
SUBSTITUTE HOUSE BILL 1304

State of Washington

56th Legislature

1999 Regular Session

By House Committee on Transportation (originally sponsored by Representatives Hankins, Fisher and K. Schmidt; by request of Transportation Improvement Board)

Read first time 02/25/1999.

1 AN ACT Relating to transportation improvement board bond retirement
2 account revisions; amending RCW 47.26.426, 47.26.427, 47.26.507,
3 43.84.092, and 43.84.092; providing an effective date; and providing an
4 expiration date.

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

6 **Sec. 1.** RCW 47.26.426 and 1981 c 315 s 11 are each amended to read
7 as follows:

8 At least one year prior to the date any interest is due and payable
9 on such first authorization bonds, series II bonds, and series III
10 bonds or before the maturity date of any such bonds, the state finance
11 committee shall estimate, subject to the provisions of RCW 47.26.425,
12 47.26.4252, and 47.26.4254 the percentage of the receipts in money of
13 the motor vehicle fund, resulting from collection of excise taxes on
14 motor vehicle and special fuels, for each month of the year which shall
15 be required to meet interest or bond payments hereunder when due, and
16 shall notify the state treasurer of such estimated requirement. The
17 state treasurer, subject to RCW 47.26.425, 47.26.4252, and 47.26.4254,
18 shall thereafter from time to time each month as such funds are paid
19 into the motor vehicle fund, transfer such percentage of the monthly

1 receipts from excise taxes on motor vehicle and special fuels of the
2 motor vehicle fund to the ((~~highway bond retirement fund~~))
3 transportation improvement board bond retirement account, maintained in
4 the office of the state treasurer, which fund shall be available for
5 payment of interest or bonds when due. If in any month it shall appear
6 that the estimated percentage of money so made is insufficient to meet
7 the requirements for interest or bond retirement, the treasurer shall
8 notify the state finance committee forthwith and such committee shall
9 adjust its estimates so that all requirements for interest and
10 principal of all bonds issued shall be fully met at all times.

11 **Sec. 2.** RCW 47.26.427 and 1979 c 5 s 11 are each amended to read
12 as follows:

13 Whenever the percentage of the motor vehicle fund arising from
14 excise taxes on motor vehicle and special fuels payable into the
15 ((~~highway bond retirement fund~~)) transportation improvement board bond
16 retirement account, shall prove more than is required for the payment
17 of interest on bonds when due, or current retirement of bonds, any
18 excess may, in the discretion of the state finance committee, be
19 available for the prior redemption of any bonds or remain available in
20 the fund to reduce the requirements upon the fuel excise tax portion of
21 the motor vehicle fund at the next interest or bond payment period.

22 **Sec. 3.** RCW 47.26.507 and 1993 c 440 s 8 are each amended to read
23 as follows:

24 Whenever the percentage of the motor vehicle fund arising from
25 excise taxes on motor vehicle and special fuels payable into the
26 ((~~highway bond retirement fund~~)) transportation improvement board bond
27 retirement account, shall prove more than is required for the payment
28 of interest on bonds when due, or current retirement of bonds, any
29 excess may, in the discretion of the state finance committee, be
30 available for the prior redemption of any bonds or remain available in
31 the fund to reduce the requirements upon the fuel excise tax portion of
32 the motor vehicle fund at the next interest or bond payment period.

33 **Sec. 4.** RCW 43.84.092 and 1997 c 218 s 5 are each amended to read
34 as follows:

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

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

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

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

31 (a) The following accounts and funds shall receive their
32 proportionate share of earnings based upon each account's and fund's
33 average daily balance for the period: The capitol building
34 construction account, the Cedar River channel construction and
35 operation account, the Central Washington University capital projects
36 account, the charitable, educational, penal and reformatory
37 institutions account, the common school construction fund, the county
38 criminal justice assistance account, the county sales and use tax
39 equalization account, the data processing building construction

