing funds for the department of social and health services and the department of corrections to perform capital projects which consist of the planning, designing, constructing, remodeling, repairing, furnishing, and equipping of state buildings, structures, utilities, roads, and grounds, and to provide for the administrative cost of such projects, including costs of bond issuance and retirement, salaries and related costs of officials and employees of the state, costs of insurance or credit enhancement agreements, and other expenses incidental to the administration of capital projects. The proceeds from the sale of the bonds issued for the purposes of this subsection shall be deposited in the social and health services construction account, shall be used exclusively for the purposes specified in this subsection and for the payment of expenses incurred in the issuance and sale of the bonds issued for the purposes of this subsection, and shall be administered by the department of social and health services, subject to legislative appropriation.
- (4) General obligation bonds of the state of Washington in the sum of one million dollars, or so much thereof as may be required, shall be issued for the purpose of providing funds for the department of ((fisheries)) fish and wildlife to acquire real property and perform projects which consist the planning, capital of designing, constructing, remodeling, repairing, furnishing, and equipping of state buildings, structures, utilities, roads, grounds, lands, and waters, and to provide for the administrative cost of such projects, including costs of bond issuance and retirement, salaries and related costs of officials and employees of the state, costs of insurance or credit

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enhancement agreements, and other expenses incidental to the administration of capital projects. The proceeds from the sale of the bonds issued for the purposes of this subsection shall be deposited in the fisheries capital projects account, shall be used exclusively for the purposes specified in this subsection and for the payment of expenses incurred in the issuance and sale of the bonds issued for the purposes of this subsection, and shall be administered by the department of fisheries, subject to legislative appropriation.

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- (5) General obligation bonds of the state of Washington in the sum of fifty-three million dollars, or so much thereof as may be required, shall be issued for the purpose of providing funds for state agencies and the institutions of higher education, including the community colleges, to perform capital renewal projects which consist of the planning, designing, constructing, remodeling, repairing, furnishing, and equipping of state buildings, structures, utilities, roads, grounds, lands, and waters, and to provide for the administrative cost of such projects, including costs of bond issuance and retirement, salaries and related costs of officials and employees of the state, costs of insurance or credit enhancement agreements, and other expenses incidental to the administration of capital projects. The proceeds from the sale of the bonds issued for the purposes of this subsection shall be deposited in the ((state-facilities-renewal-account-hereby created in the state treasury)) state building construction account, shall be used exclusively for the purposes specified in this subsection and for the payment of expenses incurred in the issuance and sale of the bonds issued for the purposes of this subsection, and shall be administered as provided in the capital budget acts, subject to legislative appropriation.
 - (6) General obligation bonds of the state of Washington in the sum of twenty-two million dollars, or so much thereof as may be required, shall be issued for the purpose of providing funds for the University of Washington and the state community colleges to perform capital projects which consist of the planning, designing, constructing, remodeling, repairing, improving, furnishing, and equipping of state buildings, structures, utilities, roads, grounds, and lands, and to provide for the administrative cost of such projects, including costs of bond issuance and retirement, salaries and related costs of officials and employees of the state, costs of insurance or credit

- enhancement agreements, and other expenses incidental to the administration of capital projects. The proceeds from the sale of the bonds issued for the purposes of this subsection shall be deposited in the higher education reimbursable short-term bond account hereby created in the state treasury, shall be used exclusively for the purposes specified in this subsection and for the payment of expenses incurred in the issuance and sale of the bonds issued for the purposes of this subsection, and shall be administered by the University of Washington, subject to legislative appropriation.
- (7) General obligation bonds of the state of Washington in the sum of twenty-eight million dollars, or so much thereof as may be required, shall be issued for the purpose of providing funds for the institutions of higher education to perform capital projects which consist of the planning, designing, constructing, remodeling, repairing, furnishing, and equipping of state buildings, structures, utilities, roads, grounds, and lands, and to provide for the administrative cost of such projects, including costs of bond issuance and retirement, salaries and related costs of officials and employees of the state, costs of insurance or credit enhancement agreements, and other expenses incidental to the administration of capital projects. The proceeds from the sale of the bonds issued for the purposes of this subsection shall be deposited in the higher education construction account, shall be used exclusively for the purposes specified in this subsection and for the payment of expenses incurred in the issuance and sale of the bonds issued for the purposes of this subsection, and shall be administered by Washington State University, subject to legislative appropriation.
 - (8) General obligation bonds of the state of Washington in the sum of seventy-five million dollars, or so much thereof as may be required, shall be issued for the purpose of providing funds for the institutions of higher education, including facilities for the community college system, to perform capital projects which consist of the planning, designing, constructing, remodeling, repairing, furnishing, and equipping of state buildings, structures, utilities, roads, grounds, and lands, and to provide for the administrative cost of such projects, including costs of bond issuance and retirement, salaries and related costs of officials and employees of the state, costs of insurance or credit enhancement agreements, and other expenses incidental to the

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- administration of capital projects. The proceeds from the sale of the bonds issued for the purposes of this subsection, together with all grants, donations, transferred funds, and all other moneys which the state finance committee may direct the state treasurer to deposit therein, shall be deposited in the state higher education construction account in the state treasury and shall be used exclusively for the purposes specified in this subsection and for the payment of expenses incurred in the issuance and sale of the bonds issued for the purposes of this subsection.
- **Sec. 5.** RCW 28A.300.440 and 2003 c 22 s 3 are each amended to read 11 as follows:

- (1) The natural science, wildlife, and environmental education grant program is hereby created, subject to the availability of funds ((in—the—natural—science,—wildlife,—and—environmental—education partnership—account)). The program is created to promote proven and innovative natural science, wildlife, and environmental education programs that are fully aligned with the state's essential academic learning requirements, and includes but is not limited to instruction about renewable resources, responsible use of resources, and conservation.
- (2) The superintendent of public instruction shall establish and publish funding criteria for environmental, natural science, wildlife, forestry, and agricultural education grants. The office of ((\{\text{the}\}\))) the superintendent of public instruction shall involve a cross-section of stakeholder groups to develop socially, economically, and environmentally balanced funding criteria. These criteria shall be based on compliance with the essential academic learning requirements and use methods that encourage critical thinking. The criteria must also include environmental, natural science, wildlife, forestry, and agricultural education programs with one or more of the following features:
- (a) Interdisciplinary approaches to environmental, natural science,wildlife, forestry, and agricultural issues;
- 34 (b) Programs that target underserved, disadvantaged, and 35 multicultural populations;
- 36 (c) Programs that reach out to schools across the state that would

