

**HOUSE BILL 1233**

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**State of Washington                      52nd Legislature                      1991 Regular Session**

**By** Representatives Zellinsky, Wilson, R. Fisher, Betrozoff, R. Meyers, Prentice, R. Johnson, P. Johnson, Forner, Schmidt, Horn and Haugen.

Read first time January 23, 1991. Referred to Committee on Revenue.

1            AN ACT Relating to treasurer-managed funds and accounts; amending  
2 RCW 70.39.170, 18.08.240, 43.79.330, 43.51.280, 40.14.025, 43.51.310,  
3 43.140.030, 28B.14D.040, 46.10.075, 72.72.030, 43.79.350, 43.01.050,  
4 67.40.040, 28B.10.821, 43.88.525, 58.24.060, 82.14.200, 82.14.210,  
5 18.72.390, 43.70.320, 18.04.105, 43.79.445, 47.76.030, 43.51.200,  
6 86.26.007, 43.08.250, 84.33.041, 43.31A.400, 70.94.656, 18.43.150,  
7 75.52.140, 51.44.170, 43.33A.160, 43.83B.360, 82.14.050, 42.16.011,  
8 43.19.610, 27.34.090, 82.42.090, 47.68.236, 79.64.055, 43.79.201,  
9 70.93.180, 46.08.172, 43.99.040, 43.83A.030, 43.99F.030, 28B.10.851,  
10 43.83.020, 28B.30.730, 28B.57.050, 43.99.060, 43.83B.030, 43.83C.030,  
11 43.83D.030, 43.83H.030, 43.84.092, 28A.515.320, 28A.550.010, 50.16.010,  
12 43.200.080, 70.164.030, 79.90.555, 70.94.483, 47.78.010, 22.09.411,  
13 70.47.030, 70.105D.070, 2.14.070, 70.170.080, 90.76.100, 70.95.800,  
14 59.21.050, 70.95E.080, 28B.30.741, 28B.30.742, 28B.20.810, 28B.14C.060,  
15 43.79A.020, 43.79A.040, 43.08.190, 28C.10.082, 43.250.030, 43.185.030,  
16 28B.10.882, 59.22.030, 70.148.020, 4.92.220, 4.92.130, 41.40.080,  
17 43.84.051, 43.79.130, 28B.35.751, 43.79.110, 28B.20.800, 28B.10.868,

1 42.26.010, 41.05.120, 90.50A.020, 2.14.080, 46.68.210, 81.100.070,  
2 28B.20.468, 28B.108.050, 28B.50.837, 41.26.070, 28B.108.060, 41.48.065,  
3 41.48.060, 2.10.080, and 43.160.080; reenacting and amending RCW  
4 74.18.230, 76.04.630, 28B.50.360, 28B.35.370, 70.146.030, 90.48.390,  
5 41.24.030, 41.04.260, and 74.18.230; repealing RCW 43.84.090,  
6 43.185.040, 46.09.290, 70.48.120, 43.31.958, 43.99C.040, 27.60.060,  
7 28B.31.040, 75.48.030, 28B.56.030, 43.83I.166, 36.22.180, and  
8 43.79.415; providing an effective date; and declaring an emergency.

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

10 **Sec. 1.** RCW 70.39.170 and 1985 c 57 s 67 are each amended to read  
11 as follows:

12 The commission shall biennially prepare a budget which shall  
13 include its estimated income and expenditures for administration and  
14 operation for the biennium, to be submitted to the governor for  
15 transmittal to the legislature for approval.

16 Expenses of the commission shall be financed by assessment against  
17 hospitals in an amount to be determined biennially by the commission,  
18 but not to exceed four one-hundredths of one percent of each hospital's  
19 gross operating costs to be levied and collected from and after July 1,  
20 1973 for the provision of hospital services for its last fiscal year  
21 ending on or before June 30th of the preceding calendar year.  
22 Budgetary requirements in excess of that limit may be financed by a  
23 general fund appropriation by the legislature. All moneys collected are  
24 to be deposited by the state treasurer in the hospital commission  
25 account which is hereby created in the state treasury. (~~All earnings  
26 of investments of balances in the hospital commission account shall be  
27 credited to the general fund.~~)

1 Any amounts raised by the collection of assessments from hospitals  
2 provided for in this section which are not required to meet  
3 appropriations in the budget act for the current fiscal year shall be  
4 available to the commission in succeeding years.

5 **Sec. 2.** RCW 18.08.240 and 1985 c 57 s 4 are each amended to read  
6 as follows:

7 There is established in the state treasury the architects' license  
8 account, into which all fees paid pursuant to this chapter shall be  
9 paid. (~~All earnings of investments of balances in the architects'~~  
10 ~~license account shall be credited to the general fund.~~)

11 **Sec. 3.** RCW 43.79.330 and 1985 c 57 s 38 are each amended to read  
12 as follows:

13 All moneys to the credit of the following state funds on the first  
14 day of August, 1955, and all moneys thereafter paid to the state  
15 treasurer for or to the credit of such funds, are hereby transferred to  
16 the following accounts in the state treasury, the creation of which is  
17 hereby authorized:

18 (1) Capitol building construction fund moneys, to the capitol  
19 building construction account;

20 (2) Cemetery fund moneys, to the cemetery account;

21 (3) Feed and fertilizer fund moneys, to the feed and fertilizer  
22 account;

23 (4) Forest development fund moneys, to the forest development  
24 account;

25 (5) Harbor improvement fund moneys, to the harbor improvement  
26 account;

27 (6) Millersylvania Park current fund moneys, to the Millersylvania  
28 Park current account;

1 (7) Puget Sound pilotage fund moneys, to the Puget Sound pilotage  
2 account;

3 (8) Real estate commission fund moneys, to the real estate  
4 commission account;

5 (9) Reclamation revolving fund moneys, to the reclamation revolving  
6 account;

7 (10) University of Washington building fund moneys, to the  
8 University of Washington building account; and

9 (11) State College of Washington building fund moneys, to the  
10 Washington State University building account((;

11 ~~(12) All earnings of investments of balances in the capitol  
12 building construction account, the cemetery account, the feed and  
13 fertilizer account, the harbor improvement account, the Millersylvania  
14 Park current account, the Puget Sound pilotage account, the real estate  
15 commission account, and the reclamation revolving account shall be  
16 credited to the general fund; and~~

17 ~~(13) Except as provided in RCW 43.84.090, all earnings of  
18 investments of balances in the forest development account, the  
19 University of Washington building account, and the Washington State  
20 University building account shall be credited to these respective  
21 accounts)).~~

22 **Sec. 4.** RCW 43.51.280 and 1987 c 466 s 2 are each amended to read  
23 as follows:

24 There is hereby created the trust land purchase account in the  
25 state treasury. Any revenues accruing to this account shall be used  
26 for the purchase of the property described in RCW 43.51.270(3)(a), to  
27 include all reasonable costs of acquisition, and a fee interest or such  
28 other interest in state trust lands presently used for park purposes as  
29 the state parks and recreation commission shall determine and to

1 reimburse the state parks and recreation commission for the cost of  
2 collecting such fees beginning with the 1973-75 fiscal biennium. Any  
3 funds remaining in the account shall be used for the renovation and  
4 redevelopment of state park structures and facilities to extend the  
5 original life expectancy or correct damage to the environment of state  
6 parks and for the maintenance and operation of state parks in the 1981-  
7 83 biennium. Thereafter, the funds shall not be used for such purposes  
8 until the money in the account satisfies the payment required to be  
9 made in the contract for sale of lands in RCW 43.51.270(2), the  
10 acquisition of the property described in RCW 43.51.270(3)(a), those  
11 amounts necessary to pay for the remaining trust assets of timber  
12 situated on the lands described in RCW 43.51.270(2), and for the  
13 acquisition of the property described in RCW 43.51.270(3) (b), (c),  
14 (d), and (e) and 43.51.270(4) on a schedule satisfactory to the board  
15 of natural resources. Payments may be delayed for property described  
16 in RCW 43.51.270(3) (b), (c), (d), and (e) until the existing contract  
17 for purchase of lands in RCW 43.51.270(2) has been paid off. Payments  
18 for the property in RCW 43.51.270(4) may be delayed until contracts for  
19 purchase of lands and timber described in RCW 43.51.270 (2) and (3)  
20 have been paid off. Payments from the account for those parcels  
21 included in RCW 43.51.270(4) shall be established on a schedule which  
22 is mutually acceptable to the board of natural resources and the parks  
23 and recreation commission. (~~All earnings of investments of balances  
24 in the trust land purchase account shall be credited to the general  
25 fund.~~)

26 **Sec. 5.** RCW 40.14.025 and 1985 c 57 s 22 are each amended to read  
27 as follows:

28 The secretary of state and the director of financial management  
29 shall jointly establish a schedule of fees and charges governing the

1 services provided by the division of archives and records management to  
2 other state agencies, offices, departments, and other entities. The  
3 schedule shall be determined such that the fees and charges will  
4 provide the division with funds to meet its anticipated expenditures  
5 during any allotment period.

6 There is created the archives and records management account in the  
7 state treasury which shall consist of all fees and charges collected  
8 under this section. The account shall be appropriated exclusively for  
9 use by the secretary of state for the payment of costs and expenses  
10 incurred in the operation of the division of archives and records  
11 management. ~~((All earnings of investments of balances in the archives  
12 and records management account shall be credited to the general fund.))~~

13 **Sec. 6.** RCW 43.51.310 and 1985 c 57 s 35 are each amended to read  
14 as follows:

15 There is hereby created the winter recreational program account in  
16 the state treasury. Special winter recreational area parking permit  
17 fees collected under this chapter shall be remitted to the state  
18 treasurer to be deposited in the winter recreational program account  
19 and shall be appropriated only to the commission for nonsnowmobile  
20 winter recreation purposes including the administration, acquisition,  
21 development, operation, planning, and maintenance of winter recreation  
22 facilities and the development and implementation of winter recreation,  
23 safety, enforcement, and education programs. The commission may accept  
24 gifts, grants, donations, or moneys from any source for deposit in the  
25 winter recreational program account. ~~((All earnings of investments of  
26 balances in the winter recreational program account shall be credited  
27 to the general fund.))~~

28 Any public agency in this state may develop and implement winter  
29 recreation programs. The commission may make grants to public agencies

1 and contract with any public or private agency or person to develop and  
2 implement winter recreation programs.

3 **Sec. 7.** RCW 43.140.030 and 1985 c 57 s 58 are each amended to read  
4 as follows:

5 There is created the geothermal account in the state treasury. All  
6 expenditures from this account are subject to appropriation and chapter  
7 43.88 RCW. (~~All earnings of investments of balances in the geothermal~~  
8 ~~account shall be credited to the general fund.~~)

9 All revenues received by the state treasurer under section 35 of  
10 the Mineral Lands Leasing Act of 1920, as amended (30 U.S.C. Sec. 191),  
11 with respect to activities of the United States bureau of land  
12 management undertaken pursuant to the Geothermal Steam Act of 1970 (30  
13 U.S.C. Sec. 1001 et. seq.) shall be deposited in the geothermal account  
14 in the state treasury immediately upon receipt.

15 **Sec. 8.** RCW 28B.14D.040 and 1985 c 57 s 13 are each amended to  
16 read as follows:

17 (~~Except for that portion of the proceeds required to pay bond~~  
18 ~~anticipation notes under RCW 28B.14D.020,~~) The proceeds from the sale  
19 of the bonds (~~and bond anticipation notes~~) authorized in this  
20 chapter, together with all grants, donations, transferred funds, and  
21 all other moneys which the state finance committee or the board of  
22 regents or board of trustees of any of the state institutions of higher  
23 education may direct the state treasurer to deposit therein, shall be  
24 deposited in the higher education construction account hereby created  
25 in the state treasury. (~~All earnings of investments of balances in~~  
26 ~~the higher education construction account shall be credited to the~~  
27 ~~general fund.~~)

1       **Sec. 9.** RCW 46.10.075 and 1985 c 57 s 61 are each amended to read  
2 as follows:

3       There is created a snowmobile account within the state treasury.  
4 Snowmobile registration fees, monetary civil penalties from snowmobile  
5 dealers, and snowmobile fuel tax moneys collected under this chapter  
6 and in excess of the amounts fixed for the administration of the  
7 registration and fuel tax provisions of this chapter shall be deposited  
8 in the snowmobile account and shall be appropriated only to the state  
9 parks and recreation commission for the administration and coordination  
10 of this chapter. ~~((All earnings of investments of balances in the  
11 snowmobile account shall be credited to the general fund.))~~

12       **Sec. 10.** RCW 72.72.030 and 1985 c 57 s 71 are each amended to read  
13 as follows:

14       (1) There is hereby created, in the state treasury, an  
15 institutional impact account. The secretary of social and health  
16 services may reimburse political subdivisions for criminal justice  
17 costs incurred directly as a result of crimes committed by offenders  
18 residing in an institution as defined herein under the jurisdiction of  
19 the secretary of social and health services. Such reimbursement shall  
20 be made to the extent funds are available from the institutional impact  
21 account. Reimbursements shall be limited to law enforcement,  
22 prosecutorial, judicial, and jail facilities costs which are documented  
23 to be strictly related to the criminal activities of the offender.

24       (2) The secretary of corrections may reimburse political  
25 subdivisions for criminal justice costs incurred directly as a result  
26 of crimes committed by offenders residing in an institution as defined  
27 herein under the jurisdiction of the secretary of corrections. Such  
28 reimbursement shall be made to the extent funds are available from the  
29 institutional impact account. Reimbursements shall be limited to law



1 enforcement, prosecutorial, judicial, and jail facilities costs which  
2 are documented to be strictly related to the criminal activities of the  
3 offender.

4 ~~((3) All earnings of investments of balances in the institutional  
5 impact account shall be credited to the general fund.))~~

6 **Sec. 11.** RCW 43.79.350 and 1985 c 57 s 40 are each amended to read  
7 as follows:

8 There is established in the state treasury a special account to be  
9 known as the suspense account. All moneys which heretofore have been  
10 deposited with the state treasurer in the state treasurer's suspense  
11 fund, and moneys hereafter received which are contingent on some future  
12 action, or which cover overpayments and are to be refunded to the  
13 sender in part or whole, and any other moneys of which the final  
14 disposition is not known, shall be transmitted to the state treasurer  
15 and deposited in the suspense account. All earnings of the investment  
16 of balances in the suspense account, less the allocation to the state  
17 treasurer's service account under RCW 43.08.190, shall be credited to  
18 the general fund.

19 **Sec. 12.** RCW 43.01.050 and 1985 c 57 s 26 are each amended to read  
20 as follows:

21 Each state officer or other person, other than county treasurer,  
22 who is authorized by law to collect or receive moneys which are  
23 required by statute to be deposited in the state treasury shall  
24 transmit to the state treasurer each day, all such moneys collected by  
25 him on the preceding day: PROVIDED, That the state treasurer may in  
26 his discretion grant exceptions where such daily transfers would not be  
27 administratively practical or feasible. In the event that remittances  
28 are not accompanied by a statement designating source and fund, the

1 state treasurer shall deposit these moneys in an account hereby created  
2 in the state treasury to be known as the undistributed receipts  
3 account. These moneys shall be retained in the account until such time  
4 as the transmitting agency provides a statement in duplicate of the  
5 source from which each item of money was derived and the fund into  
6 which it is to be transmitted. The director of financial management in  
7 accordance with RCW 43.88.160 shall promulgate regulations designed to  
8 assure orderly and efficient administration of this account. In the  
9 event moneys are deposited in this account that constitute  
10 overpayments, refunds may be made by the remitting agency without  
11 virtue of a legislative appropriation. All earnings of the investment  
12 of balances in the undistributed receipts account, less the allocation  
13 to the state treasurer's service account under RCW 43.08.190, shall be  
14 credited to the general fund.

15 **Sec. 13.** RCW 67.40.040 and 1990 c 181 s 2 are each amended to read  
16 as follows:

17 (1) The proceeds from the sale of the bonds authorized in RCW  
18 67.40.030, (~~earnings from the investment of the proceeds,~~) proceeds  
19 of the tax imposed under RCW 67.40.090, and all other moneys received  
20 by the state convention and trade center from any public or private  
21 source which are intended to fund the acquisition, design,  
22 construction, expansion, exterior cleanup and repair of the Eagles  
23 building, conversion of various retail and other space to meeting  
24 rooms, purchase of the land and building known as the McKay Parcel,  
25 development of low-income housing, or renovation of the center, shall  
26 be deposited in the state convention and trade center account hereby  
27 created in the state treasury and in such subaccounts as are deemed  
28 appropriate by the directors of the corporation.

1       (2) (~~Seventy-five percent of the income from the investment of the~~  
2 ~~corporation's funds deposited in the account, including interest earned~~  
3 ~~thereon, before and after May 10, 1985, shall be credited against any~~  
4 ~~future borrowings by the state convention and trade center corporation~~  
5 ~~from the general fund for debt service or otherwise at the time such~~  
6 ~~funds are needed after July 1, 1987.~~

7       ~~(3))~~ Moneys in the account, including unanticipated revenues under  
8 RCW 43.79.270, shall be used exclusively for the following purposes in  
9 the following priority:

10       (a) For reimbursement of the state general fund under RCW  
11 67.40.060;

12       (b) After appropriation by statute:

13       (i) For payment of expenses incurred in the issuance and sale of  
14 the bonds issued under RCW 67.40.030;

15       (ii) For acquisition, design, and construction of the state  
16 convention and trade center; and

17       (iii) For reimbursement of any expenditures from the state general  
18 fund in support of the state convention and trade center; and

19       (c) For transfer to the state convention and trade center  
20 operations account.

21       ~~((4))~~ (3) The corporation shall identify with specificity those  
22 facilities of the state convention and trade center that are to be  
23 financed with proceeds of general obligation bonds, the interest on  
24 which is intended to be excluded from gross income for federal income  
25 tax purposes. The corporation shall not permit the extent or manner of  
26 private business use of those bond-financed facilities to be  
27 inconsistent with treatment of such bonds as governmental bonds under  
28 applicable provisions of the Internal Revenue Code of 1986, as amended.

1       **Sec. 14.** RCW 28B.10.821 and 1985 c 57 s 10 are each amended to  
2 read as follows:

3       The state educational grant account is hereby established in the  
4 state treasury. The commission shall deposit refunds and recoveries of  
5 student financial aid funds expended in prior biennia in such account.  
6 Expenditures from such account shall be for financial aid to needy or  
7 disadvantaged students. ~~((All earnings of investments of balances in  
8 the state educational grant account shall be credited to the general  
9 fund.))~~

10       **Sec. 15.** RCW 43.88.525 and 1985 c 57 s 52 are each amended to read  
11 as follows:

12       A budget stabilization account is hereby created as an account in  
13 the state treasury for the purposes set forth in RCW 43.88.520 through  
14 43.88.540. There shall be deposited into the stabilization account the  
15 revenues described in RCW 43.88.530 and such other amounts as the  
16 legislature may from time to time direct to be deposited in the  
17 account. The governor's biennial budget document ~~((for the 1983-85  
18 biennium and for each succeeding biennium))~~ shall contain a request for  
19 necessary transfers from the general fund to the budget stabilization  
20 account of those revenues identified in RCW 43.88.530. ~~((All earnings  
21 of investments of balances in the budget stabilization account shall be  
22 credited to the general fund.))~~

23       **Sec. 16.** RCW 58.24.060 and 1987 c 466 s 8 are each amended to read  
24 as follows:

25       There is created in the state treasury the surveys and maps account  
26 which shall be a separate account consisting of funds received or  
27 collected under chapters 58.22 and 58.24 RCW, moneys appropriated to it  
28 by law. This account shall be used exclusively by the department of

1 natural resources for carrying out the purposes and provisions of  
2 chapters 58.22 and 58.24 RCW. Appropriations from the account shall be  
3 expended for no other purposes. (~~All earnings of investments of~~  
4 ~~balances in the surveys and maps account shall be credited to the~~  
5 ~~general fund.~~)

6 **Sec. 17.** RCW 82.14.200 and 1990 c 42 s 313 are each amended to  
7 read as follows:

8 There is created in the state treasury a special account to be  
9 known as the "county sales and use tax equalization account." Into  
10 this account shall be placed a portion of all motor vehicle excise tax  
11 receipts as provided in RCW 82.44.110(6). Funds in this account shall  
12 be allocated by the state treasurer according to the following  
13 procedure:

14 (1) Prior to April 1st of each year the director of revenue shall  
15 inform the state treasurer of the total and the per capita levels of  
16 revenues for the unincorporated area of each county and the state-wide  
17 weighted average per capita level of revenues for the unincorporated  
18 areas of all counties imposing the sales and use tax authorized under  
19 RCW 82.14.030(1) for the previous calendar year.

20 (2) At such times as distributions are made under RCW 82.44.150, as  
21 now or hereafter amended, the state treasurer shall apportion to each  
22 county imposing the sales and use tax under RCW 82.14.030(1) at the  
23 maximum rate and receiving less than one hundred fifty thousand dollars  
24 from the tax for the previous calendar year, an amount from the county  
25 sales and use tax equalization account sufficient, when added to the  
26 amount of revenues received the previous calendar year by the county,  
27 to equal one hundred fifty thousand dollars.

28 The department of revenue shall establish a governmental price  
29 index as provided in this subsection. The base year for the index

1 shall be the end of the third quarter of 1982. Prior to November 1,  
2 1983, and prior to each November 1st thereafter, the department of  
3 revenue shall establish another index figure for the third quarter of  
4 that year. The department of revenue may use the implicit price  
5 deflators for state and local government purchases of goods and  
6 services calculated by the United States department of commerce to  
7 establish the governmental price index. Beginning on January 1, 1984,  
8 and each January 1st thereafter, the one hundred fifty thousand dollar  
9 base figure in this subsection shall be adjusted in direct proportion  
10 to the percentage change in the governmental price index from 1982  
11 until the year before the adjustment. Distributions made under this  
12 subsection for 1984 and thereafter shall use this adjusted base amount  
13 figure.

