
SECOND SUBSTITUTE SENATE BILL 5848

State of Washington

56th Legislature

2000 Regular Session

By Senate Committee on Health & Long-Term Care (originally sponsored by Senators Hargrove, Hochstatter, Thibaudeau and Oke)

Read first time 02/01/2000.

1 AN ACT Relating to the basic health plan; amending RCW 70.47.010,
2 70.47.020, 70.47.100, and 41.05.140; and reenacting and amending RCW
3 70.47.060 and 43.79A.040.

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

5 **Sec. 1.** RCW 70.47.010 and 1993 c 492 s 208 are each amended to
6 read as follows:

7 (1)(a) The legislature finds that limitations on access to health
8 care services for enrollees in the state, such as in rural and
9 underserved areas, are particularly challenging for the basic health
10 plan. Statutory restrictions have reduced the options available to the
11 administrator to address the access needs of basic health plan
12 enrollees. It is the intent of the legislature to authorize the
13 administrator to develop alternative purchasing strategies to ensure
14 access to basic health plan enrollees in all areas of the state,
15 including: (i) The use of differential rating for managed health care
16 systems based on geographic differences in costs; and (ii) limited use
17 of self-insurance in areas where adequate access cannot be assured
18 through other options. Adequate access occurs when at least one plan
19 is offered in the local area.

1 (b) In developing alternative purchasing strategies to address
2 health care access needs, the administrator shall consult with
3 interested persons including health carriers, health care providers,
4 and health facilities, and with other appropriate state agencies
5 including the office of the insurance commissioner and the office of
6 community and rural health. In pursuing such alternatives, the
7 administrator shall continue to give priority to prepaid managed care
8 as the preferred method of assuring access to basic health plan
9 enrollees.

10 (2) The legislature further finds that:

11 (a) A significant percentage of the population of this state does
12 not have reasonably available insurance or other coverage of the costs
13 of necessary basic health care services;

14 (b) This lack of basic health care coverage is detrimental to the
15 health of the individuals lacking coverage and to the public welfare,
16 and results in substantial expenditures for emergency and remedial
17 health care, often at the expense of health care providers, health care
18 facilities, and all purchasers of health care, including the state; and

19 (c) The use of managed health care systems has significant
20 potential to reduce the growth of health care costs incurred by the
21 people of this state generally, and by low-income pregnant women, and
22 at-risk children and adolescents who need greater access to managed
23 health care.

24 ~~((+2))~~ (3) The purpose of this chapter is to provide or make more
25 readily available necessary basic health care services in an
26 appropriate setting to working persons and others who lack coverage, at
27 a cost to these persons that does not create barriers to the
28 utilization of necessary health care services. To that end, this
29 chapter establishes a program to be made available to those residents
30 not eligible for medicare who share in a portion of the cost or who pay
31 the full cost of receiving basic health care services from a managed
32 health care system.

33 ~~((+3))~~ (4) It is not the intent of this chapter to provide health
34 care services for those persons who are presently covered through
35 private employer-based health plans, nor to replace employer-based
36 health plans. However, the legislature recognizes that cost-effective
37 and affordable health plans may not always be available to small
38 business employers. Further, it is the intent of the legislature to

1 expand, wherever possible, the availability of private health care
2 coverage and to discourage the decline of employer-based coverage.

3 ~~((+4))~~ (5)(a) It is the purpose of this chapter to acknowledge the
4 initial success of this program that has (i) assisted thousands of
5 families in their search for affordable health care; (ii) demonstrated
6 that low-income, uninsured families are willing to pay for their own
7 health care coverage to the extent of their ability to pay; and (iii)
8 proved that local health care providers are willing to enter into a
9 public-private partnership as a managed care system.

10 (b) As a consequence, the legislature intends to extend an option
11 to enroll to certain citizens above two hundred percent of the federal
12 poverty guidelines within the state who reside in communities where the
13 plan is operational and who collectively or individually wish to
14 exercise the opportunity to purchase health care coverage through the
15 basic health plan if the purchase is done at no cost to the state. It
16 is also the intent of the legislature to allow employers and other
17 financial sponsors to financially assist such individuals to purchase
18 health care through the program so long as such purchase does not
19 result in a lower standard of coverage for employees.

20 (c) The legislature intends that, to the extent of available funds,
21 the program be available throughout Washington state to subsidized and
22 nonsubsidized enrollees. It is also the intent of the legislature to
23 enroll subsidized enrollees first, to the maximum extent feasible.