- otherwise not have access to specialized environmental, natural science, wildlife, forestry, and agricultural education programs;
- (d) Proven programs offered by innovative community partnerships designed to improve student learning and strengthen local communities.
 - (3) Eligible uses of grants include, but are not limited to:
- (a) Continuing in-service and preservice training for educators with materials specifically developed to enable educators to teach essential academic learning requirements in a compelling and effective manner;
 - (b) Proven, innovative programs that align the basic subject areas of the common school curriculum in chapter 28A.230 RCW with the essential academic learning requirements; the basic subject areas should be integrated by using environmental education, natural science, wildlife, forestry, agricultural, and natural environment curricula to meet the needs of various learning styles; and
- 16 (c) Support and equipment needed for the implementation of the 17 programs in this section.
- 18 (4) Grants may only be disbursed to nonprofit organizations exempt 19 from income tax under section 501(c) of the federal internal revenue 20 code that can provide matching funds or in-kind services.
- 21 (5) Grants may not be used for any partisan or political activities.
- 23 **Sec. 6.** RCW 82.32.393 and 1997 c 368 s 12 are each amended to read 24 as follows:
- If a business is allowed an exemption under RCW 82.08.810, 25 26 82.12.810, 82.08.811, 82.12.811, or 84.36.487, and the business ceases operation of the facility for which the exemption is allowed, the 27 business shall deposit into the ((displaced workers account established 28 in-RCW-50.12.280)) general fund an amount equal to the fair market 29 value of one-quarter of the total sulfur dioxide allowances authorized 30 31 by federal law available to the facility at the time of cessation of operation of the generation facility as if the allowances were sold for 32 a period of ten years following the time of cessation of operation of 33 34 the generation facility. This section expires December 31, 2015.
- 35 **Sec. 7.** RCW 82.45.210 and 2006 c 312 s 2 are each amended to read as follows:

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(1) To the extent that funds are appropriated, the department shall administer a grant program for counties to assist in the development, implementation, and maintenance of an electronic processing and reporting system for real estate excise tax affidavits that is compatible with the automated real estate excise tax system developed by the department, and to assist in complying with the requirements of RCW 82.45.180(1).

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- (2) Subject to the limits in subsection (3) of this section, the amount of the grant shall be equal to the amount paid by a county to:
- (a) Purchase computer hardware or software, or to repair or upgrade existing computer hardware or software, used for the electronic processing and reporting of real estate excise tax affidavits and that is compatible with the automated real estate excise tax system developed by the department; and
- 15 (b) Make changes to existing software that are necessary to comply 16 with the requirements of RCW 82.45.180(1).
- 17 (3)(a) No county is eligible for grants under this section totaling 18 more than one hundred thousand dollars.
 - (b) Grant funds shall not be awarded for expenditures made by a county with funds distributed to the county by the state treasurer under RCW 82.45.180(3)(b).
- 22 (4) No more than three million nine hundred thousand dollars in 23 grants may be awarded under this section.
- 24 (((5) The source of funds for this grant program is the real estate 25 excise tax grant account created in RCW 82.45.200.))
- 26 **Sec. 8.** RCW 43.79A.040 and 2011 1st sp.s. c 37 s 603 are each 27 amended to read as follows:
 - (1) Money in the treasurer's trust fund may be deposited, invested, and reinvested by the state treasurer in accordance with RCW 43.84.080 in the same manner and to the same extent as if the money were in the state treasury, and may be commingled with moneys in the state treasury for cash management and cash balance purposes.
 - (2) All income received from investment of the treasurer's trust fund must be set aside in an account in the treasury trust fund to be known as the investment income account.
- 36 (3) The investment income account may be utilized for the payment 37 of purchased banking services on behalf of treasurer's trust funds

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- including, but not limited to, depository, safekeeping, and disbursement functions for the state treasurer or affected state agencies. The investment income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments must occur prior to distribution of earnings set forth in subsection (4) of this section.
 - (4)(a) Monthly, the state treasurer must distribute the earnings credited to the investment income account to the state general fund except under (b), (c), and (d) of this subsection.
- 10 The following accounts and funds must receive their proportionate share of earnings based upon each account's or fund's 11 12 average daily balance for the period: The Washington promise scholarship account, ((the-college-savings-program-account,)) the 13 14 Washington advanced college tuition payment program account, the accessible communities account, the community and technical college 15 innovation account, the agricultural local fund, the American Indian 16 17 scholarship endowment fund, the foster care scholarship endowment fund, the foster care endowed scholarship trust fund, ((the-students-with 18 dependents-grant-account,)) the basic health plan self-insurance 19 20 reserve account, the contract harvesting revolving account, the 21 Washington state combined fund drive account, the commemorative works 22 account, the county enhanced 911 excise tax account, ((the Washington <u>international</u> — <u>exchange</u> — <u>scholarship</u> — <u>endowment</u> — <u>fund</u>,)) the 23 24 collection account, the developmental disabilities endowment trust 25 fund, the energy account, the fair fund, the family leave insurance account, the food animal veterinarian conditional scholarship account, 26 27 the fruit and vegetable inspection account, the future teachers conditional scholarship account, the game farm alternative account, the 28 GET ready for math and science scholarship account, the Washington 29 global health technologies and product development account, the grain 30 31 inspection revolving fund, the industrial insurance rainy day fund, the 32 juvenile accountability incentive account, the law enforcement officers' and firefighters' plan 2 expense fund, the local tourism 33 promotion account, the pilotage account, the produce railcar pool 34 account, the regional transportation investment district account, the 35 rural rehabilitation account, the stadium and exhibition center 36 37 account, the youth athletic facility account, the self-insurance 38 revolving fund, ((the - sulfur - dioxide - abatement - account,)) the

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children's trust fund, the Washington horse racing commission 1 2 Washington bred owners' bonus fund and breeder awards account, the Washington horse racing commission class C purse fund account, the 3 individual development account program account, the Washington horse 4 5 racing commission operating account (earnings from the Washington horse racing commission operating account must be credited to the Washington 6 7 horse racing commission class C purse fund account), the life sciences 8 discovery fund, the Washington state heritage center account, and the 9 reduced cigarette ignition propensity account((--and-the-reading 10 achievement account)).