14 (3) Subsequent to the distributions under subsection (2) of this  
15 section and at such times as distributions are made under RCW  
16 82.44.150, as now or hereafter amended, the state treasurer shall  
17 apportion to each county imposing the sales and use tax under RCW  
18 82.14.030(1) at the maximum rate and receiving less than seventy  
19 percent of the state-wide weighted average per capita level of revenues  
20 for the unincorporated areas of all counties as determined by the  
21 department of revenue under subsection (1) of this section, an amount  
22 from the county sales and use tax equalization account sufficient, when  
23 added to the per capita level of revenues for the unincorporated area  
24 received the previous calendar year by the county, to equal seventy  
25 percent of the state-wide weighted average per capita level of revenues  
26 for the unincorporated areas of all counties determined under  
27 subsection (1) of this section, subject to reduction under subsections  
28 (6) and (7) of this section. When computing distributions under this  
29 section, any distribution under subsection (2) of this section shall be

1 considered revenues received from the tax imposed under RCW  
2 82.14.030(1) for the previous calendar year.

3 (4) Subsequent to the distributions under subsection (3) of this  
4 section and at such times as distributions are made under RCW  
5 82.44.150, as now or hereafter amended, the state treasurer shall  
6 apportion to each county imposing the sales and use tax under RCW  
7 82.14.030(2) at the maximum rate and receiving a distribution under  
8 subsection (2) of this section, a third distribution from the county  
9 sales and use tax equalization account. The distribution to each  
10 qualifying county shall be equal to the distribution to the county  
11 under subsection (2) of this section, subject to the reduction under  
12 subsections (6) and (7) of this section. To qualify for the total  
13 distribution under this subsection, the county must impose the tax  
14 under RCW 82.14.030(2) for the entire calendar year. Counties imposing  
15 the tax for less than the full year shall qualify for prorated  
16 allocations under this subsection proportionate to the number of months  
17 of the year during which the tax is imposed.

18 (5) Subsequent to the distributions under subsection (4) of this  
19 section and at such times as distributions are made under RCW  
20 82.44.150, as now or hereafter amended, the state treasurer shall  
21 apportion to each county imposing the sales and use tax under RCW  
22 82.14.030(2) at the maximum rate and receiving a distribution under  
23 subsection (3) of this section, a fourth distribution from the county  
24 sales and use tax equalization account. The distribution to each  
25 qualifying county shall be equal to the distribution to the county  
26 under subsection (3) of this section, subject to the reduction under  
27 subsections (6) and (7) of this section. To qualify for the  
28 distributions under this subsection, the county must impose the tax  
29 under RCW 82.14.030(2) for the entire calendar year. Counties imposing  
30 the tax for less than the full year shall qualify for prorated

1 allocations under this subsection proportionate to the number of months  
2 of the year during which the tax is imposed.

3 (6) Revenues distributed under this section in any calendar year  
4 shall not exceed an amount equal to seventy percent of the state-wide  
5 weighted average per capita level of revenues for the unincorporated  
6 areas of all counties during the previous calendar year. If  
7 distributions under subsections (3) through (5) of this section cannot  
8 be made because of this limitation, then distributions under  
9 subsections (3) through (5) of this section shall be reduced ratably  
10 among the qualifying counties.

11 (7) If inadequate revenues exist in the county sales and use tax  
12 equalization account to make the distributions under subsections (3)  
13 through (5) of this section, then the distributions under subsections  
14 (3) through (5) of this section shall be reduced ratably among  
15 the qualifying counties. At such time during the year as additional  
16 funds accrue to the county sales and use tax equalization account,  
17 additional distributions shall be made under subsections (3) through  
18 (5) of this section to the counties.

19 (8) If the level of revenues in the county sales and use tax  
20 equalization account exceeds the amount necessary to make the  
21 distributions under subsections (2) through (5) of this section, then  
22 the additional revenues shall be credited and transferred to the state  
23 general fund.

24 ~~((9) All earnings of investments of balances in the county sales  
25 and use tax equalization account shall be credited to the general  
26 fund.))~~

27 **Sec. 18.** RCW 82.14.210 and 1990 2nd ex.s. c 1 s 701 are each  
28 amended to read as follows:



1       There is created in the state treasury a special account to be  
2 known as the "municipal sales and use tax equalization account." Into  
3 this account shall be placed such revenues as are provided under RCW  
4 82.44.110(5). Funds in this account shall be allocated by the state  
5 treasurer according to the following procedure:

6       (1) Prior to January 1st of each year the department of revenue  
7 shall determine the total and the per capita levels of revenues for  
8 each city and the state-wide weighted average per capita level of  
9 revenues for all cities imposing the sales and use tax authorized under  
10 RCW 82.14.030(1) for the previous calendar year.

11       (2) At such times as distributions are made under RCW 82.44.150,  
12 the state treasurer shall apportion to each city not imposing the sales  
13 and use tax under RCW 82.14.030(2) an amount from the municipal sales  
14 and use tax equalization account equal to the amount distributed to the  
15 city under RCW 82.44.155, multiplied by thirty-five sixty-fifths.

16       (3) Subsequent to the distributions under subsection (2) of this  
17 section, and at such times as distributions are made under RCW  
18 82.44.150, the state treasurer shall apportion to each city imposing  
19 the sales and use tax under RCW 82.14.030(1) at the maximum rate and  
20 receiving less than seventy percent of the state-wide weighted average  
21 per capita level of revenues for all cities as determined by the  
22 department of revenue under subsection (1) of this section, an amount  
23 from the municipal sales and use tax equalization account sufficient,  
24 when added to the per capita level of revenues received the previous  
25 calendar year by the city, to equal seventy percent of the state-wide  
26 weighted average per capita level of revenues for all cities determined  
27 under subsection (1) of this section, subject to reduction under  
28 subsection (6) of this section.

29       (4) Subsequent to the distributions under subsection (3) of this  
30 section, and at such times as distributions are made under RCW

1 82.44.150, the state treasurer shall apportion to each city imposing  
2 the sales and use tax under RCW 82.14.030(2) at the maximum rate and  
3 receiving a distribution under subsection (3) of this section, a third  
4 distribution from the municipal sales and use tax equalization account.  
5 The distribution to each qualifying city shall be equal to the  
6 distribution to the city under subsection (3) of this section, subject  
7 to the reduction under subsection (6) of this section. To qualify for  
8 the distributions under this subsection, the city must impose the tax  
9 under RCW 82.14.030(2) for the entire calendar year. Cities imposing  
10 the tax for less than the full year shall qualify for prorated  
11 allocations under this subsection proportionate to the number of months  
12 of the year during which the tax is imposed.

13 (5) For a city with an official incorporation date after January 1,  
14 1990, municipal sales and use tax equalization distributions shall be  
15 made according to the procedures in this subsection. Municipal sales  
16 and use tax equalization distributions to eligible new cities shall be  
17 made at the same time as distributions are made under subsections (3)  
18 and (4) of this section. The department of revenue shall follow the  
19 estimating procedures outlined in this subsection until the new city  
20 has received a full year's worth of revenues under RCW 82.14.030(1) as  
21 of the January municipal sales and use tax equalization distribution.

22 (a) Whether a newly incorporated city determined to receive funds  
23 under this subsection receives its first equalization payment at the  
24 January, April, July, or October municipal sales and use tax  
25 equalization distribution shall depend on the date the city first  
26 imposes the tax authorized under RCW 82.14.030(1).

27 (i) A newly incorporated city imposing the tax authorized under RCW  
28 82.14.030(1) effective as of January 1st shall be eligible to receive  
29 funds under this subsection beginning with the April municipal sales  
30 and use tax equalization distribution of that year.

1 (ii) A newly incorporated city imposing the tax authorized under  
2 RCW 82.14.030(1) effective as of February 1st, March 1st, or April 1st  
3 shall be eligible to receive funds under this subsection beginning with  
4 the July municipal sales and use tax equalization distribution of that  
5 year.

6 (iii) A newly incorporated city imposing the tax authorized under  
7 RCW 82.14.030(1) effective as of May 1st, June 1st, or July 1st shall  
8 be eligible to receive funds under this subsection beginning with the  
9 October municipal sales and use tax equalization distribution of that  
10 year.

11 (iv) A newly incorporated city imposing the tax authorized under  
12 RCW 82.14.030(1) effective as of August 1st, September 1st, or October  
13 1st shall be eligible to receive funds under this subsection beginning  
14 with the January municipal sales and use tax equalization distribution  
15 of the next year.

16 (v) A newly incorporated city imposing the tax authorized under RCW  
17 82.14.030(1) effective as of November 1st or December 1st shall be  
18 eligible to receive funds under this subsection beginning with the  
19 April municipal sales and use tax equalization distribution of the next  
20 year.

21 (b) For purposes of calculating the amount of funds the new city  
22 should receive under this subsection, the department of revenue shall:

23 (i) Estimate the per capita amount of revenues from the tax  
24 authorized under RCW 82.14.030(1) that the new city would have received  
25 had the city received revenues from the tax the entire calendar year;

26 (ii) Calculate the amount provided under subsection (3) of this  
27 section based on the per capita revenues determined under (b)(i) of  
28 this subsection;

1 (iii) Prorate the amount determined under (b)(ii) of this  
2 subsection by the number of months the tax authorized under RCW  
3 82.14.030(1) is imposed.

4 (c) A new city imposing the tax under RCW 82.14.030(2) at the  
5 maximum rate and receiving a distribution calculated under (b) of this  
6 subsection shall receive another distribution from the municipal sales  
7 and use tax equalization account. This distribution shall be equal to  
8 the calculation made under (b)(ii) of this subsection, prorated by the  
9 number of months the city imposes the tax authorized under RCW  
10 82.14.030(2) at the full rate.

11 (d) The department of revenue shall advise the state treasurer of  
12 the amounts calculated under (b) and (c) of this subsection and the  
13 state treasurer shall distribute these amounts to the new city from the  
14 municipal sales and use tax equalization account subject to the  
15 limitations imposed in subsection (6) of this section.

16 (e) Revenues estimated under this subsection shall not affect the  
17 calculation of the state-wide weighted average per capita level of  
18 revenues for all cities made under subsection (1) of this section.

19 (6) If inadequate revenues exist in the municipal sales and use tax  
20 equalization account to make the distributions under subsection (3),  
21 (4), or (5) of this section, then the distributions under subsections  
22 (3), (4), and (5) of this section shall be reduced ratably among the  
23 qualifying cities. At such time during the year as additional funds  
24 accrue to the municipal sales and use tax equalization account,  
25 additional distributions shall be made under subsections (3), (4), and  
26 (5) of this section to the cities.

27 (7) If the level of revenues in the municipal sales and use tax  
28 equalization account exceeds the amount necessary to make the  
29 distributions under subsections (2) through (5) of this section, then  
30 the additional revenues shall be apportioned among the several cities

1 within the state ratably on the basis of population as last determined  
2 by the office of financial management: PROVIDED, That no such  
3 distribution shall be made to those cities receiving a distribution  
4 under subsection (2) of this section.

5 ~~((8) All earnings of investments of balances in the municipal  
6 sales and use tax equalization account shall be credited to the general  
7 fund.))~~

8 **Sec. 19.** RCW 18.72.390 and 1985 c 57 s 6 are each amended to read  
9 as follows:

10 Because it is the express purpose of this chapter to protect the  
11 public health and to provide for a public agency to act as a  
12 disciplinary body for members of the medical profession licensed to  
13 practice medicine and surgery in this state, and because the health and  
14 well-being of the people of this state are of paramount importance,  
15 there is hereby created an account in the state treasury to be known as  
16 the medical disciplinary account. All assessments, fines, and other  
17 funds collected or received pursuant to this chapter shall be deposited  
18 in the medical disciplinary account and used to administer and  
19 implement this chapter. ~~((All earnings of investments of balances in  
20 the medical disciplinary account shall be credited to the general  
21 fund.))~~

22 **Sec. 20.** RCW 43.70.320 and 1985 c 57 s 29 are each amended to read  
23 as follows:

24 There is created in the state treasury an account to be known as  
25 the health professions account. All fees received by the department  
26 for health professions licenses, registration, certifications,  
27 renewals, or examinations shall be forwarded to the state treasurer who  
28 shall credit such moneys to the health professions account. All

1 expenses incurred in carrying out the health professions licensing  
2 activities of the department shall be paid from the account as  
3 authorized by legislative appropriation. Any residue in the account  
4 shall be accumulated and shall not revert to the general fund at the  
5 end of the biennium. (~~All earnings of investments of balances in the~~  
6 ~~health professions account shall be credited to the general fund.~~)

7 The director shall biennially prepare a budget request based on the  
8 anticipated costs of administering the health professions licensing  
9 activities of the department which shall include the estimated income  
10 from health professions fees.

11 **Sec. 21.** RCW 74.18.230 and 1985 c 97 s 2 and 1985 c 57 s 72 are  
12 each reenacted and amended to read as follows:

13 (1) There is established in the state treasury an account known as  
14 the business enterprises revolving account.

15 (2) The net proceeds from any vending machine operation in a public  
16 building, other than an operation managed by a licensee, shall be made  
17 payable to the business enterprises revolving fund. Net proceeds, for  
18 purposes of this section, means the gross amount received less the  
19 costs of the operation, including a fair minimum return to the vending  
20 machine owner, which return shall not exceed a reasonable amount to be  
21 determined by the department.

22 (3) All moneys in the business enterprises revolving fund shall be  
23 expended only for development and expansion of locations, equipment,  
24 management services, and payments to licensees in the business  
25 enterprises program.

26 (4) The business enterprises program shall be supported by the  
27 business enterprises revolving fund and by income which may accrue to  
28 the department pursuant to the federal Randolph-Sheppard Act.

1 (5) Vocational rehabilitation funds may be spent in connection with  
2 the business enterprises program for training persons to become  
3 licensees and for other services that are required to complete an  
4 individual written rehabilitation program.

5 ~~((6) All earnings of investments of balances in the business  
6 enterprises revolving account shall be credited to the business  
7 enterprises revolving account.))~~

8 **Sec. 22.** RCW 18.04.105 and 1986 c 295 s 6 are each amended to read  
9 as follows:

10 (1) The certificate of "certified public accountant" shall be  
11 granted by the board to any person:

12 (a) Who is of good character. Good character, for purposes of this  
13 section, means lack of a history of dishonest or felonious acts. The  
14 board may refuse to grant a certificate on the ground of failure to  
15 satisfy this requirement only if there is a substantial connection  
16 between the lack of good character of the applicant and the  
17 professional responsibilities of a licensee and if the finding by the  
18 board of lack of good character is supported by a preponderance of  
19 evidence. When an applicant is found to be unqualified for a  
20 certificate because of a lack of good character, the board shall  
21 furnish the applicant a statement containing the findings of the board  
22 and a notice of the applicant's right of appeal;

23 (b) Who has met such educational standards established by rule as  
24 the board determines to be appropriate; and

25 (c) Who has passed a written examination in accounting, auditing,  
26 and related subjects the board determines to be appropriate.

27 (2) The examination described in subsection (1)(c) of this section  
28 shall be held by the board and shall take place as often as the board  
29 determines to be desirable, but at least once a year. The board may

1 use all or any part of the examination or grading service of the  
2 American Institute of Certified Public Accountants or National  
3 Association of State Boards of Accountancy to assist it in performing  
4 its duties under this chapter.

5 (3) The board may, by rule, provide for granting credit to a person  
6 for satisfactory completion of a written examination in any one or more  
7 of the subjects specified in subsection (1)(c) of this section given by  
8 the licensing authority in any other state. These rules shall include  
9 requirements the board determines to be appropriate in order that any  
10 examination approved as a basis for any credit shall, in the judgment  
11 of the board, be at least as thorough as the most recent examination  
12 given by the board at the time credit is granted.

13 (4) The board may, by rule, prescribe the terms and conditions  
14 under which a person who passes the examination in one or more of the  
15 subjects indicated in subsection (1)(c) of this section may be  
16 reexamined in only the remaining subjects, giving credit for the  
17 subjects previously passed. It may also provide by rule for a  
18 reasonable waiting period for a person's reexamination in a subject he  
19 or she has failed. A person is entitled to any number of  
20 reexaminations, subject to this subsection and any other rules adopted  
21 by the board.

22 (5) A person passing the examination in any one or more subjects  
23 specified in subsection (1)(c) of this section shall meet the  
24 educational requirements of subsection (1)(b) of this section in effect  
25 on the date the person successfully completes the requirements of  
26 subsection (1)(c) of this section. The board may provide, by rule, for  
27 exceptions to prevent what it determines to be undue hardship to  
28 applicants.

29 (6) The board shall charge each applicant an examination fee for  
30 the initial examination under subsection (1) of this section, or for



1 reexamination under subsection (4) of this section for each subject in  
2 which the applicant is reexamined. The applicable fee shall be paid by  
3 the person at the time he or she applies for examination,  
4 reexamination, or evaluation of educational qualifications. Fees for  
5 examination, reexamination, or evaluation of educational qualifications  
6 shall be determined by the board under chapter 18.04 RCW. There is  
7 established in the state treasury an account to be known as the  
8 certified public accountants' account. All fees received from  
9 candidates to take any or all sections of the certified public  
10 accountant examination shall be used only for costs related to the  
11 examination. (~~All earnings of investments of balances in the  
12 certified public accountants' account shall be credited to the general  
13 fund.~~)

14 (7) Persons who on June 30, 1986, held certified public accountant  
15 certificates previously issued under the laws of this state shall not  
16 be required to obtain additional certificates under this chapter, but  
17 shall otherwise be subject to this chapter. Certificates previously  
18 issued shall, for all purposes, be considered certificates issued under  
19 this chapter and subject to its provisions.

20 (8) Persons who held qualifications as licensed public accountants  
21 but who do not hold annual permits to practice on July 1, 1983, are not  
22 entitled to engage in the practice of public accounting under this  
23 chapter. No person shall use the term "licensed public accountant" or  
24 the designation "LPA."

25 (9) A certificate of a "certified public accountant" under this  
26 chapter is issued on a biennial basis with renewal subject to  
27 requirements of continuing professional education and payment of fees,  
28 prescribed by the board.

1 (10) The board shall adopt rules providing for continuing  
2 professional education for certified public accountants. The rules  
3 shall:

4 (a) Provide that a certified public accountant holding a  
5 certificate on July 1, 1986, shall verify to the board that he or she  
6 has completed at least ten days or an accumulation of eighty hours of  
7 continuing professional education during the last two-year period to  
8 maintain the certificate;

9 (b) Establish continuing professional education requirements;

10 (c) Establish when newly certificated public accountants shall  
11 verify that they have completed the required continuing professional  
12 education; and

13 (d) Establish proceedings for revocation, suspension, and  
14 reinstatement of certificates for failure to meet the continuing  
15 professional education requirement.

16 (11) Failure to furnish verification of the completion of the  
17 continuing professional education requirement constitutes grounds for  
18 revocation, suspension, or failure to renew the certificate, unless the  
19 board determines that the failure was due to reasonable cause or  
20 excusable neglect.

21 **Sec. 23.** RCW 43.79.445 and 1986 c 31 s 2 are each amended to read  
22 as follows:

23 There is established an account in the state treasury referred to  
24 as the "death investigations' account" which shall exist for the  
25 purpose of receiving, holding, investing, and disbursing funds  
26 appropriated or provided in section 20, chapter 16, Laws of 1983 1st  
27 ex. sess. and any moneys appropriated or otherwise provided thereafter.  
28 (~~All earnings of investments of balances in the death investigations'~~  
29 ~~account shall be credited to the general fund.~~)

1 Moneys in the death investigations' account shall be disbursed by  
2 the state treasurer once every year on December 31 and at any other  
3 time determined by the treasurer. The (~~above-mentioned entities and~~  
4 ~~individuals~~) Washington state patrol, board on prosecutor training  
5 standards and education, death investigation council, state toxicology  
6 laboratory, county coroners, and medical examiners may submit billings  
7 to the state treasurer prior to December 31. The University of  
8 Washington may also submit billings for amounts not to exceed thirty-  
9 five thousand dollars per twelve-month period for the fellowship  
10 program in forensic pathology under RCW 28B.20.426 and the state  
11 treasurer shall make such payments for the fellowship program in  
12 forensic pathology under RCW 28B.20.426.

13 **Sec. 24.** RCW 47.76.030 and 1990 c 43 s 11 are each amended to read  
14 as follows:

15 (1) The essential rail assistance account is hereby created in the  
16 state treasury. Moneys in the account may be appropriated only for the  
17 purposes specified in this section.

18 (2) Moneys appropriated from the account to the department of  
19 transportation may be distributed by the department to first class  
20 cities, county rail districts and port districts for the purpose of:

21 (a) Acquiring, maintaining, or improving branch rail lines;

22 (b) Operating railroad equipment necessary to maintain essential  
23 rail service;

24 (c) Construction of transloading facilities to increase business on  
25 light density lines or to mitigate the impacts of abandonment; or

26 (d) Preservation, including operation, of viable light density  
27 lines, as identified by the Washington state department of  
28 transportation, in compliance with this chapter.

1 (3) First class cities, county rail districts and port districts  
2 may grant franchises to private railroads for the right to operate on  
3 lines acquired, repaired, or improved under this chapter.

4 (4) If rail lines or rail rights of way are used by county rail  
5 districts, port districts, state agencies, or other public agencies for  
6 the purposes of rail operations and are later abandoned, the rail lines  
7 or rail rights of way cannot be used for any other purposes without the  
8 consent of the underlying fee title holder or reversionary rights  
9 holder, or compensation has been made to the underlying fee title  
10 holder or reversionary rights holder.