24 (d) The legislature directs that the basic health plan
25 administrator identify enrollees who are likely to be eligible for
26 medical assistance and assist these individuals in applying for and
27 receiving medical assistance. The administrator and the department of
28 social and health services shall implement a seamless system to
29 coordinate eligibility determinations and benefit coverage for
30 enrollees of the basic health plan and medical assistance recipients.

31 **Sec. 2.** RCW 70.47.020 and 1997 c 335 s 1 are each amended to read
32 as follows:

33 As used in this chapter:

34 (1) "Washington basic health plan" or "plan" means the system of
35 enrollment and payment ~~((on a prepaid capitated basis))~~ for basic
36 health care services, administered by the plan administrator through
37 participating managed health care systems, created by this chapter.

1 (2) "Administrator" means the Washington basic health plan
2 administrator, who also holds the position of administrator of the
3 Washington state health care authority.

4 (3) "Managed health care system" means: (a) Any health care
5 organization, including health care providers, insurers, health care
6 service contractors, health maintenance organizations, or any
7 combination thereof, that provides directly or by contract basic health
8 care services, as defined by the administrator and rendered by duly
9 licensed providers, ((on a prepaid capitated basis)) to a defined
10 patient population enrolled in the plan and in the managed health care
11 system; or (b) a self-funded or self-insured method of providing
12 insurance coverage to subsidized enrollees provided under RCW 41.05.140
13 and subject to the limitations under RCW 70.47.100(6).

14 (4) "Subsidized enrollee" means an individual, or an individual
15 plus the individual's spouse or dependent children: (a) Who is not
16 eligible for medicare; (b) who is not confined or residing in a
17 government-operated institution, unless he or she meets eligibility
18 criteria adopted by the administrator; (c) who resides in an area of
19 the state served by a managed health care system participating in the
20 plan; (d) whose gross family income at the time of enrollment does not
21 exceed twice the federal poverty level as adjusted for family size and
22 determined annually by the federal department of health and human
23 services; and (e) who chooses to obtain basic health care coverage from
24 a particular managed health care system in return for periodic payments
25 to the plan.

26 (5) "Nonsubsidized enrollee" means an individual, or an individual
27 plus the individual's spouse or dependent children: (a) Who is not
28 eligible for medicare; (b) who is not confined or residing in a
29 government-operated institution, unless he or she meets eligibility
30 criteria adopted by the administrator; (c) who resides in an area of
31 the state served by a managed health care system participating in the
32 plan; (d) who chooses to obtain basic health care coverage from a
33 particular managed health care system; and (e) who pays or on whose
34 behalf is paid the full costs for participation in the plan, without
35 any subsidy from the plan.

36 (6) "Subsidy" means the difference between the amount of periodic
37 payment the administrator makes to a managed health care system on
38 behalf of a subsidized enrollee plus the administrative cost to the
39 plan of providing the plan to that subsidized enrollee, and the amount

1 determined to be the subsidized enrollee's responsibility under RCW
2 70.47.060(2).

3 (7) "Premium" means a periodic payment, based upon gross family
4 income which an individual, their employer or another financial sponsor
5 makes to the plan as consideration for enrollment in the plan as a
6 subsidized enrollee or a nonsubsidized enrollee.

7 (8) "Rate" means the ((per capita)) amount, negotiated by the
8 administrator with and paid to a participating managed health care
9 system, that is based upon the enrollment of subsidized and
10 nonsubsidized enrollees in the plan and in that system.

11 **Sec. 3.** RCW 70.47.060 and 1998 c 314 s 17 and 1998 c 148 s 1 are
12 each reenacted and amended to read as follows:

13 The administrator has the following powers and duties:

14 (1) To design and from time to time revise a schedule of covered
15 basic health care services, including physician services, inpatient and
16 outpatient hospital services, prescription drugs and medications, and
17 other services that may be necessary for basic health care. In
18 addition, the administrator may, to the extent that funds are
19 available, offer as basic health plan services chemical dependency
20 services, mental health services and organ transplant services;
21 however, no one service or any combination of these three services
22 shall increase the actuarial value of the basic health plan benefits by
23 more than five percent excluding inflation, as determined by the office
24 of financial management. All subsidized and nonsubsidized enrollees in
25 any participating managed health care system under the Washington basic
26 health plan shall be entitled to receive covered basic health care
27 services in return for premium payments to the plan. The schedule of
28 services shall emphasize proven preventive and primary health care and
29 shall include all services necessary for prenatal, postnatal, and well-
30 child care. However, with respect to coverage for groups of subsidized
31 enrollees who are eligible to receive prenatal and postnatal services
32 through the medical assistance program under chapter 74.09 RCW, the
33 administrator shall not contract for such services except to the extent
34 that such services are necessary over not more than a one-month period
35 in order to maintain continuity of care after diagnosis of pregnancy by
36 the managed care provider. The schedule of services shall also include
37 a separate schedule of basic health care services for children,
38 eighteen years of age and younger, for those subsidized or

