

SHB 1154 - S AMD 1378
By Senator Frockt

ADOPTED 03/12/2020

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** (1) The legislature finds that the office
4 of Chehalis basin, established in RCW 43.21A.730, is faithfully
5 carrying out one of the prime directives of legislative intent from
6 chapter 194, Laws of 2016, by drafting a strategic plan and
7 accompanying environmental assessments, as the legislation called for
8 a Chehalis basin strategy that "must include an implementation
9 schedule and quantified measures for evaluating the success of
10 implementation."

11 (2) The legislature also finds that the office of Chehalis basin
12 has been successful in its initial work to secure both state and
13 federal funds for projects in the near term. However, specificity is
14 needed for consideration of the long-term funding needs.

15 (3) In enacted appropriations to date, the legislature has
16 provided significant funding for projects of the office of Chehalis
17 basin, and it is the intent of the legislature to continue to do so.

18 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.21A
19 RCW to read as follows:

20 (1) The office of Chehalis basin shall, based on the anticipation
21 of completing the strategic plan with an implementation schedule,
22 submit agency decision packages in preparation for the 2021-2023
23 fiscal biennium omnibus capital appropriations act, with a report of
24 out-biennia detail, containing:

- 25 (a) A specific list of projects;
- 26 (b) Project costs and suggested fund sources;
- 27 (c) Location information; and
- 28 (d) A time frame, including initiation and completion.

29 (2) The total cost for all submitted projects are expected to be
30 consistent with biennial amounts of prior requests, which were fifty
31 million dollars in state bonds in 2017-2019 and seventy-three million
32 two hundred thousand dollars in 2019-2021 in state bonds.

1 NEW SECTION. **Sec. 3.** A new section is added to chapter 43.21A
2 RCW to read as follows:

3 The office of Chehalis basin shall submit a report by January 1,
4 2021, to the legislature that meets the requirement of a finalized
5 strategic plan containing an implementation schedule and quantified
6 measures for evaluating the success of implementation, and the
7 appropriate policy and fiscal committees of the legislature shall,
8 within one hundred twenty days of the receipt, conduct a joint
9 hearing for the purposes of: (1) Receiving a report from the office
10 of Chehalis basin; and (2) considering potential funding strategies
11 to achieve the implementation schedule.

12 NEW SECTION. **Sec. 4.** A new section is added to chapter 43.21A
13 RCW to read as follows:

14 The Chehalis basin taxable account is created in the state
15 treasury. All receipts from the proceeds of taxable bonds for the
16 office of Chehalis basin, as well as other moneys directed to the
17 account, must be deposited in the account. Interest earned by
18 deposits in the account will be retained in the account. Moneys in
19 the account may be spent only after appropriation. Expenditures from
20 the account may be used only for the purposes set out in RCW
21 43.21A.730 and for the payment of expenses incurred in the issuance
22 and sale of the bonds.

23 **Sec. 5.** RCW 43.84.092 and 2019 c 421 s 15, 2019 c 403 s 14, 2019
24 c 365 s 19, 2019 c 287 s 19, and 2019 c 95 s 6 are each reenacted and
25 amended to read as follows:

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

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

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

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

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

20 (a) The following accounts and funds shall receive their
21 proportionate share of earnings based upon each account's and fund's
22 average daily balance for the period: The abandoned recreational
23 vehicle disposal account, the aeronautics account, the aircraft
24 search and rescue account, the Alaskan Way viaduct replacement
25 project account, the brownfield redevelopment trust fund account, the
26 budget stabilization account, the capital vessel replacement account,
27 the capitol building construction account, the Cedar River channel
28 construction and operation account, the Central Washington University
29 capital projects account, the charitable, educational, penal and
30 reformatory institutions account, the Chehalis basin account, the
31 Chehalis basin taxable account, the cleanup settlement account, the
32 Columbia river basin water supply development account, the Columbia
33 river basin taxable bond water supply development account, the
34 Columbia river basin water supply revenue recovery account, the
35 common school construction fund, the community forest trust account,
36 the connecting Washington account, the county arterial preservation
37 account, the county criminal justice assistance account, the deferred
38 compensation administrative account, the deferred compensation
39 principal account, the department of licensing services account, the
40 department of licensing tuition recovery trust fund, the department