11 (5) Moneys distributed under subsection (2) of this section shall  
12 not exceed eighty percent of the cost of the service or project  
13 undertaken. At least twenty percent of the cost shall be provided by  
14 the first class city, county, port district, or other local sources.

15 (6) The amount distributed under this section shall be repaid to  
16 the state by the first class city, county rail district or port  
17 district. The repayment shall occur within a period not longer than  
18 fifteen years, as set by the department, of the distribution of the  
19 moneys and shall be deposited in the essential rail assistance account.  
20 The repayment schedule and rate of interest, if any, shall be set at  
21 the time of the distribution of the moneys.

22 ~~((7) All earnings of investments of balances in the essential rail  
23 assistance account shall be credited to that account except as provided  
24 in RCW 43.84.090 and 43.84.092.))~~

25 **Sec. 25.** RCW 43.51.200 and 1985 c 57 s 33 are each amended to read  
26 as follows:

27 (1) Any lands owned by the state parks and recreation commission,  
28 which are determined to be surplus to the needs of the state for  
29 development for state park purposes and which the commission proposes

1 to deed to a local government or other entity, shall be accompanied by  
2 a clause requiring that if the land is not used for outdoor recreation  
3 purposes, ownership of the land shall revert to the state parks and  
4 recreation commission.

5 (2) The state parks and recreation commission, in cases where land  
6 subject to such a reversionary clause is proposed for use or disposal  
7 for purposes other than recreation, shall require that, if the land is  
8 surplus to the needs of the commission for park purposes at the time  
9 the commission becomes aware of its proposed use for nonrecreation  
10 purposes, the holder of the land or property shall reimburse the  
11 commission for the release of the reversionary interest in the land.  
12 The reimbursement shall be in the amount of the fair market value of  
13 the reversionary interest as determined by a qualified appraiser  
14 agreeable to the commission. Appraisal costs shall be borne by the  
15 local entity which holds title to the land.

16 (3) Any funds generated under a reimbursement under this section  
17 shall be deposited in the parkland acquisition account which is hereby  
18 created in the state treasury. Moneys in this account are to be used  
19 solely for the purchase or acquisition of property for use as state  
20 park property by the commission, as directed by the legislature; all  
21 such funds shall be subject to legislative appropriation. ((All  
22 earnings of investments of balances in the parkland acquisition account  
23 shall be credited to the general fund.))

24 **Sec. 26.** RCW 86.26.007 and 1986 c 46 s 1 are each amended to read  
25 as follows:

26 The flood control assistance account is hereby established in the  
27 state treasury. At the beginning of each biennium ((after June 30,  
28 1985)), the state treasurer shall transfer from the general fund to the  
29 flood control assistance account an amount of money which, when

1 combined with money remaining in the account from the previous  
2 biennium, will equal four million dollars. Moneys in the flood control  
3 assistance account may be spent only after appropriation for purposes  
4 specified under this chapter. (~~All earnings of investments of balances~~  
5 ~~in the flood control assistance account shall be credited to the~~  
6 ~~general fund.~~)

7       **Sec. 27.** RCW 43.08.250 and 1985 c 57 s 27 are each amended to read  
8 as follows:

9       The money received by the state treasurer from fees, fines,  
10 forfeitures, penalties, reimbursements or assessments by any court  
11 organized under Title 3 or 35 RCW, or chapter 2.08 RCW, shall be  
12 deposited in the public safety and education account which is hereby  
13 created in the state treasury. The legislature shall appropriate the  
14 funds in the account to promote traffic safety education, highway  
15 safety, criminal justice training, crime victims' compensation,  
16 judicial education, the judicial information system, winter recreation  
17 parking, and state game programs. (~~All earnings of investments of~~  
18 ~~balances in the public safety and education account shall be credited~~  
19 ~~to the general fund.~~)

20       **Sec. 28.** RCW 84.33.041 and 1985 c 57 s 87 are each amended to read  
21 as follows:

22       (1) An excise tax is imposed on every person engaging in this state  
23 in business as a harvester of timber on privately or publicly owned  
24 land. The tax is equal to the stumpage value of timber harvested for  
25 sale or for commercial or industrial use multiplied by the rate  
26 provided in this chapter.

27       (2) A credit is allowed against the tax imposed under this section  
28 for any tax paid under RCW 84.33.051.

1 (3) Moneys received as payment for the tax imposed under this  
2 section and RCW 84.33.051 shall be deposited in the timber tax  
3 distribution account hereby established in the state treasury.

4 ~~((4) All earnings of investments of balances in the timber tax  
5 distribution account shall be credited to the general fund.))~~

6 **Sec. 29.** RCW 43.31A.400 and 1981 c 76 s 4 are each amended to read  
7 as follows:

8 The economic assistance authority established by section 2, chapter  
9 117, Laws of 1972 ex. sess. as amended by section 111, chapter 34, Laws  
10 of 1975-'76 2nd ex. sess. is abolished, effective June 30, 1982. Any  
11 remaining duties of the economic assistance authority are transferred  
12 to the department of revenue on that date. The public facilities  
13 construction loan and grant revolving account within the state treasury  
14 is continued to service the economic assistance authority's loans.

15 **Sec. 30.** RCW 70.94.656 and 1990 c 113 s 1 are each amended to read  
16 as follows:

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

24 (1) The department shall approve of a study or studies for the  
25 exploration and identification of economical and practical alternate  
26 agricultural practices to the open burning of field and turf grasses  
27 grown for seed. Prior to the issuance of any permit for such burning  
28 under RCW 70.94.650, there shall be collected a fee not to exceed fifty

1 cents per acre of crop to be burned. Any such fees received by any  
2 authority shall be transferred to the department of ecology. The  
3 department of ecology shall deposit all such acreage fees in a special  
4 grass seed burning research account, hereby created, in the state  
5 treasury. (~~All earnings of investments of balances in the special~~  
6 ~~grass seed burning research account shall be credited to the general~~  
7 ~~fund.~~) The department shall allocate moneys annually from this account  
8 for the support of any approved study or studies as provided for in  
9 this subsection. For the conduct of any such study or studies, the  
10 department may contract with public or private entities: PROVIDED,  
11 That whenever the department of ecology shall conclude that sufficient  
12 reasonably available alternates to open burning have been developed,  
13 and at such time as all costs of any studies have been paid, the grass  
14 seed burning research account shall be dissolved, and any money  
15 remaining therein shall revert to the general fund.

16 (2) Whenever on the basis of information available to it, the  
17 department after public hearings have been conducted wherein testimony  
18 will be received and considered from interested parties wishing to  
19 testify shall conclude that any procedure, program, technique, or  
20 device constitutes a practical alternate agricultural practice to the  
21 open burning of field or turf grasses grown for seed, the department  
22 shall, by order, certify approval of such alternate. Thereafter, in  
23 any case which any such approved alternate is reasonably available, the  
24 open burning of field and turf grasses grown for seed shall be  
25 disallowed and no permit shall issue therefor.

26 (3) Until approved alternates become available, the department or  
27 the authority may limit the number of acres on a pro rata basis among  
28 those affected for which permits to  
29 burn will be issued in order to effectively control emissions from this  
30 source.



1 (4) Permits issued for burning of field and turf grasses may be  
2 conditioned to minimize emissions insofar as practical, including  
3 denial of permission to burn during periods of adverse meteorological  
4 conditions.

5 **Sec. 31.** RCW 18.43.150 and 1985 c 57 s 5 are each amended to read  
6 as follows:

7 All fees collected under the provisions of RCW 18.43.050, 18.43.080  
8 and 18.43.130 shall be divided and twenty percent paid into the state  
9 general fund and eighty percent paid into the professional engineers'  
10 account, which account is hereby established in the state treasury to  
11 be used to carry out the purposes and provisions of RCW 18.43.050,  
12 18.43.060, 18.43.080, 18.43.100, 18.43.110, 18.43.120, 18.43.130,  
13 18.43.140 and all other duties required for operation and enforcement  
14 of this chapter. (~~All earnings of investments of balances in the  
15 professional engineers' account shall be credited to the general  
16 fund.~~)

17 **Sec. 32.** RCW 75.52.140 and 1989 c 85 s 7 are each amended to read  
18 as follows:

19 In order to provide operation and maintenance funds for the  
20 facility authorized by RCW 75.52.100 through 75.52.160, the utility  
21 shall place two million five hundred thousand dollars in the state  
22 general fund Cedar river channel construction and operation account  
23 herein created. The interest from the fund, less the allocation to the  
24 state treasurer's service account pursuant to RCW 43.08.190, shall be  
25 used for operation and maintenance of the spawning channel and any  
26 unused interest shall be added to the fund to increase the principal to  
27 cover possible future operation cost increases. (~~The state treasurer  
28 may invest funds from the account as provided by law.~~)

1       **Sec. 33.** RCW 51.44.170 and 1990 c 204 s 2 are each amended to read  
2 as follows:

3       The industrial insurance premium refund account is created in the  
4 state treasury. All industrial insurance refunds earned by state  
5 agencies or institutions of higher education under the state fund  
6 retrospective rating program shall be deposited into the account.  
7 (~~Interest on the moneys in the account shall be deposited into the~~  
8 ~~general fund.~~) Moneys in the account may be spent only after  
9 appropriation. No agency or institution of higher education may  
10 receive an appropriation for an amount greater than the refund earned  
11 by the agency. Expenditures from the account may be used for any  
12 program within an agency or institution of higher education, but  
13 preference shall be given to programs that promote or provide  
14 incentives for employee safety and early, appropriate return-to-work  
15 for injured employees.

16       **Sec. 34.** RCW 76.04.630 and 1989 c 362 s 2 and 1989 c 175 s 162 are  
17 each reenacted and amended to read as follows:

18       There is created a landowner contingency forest fire suppression  
19 account which shall be a separate account in the state treasury.  
20 Moneys in the account may be spent only as provided in this section.  
21 Disbursements from the account shall be on authorization of the  
22 commissioner of public lands or the commissioner's designee. The  
23 account is subject to the allotment procedure provided under chapter  
24 43.88 RCW, but no appropriation is required for disbursements.

25       The department may expend from this account such amounts as may be  
26 available and as it considers appropriate for the payment of emergency  
27 fire costs resulting from a participating landowner fire. The  
28 department may, when moneys are available from the landowner  
29 contingency forest fire suppression account, expend moneys for

1 summarily abating, isolating, or reducing an extreme fire hazard under  
2 RCW 76.04.660. All moneys recovered as a result of the department's  
3 actions, from the owner or person responsible, under RCW 76.04.660  
4 shall be deposited in the landowner contingency forest fire suppression  
5 account.

6 When a determination is made that the fire was started by other  
7 than a landowner operation, moneys expended from this account in the  
8 suppression of such fire shall be recovered from such general fund  
9 appropriations as may be available for emergency fire suppression  
10 costs. The department shall deposit in the landowner contingency  
11 forest fire suppression account any moneys paid out of the account  
12 which are later recovered, less reasonable costs of recovery.

13 This account shall be established and renewed by a special forest  
14 fire suppression account assessment paid by participating landowners at  
15 a rate to be established by the department, but not to exceed fifteen  
16 cents per acre per year for such period of years as may be necessary to  
17 establish and thereafter reestablish a balance in the account of three  
18 million dollars. The department may establish a minimum assessment for  
19 ownership parcels identified in RCW 76.04.610 as paying the minimum  
20 assessment. The maximum assessment for these parcels shall not exceed  
21 the fees levied on a thirty-acre parcel. There shall be no assessment  
22 on each parcel of privately owned lands of less than two acres. The  
23 assessments may differ to equitably distribute the assessment based on  
24 emergency fire suppression cost experience necessitated by landowner  
25 operations. Amounts assessed for this account shall be a lien upon the  
26 forest lands with respect to which the assessment is made and may be  
27 collected as directed by the department in the same manner as forest  
28 protection assessments. ~~((This account shall be held by the state  
29 treasurer, who is authorized to invest so much of the account as is not  
30 necessary to meet current needs. Any interest earned on moneys from~~

1 ~~the account shall be deposited in and remain a part of the account and~~  
2 ~~shall be computed as part of same in determining the balance thereof.~~  
3 ~~Interfund loans to and from this account are authorized at the current~~  
4 ~~rate of interest as determined by the state treasurer, provided that~~  
5 ~~the effect of the loan is considered for purposes of determining the~~  
6 ~~assessments-))~~ Payment of emergency costs from this account shall in  
7 no way restrict the right of the department to recover costs pursuant  
8 to RCW 76.04.495 or other laws.

9       When the department determines that a forest fire was started in  
10 the course of or as a result of a landowner operation, it shall notify  
11 the forest fire advisory board of the determination. The determination  
12 shall be final, unless, within ninety days of the notification, the  
13 forest fire advisory board or any interested party serves a request for  
14 a hearing before the department. The hearing shall constitute an  
15 adjudicative proceeding under chapter 34.05 RCW, the administrative  
16 procedure act, and any appeal shall be in accordance with RCW  
17 34.05.510 through 34.05.598.

18       **Sec. 35.** RCW 43.33A.160 and 1985 c 57 s 32 are each amended to  
19 read as follows:

20       (1) The state investment board shall be funded from the earnings of  
21 the funds managed by the state investment board, proportional to the  
22 value of the assets of each fund, subject to legislative appropriation.

23       (2) There is established in the state treasury a state investment  
24 board expense account from which shall be paid the operating expenses  
25 of the state investment board. Prior to November 1 of each even-  
26 numbered year, the state investment board shall determine and certify  
27 to the state treasurer and the office of financial management the value  
28 of the various funds managed by the investment board in order to  
29 determine the proportional liability of the funds for the operating

1 expenses of the state investment board. Pursuant to appropriation, the  
2 state treasurer is authorized to transfer such moneys from the various  
3 funds managed by the investment board to the state investment board  
4 expense account as are necessary to pay the operating expenses of the  
5 investment board. (~~All earnings of investments of balances in the  
6 state investment board expense account shall be credited to the state  
7 investment board expense account.~~)

8 **Sec. 36.** RCW 43.83B.360 and 1985 c 57 s 46 are each amended to  
9 read as follows:

10 (~~At the time the state finance committee determines to issue such  
11 bonds authorized in RCW 43.83B.300, and 43.83B.355 through 43.83B.375  
12 or a portion thereof, it may, pending the issuance thereof, issue in  
13 the name of the state, temporary notes in anticipation of the money to  
14 be derived from the sale of the bonds, which notes shall be designated  
15 as "bond anticipation notes".~~) The proceeds from the sale of bonds  
16 (~~and notes~~) authorized by RCW 43.83B.300, and 43.83B.355 through  
17 43.83B.375 shall be deposited in the state emergency water projects  
18 revolving account, hereby created in the state treasury, and shall be  
19 used exclusively for the purposes specified in RCW 43.83B.300, and  
20 43.83B.355 through 43.83B.375 and for the payment of expenses incurred  
21 in the issuance and sale of such bonds (~~and notes: PROVIDED, That  
22 such portion of the proceeds of the sale of such bonds as may be  
23 required for the payment of the principal and interest on such  
24 anticipation notes as have been issued, shall be deposited in the state  
25 emergency water projects bond redemption fund of 1977 in the state  
26 treasury created by RCW 43.83B.370. All earnings of investments of  
27 balances in the state emergency water projects revolving account shall  
28 be credited to the general fund~~)).

1       **Sec. 37.** RCW 82.14.050 and 1990 2nd ex.s. c 1 s 201 are each  
2 amended to read as follows:

3       The counties, cities, and transportation authorities under RCW  
4 82.14.045 shall contract, prior to the effective date of a resolution  
5 or ordinance imposing a sales and use tax, the administration and  
6 collection to the state department of revenue, which shall deduct a  
7 percentage amount, as provided by contract, not to exceed two percent  
8 of the taxes collected for administration and collection expenses  
9 incurred by the department. The remainder of any portion of any tax  
10 authorized by this chapter which is collected by the department of  
11 revenue shall be deposited by the state department of revenue in the  
12 local sales and use tax account hereby created in the state treasury.  
13 Moneys in the local sales and use tax account may be spent only for  
14 distribution to counties, cities, and transportation authorities  
15 imposing a sales and use tax. All administrative provisions in  
16 chapters 82.03, 82.08, 82.12, and 82.32 RCW, as they now exist or may  
17 hereafter be amended, shall, insofar as they are applicable to state  
18 sales and use taxes, be applicable to taxes imposed pursuant to this  
19 chapter. All earnings of investments of balances in the local sales  
20 and use tax account shall be credited to the local sales and use tax  
21 account and distributed to the counties, cities, and transportation  
22 authorities monthly. However, the earnings credited to the local sales  
23 and use tax account shall be subject to the allocation to the state  
24 treasurer's service account pursuant to RCW 43.08.190.

25       **Sec. 38.** RCW 42.16.011 and 1985 c 57 s 25 are each amended to read  
26 as follows:

27       A state payroll revolving account and an agency payroll revolving  
28 (~~fund~~) account are created in the state treasury, for the payment of  
29 compensation to employees and officers of the state and distribution of

1 all amounts withheld therefrom pursuant to law and amounts authorized  
2 by employees to be withheld pursuant to law; also for the payment of  
3 the state's contributions for retirement and insurance and other  
4 employee benefits: PROVIDED, That the utilization of the state payroll  
5 revolving account shall be optional except for agencies whose payrolls  
6 are prepared under a centralized system established pursuant to  
7 regulations of the director of financial management: PROVIDED FURTHER,  
8 That the utilization of the agency payroll revolving ~~((fund))~~ account  
9 shall be optional for agencies whose operations are funded in whole or  
10 part other than by funds appropriated from the state treasury. All  
11 earnings of the investment of balances in the accounts, less the  
12 allocation to the state treasurer's service account pursuant to RCW  
13 43.08.190, shall be credited to the general fund.

14 **Sec. 39.** RCW 43.19.610 and 1986 c 312 s 902 are each amended to  
15 read as follows:

16 There is hereby established in the state treasury an account to be  
17 known as the motor transport account into which shall be paid all  
18 moneys, funds, proceeds, and receipts as provided in RCW 43.19.615 and  
19 as may otherwise be provided by law. Disbursements therefrom shall be  
20 made in accordance with the provisions of RCW 43.19.560 through  
21 43.19.630, 43.41.130 and 43.41.140 as authorized by the director or his  
22 duly authorized representative and as may be provided by law. ~~((All~~  
23 ~~earnings of investments of balances in the motor transport account~~  
24 ~~shall be credited to the general fund.~~

25 ~~The state treasurer shall transfer to the general fund two million~~  
26 ~~dollars from the motor transport account on or before June 30, 1987.))~~

27 **Sec. 40.** RCW 27.34.090 and 1985 c 57 s 7 are each amended to read  
28 as follows:

1 All moneys in the state capitol historical museum association  
2 account hereby created in the state treasury and any moneys  
3 appropriated from that account, shall be expended for the purposes of  
4 the state capital historical association museum as determined by a  
5 majority of the governing board of the state capital historical  
6 association. (~~All earnings of investments of balances in the state  
7 capitol historical association museum account shall be credited to the  
8 general fund.~~)

9 **Sec. 41.** RCW 82.42.090 and 1985 c 57 s 86 are each amended to read  
10 as follows:

11 All moneys collected by the director from the aircraft fuel excise  
12 tax as provided in RCW 82.42.020 shall be transmitted to the state  
13 treasurer and shall be credited to the aeronautics account hereby  
14 created in the state treasury. Moneys collected from the consumer or  
15 user of aircraft fuel from either the use tax imposed by RCW 82.12.020  
16 or the retail sales tax imposed by RCW 82.08.020 shall be transmitted  
17 to the state treasurer and credited to the state general fund. (~~All  
18 earnings of investments of balances in the aeronautics account shall be  
19 credited to the general fund.~~)

20 **Sec. 42.** RCW 47.68.236 and 1985 c 57 s 63 are each amended to read  
21 as follows:

22 There is hereby created in the state treasury an account to be  
23 known as the aircraft search and rescue, safety, and education account.  
24 All moneys received by the department under RCW 47.68.233 shall be  
25 deposited in such account. (~~All earnings of investments of balances  
26 in the aircraft search and rescue, safety, and education account shall  
27 be credited to the general fund.~~)



1       **Sec. 43.** RCW 79.64.055 and 1967 ex.s. c 63 s 3 are each amended to  
2 read as follows:

3       Interest earned by trust moneys in the resource management cost  
4 account (~~((shall be deemed trust income to be apportioned according to  
5 the source))~~) and (~~((paid into the appropriate fund in the state  
6 treasury.))~~) interest earned by other than trust moneys in the resource  
7 management cost account shall be paid into the (~~((general fund of the  
8 state treasury))~~) resource management cost account. However, all the  
9 earnings of the resource management cost account shall be subject to  
10 the allocation to the state treasurer's service account pursuant to RCW  
11 43.08.190.