1 nonsubsidized enrollees who choose to secure basic coverage through the
2 plan only for their dependent children. In designing and revising the
3 schedule of services, the administrator shall consider the guidelines
4 for assessing health services under the mandated benefits act of 1984,
5 RCW 48.47.030, and such other factors as the administrator deems
6 appropriate.

7 However, with respect to coverage for subsidized enrollees who are
8 eligible to receive prenatal and postnatal services through the medical
9 assistance program under chapter 74.09 RCW, the administrator shall not
10 contract for such services except to the extent that the services are
11 necessary over not more than a one-month period in order to maintain
12 continuity of care after diagnosis of pregnancy by the managed care
13 provider.

14 (2)(a) To design and implement a structure of periodic premiums due
15 the administrator from subsidized enrollees that is based upon gross
16 family income, giving appropriate consideration to family size and the
17 ages of all family members. The enrollment of children shall not
18 require the enrollment of their parent or parents who are eligible for
19 the plan. The structure of periodic premiums shall be applied to
20 subsidized enrollees entering the plan as individuals pursuant to
21 subsection (9) of this section and to the share of the cost of the plan
22 due from subsidized enrollees entering the plan as employees pursuant
23 to subsection (10) of this section.

24 (b) To determine the periodic premiums due the administrator from
25 nonsubsidized enrollees. Premiums due from nonsubsidized enrollees
26 shall be in an amount equal to the cost charged by the managed health
27 care system provider to the state for the plan plus the administrative
28 cost of providing the plan to those enrollees and the premium tax under
29 RCW 48.14.0201.

30 (c) An employer or other financial sponsor may, with the prior
31 approval of the administrator, pay the premium, rate, or any other
32 amount on behalf of a subsidized or nonsubsidized enrollee, by
33 arrangement with the enrollee and through a mechanism acceptable to the
34 administrator.

35 (d) To develop, as an offering by every health carrier providing
36 coverage identical to the basic health plan, as configured on January
37 1, 1996, a basic health plan model plan with uniformity in enrollee
38 cost-sharing requirements.

1 (3) To design and implement a structure of enrollee cost sharing
2 due a managed health care system from subsidized and nonsubsidized
3 enrollees. The structure shall discourage inappropriate enrollee
4 utilization of health care services, and may utilize copayments,
5 deductibles, and other cost-sharing mechanisms, but shall not be so
6 costly to enrollees as to constitute a barrier to appropriate
7 utilization of necessary health care services.

8 (4) To limit enrollment of persons who qualify for subsidies so as
9 to prevent an overexpenditure of appropriations for such purposes.
10 Whenever the administrator finds that there is danger of such an
11 overexpenditure, the administrator shall close enrollment until the
12 administrator finds the danger no longer exists.

13 (5) To limit the payment of subsidies to subsidized enrollees, as
14 defined in RCW 70.47.020. The level of subsidy provided to persons who
15 qualify may be based on the lowest cost plans, as defined by the
16 administrator.

17 (6) To adopt a schedule for the orderly development of the delivery
18 of services and availability of the plan to residents of the state,
19 subject to the limitations contained in RCW 70.47.080 or any act
20 appropriating funds for the plan.

21 (7) To solicit and accept applications from managed health care
22 systems, as defined in this chapter, for inclusion as eligible basic
23 health care providers under the plan. The administrator shall endeavor
24 to assure that covered basic health care services are available to any
25 enrollee of the plan from among a selection of two or more
26 participating managed health care systems. In adopting any rules or
27 procedures applicable to managed health care systems and in its
28 dealings with such systems, the administrator shall consider and make
29 suitable allowance for the need for health care services and the
30 differences in local availability of health care resources, along with
31 other resources, within and among the several areas of the state.
32 Contracts with participating managed health care systems shall ensure
33 that basic health plan enrollees who become eligible for medical
34 assistance may, at their option, continue to receive services from
35 their existing providers within the managed health care system if such
36 providers have entered into provider agreements with the department of
37 social and health services.

