

CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 1154

66th Legislature
2020 Regular Session

Passed by the House March 12, 2020
Yeas 95 Nays 1

**Speaker of the House of
Representatives**

Passed by the Senate March 12, 2020
Yeas 49 Nays 0

President of the Senate

Approved

Governor of the State of Washington

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 1154** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

FILED

**Secretary of State
State of Washington**

SUBSTITUTE HOUSE BILL 1154

AS AMENDED BY THE SENATE

Passed Legislature - 2020 Regular Session

State of Washington 66th Legislature 2020 Regular Session

By House Capital Budget (originally sponsored by Representative DeBolt)

READ FIRST TIME 02/11/20.

1 AN ACT Relating to financing of Chehalis basin flood damage
2 reduction and habitat restoration projects; reenacting and amending
3 RCW 43.84.092; adding new sections to chapter 43.21A RCW; and
4 creating a new section.

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

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

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

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

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

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

- 8 (a) A specific list of projects;
- 9 (b) Project costs and suggested fund sources;
- 10 (c) Location information; and
- 11 (d) A time frame, including initiation and completion.

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

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

18 The office of Chehalis basin shall submit a report by January 1,
19 2021, to the legislature that meets the requirement of a finalized
20 strategic plan containing an implementation schedule and quantified
21 measures for evaluating the success of implementation, and the
22 appropriate policy and fiscal committees of the legislature shall,
23 within one hundred twenty days of the receipt, conduct a joint
24 hearing for the purposes of: (1) Receiving a report from the office
25 of Chehalis basin; and (2) considering potential funding strategies
26 to achieve the implementation schedule.

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

29 The Chehalis basin taxable account is created in the state
30 treasury. All receipts from the proceeds of taxable bonds for the
31 office of Chehalis basin, as well as other moneys directed to the
32 account, must be deposited in the account. Interest earned by
33 deposits in the account will be retained in the account. Moneys in
34 the account may be spent only after appropriation. Expenditures from
35 the account may be used only for the purposes set out in RCW
36 43.21A.730 and for the payment of expenses incurred in the issuance
37 and sale of the bonds.

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

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

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

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

32 (4) Monthly, the state treasurer shall distribute the earnings
33 credited to the treasury income account. The state treasurer shall
34 credit the general fund with all the earnings credited to the
35 treasury income account except:

36 (a) The following accounts and funds shall receive their
37 proportionate share of earnings based upon each account's and fund's
38 average daily balance for the period: The abandoned recreational
39 vehicle disposal account, the aeronautics account, the aircraft
40 search and rescue account, the Alaskan Way viaduct replacement

1 project account, the brownfield redevelopment trust fund account, the
2 budget stabilization account, the capital vessel replacement account,
3 the capitol building construction account, the Cedar River channel
4 construction and operation account, the Central Washington University
5 capital projects account, the charitable, educational, penal and
6 reformatory institutions account, the Chehalis basin account, the
7 Chehalis basin taxable account, the cleanup settlement account, the
8 Columbia river basin water supply development account, the Columbia
9 river basin taxable bond water supply development account, the
10 Columbia river basin water supply revenue recovery account, the
11 common school construction fund, the community forest trust account,
12 the connecting Washington account, the county arterial preservation
13 account, the county criminal justice assistance account, the deferred
14 compensation administrative account, the deferred compensation
15 principal account, the department of licensing services account, the
16 department of licensing tuition recovery trust fund, the department
17 of retirement systems expense account, the developmental disabilities
18 community trust account, the diesel idle reduction account, the
19 drinking water assistance account, the drinking water assistance
20 administrative account, the early learning facilities development
21 account, the early learning facilities revolving account, the Eastern
22 Washington University capital projects account, the education
23 construction fund, the education legacy trust account, the election
24 account, the electric vehicle account, the energy freedom account,
25 the energy recovery act account, the essential rail assistance
26 account, The Evergreen State College capital projects account, the
27 federal forest revolving account, the ferry bond retirement fund, the
28 freight mobility investment account, the freight mobility multimodal
29 account, the grade crossing protective fund, the public health
30 services account, the state higher education construction account,
31 the higher education construction account, the highway bond
32 retirement fund, the highway infrastructure account, the highway
33 safety fund, the hospital safety net assessment fund, the industrial
34 insurance premium refund account, the Interstate 405 and state route
35 number 167 express toll lanes account, the judges' retirement
36 account, the judicial retirement administrative account, the judicial
37 retirement principal account, the local leasehold excise tax account,
38 the local real estate excise tax account, the local sales and use tax
39 account, the marine resources stewardship trust account, the medical
40 aid account, the mobile home park relocation fund, the money-purchase