12       **Sec. 44.** RCW 43.79.201 and 1985 c 57 s 37 are each amended to read  
13 as follows:

14       (~~((All moneys in the state treasury to the credit of that fund now  
15 denoted as the C.E.P. & R.I. fund on and after March 20, 1961, and all  
16 moneys thereafter paid into the state treasury for or to the credit of  
17 such fund shall be and are hereby transferred to and placed in))~~) The  
18 charitable, educational, penal and reformatory institutions  
19 account((~~7~~)) is hereby created((~~7~~)) in the state treasury, into which  
20 ((~~fund~~)) account there shall ((~~also~~)) be deposited all moneys arising  
21 from the sale, lease or transfer of the land granted by the United  
22 States government to the state for charitable, educational, penal and  
23 reformatory institutions by section 17 of the enabling act, or  
24 otherwise set apart for such institutions, except all moneys arising  
25 from the sale, lease, or transfer of that certain one hundred thousand  
26 acres of such land assigned for the support of the University of  
27 Washington by chapter 91, Laws of 1903 and section 9, chapter 122, Laws  
28 of 1893. (~~((All earnings of investments of balances in the charitable,~~

1 educational, ~~penal and reformatory institutions account shall be~~  
2 ~~credited to the general fund.))~~

3       **Sec. 45.** RCW 70.93.180 and 1985 c 57 s 68 are each amended to read  
4 as follows:

5       There is hereby created an account within the state treasury to be  
6 known as the "litter control account". All assessments, fines, bail  
7 forfeitures, and other funds collected or received pursuant to this  
8 chapter shall be deposited in the litter control account and used for  
9 the administration and implementation of this chapter except as  
10 required to be otherwise distributed under RCW 70.93.070. (~~All~~  
11 ~~earnings of investments of balances in the litter control account shall~~  
12 ~~be credited to the general fund.))~~

13       **Sec. 46.** RCW 46.08.172 and 1988 ex.s. c 2 s 901 are each amended  
14 to read as follows:

15       There is hereby established an account in the state treasury to be  
16 known as the "state capitol vehicle parking account". The director of  
17 the department of general administration shall establish an equitable  
18 and consistent employee parking rental fee for state owned or leased  
19 property, effective July 1, 1988. All fees shall take into account the  
20 market rate of comparable privately owned rental parking, as determined  
21 by the director. All unpledged parking rental income collected by the  
22 department of general administration from rental of parking space on  
23 the capitol grounds and the east capitol site shall be deposited in the  
24 "state capitol vehicle parking account". (~~All earnings of investments~~  
25 ~~of balances in the state capitol vehicle parking account shall be~~  
26 ~~credited to the general fund.))~~

27       The "state capitol vehicle parking account" shall be used to pay  
28 costs incurred in the operation, maintenance, regulation and

1 enforcement of vehicle parking and parking facilities at the state  
2 capitol.

3 **Sec. 47.** RCW 43.99.040 and 1985 c 57 s 53 are each amended to read  
4 as follows:

5 There is created the marine fuel tax refund account in the state  
6 treasury. (~~All earnings of investments of balances in the marine fuel~~  
7 ~~tax refund account shall be credited to the general fund.~~) From time  
8 to time, but at least once each biennium, the director of licensing  
9 shall request the state treasurer to refund from the motor vehicle fund  
10 amounts which have been determined to be tax on marine fuel. The state  
11 treasurer shall refund such amounts and place them in the marine fuel  
12 tax refund account to be held for those entitled thereto pursuant to  
13 chapter 82.36 RCW and RCW 43.99.050, except that he shall not refund  
14 and place in the marine fuel tax refund account for any period for  
15 which a determination has been made pursuant to RCW 43.99.030 more than  
16 the greater of the following amounts: (1) An amount equal to two  
17 percent of all moneys paid to him as motor vehicle fuel tax for such  
18 period, (2) an amount necessary to meet all approved claims for refund  
19 of tax on marine fuel for such period.

20 **Sec. 48.** RCW 43.83A.030 and 1985 c 57 s 44 are each amended to  
21 read as follows:

22 The proceeds from the sale of bonds authorized by this chapter  
23 (~~and any interest earned on the interim investment of such proceeds,~~)  
24 shall be deposited in the state and local improvements revolving  
25 account hereby created in the state treasury and shall be used  
26 exclusively for the purpose specified in this chapter and for payment  
27 of the expenses incurred in the issuance and sale of the bonds.

1       **Sec. 49.** RCW 43.99F.030 and 1985 c 57 s 56 are each amended to  
2 read as follows:

3       The proceeds from the sale of bonds authorized by this chapter  
4 shall be deposited in the state and local improvements revolving  
5 account, Waste Disposal Facilities, 1980 hereby created in the state  
6 treasury and shall be used exclusively for the purpose specified in  
7 this chapter and for payment of the expenses incurred in the issuance  
8 and sale of the bonds. (~~All earnings of investments of balances of~~  
9 ~~such account shall be credited to the state and local improvements~~  
10 ~~revolving account, Waste Disposal Facilities, 1980.))~~

11       **Sec. 50.** RCW 28B.10.851 and 1985 c 57 s 11 are each amended to  
12 read as follows:

13       The proceeds from the sale of the bonds authorized herein, together  
14 with all grants, donations, transferred funds and all other moneys  
15 which the state finance committee may direct the state treasurer to  
16 deposit therein shall be deposited in the state higher education  
17 construction account hereby created in the state treasury. (~~All~~  
18 ~~earnings of investments of balances in the state higher education~~  
19 ~~construction account shall be credited to the general fund.))~~

20       **Sec. 51.** RCW 43.83.020 and 1987 1st ex.s. c 3 s 9 are each amended  
21 to read as follows:

22       The proceeds from the sale of the bonds authorized herein shall be  
23 deposited in the state building construction account which is hereby  
24 established in the state treasury and shall be used exclusively for the  
25 purposes of carrying out the provisions of the capital appropriation  
26 acts, and for payment of the expense incurred in the printing,  
27 issuance, and sale of such bonds. (~~All earnings of investments of~~

1 ~~balances in the state building construction account shall be credited~~  
2 ~~to the general fund.))~~

3       **Sec. 52.** RCW 28B.50.360 and 1985 c 390 s 56 and 1985 c 57 s 16  
4 are each reenacted and amended to read as follows:

5       There is hereby created in the state treasury a community college  
6 bond retirement ~~((fund))~~ account. Within thirty-five days from the  
7 date of start of each quarter all building fees of each such community  
8 college shall be paid into the state treasury, and shall be credited as  
9 follows:

10       (1) On or before June 30th of each year the college board if  
11 issuing bonds payable out of building fees shall certify to the state  
12 treasurer the amounts required in the ensuing twelve-month period to  
13 pay and secure the payment of the principal of and interest on such  
14 bonds. The state treasurer shall thereupon deposit the amounts so  
15 certified in the community college bond retirement ~~((fund))~~ account  
16 which ~~((fund))~~ account as required, is hereby created in the state  
17 treasury. Such amounts of the funds deposited in the bond retirement  
18 ~~((fund))~~ account as are necessary to pay and secure the payment of the  
19 principal of and interest on the building bonds issued by the college  
20 board as authorized by this chapter shall be exclusively devoted to  
21 that purpose. If in any twelve-month period it shall appear that the  
22 amount certified by the college board is insufficient to pay and secure  
23 the payment of the principal of and interest on the outstanding  
24 building bonds, the state treasurer shall notify the college board and  
25 such board shall adjust its certificate so that all requirements of  
26 moneys to pay and secure the payment of the principal and interest on  
27 all such bonds then outstanding shall be fully met at all times.

28       (2) That portion of the building fees not required for or in excess  
29 of the amounts necessary to pay and secure the payment of any of the

1 bonds as provided in subsection (1) above shall be deposited in the  
2 community college capital projects account which account is hereby  
3 created in the state treasury. The sums deposited in the capital  
4 projects account shall be appropriated and expended exclusively for the  
5 construction, reconstruction, erection, equipping, maintenance,  
6 demolition and major alteration of buildings and other capital assets  
7 owned by the state board for community college education in the name of  
8 the state of Washington, and the acquisition of sites, rights-of-way,  
9 easements, improvements or appurtenances in relation thereto, and for  
10 the payment of principal of and interest on any bonds issued for such  
11 purposes. (~~All earnings of investments of balances in the community~~  
12 ~~college capital projects account shall be credited to the general~~  
13 ~~fund.~~)

14 (3) Notwithstanding the provisions of subsections (1) and (2)  
15 above, at such time as all outstanding building bonds of the college  
16 board payable from the community college bond retirement (~~fund~~)  
17 account have been paid, redeemed, and retired, or at such time as ample  
18 provision has been made by the state for full payment, from some source  
19 other than the community college bond retirement (~~fund~~) account, of  
20 the principal of and the interest on and call premium, if applicable,  
21 of such bonds as they mature and/or upon their call prior to their  
22 maturity, through refunding or otherwise, that portion of all building  
23 fees of the community colleges equal to the amount required to pay  
24 yearly debt service on any general obligation bonds issued by the state  
25 in accordance with Article VIII, section 1, Washington state  
26 Constitution, for community college purposes, shall be paid into the  
27 general fund of the state treasury. The state finance committee shall  
28 determine whether ample provision has been made for payment of such  
29 bonds payable from the said bond retirement (~~fund~~) account and shall  
30 determine the amount required to pay yearly debt service on such

1 general obligation bonds of the state. Nothing in this subsection  
2 shall be construed as obligating the legislature or the state to  
3 provide for payment of such community college building bonds from some  
4 source other than the community college bond retirement ((fund))  
5 account or as pledging the general credit of the state to the payment  
6 of such bonds.

7 **Sec. 53.** RCW 28B.35.370 and 1985 c 390 s 47 and 1985 c 57 s 15 are  
8 each reenacted and amended to read as follows:

9 Within thirty-five days from the date of collection thereof all  
10 building fees of each regional university and The Evergreen State  
11 College shall be paid into the state treasury and these together with  
12 such normal school fund revenues as provided in RCW 28B.35.751 as are  
13 received by the state treasury shall be credited as follows:

14 (1) On or before June 30th of each year the board of trustees of  
15 each regional university and The Evergreen State College, if issuing  
16 bonds payable out of its building fees and above described normal  
17 school fund revenues, shall certify to the state treasurer the amounts  
18 required in the ensuing twelve months to pay and secure the payment of  
19 the principal of and interest on such bonds. The amounts so certified  
20 by each regional university and The Evergreen State College shall be a  
21 prior lien and charge against all building fees and above described  
22 normal school fund revenues of such institution. The state treasurer  
23 shall thereupon deposit the amounts so certified in the Eastern  
24 Washington University bond retirement ((fund)) account, the Central  
25 Washington University bond retirement ((fund)) account, the Western  
26 Washington University bond retirement ((fund)) account, or The  
27 Evergreen State College bond retirement ((fund)) account respectively,  
28 which ((funds)) accounts are hereby created in the state treasury((  
29 ~~such funds for the regional universities being redesignations for the~~

1 ~~Eastern Washington State College bond retirement fund, the Central~~  
2 ~~Washington State College bond retirement fund, and the Western~~  
3 ~~Washington State College bond retirement fund, respectively)).~~ The  
4 amounts deposited in the respective bond retirement ((~~funds~~)) accounts  
5 shall be used exclusively to pay and secure the payment of the  
6 principal of and interest on the building bonds issued by such regional  
7 universities and The Evergreen State College as authorized by law. If  
8 in any twelve month period it shall appear that the amount certified by  
9 any such board of trustees is insufficient to pay and secure the  
10 payment of the principal of and interest on the outstanding building  
11 and above described normal school fund revenue bonds of its  
12 institution, the state treasurer shall notify the board of trustees and  
13 such board shall adjust its certificate so that all requirements of  
14 moneys to pay and secure the payment of the principal of and interest  
15 on all such bonds then outstanding shall be fully met at all times.

16 (2) All building fees and above described normal school fund  
17 revenue not needed for or in excess of the amounts certified to the  
18 state treasurer as being required to pay and secure the payment of  
19 building or above described normal school fund revenue bond principal  
20 or interest shall be deposited in the Eastern Washington University  
21 capital projects account, the Central Washington University capital  
22 projects account, the Western Washington University capital projects  
23 account, or The Evergreen State College capital projects account  
24 respectively, which accounts are hereby created in the state  
25 treasury(~~(, such funds for the regional universities being~~  
26 ~~redesignations for the Eastern Washington State College capital~~  
27 ~~projects account, the Central Washington State College capital projects~~  
28 ~~account, and the Western Washington State College capital projects~~  
29 ~~account, respectively)).~~ The sums deposited in the respective capital  
30 projects accounts shall be appropriated and expended exclusively for



1 the construction, reconstruction, erection, equipping, maintenance,  
2 demolition and major alteration of buildings and other capital assets,  
3 and the acquisition of sites, rights-of-way, easements, improvements or  
4 appurtenances in relation thereto except for any sums transferred  
5 therefrom as authorized by law. (~~All earnings of investments of~~  
6 ~~balances in these respective capital projects accounts shall be~~  
7 ~~credited to the general fund.~~)

8       **Sec. 54.** RCW 28B.30.730 and 1985 c 390 s 43 are each amended to  
9 read as follows:

10       For the purpose of financing the cost of any projects, the board is  
11 hereby authorized to adopt the resolution or resolutions and prepare  
12 all other documents necessary for the issuance, sale and delivery of  
13 the bonds or any part thereof at such time or times as it shall deem  
14 necessary and advisable. Said bonds:

15       (1) Shall not constitute

16       (a) An obligation, either general or special, of the state; or

17       (b) A general obligation of Washington State University or of the  
18 board;

19       (2) Shall be

20       (a) Either registered or in coupon form; and

21       (b) Issued in denominations of not less than one hundred dollars;  
22 and

23       (c) Fully negotiable instruments under the laws of this state; and

24       (d) Signed on behalf of the university by the president of the  
25 board, attested by the secretary or the treasurer of the board, have  
26 the seal of the university impressed thereon or a facsimile of such  
27 seal printed or lithographed in the bottom border thereof, and the  
28 coupons attached thereto shall be signed with the facsimile signatures  
29 of such president and secretary;

1 (3) Shall state

2 (a) The date of issue; and

3 (b) The series of the issue and be consecutively numbered within  
4 the series; and

5 (c) That the bond is payable both principal and interest solely out  
6 of the bond retirement fund;

7 (4) Each series of bonds shall bear interest, payable either  
8 annually or semiannually, as the board may determine;

9 (5) Shall be payable both principal and interest out of the bond  
10 retirement fund;

11 (6) Shall be payable at such times over a period of not to exceed  
12 forty years from date of issuance, at such place or places, and with  
13 such reserved rights of prior redemption, as the board may prescribe;

14 (7) Shall be sold in such manner and at such price as the board may  
15 prescribe;

16 (8) Shall be issued under and subject to such terms, conditions and  
17 covenants providing for the payment of the principal thereof and  
18 interest thereon and such other terms, conditions, covenants and  
19 protective provisions safeguarding such payment, not inconsistent with  
20 RCW 28B.30.700 through 28B.30.780, and as found to be necessary by the  
21 board for the most advantageous sale thereof, which may include but not  
22 be limited to:

23 (a) A covenant that the building fees shall be established,  
24 maintained and collected in such amounts that will provide money  
25 sufficient to pay the principal of and interest on all bonds payable  
26 out of the bond retirement (~~fund~~) account, to set aside and maintain  
27 the reserves required to secure the payment of such principal and  
28 interest, and to maintain any coverage which may be required over such  
29 principal and interest;

1 (b) A covenant that a reserve account shall be created in the bond  
2 retirement fund to secure the payment of the principal of and interest  
3 on all bonds issued and a provision made that certain amounts be set  
4 aside and maintained therein;

5 (c) A covenant that sufficient moneys may be transferred from the  
6 Washington State University building account to the bond retirement  
7 ~~((fund))~~ account when ordered by the board of regents in the event  
8 there is ever an insufficient amount of money in the bond retirement  
9 ~~((fund))~~ account to pay any installment of interest or principal and  
10 interest coming due on the bonds or any of them;

11 (d) A covenant fixing conditions under which bonds on a parity with  
12 any bonds outstanding may be issued.

13 The proceeds of the sale of all bonds ~~((, exclusive of accrued  
14 interest which shall be deposited in the bond retirement fund,))~~ shall  
15 be deposited in the state treasury to the credit of the Washington  
16 State University building account and shall be used solely for paying  
17 the costs of the projects.

18 **Sec. 55.** RCW 28B.57.050 and 1985 c 57 s 18 are each amended to  
19 read as follows:

20 The proceeds from the sale of the bonds ~~((and/or bond anticipation  
21 notes))~~ authorized herein, together with all grants, donations,  
22 transferred funds, and all other moneys which the state finance  
23 committee or the college board may direct the state treasurer to  
24 deposit therein, shall be deposited in the 1975 community college  
25 capital construction account, hereby created in the state treasury.  
26 ~~((All earnings of investments of balances in the 1975 community college  
27 capital construction account shall be credited to the general fund.))~~

1       **Sec. 56.** RCW 43.99.060 and 1985 c 57 s 54 are each amended to read  
2 as follows:

3       There is created the outdoor recreation account in the state  
4 treasury, in which shall be deposited all moneys received from the  
5 marine fuel tax refund account pursuant to RCW 43.99.070, the proceeds  
6 of the bond issue authorized by (~~chapter 12, Laws of 1963,~~  
7 ~~extraordinary session~~) chapter 43.98 RCW, RCW 43.31.620 and 43.31.740,  
8 and any moneys made available to the state of Washington by the federal  
9 government for outdoor recreation not specifically designated for  
10 another fund or agency. (~~All earnings of investments of balances in~~  
11 ~~the outdoor recreation account shall be credited to the general fund.~~)

12       Grants, gifts, or other financial assistance awarded or designated  
13 for a particular purpose, or proceeds received from public bodies as  
14 administrative cost contributions, may be received and, when  
15 appropriated by the legislature, may be expended in accordance with the  
16 general budget and accounting act.

17       **Sec. 57.** RCW 43.83B.030 and 1985 c 57 s 45 are each amended to  
18 read as follows:

19       The proceeds from the sale of bonds authorized by this chapter(~~(~~  
20 ~~and any interest earned on the interim investment of such proceeds,~~)  
21 shall be deposited in the state and local improvements revolving  
22 account hereby created in the state treasury and shall be used  
23 exclusively for the purpose specified in this chapter and for payment  
24 of the expenses incurred in the issuance and sale of the bonds.

25       **Sec. 58.** RCW 43.83C.030 and 1985 c 57 s 47 are each amended to  
26 read as follows:

27       The proceeds from the sale of bonds authorized by this chapter(~~(~~  
28 ~~and any interest earned on the interim investment of such proceeds,~~)

1 shall be deposited in the state and local improvements revolving  
2 account hereby created in the state treasury and shall be used  
3 exclusively for the purpose specified in this chapter and for payment  
4 of the expenses incurred in the issuance and sale of the bonds.

5 **Sec. 59.** RCW 43.83D.030 and 1985 c 57 s 48 are each amended to  
6 read as follows:

7 The proceeds from the sale of bonds authorized by this chapter(~~(7~~  
8 ~~and any interest earned on the interim investment of such proceeds,)~~)  
9 shall be deposited in the state and local improvements revolving  
10 account in the state treasury and shall be used exclusively for the  
11 purpose specified in this chapter and for payment of the expenses  
12 incurred in the issuance and sale of the bonds.

13 **Sec. 60.** RCW 43.83H.030 and 1985 c 57 s 49 are each amended to  
14 read as follows:

15 At the time the state finance committee determines to issue such  
16 bonds authorized in RCW 43.83H.010 or a portion thereof, pending the  
17 issuance of such bonds, it may issue, in the name of the state,  
18 temporary notes in anticipation of the money to be derived from the  
19 sale of the bonds, which notes shall be designated as "anticipation  
20 notes". The proceeds from the sale of bonds and notes authorized by  
21 this chapter shall be deposited in the state social and health services  
22 construction account hereby created in the state treasury and shall be  
23 used exclusively for the purposes specified in this chapter and for the  
24 payment of expenses incurred in the issuance and sale of such bonds and  
25 notes: PROVIDED, Such portion of the proceeds of the sale of such bonds  
26 as may be required for the payment of the principal and interest on  
27 such anticipation notes as have been issued, shall be deposited in the  
28 bond redemption fund created in RCW 43.83H.050. (~~All earnings of~~

1 ~~investments of balances in the state social and health services~~  
2 ~~construction account shall be credited to the general fund.))~~

3 **Sec. 61.** RCW 43.84.092 and 1990 2nd ex.s. c 1 s 204 are each  
4 amended to read as follows:

5 ~~((Except as provided in RCW 43.84.090,))~~ All earnings of  
6 investments of surplus balances in the state treasury shall be  
7 deposited to the treasury income account, which account is hereby  
8 established in the state treasury.

9 Except as provided in RCW 82.14.050, the state treasurer shall  
10 distribute, on or before July 20 of each year, ~~((the))~~ all earnings  
11 credited to the treasury income account as of June 30 to the funds for  
12 the fiscal year in which it was earned. Except as otherwise provided  
13 by statute, the state treasurer shall credit the various accounts and  
14 funds in the state treasury their proportionate share of earnings based  
15 upon each fund's average daily balance for the period: PROVIDED, That  
16 earnings ~~((on the balances of the forest reserve fund, the federal~~  
17 ~~forest revolving fund, the liquor excise tax fund, the treasury income~~  
18 ~~account, the suspense account, the undistributed receipts account, the~~  
19 ~~state payroll revolving account, the agency vendor payment revolving~~  
20 ~~fund, and the local leasehold excise tax account shall be credited to~~  
21 ~~the state treasurer's service fund: PROVIDED FURTHER, That earnings on~~  
22 ~~the balances of the agency payroll revolving fund, the special fund~~  
23 ~~salary and insurance contribution increase revolving fund and special~~  
24 ~~fund semimonthly payroll revolving fund shall be credited to the state~~  
25 ~~general fund))~~ to be distributed shall first be reduced by the  
26 allocation to the state treasurer's service account pursuant to RCW  
27 43.08.190.