38 (8) To receive periodic premiums from or on behalf of subsidized
39 and nonsubsidized enrollees, deposit them in the basic health plan

1 operating account, keep records of enrollee status, and authorize
2 periodic payments to managed health care systems on the basis of the
3 number of enrollees participating in the respective managed health care
4 systems.

5 (9) To accept applications from individuals residing in areas
6 served by the plan, on behalf of themselves and their spouses and
7 dependent children, for enrollment in the Washington basic health plan
8 as subsidized or nonsubsidized enrollees, to establish appropriate
9 minimum-enrollment periods for enrollees as may be necessary, and to
10 determine, upon application and on a reasonable schedule defined by the
11 authority, or at the request of any enrollee, eligibility due to
12 current gross family income for sliding scale premiums. Funds received
13 by a family as part of participation in the adoption support program
14 authorized under RCW 26.33.320 and 74.13.100 through 74.13.145 shall
15 not be counted toward a family's current gross family income for the
16 purposes of this chapter. When an enrollee fails to report income or
17 income changes accurately, the administrator shall have the authority
18 either to bill the enrollee for the amounts overpaid by the state or to
19 impose civil penalties of up to two hundred percent of the amount of
20 subsidy overpaid due to the enrollee incorrectly reporting income. The
21 administrator shall adopt rules to define the appropriate application
22 of these sanctions and the processes to implement the sanctions
23 provided in this subsection, within available resources. No subsidy
24 may be paid with respect to any enrollee whose current gross family
25 income exceeds twice the federal poverty level or, subject to RCW
26 70.47.110, who is a recipient of medical assistance or medical care
27 services under chapter 74.09 RCW. If a number of enrollees drop their
28 enrollment for no apparent good cause, the administrator may establish
29 appropriate rules or requirements that are applicable to such
30 individuals before they will be allowed to reenroll in the plan.

31 (10) To accept applications from business owners on behalf of
32 themselves and their employees, spouses, and dependent children, as
33 subsidized or nonsubsidized enrollees, who reside in an area served by
34 the plan. The administrator may require all or the substantial
35 majority of the eligible employees of such businesses to enroll in the
36 plan and establish those procedures necessary to facilitate the orderly
37 enrollment of groups in the plan and into a managed health care system.
38 The administrator may require that a business owner pay at least an
39 amount equal to what the employee pays after the state pays its portion

1 of the subsidized premium cost of the plan on behalf of each employee
2 enrolled in the plan. Enrollment is limited to those not eligible for
3 medicare who wish to enroll in the plan and choose to obtain the basic
4 health care coverage and services from a managed care system
5 participating in the plan. The administrator shall adjust the amount
6 determined to be due on behalf of or from all such enrollees whenever
7 the amount negotiated by the administrator with the participating
8 managed health care system or systems is modified or the administrative
9 cost of providing the plan to such enrollees changes.

10 (11) To determine the rate to be paid to each participating managed
11 health care system in return for the provision of covered basic health
12 care services to enrollees in the system. Although the schedule of
13 covered basic health care services will be the same or actuarially
14 equivalent for similar enrollees, the rates negotiated with
15 participating managed health care systems may vary among the systems.
16 In negotiating rates with participating systems, the administrator
17 shall consider the characteristics of the populations served by the
18 respective systems, economic circumstances of the local area, the need
19 to conserve the resources of the basic health plan trust account, and
20 other factors the administrator finds relevant.

21 (12) To monitor the provision of covered services to enrollees by
22 participating managed health care systems in order to assure enrollee
23 access to good quality basic health care, to require periodic data
24 reports concerning the utilization of health care services rendered to
25 enrollees in order to provide adequate information for evaluation, and
26 to inspect the books and records of participating managed health care
27 systems to assure compliance with the purposes of this chapter. In
28 requiring reports from participating managed health care systems,
29 including data on services rendered enrollees, the administrator shall
30 endeavor to minimize costs, both to the managed health care systems and
31 to the plan. The administrator shall coordinate any such reporting
32 requirements with other state agencies, such as the insurance
33 commissioner and the department of health, to minimize duplication of
34 effort.

35 (13) To evaluate the effects this chapter has on private employer-
36 based health care coverage and to take appropriate measures consistent
37 with state and federal statutes that will discourage the reduction of
38 such coverage in the state.

1 (14) To develop a program of proven preventive health measures and
2 to integrate it into the plan wherever possible and consistent with
3 this chapter.

