
SENATE BILL 6790

State of Washington 56th Legislature 2000 Regular Session

By Senators Snyder, Goings and Rasmussen; by request of Governor Locke

Read first time 01/27/2000. Referred to Committee on Ways & Means.

1 AN ACT Relating to directing excess balances in the emergency
2 reserve fund to specific funds to be used partly for education
3 construction and partly for tax relief for individuals; amending RCW
4 43.135.045, 81.104.170, and 43.135.035; reenacting and amending RCW
5 43.84.092, 43.84.092, and 43.84.092; adding a new section to chapter
6 82.08 RCW; adding a new section to chapter 82.12 RCW; adding a new
7 section to chapter 82.14 RCW; providing effective dates; and providing
8 an expiration date.

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

10 **Sec. 1.** RCW 43.135.045 and 1994 c 2 s 3 are each amended to read
11 as follows:

12 (1) The emergency reserve fund is established in the state
13 treasury. During each fiscal year, the state treasurer shall deposit
14 in the emergency reserve fund all general fund--state revenues in
15 excess of the state expenditure limit for that fiscal year. Deposits
16 shall be made at the end of each fiscal quarter based on projections of
17 state revenues and the state expenditure limit.

18 (2) The legislature may appropriate moneys from the emergency
19 reserve fund only with approval of at least two-thirds of the members

1 of each house of the legislature, and then only if the appropriation
2 does not cause total expenditures to exceed the state expenditure limit
3 under this chapter.

4 (3) The emergency reserve fund balance shall not exceed five
5 percent of (~~biennial~~) annual general fund--state revenues as
6 projected by the official state revenue forecast. Any balance in
7 excess of five percent shall be transferred on a quarterly basis by the
8 state treasurer, half to the education construction fund hereby created
9 in the treasury, and half to the tax reduction fund hereby created in
10 the treasury.

11 (4)(a) Funds may be appropriated from the education construction
12 fund exclusively for common school construction or higher education
13 construction.

14 (b) Funds in the tax reduction fund shall be used exclusively for
15 the tax exemption for individuals under sections 2 and 3 of this act.
16 The state treasurer shall transfer from the tax reduction fund to the
17 general fund such amounts as are necessary for the department of
18 revenue to cover the remittance under sections 2 and 3 of this act.

19 (c) Funds may be appropriated for any other purpose from the funds
20 only if approved by a two-thirds vote of each house of the legislature
21 and if approved by a vote of the people at the next general election.
22 An appropriation approved by the people under this subsection shall
23 result in an adjustment to the state expenditure limit only for the
24 fiscal period for which the appropriation is made and shall not affect
25 any subsequent fiscal period.

26 NEW SECTION. Sec. 2. A new section is added to chapter 82.08 RCW
27 to read as follows:

28 (1) The purpose of the exemption under this section is to share the
29 state's prosperity with individuals on a widespread basis, while at the
30 same time keeping state administrative costs down and not burdening
31 retailers. Therefore:

32 (a) The exemption is limited to those years in which the state has
33 excess revenues as indicated solely by the amount of funds in the tax
34 reduction fund. During any year in which the balance in the tax
35 reduction fund exceeds two hundred million dollars, an exemption in the
36 form of a remittance shall be provided to all qualifying individuals;
37 and

1 (b) For the purposes of determining eligibility under this section,
2 the legislature finds that based on economic information detailing
3 consumer expenditures for necessities and other goods and services, an
4 individual is eligible for the exemption regardless of that
5 individual's ability to substantiate qualifying transactions, except as
6 otherwise provided in subsection (4) of this section.

7 (2) An individual is eligible for a sales tax exemption in the form
8 of a remittance, subject to the conditions of this section. The
9 exemption is for the state share of sales tax only. The amount of the
10 remittance is equal to the state sales tax rate multiplied by an amount
11 as determined in subsection (3) of this section.