1 account, the deferred compensation administrative account, the deferred
2 compensation principal account, the department of retirement systems
3 expense account, the drinking water assistance account, the Eastern
4 Washington University capital projects account, the education
5 construction fund, the emergency reserve fund, the federal forest
6 revolving account, the health services account, the public health
7 services account, the health system capacity account, the personal
8 health services account, the highway infrastructure account, the
9 industrial insurance premium refund account, the judges' retirement
10 account, the judicial retirement administrative account, the judicial
11 retirement principal account, the local leasehold excise tax account,
12 the local real estate excise tax account, the local sales and use tax
13 account, the medical aid account, the mobile home park relocation fund,
14 the municipal criminal justice assistance account, the municipal sales
15 and use tax equalization account, the natural resources deposit
16 account, the perpetual surveillance and maintenance account, the public
17 employees' retirement system plan I account, the public employees'
18 retirement system plan II account, the Puyallup tribal settlement
19 account, the resource management cost account, the site closure
20 account, the special wildlife account, the state employees' insurance
21 account, the state employees' insurance reserve account, the state
22 investment board expense account, the state investment board commingled
23 trust fund accounts, the supplemental pension account, the teachers'
24 retirement system plan I account, the teachers' retirement system plan
25 II account, the transportation infrastructure account, the tuition
26 recovery trust fund, the University of Washington bond retirement fund,
27 the University of Washington building account, the volunteer fire
28 fighters' relief and pension principal account, the volunteer fire
29 fighters' relief and pension administrative account, the Washington
30 judicial retirement system account, the Washington law enforcement
31 officers' and fire fighters' system plan I retirement account, the
32 Washington law enforcement officers' and fire fighters' system plan II
33 retirement account, the Washington state patrol retirement account, the
34 Washington State University building account, the Washington State
35 University bond retirement fund, the water pollution control revolving
36 fund, and the Western Washington University capital projects account.
37 Earnings derived from investing balances of the agricultural permanent
38 fund, the normal school permanent fund, the permanent common school
39 fund, the scientific permanent fund, and the state university permanent

1 fund shall be allocated to their respective beneficiary accounts. All
2 earnings to be distributed under this subsection (4)(a) shall first be
3 reduced by the allocation to the state treasurer's service fund
4 pursuant to RCW 43.08.190.

5 (b) The following accounts and funds shall receive eighty percent
6 of their proportionate share of earnings based upon each account's or
7 fund's average daily balance for the period: The aeronautics account,
8 the aircraft search and rescue account, the central Puget Sound public
9 transportation account, the city hardship assistance account, the
10 county arterial preservation account, the department of licensing
11 services account, the economic development account, the essential rail
12 assistance account, the essential rail banking account, the ferry bond
13 retirement fund, the gasohol exemption holding account, the grade
14 crossing protective fund, the high capacity transportation account, the
15 highway bond retirement fund, the highway construction stabilization
16 account, the highway safety account, the marine operating fund, the
17 motor vehicle fund, the motorcycle safety education account, the
18 pilotage account, the public transportation systems account, the Puget
19 Sound capital construction account, the Puget Sound ferry operations
20 account, the recreational vehicle account, the rural arterial trust
21 account, the safety and education account, the small city account, the
22 special category C account, the state patrol highway account, the
23 transfer relief account, the transportation capital facilities account,
24 the transportation equipment fund, the transportation fund, the
25 transportation improvement account, the transportation improvement
26 board bond retirement account, the transportation revolving loan
27 account, and the urban arterial trust account.

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

31 **Sec. 5.** RCW 43.84.092 and 1998 c 341 s 708 are each amended to
32 read as follows:

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

36 (2) The treasury income account shall be utilized to pay or receive
37 funds associated with federal programs as required by the federal cash
38 management improvement act of 1990. The treasury income account is

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

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

21 (4) Monthly, the state treasurer shall distribute the earnings
22 credited to the treasury income account. The state treasurer shall
23 credit the general fund with all the earnings credited to the treasury
24 income account except:

25 (a) The following accounts and funds shall receive their
26 proportionate share of earnings based upon each account's and fund's
27 average daily balance for the period: The capitol building
28 construction account, the Cedar River channel construction and
29 operation account, the Central Washington University capital projects
30 account, the charitable, educational, penal and reformatory
31 institutions account, the common school construction fund, the county
32 criminal justice assistance account, the county sales and use tax
33 equalization account, the data processing building construction
34 account, the deferred compensation administrative account, the deferred
35 compensation principal account, the department of retirement systems
36 expense account, the drinking water assistance account, the Eastern
37 Washington University capital projects account, the education
38 construction fund, the emergency reserve fund, the federal forest
39 revolving account, the health services account, the public health

1 services account, the health system capacity account, the personal
2 health services account, the highway infrastructure account, the
3 industrial insurance premium refund account, the judges' retirement
4 account, the judicial retirement administrative account, the judicial
5 retirement principal account, the local leasehold excise tax account,
6 the local real estate excise tax account, the local sales and use tax
7 account, the medical aid account, the mobile home park relocation fund,
8 the municipal criminal justice assistance account, the municipal sales
9 and use tax equalization account, the natural resources deposit
10 account, the perpetual surveillance and maintenance account, the public
11 employees' retirement system plan I account, the public employees'
12 retirement system plan II account, the Puyallup tribal settlement
13 account, the resource management cost account, the site closure
14 account, the special wildlife account, the state employees' insurance
15 account, the state employees' insurance reserve account, the state
16 investment board expense account, the state investment board commingled
17 trust fund accounts, the supplemental pension account, the teachers'
18 retirement system plan I account, the teachers' retirement system
19 combined plan II and plan III account, the transportation
20 infrastructure account, the tuition recovery trust fund, the University
21 of Washington bond retirement fund, the University of Washington
22 building account, the volunteer fire fighters' relief and pension
23 principal account, the volunteer fire fighters' relief and pension
24 administrative account, the Washington judicial retirement system
25 account, the Washington law enforcement officers' and fire fighters'
26 system plan I retirement account, the Washington law enforcement
27 officers' and fire fighters' system plan II retirement account, the
28 Washington school employees' retirement system combined plan II and III
29 account, the Washington state patrol retirement account, the Washington
30 State University building account, the Washington State University bond
31 retirement fund, the water pollution control revolving fund, and the
32 Western Washington University capital projects account. Earnings
33 derived from investing balances of the agricultural permanent fund, the
34 normal school permanent fund, the permanent common school fund, the
35 scientific permanent fund, and the state university permanent fund
36 shall be allocated to their respective beneficiary accounts. All
37 earnings to be distributed under this subsection (4)(a) shall first be
38 reduced by the allocation to the state treasurer's service fund
39 pursuant to RCW 43.08.190.

1 (b) The following accounts and funds shall receive eighty percent
2 of their proportionate share of earnings based upon each account's or
3 fund's average daily balance for the period: The aeronautics account,
4 the aircraft search and rescue account, the central Puget Sound public
5 transportation account, the city hardship assistance account, the
6 county arterial preservation account, the department of licensing
7 services account, the economic development account, the essential rail
8 assistance account, the essential rail banking account, the ferry bond
9 retirement fund, the gasohol exemption holding account, the grade
10 crossing protective fund, the high capacity transportation account, the
11 highway bond retirement fund, the highway construction stabilization
12 account, the highway safety account, the marine operating fund, the
13 motor vehicle fund, the motorcycle safety education account, the
14 pilotage account, the public transportation systems account, the Puget
15 Sound capital construction account, the Puget Sound ferry operations
16 account, the recreational vehicle account, the rural arterial trust
17 account, the safety and education account, the small city account, the
18 special category C account, the state patrol highway account, the
19 transfer relief account, the transportation capital facilities account,
20 the transportation equipment fund, the transportation fund, the
21 transportation improvement account, the transportation improvement
22 board bond retirement account, the transportation revolving loan
23 account, and the urban arterial trust account.

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

27 NEW SECTION. **Sec. 6.** Section 4 of this act expires September 1,
28 2000.

29 NEW SECTION. **Sec. 7.** Section 5 of this act takes effect September
30 1, 2000.

--- END ---