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- (c) The following accounts and funds must receive eighty percent of their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The advanced right-of-way revolving fund, the advanced environmental mitigation revolving account, the federal narcotics asset forfeitures account, the high occupancy vehicle account, the local rail service assistance account, and the miscellaneous transportation programs account.
- (d) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the custody of the state treasurer that deposits funds into a fund or account in the custody of the state treasurer pursuant to an agreement with the office of the state treasurer shall receive its proportionate share of earnings based upon each account's or fund's average daily balance for the period.
- 25 (5) In conformance with Article II, section 37 of the state 26 Constitution, no trust accounts or funds shall be allocated earnings 27 without the specific affirmative directive of this section.
- 28 **Sec. 9.** RCW 50.04.070 and 1985 ex.s. c 5 s 4 are each amended to 29 read as follows:
- "Contributions" means the money payments due to the state unemployment compensation fund as provided in RCW 50.24.010((, to the federal interest payment fund under RCW 50.16.070,)) or to the special account in the administrative contingency fund under RCW 50.24.014.
- 34 **Sec. 10.** RCW 50.04.072 and 1985 ex.s. c 5 s 5 are each amended to read as follows:
- The terms "contributions" and "payments in lieu of contributions"

- 1 used in this title, whether singular or plural, designate the money
- 2 payments to be made to the state unemployment compensation fund((, to
- 3 the-federal-interest-payment-fund-under-RCW-50.16.070,)) or to the
- 4 special account in the administrative contingency fund under RCW
- 5 50.24.014 and are deemed to be taxes due to the state of Washington.
- 6 **Sec. 11.** RCW 50.16.010 and 2009 c 564 s 946 are each amended to 7 read as follows:
- 8 (1) There shall be maintained as special funds, separate and apart from all public moneys or funds of this state an unemployment compensation fund((¬)) and an administrative contingency fund, ((and a federal—interest—payment—fund¬)) which shall be administered by the commissioner exclusively for the purposes of this title, and to which RCW 43.01.050 shall not be applicable.
- 14 (2)(a) The unemployment compensation fund shall consist of:
- (i) All contributions collected under RCW 50.24.010 and payments in lieu of contributions collected pursuant to the provisions of this title;
- 18 (ii) Any property or securities acquired through the use of moneys 19 belonging to the fund;
- 20 (iii) All earnings of such property or securities;
- (iv) Any moneys received from the federal unemployment account in the unemployment trust fund in accordance with Title XII of the social security act, as amended;
 - (v) All money recovered on official bonds for losses sustained by the fund;
 - (vi) All money credited to this state's account in the unemployment trust fund pursuant to section 903 of the social security act, as amended;
- 29 (vii) All money received from the federal government as 30 reimbursement pursuant to section 204 of the federal-state extended 31 compensation act of 1970 (84 Stat. 708-712; 26 U.S.C. Sec. 3304); and
- 32 (viii) All moneys received for the fund from any other source.
- 33 (b) All moneys in the unemployment compensation fund shall be 34 commingled and undivided.
- 35 (3)(a) Except as provided in (b) of this subsection, the 36 administrative contingency fund shall consist of:

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- 1 (i) All interest on delinquent contributions collected pursuant to this title;
- 3 (ii) All fines and penalties collected pursuant to the provisions 4 of this title;
- 5 (iii) All sums recovered on official bonds for losses sustained by 6 the fund; and
 - (iv) Revenue received under RCW 50.24.014.

- 8 (b) All fees, fines, forfeitures, and penalties collected or 9 assessed by a district court because of the violation of this title or 10 rules adopted under this title shall be remitted as provided in chapter 11 3.62 RCW.
 - (c) Except as provided in (d) of this subsection, moneys available in the administrative contingency fund, other than money in the special account created under RCW 50.24.014, shall be expended upon the direction of the commissioner, with the approval of the governor, whenever it appears to him or her that such expenditure is necessary solely for:
 - (i) The proper administration of this title and that insufficient federal funds are available for the specific purpose to which such expenditure is to be made, provided, the moneys are not substituted for appropriations from federal funds which, in the absence of such moneys, would be made available.
 - (ii) The proper administration of this title for which purpose appropriations from federal funds have been requested but not yet received, provided, the administrative contingency fund will be reimbursed upon receipt of the requested federal appropriation.
 - (iii) The proper administration of this title for which compliance and audit issues have been identified that establish federal claims requiring the expenditure of state resources in resolution. Claims must be resolved in the following priority: First priority is to provide services to eligible participants within the state; second priority is to provide substitute services or program support; and last priority is the direct payment of funds to the federal government.
 - (d)(i) During the 2007-2009 fiscal biennium, moneys available in the administrative contingency fund, other than money in the special account created under RCW 50.24.014(1)(a), shall be expended as appropriated by the legislature for: (A) The cost of the job skills or worker retraining programs at the community and technical colleges and

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- administrative costs at the state board for community and technical colleges; and (B) reemployment services such as business and project development assistance, local economic development capacity building, and local economic development financial assistance at the department of ((community, -trade, -and -economic -development)) commerce. The remaining appropriation may be expended as specified in (c) of this subsection.
 - (ii) During the 2009-2011 fiscal biennium, moneys available in the administrative contingency fund, other than money in the special account created under RCW 50.24.014(1)(a), shall be expended by the department of social and health services as appropriated by the legislature for employment and training services and programs in the WorkFirst program, and for the administrative costs of state agencies participating in the WorkFirst program. The remaining appropriation may be expended as specified in (c) of this subsection.
- (4) Money in the special account created under RCW 50.24.014(1)(a) may only be expended, after appropriation, for the purposes specified in this section and RCW 50.62.010, 50.62.020, 50.62.030, 50.24.014, 50.44.053, and 50.22.010.
- **Sec. 12.** RCW 43.330.310 and 2010 c 187 s 2 are each amended to 21 read as follows:
 - (1) The legislature establishes a comprehensive green economy jobs growth initiative based on the goal of, by 2020, increasing the number of green economy jobs to twenty-five thousand from the eight thousand four hundred green economy jobs the state had in 2004.
 - (2) The department, in consultation with the employment security department, the state workforce training and education coordinating board, <u>and</u> the state board for community and technical colleges, ((and the higher education coordinating board,)) shall develop a defined list of terms, consistent with current workforce and economic development terms, associated with green economy industries and jobs.
 - (3)(a) The employment security department, in consultation with the department, the state workforce training and education coordinating board, the state board for community and technical colleges, ((the higher-education-coordinating-board,)) Washington State University small business development center, and the Washington State University extension energy program, shall conduct labor market research to

analyze the current labor market and projected job growth in the green economy, the current and projected recruitment and skill requirement of green economy industry employers, the wage and benefits ranges of jobs within green economy industries, and the education and training requirements of entry-level and incumbent workers in those industries.