12 (3) The department shall determine the amount of the exempted
13 transactions for which the exemption is allowed, not to exceed one
14 thousand dollars. The amount is the result of the following fraction:
15 The numerator is the amount in the tax reduction fund divided by the
16 state population in the previous year. The denominator is the state
17 sales or use tax rate. The resulting quotient is the amount of taxable
18 transactions exempt from tax. The office of financial management shall
19 provide the department with the most recently published population
20 data.

21 (4) A nonresident is eligible for the exemption in the form of a
22 remittance under this section if the individual can establish that he
23 or she paid Washington state sales and use tax the previous year equal
24 to or greater than the amount of the remittance. Nonresident
25 eligibility shall be determined based on information provided by the
26 nonresident and through audit and other administrative records.

27 (5) The office of financial management and the department shall
28 jointly administer this section and section 3 of this act, using the
29 services of a contractor to identify eligible individuals.

30 (6) For purposes of this section and section 3 of this act,
31 "qualifying individual" means a natural person who is either (a) a
32 resident of the state or (b) a nonresident who meets the requirements
33 of subsection (4) of this section.

34 (7) The exemption in this section is in addition to any other
35 exemption provided by law. However, no person may receive a remittance
36 under both this section and section 3 of this act.

37 NEW SECTION. **Sec. 3.** A new section is added to chapter 82.12 RCW
38 to read as follows:

1 (1) An individual is eligible for an exemption in the form of a
2 remittance from the tax imposed under this chapter, subject to the
3 conditions of this section and section 2 (2), (3), and (4) of this act.
4 The amount of the remittance is equal to the state use tax rate
5 multiplied by the amount in section 2(3) of this act, not to exceed one
6 thousand dollars. The exemption is for the state share of use tax
7 only.

8 (2) The exemption in this section is in addition to any other
9 exemption provided by law. However, no person may receive a remittance
10 under both this section and section 2 of this act.

11 NEW SECTION. **Sec. 4.** A new section is added to chapter 82.14 RCW
12 to read as follows:

13 The exemptions in sections 2 and 3 of this act are for the state
14 portion of the sales and use tax and do not extend to the tax imposed
15 in this chapter.

16 **Sec. 5.** RCW 81.104.170 and 1997 c 450 s 5 are each amended to read
17 as follows:

18 Cities that operate transit systems, county transportation
19 authorities, metropolitan municipal corporations, public transportation
20 benefit areas, and regional transit authorities may submit an
21 authorizing proposition to the voters and if approved by a majority of
22 persons voting, fix and impose a sales and use tax in accordance with
23 the terms of this chapter, solely for the purpose of providing high
24 capacity transportation service.

25 The tax authorized pursuant to this section shall be in addition to
26 the tax authorized by RCW 82.14.030 and shall be collected from those
27 persons who are taxable by the state pursuant to chapters 82.08 and
28 82.12 RCW upon the occurrence of any taxable event within the taxing
29 district. The maximum rate of such tax shall be approved by the voters
30 and shall not exceed one percent of the selling price (in the case of
31 a sales tax) or value of the article used (in the case of a use tax).
32 The maximum rate of such tax that may be imposed shall not exceed
33 nine-tenths of one percent in any county that imposes a tax under RCW
34 82.14.340, or within a regional transit authority if any county within
35 the authority imposes a tax under RCW 82.14.340. The exemptions in RCW
36 82.08.820 (~~and~~), 82.12.820, and sections 2 and 3 of this act are for

1 the state portion of the sales and use tax and do not extend to the tax
2 authorized in this section.

3 **Sec. 6.** RCW 43.135.035 and 1994 c 2 s 4 are each amended to read
4 as follows:

5 (1) After July 1, 1995, any action or combination of actions by the
6 legislature that raises state revenue or requires revenue-neutral tax
7 shifts may be taken only if approved by a two-thirds vote of each
8 house, and then only if state expenditures in any fiscal year,
9 including the new revenue, will not exceed the state expenditure limits
10 established under this chapter.