4 (15) To provide, consistent with available funding, assistance for
5 rural residents, underserved populations, and persons of color.

6 (16) In consultation with appropriate state and local government
7 agencies, to establish criteria defining eligibility for persons
8 confined or residing in government-operated institutions.

9 **Sec. 4.** RCW 70.47.100 and 1987 1st ex.s. c 5 s 12 are each amended
10 to read as follows:

11 (1) A managed health care systems participating in the plan shall
12 do so by contract with the administrator and shall provide, directly or
13 by contract with other health care providers, covered basic health care
14 services to each enrollee covered by its contract with the
15 administrator as long as payments from the administrator on behalf of
16 the enrollee are current. A participating managed health care system
17 may offer, without additional cost, health care benefits or services
18 not included in the schedule of covered services under the plan. A
19 participating managed health care system shall not give preference in
20 enrollment to enrollees who accept such additional health care benefits
21 or services. Managed health care systems participating in the plan
22 shall not discriminate against any potential or current enrollee based
23 upon health status, sex, race, ethnicity, or religion. The
24 administrator may receive and act upon complaints from enrollees
25 regarding failure to provide covered services or efforts to obtain
26 payment, other than authorized copayments, for covered services
27 directly from enrollees, but nothing in this chapter empowers the
28 administrator to impose any sanctions under Title 18 RCW or any other
29 professional or facility licensing statute.

30 (2) The plan shall allow, at least annually, an opportunity for
31 enrollees to transfer their enrollments among participating managed
32 health care systems serving their respective areas. The administrator
33 shall establish a period of at least twenty days in a given year when
34 this opportunity is afforded enrollees, and in those areas served by
35 more than one participating managed health care system the
36 administrator shall endeavor to establish a uniform period for such
37 opportunity. The plan shall allow enrollees to transfer their

1 enrollment to another participating managed health care system at any
2 time upon a showing of good cause for the transfer.

3 ~~((Any contract between a hospital and a participating managed
4 health care system under this chapter is subject to the requirements of
5 RCW 70.39.140(1) regarding negotiated rates.))~~

6 (3) Prior to negotiating with any managed health care system, the
7 administrator shall determine, on an actuarially sound basis, the
8 reasonable cost of providing the schedule of basic health care
9 services, expressed in terms of upper and lower limits, and recognizing
10 variations in the cost of providing the services through the various
11 systems and in different areas of the state.

12 (4) In negotiating with managed health care systems for
13 participation in the plan, the administrator shall adopt a uniform
14 procedure that includes at least the following:

15 ~~((1))~~ (a) The administrator shall issue a request for proposals,
16 including standards regarding the quality of services to be provided;
17 financial integrity of the responding systems; and responsiveness to
18 the unmet health care needs of the local communities or populations
19 that may be served;

20 ~~((2))~~ (b) The administrator shall then review responsive
21 proposals and may negotiate with respondents to the extent necessary to
22 refine any proposals;

23 ~~((3))~~ (c) The administrator may then select one or more systems
24 to provide the covered services within a local area; and

25 ~~((4))~~ (d) The administrator may adopt a policy that gives
26 preference to respondents, such as nonprofit community health clinics,
27 that have a history of providing quality health care services to low-
28 income persons.

29 (5) The administrator may establish procedures and policies to
30 further negotiate and contract with managed health care systems
31 following completion of the request for proposal process in subsection
32 (4) of this section for those areas of the state where no carrier has
33 offered to provide coverage.

34 (6) The administrator may utilize a self-funded or self-insured
35 method of providing insurance coverage to subsidized enrollees provided
36 under RCW 41.05.140 if: (a) It is necessary to provide access to
37 covered basic health care services for subsidized enrollees; (b)
38 funding for adequate reserves is available in the basic health plan
39 self-insurance reserve account; (c) other options for providing access

1 to covered basic health care services for subsidized enrollees are not
2 feasible; and (d) no carrier has offered to provide coverage to a
3 particular local area. Within ninety days of finding no carriers
4 offering access in a local area, the administrator shall initiate other
5 strategies to assure access to covered basic health care services in
6 that area.