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- (i) The employment security department shall conduct an analysis of occupations in the forest products industry to: (A) Determine key growth factors and employment projections in the industry; and (B) define the education and skill standards required for current and emerging green occupations in the industry.
- (ii) The term "forest products industry" must be given a broad interpretation when implementing (a)(i) of this subsection and includes, but is not limited to, businesses that grow, manage, harvest, transport, and process forest, wood, and paper products.
- (b) The University of Washington business and economic development center shall: Analyze the current opportunities for and participation in the green economy by minority and women-owned business enterprises Washington; identify existing barriers to their successful participation in the green economy; and develop strategies with improve specific policy recommendations to their successful participation in the green economy. The research may be informed by research of the Puget Sound regional council prosperity partnership, as well as other entities. The University of Washington and economic development center shall report to appropriate committees of the house of representatives and the senate on their research, analysis, and recommendations by December 1, 2008.
- (4) Based on the findings from subsection (3) of this section, the employment security department, in consultation with the department and taking into account the requirements and goals of chapter 14, Laws of 2008 and other state clean energy and energy efficiency policies, shall propose which industries will be considered high-demand green industries, based on current and projected job creation and their strategic importance to the development of the state's green economy. The employment security department and the department shall take into account which jobs within green economy industries will be considered high-wage occupations and occupations that are part of career pathways to the same, based on family-sustaining wage and benefits ranges. These designations, and the results of the employment security

- department's broader labor market research, shall inform the planning and strategic direction of the department, the state workforce training and education coordinating board, <u>and</u> the state board for community and technical colleges((, and the higher education coordinating board)).
 - (5) The department shall identify emerging technologies and innovations that are likely to contribute to advancements in the green economy, including the activities in designated innovation partnership zones established in RCW 43.330.270.
 - (6) The department, consistent with the priorities established by the state economic development commission, shall:
 - (a) Develop targeting criteria for existing investments, and make recommendations for new or expanded financial incentives and comprehensive strategies, to recruit, retain, and expand green economy industries and small businesses; and
 - (b) Make recommendations for new or expanded financial incentives and comprehensive strategies to stimulate research and development of green technology and innovation, including designating innovation partnership zones linked to the green economy.
 - (7) For the purposes of this section, "target populations" means (a) entry-level or incumbent workers in high-demand green industries who are in, or are preparing for, high-wage occupations; (b) dislocated workers in declining industries who may be retrained for high-wage occupations in high-demand green industries; (c) dislocated agriculture, timber, or energy sector workers who may be retrained for high-wage occupations in high-demand green industries; (d) eligible veterans or national guard members; (e) disadvantaged populations; or (f) anyone eligible to participate in the state opportunity grant program under RCW 28B.50.271.
 - (8) The legislature directs the state workforce training and education coordinating board to create and pilot green industry skill panels. These panels shall consist of business representatives from: Green industry sectors, including but not limited to forest product companies, companies engaged in energy efficiency and renewable energy production, companies engaged in pollution prevention, reduction, and mitigation, and companies engaged in green building work and green transportation; labor unions representing workers in those industries or labor affiliates administering state-approved, joint apprenticeship programs or labor-management partnership programs that train workers

- for these industries; state and local veterans agencies; employer associations; educational institutions; and local workforce development councils within the region that the panels propose to operate; and other key stakeholders as determined by the applicant. Any of these stakeholder organizations are eligible to receive grants under this section and serve as the intermediary that convenes and leads the panel. Panel applicants must provide labor market and industry analysis that demonstrates high demand, or demand of strategic importance to the development of the state's clean energy economy as identified in this section, for high-wage occupations, or occupations that are part of career pathways to the same, within the relevant industry sector. The panel shall:
 - (a) Conduct labor market and industry analyses, in consultation with the employment security department, and drawing on the findings of its research when available;
 - (b) Plan strategies to meet the recruitment and training needs of the industry and small businesses; and
 - (c) Leverage and align other public and private funding sources.
 - ((9) The green industries jobs training account is created in the state treasury. Moneys from the account must be utilized to supplement the state opportunity grant program established under RCW 28B.50.271. All-receipts-from-appropriations-directed-to-the-account-must-be deposited into the account. Expenditures from the account may be used only for the activities identified in this subsection. The state board for community-and-technical colleges, in consultation with the state workforce training-and-education coordinating-board, informed by the research-of-the-employment-security-department-and-the-strategies developed in this section, may authorize expenditures from the account. The state board-for community-and technical colleges must-distribute grants from the account on a competitive basis.
 - (a)(i) Allowable uses of these grant funds, which should be used when other public or private funds are insufficient or unavailable, may include:
 - (A) Curriculum development;

- 35 (B)—Transitional—jobs—strategies—for—dislocated—workers—in 36 declining industries who may be retrained for high-wage occupations in 37 green industries;
 - (C) Workforce education to target populations; and

- 1 (D)-Adult-basic-and-remedial-education-as-necessary-linked-to 2 occupation skills training.
 - (ii) Allowable-uses of these grant funds do not include student assistance and support services available through the state opportunity grant program under RCW 28B.50.271.
 - (b)—Applicants—eligible—to—receive—these—grants—may—be—any organization or—a partnership of—organizations—that has demonstrated expertise—in:
- 9 (i)-Implementing-effective-education-and-training-programs-that
 10 meet industry demand; and
- 11 (ii) Recruiting and supporting, to successful completion of those 12 training — programs — carried — out — under — these — grants, — the — target 13 populations of workers.
 - (c)-In-awarding-grants-from-the-green-industries-jobs-training account,-the-state-board-for-community-and-technical-colleges-shall give priority to applicants that demonstrate the ability to:
 - (i)-Use-labor-market-and-industry-analysis-developed-by-the employment security department and green industry skill panels in the design and delivery of the relevant education and training program, and otherwise utilize strategies developed by green industry skill panels;
 - (ii) Leverage and align existing public programs and resources and private resources toward the goal of recruiting, supporting, educating, and training target populations of workers;
 - (iii) Work collaboratively with other relevant stakeholders in the regional economy;
 - (iv) Link adult basic and remedial education, where necessary, with occupation skills training;
 - (v) Involve employers and, where applicable, labor unions in the determination of relevant skills and competencies and, where relevant, the validation of career pathways; and
- 31 (vi) Ensure that supportive services, where necessary, are 32 integrated - with - education - and - training - and - are - delivered - by 33 organizations with direct access to and experience with the targeted 34 population of workers.))
- 35 **Sec. 13.** RCW 43.99I.020 and 1997 c 456 s 38 are each amended to read as follows:

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Bonds issued under RCW 43.99I.010 are subject to the following conditions and limitations:

General obligation bonds of the state of Washington in the sum of 3 one billion two hundred seventy-one million sixty-five thousand 4 5 dollars, or so much thereof as may be required, shall be issued for the purposes described and authorized by the legislature in the capital and 6 7 operating appropriations acts for the 1991-93 fiscal biennium and subsequent fiscal biennia, and to provide for the administrative cost 8 of such projects, including costs of bond issuance and retirement, 9 10 salaries and related costs of officials and employees of the state, costs of insurance or credit enhancement agreements, and other expenses 11 12 incidental to the administration of capital projects. Subject to such 13 changes as may be required in the appropriations acts, the proceeds 14 from the sale of the bonds issued for the purposes of ((subsection)) section shall be deposited in the state building 15 construction account created by RCW 43.83.020 and transferred as 16 17 follows:

(1) Eight hundred thirty-five thousand dollars to the state higher education construction account created by RCW 28B.10.851;

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- (2) Eight hundred seventy-one million dollars to the state building construction account created by RCW 43.83.020;
- (3) Two million eight hundred thousand dollars to the energy efficiency services account created by RCW 39.35C.110;
- (4) ((Two hundred fifty-five million five hundred thousand dollars to the common school reimbursable construction account hereby created in the state treasury;
- (5)) Ninety-eight million six hundred forty-eight thousand dollars to the higher education reimbursable construction account hereby created in the state treasury;
- $((\frac{(6)}{(6)}))$ (5) Three million two hundred eighty-four thousand dollars to the data processing building construction account created in RCW 43.99I.100; and
 - ((+7))) (6) Nine hundred thousand dollars to the Washington state dairy products commission facility account created in RCW 43.99I.110.
- These proceeds shall be used exclusively for the purposes specified in this ((subsection)) section, and for the payment of expenses incurred in the issuance and sale of the bonds issued for the purposes

- of this section, and shall be administered by the office of financial management, subject to legislative appropriation.
 - Sec. 14. RCW 43.99Q.130 and 2011 1st sp.s. c 49 s 7009 are each amended to read as follows:
- 5 (1) For the purpose of providing funds for the planning, design, 6 construction, and other necessary costs for the rehabilitation of the 7 state legislative building, the state finance committee is authorized to issue general obligation bonds of the state of Washington in the sum 8 9 of eighty-two million five hundred ten thousand dollars or as much thereof as may be required to finance the rehabilitation and 10 11 improvements to the legislative building and all costs incidental 12 thereto. The approved rehabilitation plan includes costs associated with earthquake repairs and future earthquake mitigation and allows for 13 associated relocation costs and the acquisition of appropriate 14 relocation space. Bonds authorized in this section may be sold at a 15 16 price the state finance committee determines. No bonds authorized in this section may be offered for sale without prior legislative 17 appropriation of the net proceeds of the sale of the bonds. 18 proceeds of the sale of the bonds issued for the purposes of this 19 20 section shall be deposited in the ((capitol-historic-district 21 construction-account-hereby-created-in-the-state-treasury)) state <u>building _ construction _ account</u>. 22 These proceeds shall 23 exclusively for the purposes specified in this section and for the 24 payment of expenses incurred in the issuance and sale of the bonds 25 issued for the purposes of this section, and shall be administered by 26 the office of financial management subject to legislative 27 appropriation.
- 28 (2) If any bonds authorized in this chapter have not been issued by 29 June 30, 2013, the authority of the state finance committee to issue 30 such remaining unissued bonds shall expire June 30, 2013.
- 31 **Sec. 15.** RCW 78.56.080 and 1997 c 170 s 1 are each amended to read 32 as follows:
- 33 (1) ((The metals mining account is created in the state treasury.
 34 Expenditures from this account are subject to appropriation.
 35 Expenditures from this account may only be used for: (a) The

additional inspections of metals mining and milling operations required by RCW 78.56.070 and (b) the metals mining coordinator established in RCW 78.56.060.

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- (2))(a) As part of its normal budget development process and in consultation with the metals mining industry, the department of ecology shall estimate the costs required for the department to meet its obligations for the additional inspections of metals mining and milling operations required by chapter 232, Laws of 1994. The department shall also estimate the cost of employing the metals mining coordinator established in RCW 78.56.060.
- (b) As part of its normal budget development process and in consultation with the metals mining industry, the department of natural resources shall estimate the costs required for the department to meet its obligations for the additional inspections of metals mining and milling operations required by chapter 232, Laws of 1994.
- $((\frac{3}{1}))$ (2) Based on the cost estimates generated by the department of ecology and the department of natural resources, the department of ecology shall establish the amount of a fee to be paid by each active metals mining and milling operation regulated under this chapter. The fee shall be established at a level to fully recover the direct and indirect costs of the agency responsibilities identified in subsection $((\frac{2}{2}))$ of this section. The amount of the fee for each operation shall be proportional to the number of visits required per site. applicant for a metals mining and milling operation shall also be assessed the fee based on the same criterion. The department of ecology may adjust the fees established in this subsection if unanticipated activity in the industry increases or decreases the of funding necessary amount to meet agencies' inspection responsibilities.
- $((\frac{4}{}))$ (3) The department of ecology shall collect the fees established in subsection $((\frac{3}{}))$ (2) of this section. All moneys from these fees shall be deposited into the $(\frac{3}{} \frac{3}{})$ general fund.
- 34 **Sec. 16.** RCW 28B.95.150 and 2011 1st sp.s. c 12 s 4 are each 35 amended to read as follows:
- 36 (1) The committee may establish a college savings program. If such 37 a program is established, the college savings program shall be