1       **Sec. 62.** RCW 28A.515.320 and 1981 c 158 s 6 are each amended to  
2 read as follows:

3       The common school construction fund is to be used exclusively for  
4 the purpose of financing the construction of facilities for the common  
5 schools. The sources of said fund shall be: (1) Those proceeds  
6 derived from sale or appropriation of timber and other crops from  
7 school and state land (~~((subsequent to June 30, 1965))~~), other than those  
8 granted for specific purposes; (2) the interest accruing on the  
9 permanent common school fund (~~((from and after July 2, 1967))~~), together  
10 with all rentals and other revenue derived therefrom and from land and  
11 other property devoted to the permanent common school fund (~~((from and  
12 after July 1, 1967))~~); (3) all moneys received by the state from the  
13 United States under the provisions of section 191, Title 30, United  
14 State Code, Annotated, and under section 810, chapter 12, Title 16,  
15 (Conservation), United States Code, Annotated, except moneys received  
16 before June 30, 1991, under the Geothermal Steam Act of 1970 pursuant  
17 to RCW 43.140.030; (4) all earnings of the investment of balances in  
18 the common school construction fund, less the allocation to the state  
19 treasurer's service account pursuant to RCW 43.08.190; and ~~((+4))~~ (5)  
20 such other sources as the legislature may direct. That portion of the  
21 common school construction fund derived from interest on the permanent  
22 common school fund may be used to retire such bonds as may be  
23 authorized by law for the purpose of financing the construction of  
24 facilities for the common schools.

25       The interest accruing on the permanent common school fund less the  
26 allocation to the state treasurer's service account pursuant to RCW  
27 43.08.190 and the state investment board expense account pursuant to  
28 RCW 43.33A.160 together with all rentals and other revenues accruing  
29 thereto pursuant to subsection (2) of this section prior to July 1,

1 1967, shall be exclusively applied to the current use of the common  
2 schools.

3 To the extent that the moneys in the common school construction  
4 fund are in excess of the amount necessary to allow fulfillment of the  
5 purpose of said fund, the excess shall be available for deposit to the  
6 credit of the permanent common school fund or available for the current  
7 use of the common schools, as the legislature may direct. Any money  
8 from the common school construction fund which is made available for  
9 the current use of the common schools shall be restored to the fund by  
10 appropriation, including interest income foregone, before the end of  
11 the next fiscal biennium following such use.

12 **Sec. 63.** RCW 28A.550.010 and 1985 c 57 s 9 are each amended to  
13 read as follows:

14 There is created a special state school fund to be known as the  
15 state school equalization fund, into which shall be deposited such  
16 funds as are directed by law to be placed therein. Any amounts in this  
17 fund in excess of current appropriations shall be transferred by the  
18 state treasurer to the general fund quarterly, on or before the twenty-  
19 fifth day of January, April, July and October of each year. All  
20 appropriations made by the legislature from the state school  
21 equalization fund shall be paid out of moneys in the general fund of  
22 the state. All warrants drawn on the state school equalization fund  
23 and presented for payment shall be paid from the general fund of the  
24 state. (~~All earnings of investments of balances in the state school  
25 equalization fund shall be credited to the general fund.~~)

26 **Sec. 64.** RCW 50.16.010 and 1987 c 202 s 218 are each amended to  
27 read as follows:



1       There shall be maintained as special funds, separate and apart from  
2 all public moneys or funds of this state an unemployment compensation  
3 fund, an administrative contingency fund, and a federal interest  
4 payment fund, which shall be administered by the commissioner  
5 exclusively for the purposes of this title, and to which RCW 43.01.050  
6 shall not be applicable. The unemployment compensation fund shall  
7 consist of

8       (1) all contributions and payments in lieu of contributions  
9 collected pursuant to the provisions of this title,

10       (2) ~~((interest earned upon any moneys in the fund,~~  
11       ~~(3)))~~ any property or securities acquired through the use of moneys  
12 belonging to the fund,

13       ~~((4)))~~ (3) all earnings of such property or securities,

14       ~~((5)))~~ (4) any moneys received from the federal unemployment  
15 account in the unemployment trust fund in accordance with Title XII of  
16 the social security act, as amended,

17       ~~((6)))~~ (5) all money recovered on official bonds for losses  
18 sustained by the fund,

19       ~~((7)))~~ (6) all money credited to this state's account in the  
20 unemployment trust fund pursuant to section 903 of the social security  
21 act, as amended,

22       ~~((8)))~~ (7) all money received from the federal government as  
23 reimbursement pursuant to section 204 of the federal-state extended  
24 compensation act of 1970 (84 Stat. 708-712; 26 U.S.C. Sec. 3304), and

25       ~~((9)))~~ (8) all moneys received for the fund from any other source.

26       All moneys in the unemployment compensation fund shall be  
27 commingled and undivided.

28       The administrative contingency fund shall consist of all interest  
29 on delinquent contributions collected pursuant to this title ~~((after~~  
30 ~~June 20, 1953))~~, all fines and penalties collected pursuant to the

1 provisions of this title, all sums recovered on official bonds for  
2 losses sustained by the fund, and revenue received under RCW 50.24.014:  
3 PROVIDED, That all fees, fines, forfeitures and penalties collected or  
4 assessed by a district court because of the violation of a state law  
5 shall be remitted as provided in chapter 3.62 RCW as now exists or is  
6 later amended. Moneys available in the administrative contingency  
7 fund, other than money in the special account created under RCW  
8 50.24.014, shall be expended upon the direction of the commissioner,  
9 with the approval of the governor, whenever it appears to him or her  
10 that such expenditure is necessary for:

11 (a) The proper administration of this title and no federal funds  
12 are available for the specific purpose to which such expenditure is to  
13 be made, provided, the moneys are not substituted for appropriations  
14 from federal funds which, in the absence of such moneys, would be made  
15 available.

16 (b) The proper administration of this title for which purpose  
17 appropriations from federal funds have been requested but not yet  
18 received, provided, the administrative contingency fund will be  
19 reimbursed upon receipt of the requested federal appropriation.

20 Money in the special account created under RCW 50.24.014 may only  
21 be expended, after appropriation, for the purposes specified in ((this  
22 ~~1985 act~~)) RCW 74.09.035, 74.09.510, 74.09.520, and 74.09.700.

23 **Sec. 65.** RCW 43.200.080 and 1990 c 21 s 6 are each amended to read  
24 as follows:

25 The director of ecology shall, in addition to the powers and duties  
26 otherwise imposed by law, have the following special powers and duties:

27 (1) To fulfill the responsibilities of the state under the lease  
28 between the state of Washington and the federal government executed  
29 September 10, 1964, covering one thousand acres of land lying within

1 the Hanford reservation near Richland, Washington. The department of  
2 ecology may sublease to private or public entities all or a portion of  
3 the land for specific purposes or activities which are determined,  
4 after public hearing, to be in agreement with the terms of the lease  
5 and in the best interests of the citizens of the state consistent with  
6 any criteria that may be developed as a requirement by the legislature;

7 (2) To assume the responsibilities of the state under the perpetual  
8 care agreement between the state of Washington and the federal  
9 government executed July 29, 1965 and the sublease between the state of  
10 Washington and the site operator of the Hanford low-level radioactive  
11 waste disposal facility. In order to finance perpetual surveillance  
12 and maintenance under the agreement and ensure site closure under the  
13 sublease, the department of ecology shall impose and collect fees from  
14 parties holding radioactive materials for waste management purposes.  
15 The fees shall be established by rule adopted under chapter 34.05 RCW  
16 and shall be an amount determined by the department of ecology to be  
17 necessary to defray the estimated liability of the state. Such fees  
18 shall reflect equity between the disposal facilities of this and other  
19 states. ~~((All such fees, when received by the department of ecology,~~  
20 ~~shall be transmitted to the state treasurer, who shall act as~~  
21 ~~custodian. The perpetual maintenance fund is created in the state~~  
22 ~~treasury. The treasurer shall place the money in a special fund which~~  
23 ~~may be designated the "perpetual maintenance fund." The perpetual~~  
24 ~~maintenance fund shall be comprised of)) A site closure account and a  
25 perpetual surveillance and maintenance account is hereby created in the  
26 state treasury. The site closure account shall be exclusively  
27 available to reimburse, to the extent that moneys are available in the  
28 account, the site operator for its costs plus a reasonable profit as  
29 agreed by the operator and the state, or to reimburse the state  
30 licensing agency and any agencies under contract to the state licensing~~

1 agency for their costs in final closure and decommissioning of the  
2 Hanford low-level radioactive waste disposal facility. If a balance  
3 remains in the account after satisfactory performance of closure and  
4 decommissioning, this balance shall be transferred to the perpetual  
5 surveillance and maintenance account. The perpetual surveillance and  
6 maintenance account shall be used exclusively by the state to meet  
7 post-closure surveillance and maintenance costs, or for otherwise  
8 satisfying surveillance and maintenance obligations. Appropriations  
9 are required to permit expenditures and payment of obligations from the  
10 site closure account and the perpetual surveillance and maintenance  
11 account. ~~((Moneys which on July 23, 1989, are in the perpetual  
12 maintenance account shall be transferred to the perpetual surveillance  
13 and maintenance account. All moneys currently administered by the  
14 department of ecology for closure of the Hanford low-level radioactive  
15 waste disposal facility shall be transferred to the site closure  
16 account within the perpetual maintenance fund. All future)) All  
17 moneys ~~(, including interest, contributed to the perpetual maintenance  
18 fund))~~ accruing under the authority of this section shall be directed  
19 to the site closure account until December 31, 1992. Thereafter  
20 receipts shall be directed to the ~~((perpetual maintenance fund))~~ site  
21 closure account and the perpetual surveillance and maintenance account  
22 as specified by the department. ~~((Moneys in the perpetual maintenance  
23 fund shall be invested by the state investment board in the same manner  
24 as other state moneys. Any interest accruing as a result of investment  
25 shall accrue to the perpetual maintenance fund.))~~ Additional moneys  
26 specifically appropriated by the legislature or received from any  
27 public or private source may be placed in the ~~((perpetual maintenance  
28 fund))~~ site closure account and the perpetual surveillance and  
29 maintenance account;~~

1           (3) To assure maintenance of such insurance coverage by state  
2 licensees, lessees, or sublessees as will adequately, in the opinion of  
3 the director, protect the citizens of the state against nuclear  
4 accidents or incidents that may occur on privately or state-controlled  
5 nuclear facilities;

6           (4) To institute a user permit system and issue site use permits,  
7 consistent with regulatory practices, for generators, packagers, or  
8 brokers using the Hanford low-level radioactive waste disposal  
9 facility. The costs of administering the user permit system shall be  
10 borne by the applicants for site use permits. The site use permit fee  
11 shall be set at a level that is sufficient to fund completely the  
12 executive and legislative participation in activities related to the  
13 Northwest Interstate Compact on Low-Level Radioactive Waste Management;  
14 ((and))

15           (5) To make application for or otherwise pursue any federal funds  
16 to which the state may be eligible, through the federal resource  
17 conservation and recovery act or any other federal programs, for the  
18 management, treatment or disposal, and any remedial actions, of wastes  
19 that are both radioactive and hazardous at all Hanford low-level  
20 radioactive waste disposal facilities; and

21           (6) To develop contingency plans for duties and options for the  
22 department and other state agencies related to the Hanford low-level  
23 radioactive waste disposal facility based on various projections of  
24 annual levels of waste disposal. These plans shall include an analysis  
25 of expected revenue to the state in various taxes and funds related to  
26 low-level radioactive waste disposal and the resulting implications  
27 that any increase or decrease in revenue may have on state agency  
28 duties or responsibilities. The ((initial set of)) plans ((shall be  
29 completed by October 1, 1989, and)) shall be updated annually. The  
30 department shall report annually on the plans and on the balances in

1 the site closure and perpetual surveillance accounts to the energy and  
2 utilities committees of the senate and the house of representatives.

3 **Sec. 66.** RCW 70.146.030 and 1987 c 505 s 64 and 1987 c 436 s 6 are  
4 each reenacted and amended to read as follows:

5 (1) The water quality account is hereby created in the state  
6 treasury. Moneys in the account may be used only in a manner  
7 consistent with this chapter. Moneys deposited in the account shall be  
8 administered by the department of ecology and shall be subject to  
9 legislative appropriation. Moneys placed in the account shall include  
10 tax receipts as provided in RCW 82.24.027, 82.26.025, and 82.32.390,  
11 principal and interest from the repayment of any loans granted pursuant  
12 to this chapter, and any other moneys appropriated to the account by  
13 the legislature. ~~((All earnings from investment of balances in the  
14 water quality account, except as provided in RCW 43.84.090, shall be  
15 credited to the water quality account.))~~

16 (2) The department may use or permit the use of any moneys in the  
17 account to make grants or loans to public bodies, including grants to  
18 public bodies as cost-sharing moneys in any case where federal, local,  
19 or other funds are made available on a cost-sharing basis, for water  
20 pollution control facilities and activities, or for purposes of  
21 assisting a public body to obtain an ownership interest in water  
22 pollution control facilities and/or to defray a part of the payments  
23 made by a public body to a service provider under a service agreement  
24 entered into pursuant to RCW 70.150.060, within the purposes of this  
25 chapter and for related administrative expenses. No more than three  
26 percent of the moneys deposited in the account may be used by the  
27 department to pay for the administration of the grant and loan program  
28 authorized by this chapter.

1 (3) The department shall present a progress report each biennium on  
2 the use of moneys from the account to the chairs of the committees on  
3 ways and means of the senate and house of representatives, including  
4 one copy to the staff of each of the committees.

5 **Sec. 67.** RCW 70.164.030 and 1987 c 36 s 3 are each amended to read  
6 as follows:

7 (~~(1)~~) The low-income weatherization assistance account is created  
8 in the state treasury. All moneys from the money distributed to the  
9 state pursuant to Exxon v. United States, 561 F.Supp. 816 (1983),  
10 affirmed 773 F.2d 1240 (1985), or any other oil overcharge settlements  
11 or judgments distributed by the federal government, that are allocated  
12 to the low-income weatherization assistance account shall be deposited  
13 in the account. The department may accept such gifts, grants, and  
14 endowments from public or private sources as may be made from time to  
15 time, in trust or otherwise, and shall deposit such funds in the  
16 account. Any moneys received from sponsor match payments shall be  
17 deposited in the account. The legislature may also appropriate moneys  
18 to the account. Moneys in the account shall be spent pursuant to  
19 appropriation and only for the purposes and in the manner provided in  
20 RCW 70.164.040. Any moneys appropriated that are not spent by the  
21 department shall return to the account.

22 (~~(2) Notwithstanding RCW 43.84.090, all earnings of investments of~~  
23 ~~balances in the low income weatherization assistance account shall be~~  
24 ~~credited to the account.~~)

25 **Sec. 68.** RCW 79.90.555 and 1987 c 259 s 2 are each amended to read  
26 as follows:

27 The aquatic land dredged material disposal site account is hereby  
28 established in the state treasury. The account shall consist of funds

1 appropriated to the account; funds transferred or paid to the account  
2 pursuant to settlements; court or administrative agency orders or  
3 judgments; gifts and grants to the account; and all funds received by  
4 the department of natural resources from users of aquatic land dredged  
5 material disposal sites. After appropriation, moneys in the fund may  
6 be spent only for the management and environmental monitoring of  
7 aquatic land dredged material disposal sites. The account is subject  
8 to the allotment procedure provided under chapter 43.88 RCW.  
9 (~~Notwithstanding RCW 43.84.090, all earnings of investments of~~  
10 ~~balances in the account shall be credited to the account.~~)

11 **Sec. 69.** RCW 70.94.483 and 1990 c 128 s 5 are each amended to read  
12 as follows:

13 (1) The wood stove education and enforcement account is hereby  
14 created in the (~~general fund~~) state treasury. Money placed in the  
15 account shall include all money received under subsection (2) of this  
16 section and any other money appropriated by the legislature. Money in  
17 the account shall be spent for the purposes of the wood stove education  
18 program established under RCW 70.94.480 and for enforcement of the wood  
19 stove program, and shall be subject to legislative appropriation.

20 (2) The department of ecology, with the advice of the advisory  
21 committee, shall set a flat fee, not to exceed fifteen dollars, on the  
22 retail sale, as defined in RCW 82.04.050, of each solid fuel burning  
23 device, excepting masonry fireplaces(~~, after January 1, 1988~~). The  
24 fee shall be imposed upon the consumer and shall not be subject to the  
25 retail sales tax provisions of chapters 82.08 and 82.12 RCW. The fee  
26 may be adjusted annually above fifteen dollars according to changes in  
27 the consumer price index (~~after January 1, 1989~~). The fee shall be  
28 collected by the department of revenue in conjunction with the retail  
29 sales tax under chapter 82.08 RCW. If the seller fails to collect the



1 fee herein imposed or fails to remit the fee to the department of  
2 revenue in the manner prescribed in chapter 82.08 RCW, the seller shall  
3 be personally liable to the state for the amount of the fee. The  
4 collection provisions of chapter 82.32 RCW shall apply. The department  
5 of revenue shall deposit fees collected under this section in the wood  
6 stove education and enforcement account.

7 **Sec. 70.** RCW 47.78.010 and 1990 c 43 s 47 are each amended to read  
8 as follows:

9 There is hereby established in the state treasury the high capacity  
10 transportation account. Money in the account shall be used, after  
11 appropriation, for local high capacity transportation purposes  
12 including rail freight. ~~((All earnings of investments of any balances  
13 in the high capacity transportation account shall be credited to the  
14 account except as provided in RCW 43.84.090 and 43.84.092.))~~

15 **Sec. 71.** RCW 22.09.411 and 1987 c 509 s 8 are each amended to read  
16 as follows:

17 (1) There is hereby established a fund to be known as the grain  
18 indemnity fund. The grain indemnity fund shall consist of assessments  
19 remitted by licensees pursuant to the provisions of RCW 22.09.416  
20 through 22.09.426 ~~((and any interest or earnings on the fund balance))~~.

21 (2) All assessments shall be paid to the department and shall be  
22 deposited in the grain indemnity fund. The state treasurer shall be  
23 the custodian of the grain indemnity fund. Disbursements shall be on  
24 authorization of the director. No appropriation is required for  
25 disbursements from this fund.

26 (3) The grain indemnity fund shall be used exclusively for purposes  
27 of paying claimants pursuant to this chapter, and paying necessary  
28 expenses of administering the grain indemnity fund, provided however,

1 that one-half of the interest accumulated by the fund may be paid to  
2 the department to defray costs of administering the warehouse audit  
3 program. The state of Washington shall not be liable for any claims  
4 presented against the fund.

5 **Sec. 72.** RCW 70.47.030 and 1987 1st ex.s. c 5 s 5 are each amended  
6 to read as follows:

7 The basic health plan trust account is hereby established in the  
8 state treasury. All funds appropriated for this chapter shall be  
9 deposited in the basic health plan trust account and may be expended  
10 without further appropriation. Disbursements from other moneys in the  
11 account shall be made pursuant to appropriation and upon warrants drawn  
12 by the Washington basic health plan administrator. Moneys in the  
13 account shall be used exclusively for the purposes of this chapter,  
14 including payments to participating managed health care systems on  
15 behalf of enrollees in the plan and payment of costs of administering  
16 the plan. (~~The earnings on any surplus balances in the basic health  
17 plan trust account shall be credited to the account, notwithstanding  
18 RCW 43.84.090. After January 1, 1988,~~) The administrator shall not  
19 expend or encumber for an ensuing fiscal period amounts exceeding  
20 ninety percent of the amounts anticipated to accrue in the account  
21 during the fiscal period.

22 **Sec. 73.** RCW 70.105D.070 and 1989 c 2 s 7 are each amended to read  
23 as follows:

24 (1) The state toxics control account and the local toxics control  
25 account are hereby created in the state treasury.

26 (2) The following moneys shall be deposited into the state toxics  
27 control account: (a) Those revenues which are raised by the tax  
28 imposed under RCW 82.21.030 and which are attributable to that portion

1 of the rate equal to thirty-three one-hundredths of one percent; (b)  
2 the costs of remedial actions recovered under this chapter or chapter  
3 70.105A RCW after March 1, 1989; (c) penalties collected or recovered  
4 under this chapter; and (d) any other money appropriated or transferred  
5 to the account by the legislature. Moneys in the account may be used  
6 only to carry out the purposes of this chapter, including but not  
7 limited to the following activities:

8 (i) The state's responsibility for hazardous waste planning,  
9 management, regulation, enforcement, technical assistance, and public  
10 education required under chapter 70.105 RCW;

11 (ii) The state's responsibility for solid waste planning,  
12 management, regulation, enforcement, technical assistance, and public  
13 education required under chapter 70.95 RCW;

14 (iii) The hazardous waste cleanup program required under this  
15 chapter;

16 (iv) State matching funds required under the federal cleanup law;

17 (v) Financial assistance for local programs in accordance with RCW  
18 70.95.130, 70.95.140, 70.95.220, 70.95.230, 70.95.530, 70.105.220,  
19 70.105.225, 70.105.235, and 70.105.260;

20 (vi) State government programs for the safe reduction, recycling,  
21 or disposal of hazardous wastes from households, small businesses, and  
22 agriculture;

23 (vii) Hazardous materials emergency response training;

24 (viii) Water and environmental health protection and monitoring  
25 programs;

26 (ix) Programs authorized under chapter 70.146 RCW;

27 (x) A public participation program, including regional citizen  
28 advisory committees;

29 (xi) Public funding to assist potentially liable persons to pay for  
30 the costs of remedial action in compliance with cleanup standards under

1 RCW 70.105D.030(2)(d) but only when the amount and terms of such  
2 funding are established under a settlement agreement under RCW  
3 70.105D.040(4) and when the director has found that the funding will  
4 achieve both (A) a substantially more expeditious or enhanced cleanup  
5 than would otherwise occur, and (B) the prevention or mitigation of  
6 unfair economic hardship; and

7 (xii) Development and demonstration of alternative management  
8 technologies designed to carry out the top two hazardous waste  
9 management priorities of RCW 70.105.150.