1 retirement savings administrative account, the money-purchase
2 retirement savings principal account, the motor vehicle fund, the
3 motorcycle safety education account, the multimodal transportation
4 account, the multiuse roadway safety account, the municipal criminal
5 justice assistance account, the natural resources deposit account,
6 the oyster reserve land account, the pension funding stabilization
7 account, the perpetual surveillance and maintenance account, the
8 pollution liability insurance agency underground storage tank
9 revolving account, the public employees' retirement system plan 1
10 account, the public employees' retirement system combined plan 2 and
11 plan 3 account, the public facilities construction loan revolving
12 account beginning July 1, 2004, the public health supplemental
13 account, the public works assistance account, the Puget Sound capital
14 construction account, the Puget Sound ferry operations account, the
15 Puget Sound Gateway facility account, the Puget Sound taxpayer
16 accountability account, the real estate appraiser commission account,
17 the recreational vehicle account, the regional mobility grant program
18 account, the resource management cost account, the rural arterial
19 trust account, the rural mobility grant program account, the rural
20 Washington loan fund, the sexual assault prevention and response
21 account, the site closure account, the skilled nursing facility
22 safety net trust fund, the small city pavement and sidewalk account,
23 the special category C account, the special wildlife account, the
24 state employees' insurance account, the state employees' insurance
25 reserve account, the state investment board expense account, the
26 state investment board commingled trust fund accounts, the state
27 patrol highway account, the state route number 520 civil penalties
28 account, the state route number 520 corridor account, the state
29 wildlife account, the statewide broadband account, the statewide
30 tourism marketing account, the student achievement council tuition
31 recovery trust fund, the supplemental pension account, the Tacoma
32 Narrows toll bridge account, the teachers' retirement system plan 1
33 account, the teachers' retirement system combined plan 2 and plan 3
34 account, the tobacco prevention and control account, the tobacco
35 settlement account, the toll facility bond retirement account, the
36 transportation 2003 account (nickel account), the transportation
37 equipment fund, the transportation future funding program account,
38 the transportation improvement account, the transportation
39 improvement board bond retirement account, the transportation
40 infrastructure account, the transportation partnership account, the

1 traumatic brain injury account, the tuition recovery trust fund, the
2 University of Washington bond retirement fund, the University of
3 Washington building account, the voluntary cleanup account, the
4 volunteer firefighters' and reserve officers' relief and pension
5 principal fund, the volunteer firefighters' and reserve officers'
6 administrative fund, the vulnerable roadway user education account,
7 the Washington judicial retirement system account, the Washington law
8 enforcement officers' and firefighters' system plan 1 retirement
9 account, the Washington law enforcement officers' and firefighters'
10 system plan 2 retirement account, the Washington public safety
11 employees' plan 2 retirement account, the Washington school
12 employees' retirement system combined plan 2 and 3 account, the
13 Washington state health insurance pool account, the Washington state
14 patrol retirement account, the Washington State University building
15 account, the Washington State University bond retirement fund, the
16 water pollution control revolving administration account, the water
17 pollution control revolving fund, the Western Washington University
18 capital projects account, the Yakima integrated plan implementation
19 account, the Yakima integrated plan implementation revenue recovery
20 account, and the Yakima integrated plan implementation taxable bond
21 account. Earnings derived from investing balances of the agricultural
22 permanent fund, the normal school permanent fund, the permanent
23 common school fund, the scientific permanent fund, the state
24 university permanent fund, and the state reclamation revolving
25 account shall be allocated to their respective beneficiary accounts.

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

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

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