- established, in such form as may be determined by the committee, to be a qualified state tuition program as defined by the internal revenue service under section 529 of the internal revenue code, and shall be administered in a manner consistent with the Washington advanced college tuition payment program. The committee, in planning and devising the program, shall consult with the state investment board, the state treasurer, the state actuary, the legislative fiscal and higher education committees, and the institutions of higher education. The governing body may, at its discretion, consult with a qualified actuarial consulting firm with appropriate expertise to evaluate such plans for periodic assessments of the program.
 - (2) Up to two hundred thousand dollars of administrative fees collected from guaranteed education tuition program participants may be applied as a loan to fund the development of a college savings program. This loan must be repaid with interest before the conclusion of the biennium in which the committee draws funds for this purpose from the advanced college tuition payment program account.
 - (3) ((If such a college savings program is established, the college savings—program—account—is—created—in—the—custody—of—the—state treasurer for the purpose of administering the college savings program. If created, the account shall be a discrete nontreasury account in the custody of the state treasurer. Interest earnings shall be retained in accordance with RCW 43.79A.040. Disbursements from the account, except for—program—administration,—are—exempt—from—appropriations—and—the allotment—provisions—of—chapter—43.88—RCW. Money—used—for—program administration—is—subject—to—the—allotment—provisions,—but—without appropriation.
 - (4))) The committee, after consultation with the state investment board, shall determine the investment policies for the college savings program. Program contributions may be invested by the state investment board or the committee may contract with an investment company licensed to conduct business in this state to do the investing. The committee shall keep or cause to be kept full and adequate accounts and records of the assets of each individual participant in the college savings program.
 - ((+5))) <u>(4)</u> Neither the state nor any eligible educational institution may be considered or held to be an insurer of the funds or assets of the individual participant accounts in the college savings

program created under this section nor may any such entity be held liable for any shortage of funds in the event that balances in the participant accounts are insufficient to meet the individual educational expenses of the institution chosen by the student for which the individual participant account was intended.

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(((6))) The committee shall adopt rules to implement this Such rules shall include but not be limited to administration, investment management, promotion, and marketing; compliance with internal revenue service standards; application procedures and fees; start-up costs; phasing in the savings program and withdrawals therefrom; deterrents to early withdrawals and provisions for hardship withdrawals; and reenrollment in the savings program after withdrawal.

 $((\frac{7}{1}))$ (6) The committee may, at its discretion, determine to cease operation of the college savings program if it determines the continuation is not in the best interest of the state. The committee shall adopt rules to implement this section addressing the orderly distribution of assets.

19 Sec. 17. RCW 59.22.020 and 2011 c 158 s 6 are each amended to read as follows: 20

The following definitions shall apply throughout this chapter 22 unless the context clearly requires otherwise:

- (1) "Affordable" means that, where feasible, low-income residents should not pay more than thirty percent of their monthly income for housing costs.
- (2) "Conversion costs" includes the cost of acquiring the mobile home park, the costs of planning and processing the conversion, the costs of any needed repairs or rehabilitation, and any expenditures required by a government agency or lender for the project.
 - (3) "Department" means the department of commerce.
- (4) (("Fund" or "park purchase account" means the mobile home park purchase account created pursuant to RCW 59.22.030.
- (5))) "Housing costs" means the total cost of owning, occupying, and maintaining a mobile home and a lot or space in a mobile home park.
- $((\frac{6}{1}))$ (5) "Individual interest in a mobile home park" means any 35 36 interest which is fee ownership or a lesser interest which entitles the 37 holder to occupy a lot or space in a mobile home park for a period of

- not less than either fifteen years or the life of the holder. 1
- 2 Individual interests in a mobile home park include, but are not limited 3 to, the following:
- 4 (a) Ownership of a lot or space in a mobile home park or 5 subdivision;
 - (b) A membership or shares in a stock cooperative, or a limited equity housing cooperative; or
- (c) Membership in a nonprofit mutual benefit corporation which 8 owns, operates, or owns and operates the mobile home park.
- $((\frac{7}{1}))$ (6) "Landlord" shall have the same meaning as it does in 10 RCW 59.20.030. 11
- $((\frac{8}{1}))$ <u>(7)</u> "Low-income resident" means an individual or household 12 13 who resided in the mobile home park prior to application for a loan pursuant to this chapter and with an annual income at or below eighty 14 percent of the median income for the county of standard metropolitan 15 16 statistical area of residence. Net worth shall be considered in the 17 calculation of income with the exception of the mobile/manufactured home which is used as their primary residence. 18
- 19 (((9))) (8) "Low-income spaces" means those spaces in a mobile home 20 park operated by a resident organization which are occupied by lowincome residents. 21
 - (((10))) "Manufactured housing" means residences constructed on one or more chassis for transportation, and which bear an insignia issued by a state or federal regulatory agency indication compliance with all applicable construction standards of the United States department of housing and urban development.
- 27 $((\frac{11}{11}))$ (10) "Mobile home" shall have the same meaning as it does in RCW 43.22.335. 28
- 29 $((\frac{12}{12}))$ (11) "Mobile home lot" shall have the same meaning as it 30 does in RCW 59.20.030.
- 31 $((\frac{13}{13}))$ (12) "Mobile home park" means a mobile home park, as 32 defined in RCW 59.20.030(10), or a manufactured home park subdivision 33 as defined by RCW 59.20.030(12) created by the conversion to resident ownership of a mobile home park. 34
 - $((\frac{14}{14}))$ "Resident organization" means a group of mobile home park residents who have formed a nonprofit corporation, cooperative corporation, or other entity or organization for the purpose of acquiring the mobile home park in which they reside and converting the

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mobile home park to resident ownership. The membership of a resident organization shall include at least two-thirds of the households residing in the mobile home park at the time of application for assistance from the department.

- (((15))) (14) "Resident ownership" means, depending on the context, either the ownership, by a resident organization, as defined in this section, of an interest in a mobile home park which entitles the resident organization to control the operations of the mobile home park for a term of no less than fifteen years, or the ownership of individual interests in a mobile home park, or both.
- $((\frac{16}{16}))$ "Tenant" means a person who rents a mobile home lot 12 for a term of one month or longer and owns the mobile home on the lot.
- **Sec. 18.** RCW 59.22.032 and 1993 c 66 s 10 are each amended to read 14 as follows:
 - (1) The department may make loans ((from the fund)) to resident organizations for the purpose of financing mobile home park conversion costs. The department may only make loans to resident organizations of mobile home parks where a significant portion of the residents are low-income or infirm.
 - (2) The department may make loans ((from the fund)) to low-income residents of mobile home parks converted to resident ownership or which plan to convert to resident ownership. The purpose of providing loans under this subsection is to reduce the monthly housing costs for low-income residents to an affordable level. The department may establish flexible repayment terms for loans provided under this subsection if the terms are necessary to reduce the monthly housing costs for low-income residents to an affordable level, and do not represent an unacceptable risk ((to the security of the fund)). Flexible repayment terms may include, but are not limited to, graduated payment schedules with negative amortization.
- **Sec. 19.** RCW 59.22.034 and 1993 c 66 s 11 are each amended to read 32 as follows:
- 33 (1) Any loans granted under RCW 59.22.032 shall be for a term of no more than thirty years.
- 35 (2) The department shall establish the rate of interest to be paid on loans ((made from the fund)).