11 (2)(a) If the legislative action under subsection (1) of this
12 section will result in expenditures in excess of the state expenditure
13 limit, then the action of the legislature shall not take effect until
14 approved by a vote of the people at a November general election. The
15 office of financial management shall adjust the state expenditure limit
16 by the amount of additional revenue approved by the voters under this
17 section. This adjustment shall not exceed the amount of revenue
18 generated by the legislative action during the first full fiscal year
19 in which it is in effect. The state expenditure limit shall be
20 adjusted downward upon expiration or repeal of the legislative action.

21 (b) The ballot title for any vote of the people required under this
22 section shall be substantially as follows:

23 "Shall taxes be imposed on in order to allow a
24 spending increase above last year's authorized spending adjusted for
25 inflation and population increases?"

26 (3)(a) The state expenditure limit may be exceeded upon declaration
27 of an emergency for a period not to exceed twenty-four months by a law
28 approved by a two-thirds vote of each house of the legislature and
29 signed by the governor. The law shall set forth the nature of the
30 emergency, which is limited to natural disasters that require immediate
31 government action to alleviate human suffering and provide humanitarian
32 assistance. The state expenditure limit may be exceeded for no more
33 than twenty-four months following the declaration of the emergency and
34 only for the purposes contained in the emergency declaration.

35 (b) Additional taxes required for an emergency under this section
36 may be imposed only until thirty days following the next general
37 election, unless an extension is approved at that general election.

1 The additional taxes shall expire upon expiration of the declaration of
2 emergency. The legislature shall not impose additional taxes for
3 emergency purposes under this subsection unless funds in the education
4 construction fund and the tax reduction fund have been exhausted.

5 (c) The state or any political subdivision of the state shall not
6 impose any tax on intangible property listed in RCW 84.36.070 as that
7 statute exists on January 1, 1993.

8 (4) If the cost of any state program or function is shifted from
9 the state general fund on or after January 1, 1993, to another source
10 of funding, or if moneys are transferred from the state general fund to
11 another fund or account, the office of financial management shall lower
12 the state expenditure limit to reflect the shift.

13 **Sec. 7.** RCW 43.84.092 and 1999 c 380 s 8, 1999 c 309 s 928, 1999
14 c 268 s 4, and 1999 c 94 s 2 are each reenacted and amended to read as
15 follows:

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

19 (2) The treasury income account shall be utilized to pay or receive
20 funds associated with federal programs as required by the federal cash
21 management improvement act of 1990. The treasury income account is
22 subject in all respects to chapter 43.88 RCW, but no appropriation is
23 required for refunds or allocations of interest earnings required by
24 the cash management improvement act. Refunds of interest to the
25 federal treasury required under the cash management improvement act
26 fall under RCW 43.88.180 and shall not require appropriation. The
27 office of financial management shall determine the amounts due to or
28 from the federal government pursuant to the cash management improvement
29 act. The office of financial management may direct transfers of funds
30 between accounts as deemed necessary to implement the provisions of the
31 cash management improvement act, and this subsection. Refunds or
32 allocations shall occur prior to the distributions of earnings set
33 forth in subsection (4) of this section.

34 (3) Except for the provisions of RCW 43.84.160, the treasury income
35 account may be utilized for the payment of purchased banking services
36 on behalf of treasury funds including, but not limited to, depository,
37 safekeeping, and disbursement functions for the state treasury and
38 affected state agencies. The treasury income account is subject in all

1 respects to chapter 43.88 RCW, but no appropriation is required for
2 payments to financial institutions. Payments shall occur prior to
3 distribution of earnings set forth in subsection (4) of this section.