10 (3) The following moneys shall be deposited into the local toxics  
11 control account: Those revenues which are raised by the tax imposed  
12 under RCW 82.21.030 and which are attributable to that portion of the  
13 rate equal to thirty-seven one-hundredths of one percent. Moneys  
14 deposited in the local toxics control account shall be used by the  
15 department for grants to local governments for the following purposes  
16 in descending order of priority: (a) Remedial actions; (b) hazardous  
17 waste plans and programs under RCW 70.105.220, 70.105.225, 70.105.235,  
18 and 70.105.260; and (c) solid waste plans and programs under RCW  
19 70.95.130, 70.95.140, 70.95.220, and 70.95.230. Funds for plans and  
20 programs shall be allocated consistent with the priorities and matching  
21 requirements established in chapters 70.105 and 70.95 RCW.

22 (4) Except for unanticipated receipts under RCW 43.79.260 through  
23 43.79.282, moneys in the state and local toxics control accounts may be  
24 spent only after appropriation by statute. ~~((All earnings from  
25 investment of balances in the accounts, except as provided in RCW  
26 43.84.090, shall be credited to the accounts.))~~

27 (5) One percent of the moneys deposited into the state and local  
28 toxics control accounts shall be allocated only for public  
29 participation grants to persons who may be adversely affected by a  
30 release or threatened release of a hazardous substance and to not-for-

1 profit public interest organizations. The primary purpose of these  
2 grants is to facilitate the participation by persons and organizations  
3 in the investigation and remedying of releases or threatened releases  
4 of hazardous substances and to implement the state's solid and  
5 hazardous waste management priorities. No grant may exceed fifty  
6 thousand dollars though it may be renewed annually. Moneys  
7 appropriated for public participation from either account which are not  
8 expended at the close of any biennium shall revert to the state toxics  
9 control account.

10 (6) No moneys deposited into either the state or local toxics  
11 control account may be used for solid waste incinerator feasibility  
12 studies, construction, maintenance, or operation.

13 (7) The department shall adopt rules for grant issuance and  
14 performance.

15 **Sec. 74.** RCW 2.14.070 and 1988 c 109 s 18 are each amended to read  
16 as follows:

17 The judicial retirement administrative account is created in the  
18 state treasury. All expenses of the administrator for the courts under  
19 this chapter, including staffing and administrative expenses, shall be  
20 paid out of the administrative account. ~~((Notwithstanding RCW  
21 43.84.090, all earnings of investments of balances in the  
22 administrative account shall be credited to this account.))~~ Any excess  
23 ~~((of earnings of investments of balances credited to))~~ balance of this  
24 account over administrative expenses disbursed from this account shall  
25 be ~~((expended))~~ transferred to the principal account. Any deficiency  
26 in the administrative account caused by an excess of administrative  
27 expenses disbursed from this account over ~~((earnings of investments of  
28 balances credited to))~~ the excess balance of this account shall be  
29 transferred to this account from the principal account.

1       **Sec. 75.** RCW 70.170.080 and 1989 1st ex.s. c 9 s 508 are each  
2 amended to read as follows:

3       The basic expenses for the hospital data collection and reporting  
4 activities of this chapter shall be financed by an assessment against  
5 hospitals of no more than four one-hundredths of one percent of each  
6 hospital's gross operating costs, to be levied and collected from and  
7 after that date, upon which the similar assessment levied under chapter  
8 70.39 RCW is terminated, for the provision of hospital services for its  
9 last fiscal year ending on or before June 30th of the preceding  
10 calendar year. Budgetary requirements in excess of that limit must be  
11 financed by a general fund appropriation by the legislature. All  
12 moneys collected under this section shall be deposited by the state  
13 treasurer in the hospital data collection account which is hereby  
14 created in the state treasury. (~~All earnings on investments of~~  
15 ~~balances in the hospital data collection account shall be credited to~~  
16 ~~the general fund.~~) The department may also charge, receive, and  
17 dispense funds or authorize any contractor or outside sponsor to charge  
18 for and reimburse the costs associated with special studies as  
19 specified in RCW 70.170.050.

20       Any amounts raised by the collection of assessments from hospitals  
21 provided for in this section which are not required to meet  
22 appropriations in the budget act for the current fiscal year shall be  
23 available to the department in succeeding years.

24       **Sec. 76.** RCW 90.76.100 and 1989 c 346 s 11 are each amended to  
25 read as follows:

26       The underground storage tank account is created in the state  
27 treasury. Money in the account may only be spent, subject to  
28 legislative appropriation, for the administration and enforcement of

1 the underground storage tank program established under this chapter.

2 The account shall contain:

3 (1) All fees collected under RCW 90.76.090; and

4 (2) All fines or penalties collected under RCW 90.76.080(~~(+and~~

5 ~~(3) Any interest earned on the account, subject to RCW 43.84.090)).~~

6 **Sec. 77.** RCW 70.95.800 and 1989 c 431 s 90 are each amended to  
7 read as follows:

8 The solid waste management account is created in the state  
9 treasury. Moneys in the account may only be spent after appropriation.  
10 Expenditures from the account may only be used to carry out the  
11 purposes of this act. (~~All earnings from the investment of balances  
12 in the solid waste management account except as provided in RCW  
13 43.84.090, shall be deposited into the solid waste management  
14 account.))~~)

15 **Sec. 78.** RCW 59.21.050 and 1990 c 171 s 5 are each amended to read  
16 as follows:

17 (1) The mobile home park relocation fund is created in the custody  
18 of the state treasurer. All legislative appropriations for mobile home  
19 relocation assistance, receipts from fees collected under this chapter,  
20 and amounts required to be paid by park-owners to low-income park  
21 tenants shall be deposited into the fund. Expenditures from the fund  
22 may be used only for relocation assistance under RCW 59.21.020, or  
23 transfer to the mobile home park purchase fund under subsection (2) of  
24 this section. Only the director of community development or the  
25 director's designee may authorize expenditures from the fund. All  
26 relocation payments to low-income park tenants, including those due  
27 from the park-owner shall be made from the fund. The fund is subject

1 to allotment procedures under chapter 43.88 RCW, but no appropriation  
2 is required for expenditures.

3 (2) (~~The state treasurer shall maintain the fund and shall invest~~  
4 ~~the fund moneys. Moneys earned on these investments shall be deposited~~  
5 ~~in the fund and shall be used for the same purposes as other fund~~  
6 ~~moneys.~~) Unexpended and unencumbered moneys that remain in the fund  
7 at the end of the fiscal year do not revert to the state general fund  
8 but remain in the fund, separately accounted for, as a contingency  
9 reserve, or if the director determines at the end of any fiscal year  
10 beginning after December 31, 1991, that the fund contains a surplus  
11 over the projected amount needed for relocation during the upcoming  
12 year(s), any surplus may be transferred to the mobile home park  
13 purchase fund created by chapter 59.22 RCW. However, the director may  
14 cause any uncommitted funds in the mobile home park purchase fund which  
15 were transferred from the mobile home park relocation fund to be  
16 transferred back to the mobile home park relocation fund if that fund  
17 cannot otherwise meet its current obligations.

18 (3) A low-income park tenant who is entitled to relocation  
19 assistance under this chapter is entitled to payment only after  
20 submitting an application which includes: (a) A copy of the notice  
21 from the park-owner that the tenancy is terminated due to closure of  
22 the park; (b) a copy of the rental agreement currently in force; and  
23 (c) a copy of the contract entered into for the purpose of relocating  
24 the mobile home, which includes the date of relocation.

25 (4) The director may adopt rules for the administration of the  
26 fund.

27 **Sec. 79.** RCW 70.95E.080 and 1990 c 114 s 18 are each amended to  
28 read as follows:



1       The hazardous waste assistance account is hereby created in the  
2 state treasury. The following moneys shall be deposited into the  
3 hazardous waste assistance account:

4       (1) Those revenues which are raised by the fees imposed under RCW  
5 70.95E.020 and 70.95E.030;

6       (2) Penalties and surcharges collected under chapter 70.95C RCW and  
7 this chapter; and

8       (3) Any other moneys appropriated or transferred to the account by  
9 the legislature. (~~All earnings from investment of balances in the~~  
10 ~~hazardous waste assistance account, except as provided in RCW~~  
11 ~~43.84.090, shall be credited to the hazardous waste assistance~~  
12 ~~account.~~) Moneys in the hazardous waste assistance account may be  
13 spent only for the purposes of this chapter following legislative  
14 appropriation.

15       **Sec. 80.** RCW 28B.30.741 and 1969 ex.s. c 223 s 28B.30.741 are each  
16 amended to read as follows:

17       All moneys received from the lease or rental of lands set apart by  
18 the enabling act for a scientific school; all interest or income  
19 arising from the proceeds of the sale of such lands or of the timber,  
20 fallen timber, stone, gravel or other valuable material thereon, less  
21 the allocation to the state treasurer's service account pursuant to RCW  
22 43.08.190 and the state investment board expense account pursuant to  
23 RCW 43.33A.160; and all moneys received as interest on deferred  
24 payments on contracts for the sale of such lands shall be deposited in  
25 the "Washington State University bond retirement fund" to be expended  
26 for the purposes set forth in RCW 28B.30.740.

27       **Sec. 81.** RCW 28B.30.742 and 1969 ex.s. c 223 s 28B.30.742 are each  
28 amended to read as follows:

1       Whenever federal law shall permit(~~(, but in no event prior to July~~  
2 ~~1, 1967,)~~) all moneys received from the lease or rental of lands set  
3 apart by the enabling act for an agricultural college, all interest or  
4 income arising from the proceeds of the sale of such lands or of the  
5 timber, fallen timber, stone, gravel or other valuable material  
6 thereon, less the allocation to the state treasurer's service account  
7 pursuant to RCW 43.08.190 and the state investment board expense  
8 account pursuant to RCW 43.33A.160; and all moneys received as interest  
9 on deferred payments on contracts for the sale of such lands shall be  
10 deposited in the Washington State University bond retirement fund to be  
11 expended for the purposes set forth in RCW 28B.30.740.

12       **Sec. 82.** RCW 28B.20.810 and 1969 ex.s. c 223 s 28B.20.810 are each  
13 amended to read as follows:

14       The board of regents of the University of Washington is empowered  
15 to authorize from time to time the transfer from the state university  
16 permanent fund to be held in reserve in the bond retirement fund  
17 created by RCW 28B.20.720 any unobligated funds and investments derived  
18 from lands set apart for the support of the university by chapter 91,  
19 Laws of 1903 and section 9, chapter 122, Laws of 1893, to the extent  
20 required to comply with bond covenants regarding principal and interest  
21 payments and reserve requirements for bonds payable out of the bond  
22 retirement fund up to a total amount of five million dollars, and to  
23 transfer any or all of said unobligated funds and investments in excess  
24 of five million dollars to the university building account created by  
25 RCW 43.79.330(22). Any funds transferred to the bond retirement fund  
26 pursuant to this section shall be replaced by moneys first available  
27 out of the moneys required to be deposited in such fund pursuant to RCW  
28 28B.20.800. The board is further empowered to direct the state finance  
29 committee to convert any investments in such permanent fund acquired

1 with funds derived from such lands into cash or obligations of or  
2 guaranteed by the United States of America prior to the transfer of  
3 such funds and investments to such reserve account or building account.

4 ~~((All interest earned on and profits derived from the sale of any  
5 investments of money in such University of Washington bond retirement  
6 fund shall be deposited in and become a part of such fund.))~~

7 **Sec. 83.** RCW 28B.14C.060 and 1977 ex.s. c 354 s 6 are each amended  
8 to read as follows:

9 There is hereby created in the state treasury the institutions of  
10 higher education refunding bond retirement fund of 1977, which fund  
11 shall be devoted to the payment of principal of, interest on and  
12 redemption premium, if any, on the bonds authorized to be issued  
13 pursuant to this chapter.

14 The state finance committee shall, on or before June 30 of each  
15 year, certify to the state treasurer the amount needed in the next  
16 succeeding twelve months to pay the installments of principal of and  
17 interest on the refunding bonds coming due in such period. The state  
18 treasurer shall, not less than thirty days prior to the due date of  
19 each installment, withdraw from any general state revenues received in  
20 the state treasury an amount equal to the amount certified by the state  
21 finance committee as being required to pay such installment; shall  
22 deposit such amount in the institutions of higher education refunding  
23 bond retirement fund of 1977; and shall apply in a timely manner the  
24 funds so deposited to the payment of the installment due on the bonds.

25 ~~((Moneys in the said bond retirement fund may be invested as  
26 determined by the state finance committee. Any interest and profits  
27 derived from such interim investment shall be deposited into the said  
28 bond retirement fund.))~~

1       **Sec. 84.** RCW 43.79A.020 and 1984 c 7 s 47 are each amended to read  
2 as follows:

3       There is created a trust fund outside the state treasury to be  
4 known as the "treasurer's trust fund." All nontreasury trust funds  
5 which are in the custody of the state treasurer on April 10, 1973,  
6 shall be placed in the treasurer's trust fund and be subject to the  
7 terms of this chapter. Funds of the state department of transportation  
8 shall be placed in the treasurer's trust fund only if mutually agreed  
9 to by the state treasurer and the department. In order to assure an  
10 orderly transition to a centralized management system, the state  
11 treasurer may place each of such trust funds in the treasurer's trust  
12 fund at such times as he deems advisable. Except for department of  
13 transportation trust funds, all such funds shall be incorporated in the  
14 treasurer's trust fund by June 30, 1975. Other funds in the custody of  
15 state officials or state agencies may, upon their request, be  
16 established as accounts in the treasurer's trust fund with the  
17 discretionary concurrence of the state treasurer. All income received  
18 from the treasurer's trust fund investments shall be deposited in the  
19 investment income account pursuant to RCW 43.79A.040.

20       **Sec. 85.** RCW 43.79A.040 and 1973 1st ex.s. c 15 s 4 are each  
21 amended to read as follows:

22       Money in the treasurer's trust fund may be deposited, invested and  
23 reinvested by the state treasurer in accordance with RCW 43.84.080 in  
24 the same manner and to the same extent as if the money were in the  
25 state treasury.

26       All income received from investment of the treasurer's trust fund  
27 shall be set aside in an account in the treasury trust fund to be known  
28 as the investment income account. On or before July 20 of each year,  
29 the state treasurer shall distribute all money in the investment income

1 account (~~in the following manner. Twenty percent to the treasurer's~~  
2 ~~service fund in the state treasury to help defray the costs of managing~~  
3 ~~the treasurer's trust fund~~). However, the earnings to be distributed  
4 shall first be reduced by the allocation to the state treasurer's  
5 service account pursuant to RCW 43.08.190. The remaining (~~eighty~~  
6 ~~percent~~) earnings shall be divided among the various agency accounts  
7 from which such investments were made, in proportion to the respective  
8 balances thereof.

9 **Sec. 86.** RCW 43.08.190 and 1985 c 405 s 506 are each amended to  
10 read as follows:

11 There is hereby created a fund within the state treasury to be  
12 known as the "state treasurer's service fund". Such fund shall be used  
13 solely for the payment of costs and expenses incurred in the operation  
14 and administration of the state treasurer's office.

15 (~~The office of financial management may direct the state treasurer~~  
16 ~~to transfer to the general fund an amount not to exceed two million~~  
17 ~~dollars from the state treasurer's service fund for the 1983-85 fiscal~~  
18 ~~biennium.~~) On or before July 20th of each year, moneys equivalent to  
19 a maximum of one percent of each fund's or account's average daily cash  
20 balance shall be allocated from the prior fiscal years earnings  
21 generated under the authority of RCW 43.79A.040 and 43.84.080 and  
22 placed in the state treasurer's service fund. The allocation shall  
23 precede the distribution of the remaining earnings as prescribed under  
24 RCW 43.79A.040 and 43.84.080. The state treasurer shall establish the  
25 allocation to the state treasurer's service fund. The allocation rate  
26 shall be based on the appropriations for the treasurer's office.

27 **Sec. 87.** RCW 90.48.390 and 1989 c 388 s 7 and 1989 c 262 s 3 are  
28 each reenacted and amended to read as follows:

1       The coastal protection fund is established to be used by the  
2 department as a revolving fund for carrying out the purposes of RCW  
3 90.48.315 through 90.48.365, 78.52.020, 78.52.125, 82.36.330,  
4 90.48.142, 90.48.315, 90.48.370 through 90.48.410, 90.48.903,  
5 90.48.906 and 90.48.907, and 90.48.366 through 90.48.368. To this fund  
6 there shall be credited penalties, fees, damages, and charges received  
7 pursuant to the provisions of RCW 90.48.142 and 90.48.315 through  
8 90.48.365, compensation for damages received under RCW 90.48.366  
9 through 90.48.368, and an amount equivalent to one cent per gallon from  
10 each marine use refund claim under RCW 82.36.330.

11       Moneys in the fund not needed currently to meet the obligations of  
12 the department in the exercise of its powers, duties, and functions  
13 under RCW 90.48.315 through 90.48.365 and RCW 78.52.020, 78.52.125,  
14 82.36.330, 90.48.142, 90.48.315, 90.48.370 through 90.48.410,  
15 90.48.903, 90.48.906 and 90.48.907 shall be deposited with the state  
16 treasurer to the credit of the fund (~~and may be invested in such~~  
17 ~~manner as is provided for by law. Interest received on such investment~~  
18 ~~shall be credited to the fund~~)).

19       **Sec. 88.** RCW 28C.10.082 and 1987 c 459 s 2 are each amended to  
20 read as follows:

21       The tuition recovery fund is hereby established in the custody of  
22 the state treasurer. The agency shall deposit in the fund all moneys  
23 received under RCW 28C.10.084. Moneys in the fund may be spent only  
24 for the purposes under RCW 28C.10.084. Disbursements from the fund  
25 shall be on authorization of the agency. The fund is subject to the  
26 allotment procedure provided under chapter 43.88 RCW, but no  
27 appropriation is required for disbursements. (~~All earnings of~~  
28 ~~investments of such balances shall be credited to the tuition recovery~~  
29 ~~fund.~~)

1       **Sec. 89.** RCW 43.250.030 and 1990 c 106 s 2 are each amended to  
2 read as follows:

3       There is created a trust fund (~~((in the state treasury))~~) to be known  
4 as the public funds investment account. The account is to be  
5 separately accounted for and invested by the state treasurer. All  
6 moneys remitted under this chapter shall be deposited in this account.  
7 (~~The~~) All earnings on any balances in the public funds investment  
8 account, less moneys for administration pursuant to RCW 43.250.060,  
9 shall be credited to the public funds investment account(~~(~~  
10 ~~notwithstanding RCW 43.84.090)~~)).

11       **Sec. 90.** RCW 43.185.030 and 1987 c 513 s 6 are each amended to  
12 read as follows:

13       There is hereby created (~~(a fund)~~) in the (~~(office of the~~  
14 ~~treasurer))~~ state treasury an account to be known as the Washington  
15 housing trust fund. The housing trust fund shall include revenue from  
16 the sources established by this chapter, appropriations by the  
17 legislature, private contributions, and all other sources. (~~(Eighty~~  
18 ~~percent of the return on the fund in the form of investment income or~~  
19 ~~interest shall be added to the principal of the fund. The remaining~~  
20 ~~twenty percent shall be placed in the general fund.)~~)

21       **Sec. 91.** RCW 28B.10.882 and 1987 c 147 s 3 are each amended to  
22 read as follows:

23       Funds appropriated by the legislature for the graduate fellowship  
24 program shall be deposited in the graduate fellowship trust fund.  
25 (~~(All moneys deposited in the fund shall be invested by the state~~  
26 ~~treasurer. Notwithstanding RCW 43.84.090, all earnings of investments~~  
27 ~~of balances in the fund shall be credited to the fund.)~~) At the request  
28 of the higher education coordinating board under RCW 28B.10.884, the

1 treasurer shall release the state matching funds to the designated  
2 institution's local endowment fund. No appropriation is required for  
3 expenditures from the fund.

4 **Sec. 92.** RCW 59.22.030 and 1987 c 482 s 4 are each amended to read  
5 as follows:

6 The mobile home park purchase ~~((fund))~~ account is hereby created  
7 ~~((and shall be maintained))~~ in the ~~((office of the treasurer))~~ state  
8 treasury. The purpose of this ~~((fund))~~ account is to provide loans  
9 according to the provisions of this chapter and for related  
10 administrative costs of the department. The ~~((fund))~~ account shall  
11 include appropriations, loan repayments, ~~((interest,))~~ and any other  
12 money from private sources made available to the state for the purposes  
13 of this chapter. Owners of mobile home parks shall not be assessed for  
14 the purposes of this ~~((fund))~~ account.

15 **Sec. 93.** RCW 70.148.020 and 1990 c 64 s 3 are each amended to read  
16 as follows:

17 (1) The pollution liability insurance program trust account is  
18 established in the custody of the state treasurer. All funds  
19 appropriated for this chapter and all premiums collected for  
20 reinsurance shall be deposited in the account. Expenditures from the  
21 account shall be used exclusively for the purposes of this chapter  
22 including payment of costs of administering the program. The account  
23 is subject to allotment procedures under chapter 43.88 RCW.  
24 Expenditures for payment of the costs of administering the program may  
25 be made only after appropriation by statute. No appropriation is  
26 required for other expenditures from the account. ~~((The earnings on~~  
27 ~~any surplus balances in the pollution liability insurance program trust~~



1 ~~account shall be credited to the account notwithstanding RCW~~  
2 ~~43.84.090.)~~)

3 (2) Each calendar quarter, the director shall report to the  
4 insurance commissioner and the chairs of the senate ways and means,  
5 senate financial institutions, house of representatives revenue, and  
6 house of representatives financial institutions committees, the loss  
7 and surplus reserves required for the calendar quarter. The director  
8 shall notify the department of revenue of this amount by the fifteenth  
9 day of each calendar quarter.