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- (3) The department shall obtain security for loans made under this chapter. The security may be in the form of a note, deed of trust, assignment of lease, or other form of security on real or personal property which the department determines is adequate to protect ((the security of the fund and)) the interests of the state. To the extent applicable, the documents evidencing the security shall be recorded or referenced in a recorded document in the office of the county auditor of the county in which the mobile home park is located.
- (4) The department may contract with private lenders, nonprofit organizations, or units of local government to provide program administration and to service loans made under this chapter.
- **Sec. 20.** RCW 42.16.011 and 1985 c 57 s 25 are each amended to read 13 as follows:

A state payroll revolving account ((and an agency payroll revolving fund—are)) is created in the state treasury, for the payment of compensation to employees and officers of the state and distribution of all amounts withheld therefrom pursuant to law and amounts authorized by employees to be withheld pursuant to law; also for the payment of the state's contributions for retirement and insurance and other employee benefits: PROVIDED, That the utilization of the state payroll revolving account shall be optional except for agencies whose payrolls are prepared under a centralized system established pursuant to regulations of the director of financial management((:- PROVIDED FURTHER,—That—the—utilization—of—the—agency—payroll—revolving—fund shall be optional for agencies whose operations are funded in whole or part other than by funds appropriated from the state treasury)).

Sec. 21. RCW 42.16.012 and 1981 c 9 s 2 are each amended to read 28 as follows:

The amounts to be disbursed from the state payroll revolving account from time to time on behalf of agencies utilizing such account shall be transferred thereto by the state treasurer from appropriated funds properly chargeable with the disbursement for the purposes set forth in RCW 42.16.011, on or before the day prior to scheduled disbursement. ((The amounts to be disbursed from the agency payroll revolving fund from time to time on behalf of agencies electing to utilize such fund shall be deposited therein by such agencies from

- 1 funds held by the agency pursuant to law outside the state treasury and
- 2 properly chargeable with the disbursement for the purposes set forth in
- 3 RCW 42.16.011, on or before the day prior to scheduled disbursement.))
- 4 **Sec. 22.** RCW 28B.109.020 and 2011 1st sp.s. c 11 s 196 are each 5 amended to read as follows:
 - The Washington international exchange scholarship program is created ((subject-to-funding-under-RCW-28B.109.060)). The program shall be administered by the office. In administering the program, the office may:
- 10 (1) Convene an advisory committee that may include but need not be 11 limited to representatives of the office of the superintendent of 12 public instruction, the department of commerce, the secretary of state, 13 private business, and institutions of higher education;
- 14 (2) Select students to receive the scholarship with the assistance 15 of a screening committee composed of leaders in business, international 16 trade, and education;
 - (3) Adopt necessary rules and guidelines including rules for disbursing scholarship funds to participants;
 - (4) Publicize the program;

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- 20 (5) Solicit and accept grants and donations from public and private 21 sources for the program;
- 22 (6) Establish and notify participants of service obligations; and
- (7) Establish a formula for selecting the countries from which participants may be selected in consultation with the department of ((community, trade, and economic development)) commerce.
- 26 **Sec. 23.** RCW 28B.109.040 and 2011 1st sp.s. c 11 s 198 are each 27 amended to read as follows:
- If funds are available, the office shall select students yearly to receive a Washington international exchange student scholarship ((from moneys earned from the Washington international exchange scholarship endowment fund created in RCW 28B.109.060,)) from funds appropriated to the office for this purpose, or from any private donations, or from any other funds given to the office for this program.
- 34 **Sec. 24.** RCW 28B.133.030 and 2011 1st sp.s. c 11 s 236 are each 35 amended to read as follows:

- (((1) The students with dependents grant account is created in the custody of the state treasurer. All receipts from the program shall be deposited—into—the—account. Only—the—office—of—student—financial assistance,—or—its—designee,—may—authorize—expenditures—from—the account. Disbursements from the account are exempt from appropriations and the allotment procedures under chapter 43.88 RCW.
- (2))) The office may solicit and receive gifts, grants, or endowments from private sources that are made from time to time, in trust or otherwise, for the use and benefit of the purposes of the educational assistance grant program. The director, or the director's designee, may spend gifts, grants, or endowments or income from the private sources according to their terms unless the receipt of the gifts, grants, or endowments violates RCW 42.17A.560.
- (((3)-The-earnings-on-the-account-shall-be-used-solely-for-the
 purposes-in-RCW-28B.133.010, except-when-the-terms-of-a-conditional
 gift-of-private-moneys-in-the-account-require-that-a-portion-of
 earnings on such moneys be reinvested in the account.))
- **Sec. 25.** RCW 43.31A.400 and 1991 sp.s. c 13 s 27 are each amended 19 to read as follows:

The economic assistance authority established by section 2, chapter 117, Laws of 1972 ex. sess. as amended by section 111, chapter 34, Laws of 1975-'76 2nd ex. sess. is abolished, effective June 30, 1982. Any remaining duties of the economic assistance authority are transferred to the department of revenue on that date. ((The public facilities construction loan and grant revolving account within the state treasury is continued to service the economic assistance authority's loans.))

- NEW SECTION. Sec. 26. The following acts or parts of acts are each repealed:
- 29 (1) RCW 82.14.200 (County sales and use tax equalization account--30 Allocation procedure) and 2003 1st sp.s. c 25 s 941, 1998 c 321 s 8, 1997 c 333 s 2, 1991 sp.s. c 13 s 15, 1990 c 42 s 313, 1985 c 57 s 82, 1984 c 225 s 5, 1983 c 99 s 1, & 1982 1st ex.s. c 49 s 21;
- 33 (2) RCW 82.14.210 (Municipal sales and use tax equalization account--Allocation procedure) and 2003 1st sp.s. c 25 s 942, 1996 c 64 s 1, 1991 sp.s. c 13 s 16, 1990 2nd ex.s. c 1 s 701, 1990 c 42 s 314, 1985 c 57 s 83, 1984 c 225 s 2, & 1982 1st ex.s. c 49 s 22;