4 (4) Monthly, the state treasurer shall distribute the earnings
5 credited to the treasury income account. The state treasurer shall
6 credit the general fund with all the earnings credited to the treasury
7 income account except:

8 (a) The following accounts and funds shall receive their
9 proportionate share of earnings based upon each account's and fund's
10 average daily balance for the period: The capitol building
11 construction account, the Cedar River channel construction and
12 operation account, the Central Washington University capital projects
13 account, the charitable, educational, penal and reformatory
14 institutions account, the common school construction fund, the county
15 criminal justice assistance account, the county sales and use tax
16 equalization account, the data processing building construction
17 account, the deferred compensation administrative account, the deferred
18 compensation principal account, the department of retirement systems
19 expense account, the drinking water assistance account, the Eastern
20 Washington University capital projects account, the education
21 construction fund, the emergency reserve fund, the federal forest
22 revolving account, the health services account, the public health
23 services account, the health system capacity account, the personal
24 health services account, the state higher education construction
25 account, the higher education construction account, the highway
26 infrastructure account, the industrial insurance premium refund
27 account, the judges' retirement account, the judicial retirement
28 administrative account, the judicial retirement principal account, the
29 local leasehold excise tax account, the local real estate excise tax
30 account, the local sales and use tax account, the medical aid account,
31 the mobile home park relocation fund, the municipal criminal justice
32 assistance account, the municipal sales and use tax equalization
33 account, the natural resources deposit account, the perpetual
34 surveillance and maintenance account, the public employees' retirement
35 system plan 1 account, the public employees' retirement system plan 2
36 account, the Puyallup tribal settlement account, the resource
37 management cost account, the site closure account, the special wildlife
38 account, the state employees' insurance account, the state employees'
39 insurance reserve account, the state investment board expense account,

1 the state investment board commingled trust fund accounts, the
2 supplemental pension account, the tax reduction fund, the teachers'
3 retirement system plan 1 account, the teachers' retirement system plan
4 2 account, the tobacco prevention and control account, the tobacco
5 settlement account, the transportation infrastructure account, the
6 tuition recovery trust fund, the University of Washington bond
7 retirement fund, the University of Washington building account, the
8 volunteer fire fighters' and reserve officers' relief and pension
9 principal ((~~account~~)) fund, the volunteer fire fighters' ((~~relief and~~
10 ~~pension~~)) and reserve officers' administrative ((~~account~~)) fund, the
11 Washington judicial retirement system account, the Washington law
12 enforcement officers' and fire fighters' system plan 1 retirement
13 account, the Washington law enforcement officers' and fire fighters'
14 system plan 2 retirement account, the Washington state patrol
15 retirement account, the Washington State University building account,
16 the Washington State University bond retirement fund, the water
17 pollution control revolving fund, and the Western Washington University
18 capital projects account. Earnings derived from investing balances of
19 the agricultural permanent fund, the normal school permanent fund, the
20 permanent common school fund, the scientific permanent fund, and the
21 state university permanent fund shall be allocated to their respective
22 beneficiary accounts. All earnings to be distributed under this
23 subsection (4)(a) shall first be reduced by the allocation to the state
24 treasurer's service fund pursuant to RCW 43.08.190.

25 (b) The following accounts and funds shall receive eighty percent
26 of their proportionate share of earnings based upon each account's or
27 fund's average daily balance for the period: The aeronautics account,
28 the aircraft search and rescue account, the county arterial
29 preservation account, the department of licensing services account, the
30 essential rail assistance account, the ferry bond retirement fund, the
31 grade crossing protective fund, the high capacity transportation
32 account, the highway bond retirement fund, the highway safety account,
33 the marine operating fund, the motor vehicle fund, the motorcycle
34 safety education account, the pilotage account, the public
35 transportation systems account, the Puget Sound capital construction
36 account, the Puget Sound ferry operations account, the recreational
37 vehicle account, the rural arterial trust account, the safety and
38 education account, the special category C account, the state patrol
39 highway account, the transportation equipment fund, the transportation

1 fund, the transportation improvement account, the transportation
2 improvement board bond retirement account, and the urban arterial trust
3 account.