7 **Sec. 5.** RCW 41.05.140 and 1994 c 153 s 10 are each amended to read
8 as follows:

9 (1) Except for property and casualty insurance, the authority may
10 self-fund, self-insure, or enter into other methods of providing
11 insurance coverage for insurance programs under its jurisdiction
12 ((except property and casualty insurance)), including the basic health
13 plan as provided in chapter 70.47 RCW. The authority shall contract
14 for payment of claims or other administrative services for programs
15 under its jurisdiction. If a program does not require the prepayment
16 of reserves, the authority shall establish such reserves within a
17 reasonable period of time for the payment of claims as are normally
18 required for that type of insurance under an insured program. The
19 authority shall reimburse basic health plan health care providers under
20 this section at no more than medical assistance administration
21 reimbursement rates.

22 (2) Reserves established by the authority for employee and retiree
23 benefit programs shall be held in a separate trust fund by the state
24 treasurer and shall be known as the public employees' and retirees'
25 insurance reserve fund. The state investment board shall act as the
26 investor for the funds and, except as provided in RCW 43.33A.160, one
27 hundred percent of all earnings from these investments shall accrue
28 directly to the public employees' and retirees' insurance reserve fund.

29 (3) Any savings realized as a result of a program created for
30 employees and retirees under this section shall not be used to increase
31 benefits unless such use is authorized by statute.

32 (4) Reserves established by the authority to provide insurance
33 coverage for the basic health plan under chapter 70.47 RCW shall be
34 held in a separate trust account in the custody of the state treasurer
35 and shall be known as the basic health plan self-insurance reserve
36 account. The state investment board shall act as the investor for the
37 funds and, except as provided in RCW 43.33A.160, one hundred percent of

1 all earnings from these investments shall accrue directly to the basic
2 health plan self-insurance reserve account.

3 (5) Any program created under this section shall be subject to the
4 examination requirements of chapter 48.03 RCW as if the program were a
5 domestic insurer. In conducting an examination, the commissioner shall
6 determine the adequacy of the reserves established for the program.

7 (~~(5)~~) (6) The authority shall keep full and adequate accounts and
8 records of the assets, obligations, transactions, and affairs of any
9 program created under this section.

10 (~~(6)~~) (7) The authority shall file a quarterly statement of the
11 financial condition, transactions, and affairs of any program created
12 under this section in a form and manner prescribed by the insurance
13 commissioner. The statement shall contain information as required by
14 the commissioner for the type of insurance being offered under the
15 program. A copy of the annual statement shall be filed with the
16 speaker of the house of representatives and the president of the
17 senate.

18 **Sec. 6.** RCW 43.79A.040 and 1999 c 384 s 8 and 1999 c 182 s 2 are
19 each reenacted and amended to read as follows:

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

24 (2) All income received from investment of the treasurer's trust
25 fund shall be set aside in an account in the treasury trust fund to be
26 known as the investment income account.

27 (3) The investment income account may be utilized for the payment
28 of purchased banking services on behalf of treasurer's trust funds
29 including, but not limited to, depository, safekeeping, and
30 disbursement functions for the state treasurer or affected state
31 agencies. The investment income account is subject in all respects to
32 chapter 43.88 RCW, but no appropriation is required for payments to
33 financial institutions. Payments shall occur prior to distribution of
34 earnings set forth in subsection (4) of this section.

35 (4)(a) Monthly, the state treasurer shall distribute the earnings
36 credited to the investment income account to the state general fund
37 except under (b) and (c) of this subsection.

1 (b) The following accounts and funds shall receive their
2 proportionate share of earnings based upon each account's or fund's
3 average daily balance for the period: The Washington advanced college
4 tuition payment program account, the agricultural local fund, the
5 American Indian scholarship endowment fund, the basic health plan self-
6 insurance reserve account, the Washington international exchange
7 scholarship endowment fund, the developmental disabilities endowment
8 trust fund, the energy account, the fair fund, the game farm
9 alternative account, the grain inspection revolving fund, the juvenile
10 accountability incentive account, the rural rehabilitation account, the
11 stadium and exhibition center account, the youth athletic facility
12 grant account, the self-insurance revolving fund, the sulfur dioxide
13 abatement account, and the children's trust fund. However, the
14 earnings to be distributed shall first be reduced by the allocation to
15 the state treasurer's service fund pursuant to RCW 43.08.190.

16 (c) The following accounts and funds shall receive eighty percent
17 of their proportionate share of earnings based upon each account's or
18 fund's average daily balance for the period: The advanced right of way
19 revolving fund, the advanced environmental mitigation revolving
20 account, the federal narcotics asset forfeitures account, the high
21 occupancy vehicle account, the local rail service assistance account,
22 and the miscellaneous transportation programs account.

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

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