- 1 (3) RCW 70.05.125 (County public health account--Distribution to local public health jurisdictions) and 2010 c 271 s 101, 2009 c 479 s 48, 1998 c 266 s 1, 1997 c 333 s 1, & 1995 1st sp.s. c 15 s 1;
- 4 (4) RCW 43.330.092 (Film and video promotion account--Promotion of film and video production industry) and 2009 c 565 s 5, 2005 c 136 s 6 15, & 1997 c 220 s 222;
- 7 (5) RCW 82.14.380 (Distressed county assistance account--Created--8 Distributions) and 2011 c 5 s 920, 1999 c 311 s 201, & 1998 c 321 s 10;
- 9 (6) RCW 28B.57.050 (Disposition of proceeds--1975 community college 10 capital construction account, use) and 1991 sp.s. c 13 s 51, 1985 c 57 11 s 18, & 1975 1st ex.s. c 65 s 5;
- 12 (7) RCW 76.09.400 (Forests and fish account--Created) and 1999 13 sp.s. c 4 s 1402;
- 14 (8) RCW 43.155.055 (Water storage projects and water systems 15 facilities subaccount) and 2003 c 330 s 1;
 - (9) RCW 43.211.050 (211 account) and 2003 c 135 s 6;

- 17 (10) RCW 28A.300.445 (Washington natural science, wildlife, and environmental education partnership account) and 2003 c 22 s 2;
- 19 (11) RCW 43.63A.760 (Airport impact mitigation account--Creation-20 Report) and 2010 1st sp.s. c 7 s 6 & 2003 1st sp.s. c 26 s 928;
- 21 (12) RCW 50.12.280 (Displaced workers account--Compensation and 22 retraining after thermal electric generation facility's cessation of 23 operation) and 1997 c 368 s 13;
- 24 (13) RCW 43.79.485 (Reading achievement account) and 2009 c 4 s 904 25 & 2006 c 120 s 1;
- 26 (14) RCW 82.45.200 (Real estate excise tax grant account) and 2005 27 c 480 s 3;
- 28 (15) RCW 90.88.060 (Hood Canal aquatic rehabilitation account) and 29 2006 c 366 s 1;
- 30 (16) RCW 50.16.015 (Federal interest payment fund--Establishment) 31 and 2006 c 13 s 19;
- 32 (17) RCW 43.43.565 (Automatic fingerprint information system 33 account) and 1986 c 196 s 2;
- 34 (18) RCW 41.04.395 (Disability accommodation revolving fund--35 Disbursements) and 2011 1st sp.s. c 43 s 434, 1994 sp.s. c 9 s 801, & 36 1987 c 9 s 2;
- 37 (19) RCW 43.21K.170 (Environmental excellence account) and 1997 c 38 381 s 32;

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- 1 (20) RCW 77.65.230 (Surcharge on Dungeness crab-coastal fishery 2 licenses and Dungeness crab-coastal class B fishery licenses--Dungeness 3 crab appeals account) and 2000 c 107 s 44 & 1994 c 260 s 15;
- 4 (21) RCW 38.52.106 (Nisqually earthquake account) and 2010 2nd 5 sp.s. c 1 s 902, 2009 c 564 s 922, 2008 c 329 s 909, 2003 1st sp.s. c 25 s 913, 2002 c 371 s 904, & 2001 c 5 s 2;
- 7 (22) RCW 43.176.040 (Small business incubator account) and 2004 c 8 237 s 4;
- 9 (23) RCW 43.340.120 (Tobacco securitization trust account) and 2002 10 c 365 s 13;
- 11 (24) RCW 43.155.100 (Water conservation account) and 2002 c 329 s 12 11;
- 13 (25) RCW 59.22.030 (Mobile home park purchase account) and 1991 14 sp.s. c 13 s 89 & 1987 c 482 s 4;
- 15 (26) RCW 43.72.904 (Health system capacity account) and 1993 c 492 16 s 471;
- 17 (27) RCW 42.16.016 (Cancellation of warrants--Refund of increased 18 balance amounts in agency payroll revolving fund) and 1967 ex.s. c 25 19 s 7;
- 20 (28) RCW 42.26.010 (Agency vendor payment revolving fund--Created--21 Use) and 1969 ex.s. c 60 s 1;
- 22 (29) RCW 28B.109.050 (Washington international exchange trust fund) 23 and 2011 1st sp.s. c 11 s 199 & 1996 c 253 s 405;
- (30) RCW 70.94.630 (Sulfur dioxide abatement account--Coal-fired thermal electric generation facilities--Application--Determination and assessment of progress--Certification of pollution level--Reimbursement--Time limit for and extension of account) and 1997 c 368 s 10;
- 29 (31) RCW 82.32.392 (Certain revenues to be deposited in sulfur 30 dioxide abatement account) and 1997 c 368 s 9;
- 31 (32) RCW 28B.109.060 (Washington international exchange scholarship endowment fund) and 2011 1st sp.s. c 11 s 200 & 1996 c 253 s 406;
- 33 (33) RCW 43.43.866 (Organized crime prosecution revolving fund) and 2009 c 560 s 25 & 1980 c 146 s 16; and
- 35 (34) RCW 66.08.235 (Liquor control board construction and 36 maintenance account) and 2011 1st sp.s. c 50 s 961, 2011 c 5 s 918, 37 2005 c 151 s 4, 2002 c 371 s 918, & 1997 c 75 s 1.

- NEW SECTION. Sec. 27. The following acts or parts of acts are each repealed:
 - (1) 1997 c 149 s 707 (uncodified);
- 4 (2) 2000 2nd sp.s. c 1 ss 711, 717, and 719 (uncodified); and
- 5 (3) 2007 c 522 s 1621 (uncodified).

- NEW SECTION. Sec. 28. (1) Except as provided in RCW 43.99G.020 and 43.99Q.130 and subsection (2) of this section, any residual balance of funds remaining in any account eliminated in this act on the effective date of this section shall be transferred by the state treasurer to the state general fund.
- 11 (2) The sum of four thousand dollars from the special grass seed 12 burning research account, not to exceed the balance in the account on 13 the effective date of this section, is appropriated for the biennium 14 ending June 30, 2013, to the Washington turfgrass seed commission for 15 the purposes of the commission.
- NEW SECTION. Sec. 29. This act takes effect July 1, 2012.

 Passed by the Senate March 5, 2012.

 Passed by the House March 7, 2012.

 Approved by the Governor March 29, 2012.

 Filed in Office of Secretary of State March 29, 2012.