10 **Sec. 94.** RCW 4.92.220 and 1989 c 419 s 5 are each amended to read  
11 as follows:

12 (1) A risk management account is hereby created in the treasury to  
13 be an appropriated account used exclusively for the payment of costs  
14 related to:

15 (a) The administration of liability, property and vehicle claims,  
16 including investigation, claim processing, negotiation and settlement,  
17 and other expenses relating to settlements and judgments against the  
18 state not otherwise budgeted; and

19 (b) Purchase of liability and property insurance, including  
20 catastrophic insurance, subject to policy conditions and limitations  
21 determined by the risk manager.

22 (2) ~~((Earnings on the account's assets shall be credited to the~~  
23 ~~account, notwithstanding RCW 43.84.090.~~

24 ~~(3))~~) The risk management account shall be financed through a  
25 combination of direct appropriations and assessments to state agencies.

26 **Sec. 95.** RCW 4.92.130 and 1989 c 419 s 4 are each amended to read  
27 as follows:

1 A liability account in the custody of the treasurer is hereby  
2 created as a nonappropriated account to be used solely and exclusively  
3 for the payment of liability settlements and judgments against the  
4 state under 42 U.S.C. Sec. 1981 et seq. or for the tortious conduct of  
5 its officers, employees, and volunteers.

6 (1) The purpose of the liability account is to: (a) Expeditiously  
7 pay legal liabilities of the state resulting from tortious conduct; (b)  
8 promote risk control through a cost allocation system which recognizes  
9 agency loss experience, levels of self-retention, and levels of risk  
10 exposure; and (c) establish an actuarially sound system to pay incurred  
11 losses, within defined limits.

12 (2) The liability account shall be used to pay claims for injury  
13 and property damages exclusive of legal defense costs and agency-  
14 retained expenses otherwise budgeted.

15 (3) No money shall be paid from the liability account unless all  
16 proceeds available to the claimant from any valid and collectible  
17 liability insurance shall have been exhausted and unless:

18 (a) The claim shall have been reduced to final judgment in a court  
19 of competent jurisdiction; or

20 (b) The claim has been approved for payment.

21 (4) ~~((Earnings on the account's assets shall be credited to the  
22 account, notwithstanding RCW 43.84.090.~~

23 ~~(5))~~) The liability account shall be financed through annual  
24 premiums assessed to state agencies, based on sound actuarial  
25 principles, and shall be for liability coverage in excess of agency-  
26 budgeted self-retention levels.

27 ~~((6))~~) (5) Annual premium levels shall be determined by the risk  
28 manager, with the consultation and advice of the risk management  
29 advisory committee and concurrence from the office of financial

1 management. An actuarial study shall be conducted to assist in  
2 determining the appropriate level of funding.

3 ~~((7))~~ (6) Disbursements from the liability account shall be made  
4 to the claimant, or to the clerk of the court for judgments, upon  
5 written request to the state treasurer from the risk manager.

6 ~~((8))~~ (7) The director of the office of financial management may  
7 direct agencies to transfer moneys from other funds and accounts to the  
8 liability account if premiums are delinquent.

9 ~~((9))~~ (8) The liability account shall not exceed fifty percent of  
10 the actuarial value of the outstanding liability as determined annually  
11 by the office of risk management. If the account exceeds the maximum  
12 amount specified in this section, premiums may be adjusted by the  
13 office of risk management in order to maintain the account balance at  
14 the maximum limits. If, after adjustment of premiums, the account  
15 balance remains above the limits specified, the excess amount will be  
16 prorated back to the appropriate funds.

17 **Sec. 96.** RCW 41.40.080 and 1989 c 273 s 21 are each amended to  
18 read as follows:

19 (1) All bonds or other obligations purchased according to RCW  
20 43.84.150 shall be forthwith placed in the hands of the state treasurer  
21 who is hereby designated as custodian thereof, and it shall be his duty  
22 to collect the principal thereof and the interest thereon as the same  
23 becomes due and payable, and place the same when so collected into the  
24 retirement system's funds.

25 (2) The state treasurer shall be the custodian of all other funds  
26 of the retirement system and all disbursements therefrom shall be paid  
27 by the state treasurer upon vouchers duly authorized by the department  
28 and bearing the signature of the duly authorized officer of the  
29 department.

1           (3) The state treasurer is hereby authorized and directed to  
2 deposit (~~(any portion of the funds of the)~~) retirement system funds not  
3 needed for immediate use in the same manner and subject to all the  
4 provisions of law with respect to the deposit of state funds by such  
5 treasurer(~~(, and)~~). All ((interest)) investment income derived from  
6 state investment board investments earned by such portion of the  
7 retirement system's funds as may be deposited by the state treasurer in  
8 pursuance of authority herewith given shall be collected by him and  
9 placed to the credit of the retirement fund or the department of  
10 retirement systems expense fund, less the allocation to the state  
11 investment board expense account pursuant to RCW 43.33A.160.

12           (4) There is hereby established in the state treasury three  
13 separate funds, namely:

14           (a) The public employees' retirement system plan I fund and the  
15 public employees' plan II fund, into which shall be paid all moneys  
16 received by the department and from which shall be paid all refunds,  
17 adjustments, retirement allowances and other benefits provided for  
18 herein. The plan I fund shall consist of all moneys paid to finance  
19 the benefits, provided to members of plan I, and the plan II fund shall  
20 consist of all moneys paid to finance the benefits provided to members  
21 of plan II. All contributions by members to the department of  
22 retirement systems expense fund as provided in RCW 41.40.330 and  
23 contributions by employers for the expense of operating the retirement  
24 system as provided for herein shall be transferred by the state  
25 treasurer from the retirement system fund to the department of  
26 retirement systems expense fund upon authorization of the department;

27           (b) The department of retirement systems expense fund, from which  
28 shall be paid the expenses of the administration of the retirement  
29 system.

1       (5) In order to reimburse the department of retirement systems  
2 expense fund on an equitable basis the department shall, after  
3 crediting the estimated amount to be collected as employees'  
4 contributions, ascertain and report to each employer the sum necessary  
5 to defray its proportional share of the entire expense of the  
6 administration of this chapter during the ensuing biennium or fiscal  
7 year whichever may be required. Such sum is to be computed in an  
8 amount directly proportional to the estimated entire expense of the  
9 said administration as the ratio of monthly salaries of the employer's  
10 members bears to the total salaries of all members in the entire  
11 system. It shall then be the duty of all such employers to include in  
12 their budgets or otherwise provide the amounts so required.

13       (6) The department shall compute and bill each employer at the end  
14 of each month for the amount due for that month to the department of  
15 retirement systems expense fund and the same shall be paid as are its  
16 other obligations. Such computation as to each such employer shall be  
17 made on a percentage rate of salary established by the department:  
18 PROVIDED, That the department may at its discretion establish a system  
19 of billing based upon calendar year quarters in which event the said  
20 billing shall be at the end of each such quarter.

21       (7) For the purpose of providing amounts to be used to defray the  
22 cost of such administration, the department shall ascertain at the  
23 beginning of each biennium and request from the legislature an  
24 appropriation from the department of retirement systems expense fund  
25 sufficient to cover estimated expenses for the said biennium.

26       **Sec. 97.** RCW 43.84.051 and 1965 ex.s. c 104 s 5 are each amended  
27 to read as follows:

28       It shall be the duty of the state treasurer to collect the  
29 interest, or other income on, and the principal of the securities held

1 in his or her custody pursuant to RCW 43.84.041 as the said sums become  
2 due and payable, and to pay the same when so collected into the  
3 respective funds to which the principal and interest shall accrue, less  
4 the allocation to the state treasurer's service account pursuant to RCW  
5 43.08.190 and the state investment board expense account pursuant to  
6 RCW 43.33A.160.

7       **Sec. 98.** RCW 43.79.130 and 1965 c 8 s 43.79.130 are each amended  
8 to read as follows:

9       There shall be in the state treasury a permanent and irreducible  
10 fund known as the "agricultural permanent fund," into which shall be  
11 paid all moneys derived from the sale of lands set apart by the  
12 enabling act or otherwise for an agricultural college. The income  
13 derived from investments pursuant to RCW 43.84.080 shall be credited to  
14 the Washington State University bond retirement fund less the  
15 allocation to the state treasurer's service account pursuant to RCW  
16 43.08.190.

17       **Sec. 99.** RCW 28B.35.751 and 1977 ex.s. c 169 s 87 are each amended  
18 to read as follows:

19       All moneys received from the lease or rental of lands set apart by  
20 the enabling act for state normal schools purposes; all interest or  
21 income arising from the proceeds of the sale of such lands or of the  
22 timber, fallen timber, stone, gravel, or other valuable material  
23 thereon, less the allocation to the state treasurer's service account  
24 pursuant to RCW 43.08.190 and the state investment board expense  
25 account pursuant to RCW 43.33A.160; and all moneys received as interest  
26 on deferred payments on contracts for the sale of such lands, shall  
27 from time to time be paid into the state treasury and credited to the  
28 Eastern Washington University, Central Washington University, Western

1 Washington University and The Evergreen State College accounts as  
2 herein provided to be expended for capital projects, and bond  
3 retirement purposes as set forth in RCW 28B.35.750, as now or hereafter  
4 amended. Eastern Washington University, Central Washington University,  
5 Western Washington University, and The Evergreen State College shall be  
6 credited with one-fourth of the total amount: PROVIDED, That Eastern  
7 Washington University, Central Washington University and Western  
8 Washington University shall each be credited with one-third of the  
9 total amount for so long as there remain unpaid and outstanding any  
10 bonds which are payable in whole or in part out of the moneys, interest  
11 or income described in this section.

12 **Sec. 100.** RCW 43.79.110 and 1965 c 8 s 43.79.110 are each amended  
13 to read as follows:

14 There shall be in the state treasury a permanent and irreducible  
15 fund known as the "scientific permanent fund," into which shall be paid  
16 all moneys derived from the sale of lands set apart by the enabling act  
17 or otherwise for a scientific school. The income derived from  
18 investments pursuant to RCW 43.84.080 shall be credited to the  
19 Washington State University building account less the allocation to the  
20 state treasurer's service fund pursuant to RCW 43.08.190.

21 **Sec. 101.** RCW 28B.20.800 and 1969 ex.s. c 223 s 28B.20.800 are  
22 each amended to read as follows:

23 All moneys hereafter received from the lease or rental of lands set  
24 apart for the University of Washington by chapter 91, Laws of 1903 and  
25 section 9, chapter 122, Laws of 1893, and all interest or income  
26 arising from the proceeds of the sale of such land, less the allocation  
27 to the state treasurer's service account pursuant to RCW 43.08.190 and  
28 the state investment board expense account pursuant to RCW 43.33A.160,

1 and all proceeds from the sale of timber, fallen timber, stone, gravel,  
2 or other valuable material and all other receipts therefrom shall be  
3 deposited to the credit of the "University of Washington bond  
4 retirement fund" to be expended for the purposes set forth in RCW  
5 28B.20.720. All proceeds of sale of such lands, exclusive of interest,  
6 shall be deposited to the credit of the state university permanent  
7 fund, shall be retained therein and shall not be transferred to any  
8 other fund or account. All interest earned or income received from the  
9 investment of the money in the state university permanent fund, less  
10 the allocation to the state treasurer's service account pursuant to RCW  
11 43.08.190 and the state investment board expense account pursuant to  
12 RCW 43.33A.160, shall be deposited to the credit of the University of  
13 Washington bond retirement fund.

14 As a part of the contract of sale of bonds payable out of the  
15 University of Washington bond retirement fund, the board of regents of  
16 the University of Washington may covenant that all moneys derived from  
17 the above provided sources, which are required to be paid into the bond  
18 retirement fund, shall continue to be paid into such bond retirement  
19 fund for as long as any of such bonds are outstanding.

20 **Sec. 102.** RCW 41.24.030 and 1989 c 194 s 1 and 1989 c 91 s 1 are  
21 each reenacted and amended to read as follows:

22 There is created in the state treasury a trust fund for the benefit  
23 of the fire fighters of the state covered by this chapter, which shall  
24 be designated the volunteer fire fighters' relief and pension fund and  
25 shall consist of:

26 (1) All bequests, fees, gifts, emoluments, or donations given or  
27 paid to the fund.

28 (2) An annual fee for each member of its fire department to be paid  
29 by each municipal corporation for the purpose of affording the members



1 of its fire department with protection from death or disability as  
2 herein provided as follows:

3 (a) Ten dollars for each volunteer or part-paid member of its fire  
4 department;

5 (b) A sum equal to one and one-half of one percent of the annual  
6 salary attached to the rank of each full-paid member of its fire  
7 department, prorated for 1970 on the basis of services prior to March  
8 1, 1970.

9 (3) Where a municipal corporation has elected to make available to  
10 the members of its fire department the retirement provisions as herein  
11 provided, an annual fee of thirty dollars for each of its fire fighters  
12 electing to enroll therein, ten dollars of which shall be paid by the  
13 municipality and twenty dollars of which shall be paid by the fire  
14 fighter.

15 (4) Forty percent of all moneys received by the state from taxes on  
16 fire insurance premiums shall be paid into the state treasury and  
17 credited to the fund.

18 (5) The state investment board, upon request of the state treasurer  
19 shall have full power to invest or reinvest such portion of the amounts  
20 credited to the fund as is not, in the judgment of the treasurer,  
21 required to meet current withdrawals. Such investments shall be made  
22 in the manner prescribed by RCW 43.84.150 and not otherwise.

23 (6) All bonds or other obligations purchased according to  
24 subsection (5) of this section shall be forthwith placed in the custody  
25 of the state treasurer, and he shall collect the principal thereof and  
26 interest thereon when due.

27 The state investment board may sell any of the bonds or obligations  
28 so acquired and the proceeds thereof shall be paid to the state  
29 treasurer.

1       The interest and proceeds from the sale and redemption of any bonds  
2 or other obligations held by the fund shall be credited to and form a  
3 part of the fund, less the allocation to the state treasurer's service  
4 account pursuant to RCW 43.08.190 and the state investment board  
5 expense account pursuant to RCW 43.33A.160.

6       All amounts credited to the fund shall be available for making the  
7 payments required by this chapter.

8       The state treasurer shall make an annual report showing the  
9 condition of the fund.

10       **Sec. 103.** RCW 28B.10.868 and 1987 c 8 s 3 are each amended to read  
11 as follows:

12       Funds appropriated by the legislature for the distinguished  
13 professorship program shall be deposited in the distinguished  
14 professorship trust fund. ~~((All moneys deposited in the fund shall be  
15 invested by the state treasurer. Notwithstanding RCW 43.84.090, all  
16 earnings of investments of balances of the fund shall be credited to  
17 the fund.))~~ At the request of the higher education coordinating board  
18 under RCW 28B.10.870, the treasurer shall release the state matching  
19 funds to the designated institution's local endowment fund. No  
20 appropriation is required for expenditures from the fund.

21       **Sec. 104.** RCW 42.26.010 and 1969 ex.s. c 60 s 1 are each amended  
22 to read as follows:

23       An agency vendor payment revolving ~~((fund))~~ account is hereby  
24 created in the state treasury. This ~~((fund))~~ account is to be used for  
25 payment for services rendered or materials furnished to the state,  
26 which are properly payable from funds other than those appropriated  
27 from the state treasury: PROVIDED, That the use of this revolving  
28 ~~((fund))~~ account by a state agency shall be optional: AND PROVIDED

1 FURTHER, That payment of salaries and wages shall be subject to the  
2 provisions of chapter 42.16 RCW. All earnings of the investment of  
3 balances in the account, less the allocation to the state treasurer's  
4 service account pursuant to RCW 43.08.190, shall be credited to the  
5 general fund.

6 **Sec. 105.** RCW 41.05.120 and 1988 c 107 s 10 are each amended to  
7 read as follows:

8 (1) The state employees' insurance account is hereby established in  
9 the custody of the state treasurer, to be used by the administrator for  
10 the deposit of contributions, reserves, dividends, and refunds, and for  
11 payment of premiums for employee insurance benefit contracts. Moneys  
12 from the account shall be disbursed by the state treasurer by warrants  
13 on vouchers duly authorized by the administrator. ~~((Notwithstanding~~  
14 ~~RCW 43.84.090, all earnings of investments of balances in the account~~  
15 ~~shall be credited to the account.))~~

16 (2) The state treasurer and the state investment board may invest  
17 moneys in the state employees' insurance account. All such investments  
18 shall be in accordance with RCW 43.84.080 or 43.84.150, whichever is  
19 applicable. The administrator shall determine whether the state  
20 treasurer or the state investment board or both shall invest moneys in  
21 the state employees' insurance account.

22 **Sec. 106.** RCW 41.04.260 and 1987 c 475 s 11 and 1987 c 121 s 1 are  
23 each reenacted and amended to read as follows:

24 (1) There is hereby created a committee for deferred compensation  
25 to be composed of five members appointed by the governor, one of whom  
26 shall be a representative of an employee association or union certified  
27 as an exclusive representative of at least one bargaining unit of  
28 classified employees, one who shall be a representative of either a

1 credit union, savings and loan association, mutual savings bank or  
2 bank, one who possesses expertise in the area of insurance or  
3 investment of public funds, one who shall be the state attorney general  
4 or his designee, and one additional member selected by the governor.  
5 The committee shall serve without compensation but shall receive travel  
6 expenses as provided for in RCW 43.03.050 and 43.03.060 as now existing  
7 or hereafter amended.

8 (2) The deferred compensation principal account is hereby created  
9 in the state treasury. Any deficiency in the deferred compensation  
10 administrative account caused by an excess of administrative expenses  
11 disbursed from that account over earnings of investments of balances  
12 credited to that account shall be transferred to that account from the  
13 deferred compensation principal account.

14 The amount of compensation deferred by employees under agreements  
15 entered into under the authority contained in RCW 41.04.250 shall be  
16 paid into the deferred compensation principal account and shall be  
17 sufficient to cover costs of administration and staffing in addition to  
18 such other amounts as determined by this committee. The deferred  
19 compensation principal account shall be used to carry out the purposes  
20 of RCW 41.04.250. All eligible state employees shall be given the  
21 opportunity to participate in agreements entered into by the committee  
22 under RCW 41.04.250. State agencies shall cooperate with the committee  
23 in providing employees with the opportunity to participate. Any  
24 county, municipality, or other subdivision of the state may elect to  
25 participate in any agreements entered into by the committee under RCW  
26 41.04.250, including the making of payments therefrom to the employees  
27 participating in a deferred compensation plan upon their separation  
28 from state or other qualifying service. Accordingly, the deferred  
29 compensation principal account shall be considered to be a public  
30 pension or retirement fund within the meaning of Article XXIX, section

1 1 of the state Constitution, for the purpose of determining eligible  
2 investments and deposits of the moneys therein. All moneys in the  
3 deferred compensation principal account, all property and rights  
4 purchased therewith, and all income attributable thereto, shall remain  
5 (until made available to the participating employee or other  
6 beneficiary) solely the money, property, and rights of the state and  
7 participating counties, municipalities and subdivisions (without being  
8 restricted to the provision of benefits under the plan) subject only to  
9 the claims of the state's and participating jurisdictions' general  
10 creditors. Participating jurisdictions shall each retain property  
11 rights separately.

12 (3) The state investment board, at the request of the deferred  
13 compensation committee, is authorized to invest moneys in the deferred  
14 compensation principal account in accordance with RCW 43.84.150.  
15 Except as provided in RCW 43.33A.160, one hundred percent of all  
16 earnings from these investments shall accrue directly to the deferred  
17 compensation principal account. (~~The earnings on any surplus balances  
18 in the deferred compensation principal account shall be credited to the  
19 deferred compensation principal account, notwithstanding RCW  
20 43.84.090.~~)

21 (4) The deferred compensation administrative account is hereby  
22 created in the state treasury. All expenses of the committee including  
23 staffing and administrative expenses shall be paid out of the deferred  
24 compensation administrative account. (~~Notwithstanding RCW 43.84.090,  
25 all earnings of investments of balances in the deferred compensation  
26 administrative account shall be credited to this account.~~) Any excess  
27 of earnings of investments of balances credited to this account over  
28 administrative expenses disbursed from this account shall be expended  
29 to the deferred compensation principal account. Any deficiency in the  
30 deferred compensation administrative account caused by an excess of

1 administrative expenses disbursed from this account over earnings of  
2 investments of balances credited to this account shall be transferred  
3 to this account from the deferred compensation principal account.

4 (5) In addition to the duties specified in this section and RCW  
5 41.04.250, the deferred compensation committee shall administer the  
6 salary reduction plan established in RCW 41.04.600 through 41.04.645.

7 (6) The deferred compensation committee shall keep or cause to be  
8 kept full and adequate accounts and records of the assets, obligations,  
9 transactions, and affairs of any deferred compensation plans created  
10 under RCW 41.04.250 through 41.04.260.

11 The deferred compensation committee shall file an annual report of  
12 the financial condition, transactions, and affairs of the deferred  
13 compensation plans under the committee's jurisdiction. A copy of the  
14 annual report shall be filed with the speaker of the house of  
15 representatives, the president of the senate, the governor, and the  
16 state auditor.

17 (7) Members of the deferred compensation committee shall be deemed  
18 to stand in a fiduciary relationship to the employees participating in  
19 the deferred compensation plans created under RCW 41.04.250 through  
20 41.04.260 and shall discharge the duties of their respective positions  
21 in good faith and with that diligence, care, and skill which ordinary  
22 prudent persons would exercise under similar circumstances in like  
23 positions.

24 (8) The committee may adopt rules necessary to carry out the  
25 purposes of RCW 41.04.250 and 41.04.260.

26 **Sec. 107.** RCW 90.50A.020 and 1988 c 284 s 3 are each amended to  
27 read as follows:

28 (1) The water pollution control revolving fund is hereby  
29 established in the custody of the state treasurer. Moneys in this fund

1 are not subject to legislative appropriation. Moneys in the fund may  
2 be spent only in a manner consistent with this chapter.