1 of retirement systems expense account, the developmental disabilities
2 community trust account, the diesel idle reduction account, the
3 drinking water assistance account, the drinking water assistance
4 administrative account, the early learning facilities development
5 account, the early learning facilities revolving account, the Eastern
6 Washington University capital projects account, the education
7 construction fund, the education legacy trust account, the election
8 account, the electric vehicle account, the energy freedom account,
9 the energy recovery act account, the essential rail assistance
10 account, The Evergreen State College capital projects account, the
11 federal forest revolving account, the ferry bond retirement fund, the
12 freight mobility investment account, the freight mobility multimodal
13 account, the grade crossing protective fund, the public health
14 services account, the state higher education construction account,
15 the higher education construction account, the highway bond
16 retirement fund, the highway infrastructure account, the highway
17 safety fund, the hospital safety net assessment fund, the industrial
18 insurance premium refund account, the Interstate 405 and state route
19 number 167 express toll lanes account, the judges' retirement
20 account, the judicial retirement administrative account, the judicial
21 retirement principal account, the local leasehold excise tax account,
22 the local real estate excise tax account, the local sales and use tax
23 account, the marine resources stewardship trust account, the medical
24 aid account, the mobile home park relocation fund, the money-purchase
25 retirement savings administrative account, the money-purchase
26 retirement savings principal account, the motor vehicle fund, the
27 motorcycle safety education account, the multimodal transportation
28 account, the multiuse roadway safety account, the municipal criminal
29 justice assistance account, the natural resources deposit account,
30 the oyster reserve land account, the pension funding stabilization
31 account, the perpetual surveillance and maintenance account, the
32 pollution liability insurance agency underground storage tank
33 revolving account, the public employees' retirement system plan 1
34 account, the public employees' retirement system combined plan 2 and
35 plan 3 account, the public facilities construction loan revolving
36 account beginning July 1, 2004, the public health supplemental
37 account, the public works assistance account, the Puget Sound capital
38 construction account, the Puget Sound ferry operations account, the
39 Puget Sound Gateway facility account, the Puget Sound taxpayer
40 accountability account, the real estate appraiser commission account,

1 the recreational vehicle account, the regional mobility grant program
2 account, the resource management cost account, the rural arterial
3 trust account, the rural mobility grant program account, the rural
4 Washington loan fund, the sexual assault prevention and response
5 account, the site closure account, the skilled nursing facility
6 safety net trust fund, the small city pavement and sidewalk account,
7 the special category C account, the special wildlife account, the
8 state employees' insurance account, the state employees' insurance
9 reserve account, the state investment board expense account, the
10 state investment board commingled trust fund accounts, the state
11 patrol highway account, the state route number 520 civil penalties
12 account, the state route number 520 corridor account, the state
13 wildlife account, the statewide broadband account, the statewide
14 tourism marketing account, the student achievement council tuition
15 recovery trust fund, the supplemental pension account, the Tacoma
16 Narrows toll bridge account, the teachers' retirement system plan 1
17 account, the teachers' retirement system combined plan 2 and plan 3
18 account, the tobacco prevention and control account, the tobacco
19 settlement account, the toll facility bond retirement account, the
20 transportation 2003 account (nickel account), the transportation
21 equipment fund, the transportation future funding program account,
22 the transportation improvement account, the transportation
23 improvement board bond retirement account, the transportation
24 infrastructure account, the transportation partnership account, the
25 traumatic brain injury account, the tuition recovery trust fund, the
26 University of Washington bond retirement fund, the University of
27 Washington building account, the voluntary cleanup account, the
28 volunteer firefighters' and reserve officers' relief and pension
29 principal fund, the volunteer firefighters' and reserve officers'
30 administrative fund, the vulnerable roadway user education account,
31 the Washington judicial retirement system account, the Washington law
32 enforcement officers' and firefighters' system plan 1 retirement
33 account, the Washington law enforcement officers' and firefighters'
34 system plan 2 retirement account, the Washington public safety
35 employees' plan 2 retirement account, the Washington school
36 employees' retirement system combined plan 2 and 3 account, the
37 Washington state health insurance pool account, the Washington state
38 patrol retirement account, the Washington State University building
39 account, the Washington State University bond retirement fund, the
40 water pollution control revolving administration account, the water

1 pollution control revolving fund, the Western Washington University
2 capital projects account, the Yakima integrated plan implementation
3 account, the Yakima integrated plan implementation revenue recovery
4 account, and the Yakima integrated plan implementation taxable bond
5 account. Earnings derived from investing balances of the agricultural
6 permanent fund, the normal school permanent fund, the permanent
7 common school fund, the scientific permanent fund, the state
8 university permanent fund, and the state reclamation revolving
9 account shall be allocated to their respective beneficiary accounts.

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

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

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ADOPTED 03/12/2020

19 On page 1, line 2 of the title, after "projects;" strike the
20 remainder of the title and insert "reenacting and amending RCW
21 43.84.092; adding new sections to chapter 43.21A RCW; and creating a
22 new section."

EFFECT: Removes the provisions for bond authorization and provides direction to the Office of Chehalis Basin to develop a project list with certain information requirements and submit a report containing a finalized strategic plan with an implementation schedule. Specifies the legislative intent to review the report by joint committee. Creates the Chehalis Basin Taxable Account in the Treasury. The effect of the second Senate amendment is to clarify legislative intent to continue providing significant funding to the Office of Chehalis Basin, and sets the expectation that future funding requests will be consistent with amounts of previous requests.

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