3 (2) The water pollution control revolving fund shall consist of:

4 (a) All capitalization grants provided by the federal government  
5 under the federal water quality act of 1987;

6 (b) All state matching funds appropriated or authorized by the  
7 legislature;

8 (c) Any other revenues derived from gifts or bequests pledged to  
9 the state for the purpose of providing financial assistance for water  
10 pollution control projects;

11 (d) All repayments of moneys borrowed from the fund;

12 (e) All interest payments made by borrowers from the fund;

13 (f) Any other fee or charge levied in conjunction with  
14 administration of the fund; and

15 (g) Any new funds as a result of leveraging.

16 ~~((3) The state treasurer may invest and reinvest moneys in the  
17 water pollution control revolving fund in the manner provided by law.  
18 All earnings from such investment and reinvestment shall be credited to  
19 the water pollution control revolving fund.))~~

20 **Sec. 108.** RCW 2.14.080 and 1989 c 139 s 3 are each amended to read  
21 as follows:

22 (1) The administrator for the courts shall:

23 (a) Deposit or invest the contributions under RCW 2.14.090 in a  
24 credit union, savings and loan association, bank, or mutual savings  
25 bank;

26 (b) Purchase life insurance, shares of an investment company, or  
27 fixed and/or variable annuity contracts from any insurance company or  
28 investment company licensed to contract business in this state; or

1 (c) Invest in any of the class of investments described in RCW  
2 43.84.150.

3 (2) The state investment board or the committee for deferred  
4 compensation, at the request of the administrator for the courts, may  
5 invest moneys in the principal account. Moneys invested by the  
6 investment board shall be invested in accordance with RCW 43.84.150.  
7 Moneys invested by the committee for deferred compensation shall be  
8 invested in accordance with RCW 41.04.250. Except as provided in RCW  
9 43.33A.160 or as necessary to pay a pro rata share of expenses incurred  
10 by the committee for deferred compensation, one hundred percent of all  
11 earnings from these investments shall accrue directly to the principal  
12 account. (~~The earnings on any surplus balances in the principal~~  
13 ~~account shall be credited to the principal account, notwithstanding RCW~~  
14 ~~43.84.090.~~)

15 **Sec. 109.** RCW 46.68.210 and 1990 c 42 s 411 are each amended to  
16 read as follows:

17 (1) The Puyallup tribal settlement account is hereby created in the  
18 motor vehicle fund. All moneys designated by the "Agreement between  
19 the Puyallup Tribe of Indians, local governments in Pierce county, the  
20 state of Washington, the United States of America, and certain private  
21 property owners," dated August 27, 1988, (the "agreement") for use by  
22 the department of transportation on the Blair project as described in  
23 the agreement shall be deposited into the account, including but not  
24 limited to federal appropriations for the Blair project, and  
25 appropriations contained in section 34, chapter 6, Laws of 1989 1st ex.  
26 sess. and section 709, chapter 19, Laws of 1989 1st ex. sess.

27 (2) All moneys deposited into the account shall be expended by the  
28 department of transportation pursuant to appropriation solely for the  
29 Blair project as described in the agreement.



1       (~~(3) All earnings of investments of balances in the account shall~~  
2 ~~be credited to the account.~~)

3       **Sec. 110.** RCW 81.100.070 and 1990 c 43 s 18 are each amended to  
4 read as follows:

5       Funds collected by the department of revenue or other entity under  
6 RCW 81.100.030, or by the department of licensing under RCW 81.100.060,  
7 less the deduction for collection expenses, shall be deposited in the  
8 high occupancy vehicle account hereby created in the custody of the  
9 state treasurer. On the first day of the months of January, April,  
10 July, and October of each year, the state treasurer shall distribute  
11 the funds in the account to the counties on whose behalf the funds were  
12 received. The state treasurer shall make the distribution under this  
13 section without appropriation. (~~All earnings of investments of~~  
14 ~~balances in this account shall be credited to this account except as~~  
15 ~~provided in RCW 43.84.090 and 43.84.092.~~)

16       **Sec. 111.** RCW 28B.20.468 and 1990 c 282 s 4 are each amended to  
17 read as follows:

18       The Warren G. Magnuson institute trust fund is hereby established.  
19 The trust fund shall be administered by the state treasurer. Funds  
20 appropriated by the legislature for the trust fund shall be deposited  
21 into the trust fund. All moneys deposited in the trust fund shall be  
22 invested by the state treasurer. (~~Notwithstanding RCW 43.84.090, all~~  
23 ~~earnings of investments of balances of the trust fund shall be credited~~  
24 ~~to the fund.~~) At the request of the board of regents of the  
25 University of Washington, and when conditions set forth in RCW  
26 28B.20.470 are met, the treasurer shall release state matching moneys  
27 in the fund to the University of Washington's local endowment fund. No  
28 appropriation is required for expenditures from the trust fund.

1       **Sec. 112.** RCW 28B.108.050 and 1990 c 287 s 6 are each amended to  
2 read as follows:

3       The American Indian endowed scholarship trust fund is established.  
4 The trust fund shall be administered by the state treasurer. Funds  
5 appropriated by the legislature for the trust fund shall be deposited  
6 into the fund. All moneys deposited in the fund shall be invested by  
7 the state treasurer. (~~Notwithstanding RCW 43.84.090, all earnings of~~  
8 ~~investments of balances of the trust fund shall be credited to the~~  
9 ~~fund.~~) At the request of the higher education coordinating board, and  
10 when conditions set forth in RCW 28B.108.070 are met, the treasurer  
11 shall deposit state matching moneys in the trust fund into the American  
12 Indian endowment fund. No appropriation is required for expenditures  
13 from the trust fund.

14       **Sec. 113.** RCW 28B.50.837 and 1990 c 29 s 2 are each amended to  
15 read as follows:

16       (1) The Washington community college exceptional faculty awards  
17 program is established. The program shall be administered by the state  
18 board for community college education. The community college faculty  
19 awards trust fund hereby created shall be administered by the state  
20 treasurer.

21       (2) Funds appropriated by the legislature for the community college  
22 exceptional faculty awards program shall be deposited in the community  
23 college faculty awards trust fund. (~~All moneys deposited in the fund~~  
24 ~~shall be invested by the state treasurer. Notwithstanding RCW~~  
25 ~~43.84.090, all earnings of investments of balances in the fund shall be~~  
26 ~~credited to the fund.~~) At the request of the state board for  
27 community college education, the treasurer shall release the state  
28 matching funds to the designated institution's local endowment fund.

1 No appropriation is necessary for the expenditure of moneys from the  
2 fund.

3 **Sec. 114.** RCW 41.26.070 and 1989 c 273 s 12 are each amended to  
4 read as follows:

5 Two funds are hereby created and established in the state treasury  
6 to be known as the Washington law enforcement officers' and fire  
7 fighters' system plan I retirement fund, and the Washington law  
8 enforcement officers' and fire fighters' system plan II retirement fund  
9 which shall consist of all moneys paid into them in accordance with the  
10 provisions of this chapter, whether such moneys shall take the form of  
11 cash, securities, or other assets. The plan I fund shall consist of  
12 all moneys paid to finance the benefits provided to members of plan I,  
13 and the plan II fund shall consist of all moneys paid to finance the  
14 benefits provided to members of plan II. The state investment board has  
15 full power to invest or reinvest the funds created by this chapter in  
16 the securities authorized by RCW 43.84.150.

17 (1) The state treasurer shall be the custodian of all funds of the  
18 retirement system and all disbursements therefrom shall be paid by the  
19 state treasurer upon vouchers duly authorized by the department and  
20 bearing the signature of the duly authorized officer of the department.

21 (2) The state treasurer is hereby authorized and directed to  
22 deposit any portion of the funds of the retirement system not needed  
23 for immediate use in the same manner and subject to all the provisions  
24 of law with respect to the deposit of state funds by such treasurer(~~(7~~  
25 ~~and))~~). All ((interest)) investment income derived from state  
26 investment board investments earned by such portion of the retirement  
27 system's funds as may be deposited by the state treasurer in pursuance  
28 of authority herewith given shall be collected by him and placed to the  
29 credit of the retirement fund or the department of retirement systems

1 expense fund less the allocation to the state investment board expense  
2 account pursuant to RCW 43.33A.160.

3 (3) Into the retirement system fund shall be paid all moneys  
4 received by the department, and paid therefrom shall be all refunds,  
5 adjustments, retirement allowances and other benefits provided for  
6 herein. All contributions by employers for the expense of operating  
7 the retirement system as provided for herein shall be transferred by  
8 the state treasurer from the retirement system fund to the department  
9 of retirement systems expense fund upon authorization of the  
10 department.

11 (4) There is hereby utilized for the purposes of this chapter, the  
12 department of retirement systems expense fund, as provided for in RCW  
13 41.40.080 and from which shall be paid the expenses of the  
14 administration of this retirement system.

15 (5) In order to reimburse the department of retirement systems  
16 expense fund on an equitable basis the department shall ascertain and  
17 report to each employer the contribution rate necessary to defray its  
18 proportional share of the entire expense of the administration of this  
19 chapter during the ensuing biennium or fiscal year whichever may be  
20 required. Such sum is to be computed in an amount directly  
21 proportional to the estimated entire expense of the said administration  
22 as the ratio of monthly salaries of the employer's members bears to the  
23 total salaries of all members in the entire system. It shall then be  
24 the duty of all such employers to include in their budgets or otherwise  
25 provide the amounts so required.

26 (6) The department shall compute and bill each employer at the end  
27 of each month for the amount due for that month to the department of  
28 retirement systems expense fund and the same shall be paid as are its  
29 other obligations. Such computation as to each such employer shall be  
30 made on a percentage rate of salary established by the department:

1 PROVIDED, That the department may at its discretion establish a system  
2 of billing based upon calendar year quarters in which event the said  
3 billing shall be at the end of each such quarter.

4 (7) For the purpose of providing amounts to be used to defray the  
5 cost of such administration, the department shall ascertain at the  
6 beginning of each biennium and request from the legislature an  
7 appropriation from the department of retirement systems expense fund  
8 sufficient to cover estimated expenses for the said biennium.

9 (8) RCW 41.26.060(~~(7)~~) and 41.26.070 (~~(and 41.26.085)~~) shall take  
10 effect commencing on January 1, 1972.

11 **Sec. 115.** RCW 28B.108.060 and 1990 c 287 s 7 are each amended to  
12 read as follows:

13 The American Indian scholarship endowment fund is established. The  
14 endowment fund shall be administered by the state treasurer. Moneys  
15 received from the higher education coordinating board, private  
16 donations, state matching moneys, and funds received from any other  
17 source may be deposited into the endowment fund. (~~All moneys  
18 deposited in the endowment fund shall be invested by the state  
19 treasurer. Notwithstanding RCW 43.84.090, all earnings of investments  
20 of balances of the endowment fund shall be credited to the endowment  
21 fund.~~) At the request of the higher education coordinating board, the  
22 treasurer shall release earnings from the endowment fund to the board  
23 for scholarships. No appropriation is required for expenditures from  
24 the endowment fund.

25 The principal of the endowment fund shall not be invaded. The  
26 earnings on the fund shall be used solely for the purposes set forth in  
27 RCW 28B.108.040 and 43.08.190.

1       **Sec. 116.** RCW 41.48.065 and 1983 1st ex.s. c 6 s 1 are each  
2 amended to read as follows:

3       There is hereby established a separate fund in the custody of the  
4 state treasurer to be known as the OASI revolving fund. The fund shall  
5 consist of all moneys designated for deposit in the fund (~~and the~~  
6 ~~interest earnings therefrom~~). The OASI revolving fund shall be used  
7 exclusively for the purpose of this section. Withdrawals from the fund  
8 shall be made for the payment of amounts the state may be obligated to  
9 pay or forfeit by reason of any failure of any public agency to pay  
10 assessments on contributions or interest assessments required under the  
11 federal-state agreement under this chapter or federal regulations.

12       The treasurer of the state shall be ex officio treasurer and  
13 custodian of the fund and shall administer the fund in accordance with  
14 this chapter and the directions of the governor and shall pay all  
15 amounts drawn upon it in accordance with this section and with the  
16 regulations the governor may prescribe under this section.

17       **Sec. 117.** RCW 41.48.060 and 1973 c 126 s 14 are each amended to  
18 read as follows:

19       (1) There is hereby established a special (~~fund~~) account in the  
20 state treasury to be known as the OASI contribution (~~fund. All~~  
21 ~~interest earnings presently in and all interest earnings accruing to~~  
22 ~~this fund in accordance with RCW 39.58.120 shall be deposited in the~~  
23 ~~state's general fund~~) account. All earnings of the investment of  
24 balances in the account, less the allocation to the state treasurer's  
25 service account pursuant to RCW 43.08.190, shall be credited to the  
26 general fund. Such (~~fund~~) account shall consist of and there shall  
27 be deposited in such (~~fund~~) account: (a) All contributions and  
28 penalties collected under RCW 41.48.040 and 41.48.050; (b) all moneys  
29 appropriated thereto under this chapter; (c) any property or securities

1 belonging to the ((fund)) account; and (d) all sums recovered upon the  
2 bond of the custodian or otherwise for losses sustained by the ((fund))  
3 account and all other moneys received for the ((fund)) account from any  
4 other source. All moneys in the ((fund)) account shall be mingled and  
5 undivided. Subject to the provisions of this chapter, the governor is  
6 vested with full power, authority and jurisdiction over the ((fund))  
7 account, including all moneys and property or securities belonging  
8 thereto, and may perform any and all acts whether or not specifically  
9 designated, which are necessary to the administration thereof and are  
10 consistent with the provisions of this chapter.

11 (2) The OASI contribution ((fund)) account shall be established and  
12 held separate and apart from any other funds of the state and shall be  
13 used and administered exclusively for the purpose of this chapter.  
14 Withdrawals from such ((fund)) account shall be made for, and solely  
15 for (a) payment of amounts required to be paid to the secretary of the  
16 treasury pursuant to an agreement entered into under RCW 41.48.030; (b)  
17 payment of refunds provided for in RCW 41.48.040(3); and (c) refunds of  
18 overpayments, not otherwise adjustable, made by a political subdivision  
19 or instrumentality.

20 (3) From the OASI contribution ((fund)) account the custodian of  
21 the fund shall pay to the secretary of the treasury such amounts and at  
22 such time or times as may be directed by the governor in accordance  
23 with any agreement entered into under RCW 41.48.030 and the social  
24 security act.

25 (4) The treasurer of the state shall be ex officio treasurer and  
26 custodian of the OASI contribution ((fund)) account and shall  
27 administer such ((fund)) account in accordance with the provisions of  
28 this chapter and the directions of the governor and shall pay all  
29 warrants drawn upon it in accordance with the provisions of this

1 section and with the regulations as the governor may prescribe pursuant  
2 thereto.

3 **Sec. 118.** RCW 2.10.080 and 1981 c 3 s 22 are each amended to read  
4 as follows:

5 (1) The state treasurer shall be the custodian of all funds and  
6 securities of the retirement system. Disbursements from this fund  
7 shall be made by the state treasurer upon receipt of duly authorized  
8 vouchers.

9 (2) The state treasurer is hereby authorized and directed to  
10 deposit any portion of the funds of the retirement system not needed  
11 for immediate use in the same manner and subject to all the provisions  
12 of law with respect to the deposit of state funds by such treasurer(~~(7~~  
13 ~~and))~~). All ((interest)) investment income derived from state  
14 investment board investments earned by such portion of the retirement  
15 system's funds as may be deposited by the state treasurer in pursuance  
16 of authority herewith given shall be collected by him or her and placed  
17 to the credit of the retirement fund less the allocation to the state  
18 investment board expense account pursuant to RCW 43.33A.160.

19 (3) The state investment board established by RCW 43.33A.020 has  
20 full power to invest or reinvest the funds of this system in those  
21 classes of investments authorized by RCW 43.84.150.

22 (4) For the purpose of providing amounts to be used to defray the  
23 cost of administration, the judicial retirement board shall ascertain  
24 at the beginning of each biennium and request from the legislature an  
25 appropriation sufficient to cover estimated expenses for the said  
26 biennium.

27 **Sec. 119.** RCW 43.160.080 and 1987 c 422 s 6 are each amended to  
28 read as follows:



1       There shall be a fund known as the public facilities construction  
2 loan revolving ((fund)) account, which shall consist of all moneys  
3 collected under this chapter, except moneys of the board collected in  
4 connection with the issuance of industrial development revenue bonds,  
5 and any moneys appropriated to it by law: PROVIDED, That seventy-five  
6 percent of all principal and interest payments on loans made with the  
7 proceeds deposited in the ((fund)) account under section 901, chapter  
8 57, Laws of 1983 1st ex. sess. shall be deposited in the general fund  
9 as reimbursement for debt service payments on the bonds authorized in  
10 RCW 43.83.184. The state treasurer shall be custodian of the revolving  
11 ((fund)) account. Disbursements from the revolving ((fund)) account  
12 shall be on authorization of the board. In order to maintain an  
13 effective expenditure and revenue control, the public facilities  
14 construction loan revolving ((fund)) account shall be subject in all  
15 respects to chapter 43.88 RCW, but no appropriation is required to  
16 permit expenditures and payment of obligations from the ((fund.

17       ~~Moneys in this fund not needed to meet the current expenses and~~  
18 ~~obligations of the board shall be invested in the manner authorized for~~  
19 ~~moneys in revolving funds. Any interest earned shall be deposited in~~  
20 ~~this fund and shall be used for the purposes specified in this chapter.~~  
21 ~~The state treasurer shall render reports to the board advising of the~~  
22 ~~status of any funds invested, the market value of the assets as of the~~  
23 ~~date the statement is rendered, and the income received from the~~  
24 ~~investments during the period covered by the report)) account.~~

25       **Sec. 120.** RCW 74.18.230 and 1985 c 97 s 2 and 1985 c 57 s 72 are  
26 each reenacted and amended to read as follows:

27       (1) There is established in the state treasury an account known as  
28 the business enterprises revolving account.

1 (2) The net proceeds from any vending machine operation in a public  
2 building, other than an operation managed by a licensee, shall be made  
3 payable to the business enterprises revolving fund. Net proceeds, for  
4 purposes of this section, means the gross amount received less the  
5 costs of the operation, including a fair minimum return to the vending  
6 machine owner, which return shall not exceed a reasonable amount to be  
7 determined by the department.

8 (3) All moneys in the business enterprises revolving fund shall be  
9 expended only for development and expansion of locations, equipment,  
10 management services, and payments to licensees in the business  
11 enterprises program.

12 (4) The business enterprises program shall be supported by the  
13 business enterprises revolving fund and by income which may accrue to  
14 the department pursuant to the federal Randolph-Sheppard Act.

15 (5) Vocational rehabilitation funds may be spent in connection with  
16 the business enterprises program for training persons to become  
17 licensees and for other services that are required to complete an  
18 individual written rehabilitation program.

19 ~~((6) All earnings of investments of balances in the business  
20 enterprises revolving account shall be credited to the business  
21 enterprises revolving account.))~~

22 NEW SECTION. **Sec. 121.** The following acts or parts of acts are  
23 each repealed:

24 (1) RCW 43.84.090 and 1990 2nd ex.s. c 1 s 203, 1990 c 106 s 5,  
25 1985 c 233 s 5, 1981 c 242 s 2, 1975-'76 2nd ex.s. c 123 s 1, 1969 c 50  
26 s 1, 1967 c 66 s 1, 1965 ex.s. c 82 s 1, & 1965 c 8 s 43.84.090;

27 (2) RCW 43.185.040 and 1986 c 298 s 5;

28 (3) RCW 46.09.290 and 1986 c 206 s 14;

1 (4) RCW 70.48.120 and 1987 c 462 s 8, 1986 c 118 s 8, 1981 c 276 s  
2 1, & 1977 ex.s. c 316 s 12;

3 (5) RCW 43.31.958 and 1985 c 57 s 31 & 1979 ex.s. c 260 s 2;

4 (6) RCW 43.99C.040 and 1985 c 57 s 55 & 1979 ex.s. c 221 s 7;

5 (7) RCW 27.60.060 and 1985 c 291 s 3, 1985 c 57 s 8, & 1984 c 120  
6 s 2;

7 (8) RCW 28B.31.040 and 1985 c 57 s 14 & 1977 ex.s. c 344 s 4;

8 (9) RCW 75.48.030 and 1985 c 57 s 73, 1983 1st ex.s. c 46 s 163, &  
9 1977 ex.s. c 308 s 3;

10 (10) RCW 28B.56.030 and 1985 c 57 s 17 & 1972 ex.s. c 133 s 3;

11 (11) RCW 43.83I.166 and 1985 c 57 s 50 & 1979 ex.s. c 224 s 4;

12 (12) RCW 36.22.180 and 1989 c 204 s 4; and

13 (13) RCW 43.79.415 and 1974 ex.s. c 53 s 1 & 1973 1st ex.s. c 129  
14 s 1.

15 NEW SECTION. **Sec. 122.** If any provision of this act or its  
16 application to any person or circumstance is held invalid, the  
17 remainder of the act or the application of the provision to other  
18 persons or circumstances is not affected.

19 NEW SECTION. **Sec. 123.** This act is necessary for the immediate  
20 preservation of the public peace, health, or safety, or support of the  
21 state government and its existing public institutions.

22 (1) On or before June 30, 1991, the balances remaining in the local  
23 jail improvement and construction account, the 1979 handicapped  
24 facilities construction account, the salmon enhancement construction  
25 account, the community college capital improvements accounts, and the  
26 fisheries capital projects account shall be transferred to the state  
27 building construction account and the balance remaining in the

1 Washington State University construction account shall be transferred  
2 to the Washington State University building account.

3 (2) Except for subsection (1) of this section, this act shall take  
4 effect July 1, 1991, but shall not be effective for earnings on  
5 balances prior to July 1, 1991, regardless of when a distribution is  
6 made.