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

7 **Sec. 8.** RCW 43.84.092 and 1999 c 380 s 8, 1999 c 309 s 928, 1999
8 c 268 s 4, 1999 c 94 s 3, and 1999 c 94 s 2 are each reenacted and
9 amended to read as follows:

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

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

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

36 (4) Monthly, the state treasurer shall distribute the earnings
37 credited to the treasury income account. The state treasurer shall

1 credit the general fund with all the earnings credited to the treasury
2 income account except:

3 (a) The following accounts and funds shall receive their
4 proportionate share of earnings based upon each account's and fund's
5 average daily balance for the period: The capitol building
6 construction account, the Cedar River channel construction and
7 operation account, the Central Washington University capital projects
8 account, the charitable, educational, penal and reformatory
9 institutions account, the common school construction fund, the county
10 criminal justice assistance account, the county sales and use tax
11 equalization account, the data processing building construction
12 account, the deferred compensation administrative account, the deferred
13 compensation principal account, the department of retirement systems
14 expense account, the drinking water assistance account, the Eastern
15 Washington University capital projects account, the education
16 construction fund, the emergency reserve fund, the federal forest
17 revolving account, the health services account, the public health
18 services account, the health system capacity account, the personal
19 health services account, the state higher education construction
20 account, the higher education construction account, the highway
21 infrastructure account, the industrial insurance premium refund
22 account, the judges' retirement account, the judicial retirement
23 administrative account, the judicial retirement principal account, the
24 local leasehold excise tax account, the local real estate excise tax
25 account, the local sales and use tax account, the medical aid account,
26 the mobile home park relocation fund, the municipal criminal justice
27 assistance account, the municipal sales and use tax equalization
28 account, the natural resources deposit account, the perpetual
29 surveillance and maintenance account, the public employees' retirement
30 system plan 1 account, the public employees' retirement system plan 2
31 account, the Puyallup tribal settlement account, the resource
32 management cost account, the site closure account, the special wildlife
33 account, the state employees' insurance account, the state employees'
34 insurance reserve account, the state investment board expense account,
35 the state investment board commingled trust fund accounts, the
36 supplemental pension account, the tax reduction fund, the teachers'
37 retirement system plan 1 account, the teachers' retirement system plan
38 2 account, the tobacco prevention and control account, the tobacco
39 settlement account, the transportation infrastructure account, the

1 tuition recovery trust fund, the University of Washington bond
2 retirement fund, the University of Washington building account, the
3 volunteer fire fighters' and reserve officers' relief and pension
4 principal ~~((account))~~ fund, the volunteer fire fighters' ~~((relief and~~
5 ~~pension))~~ and reserve officers' administrative ~~((account))~~ fund, the
6 Washington judicial retirement system account, the Washington law
7 enforcement officers' and fire fighters' system plan 1 retirement
8 account, the Washington law enforcement officers' and fire fighters'
9 system plan 2 retirement account, the Washington state patrol
10 retirement account, the Washington State University building account,
11 the Washington State University bond retirement fund, the water
12 pollution control revolving fund, and the Western Washington University
13 capital projects account. Earnings derived from investing balances of
14 the agricultural permanent fund, the normal school permanent fund, the
15 permanent common school fund, the scientific permanent fund, and the
16 state university permanent fund shall be allocated to their respective
17 beneficiary accounts. All earnings to be distributed under this
18 subsection (4)(a) shall first be reduced by the allocation to the state
19 treasurer's service fund pursuant to RCW 43.08.190.

20 (b) The following accounts and funds shall receive eighty percent
21 of their proportionate share of earnings based upon each account's or
22 fund's average daily balance for the period: The aeronautics account,
23 the aircraft search and rescue account, the county arterial
24 preservation account, the department of licensing services account, the
25 essential rail assistance account, the ferry bond retirement fund, the
26 grade crossing protective fund, the high capacity transportation
27 account, the highway bond retirement fund, the highway safety account,
28 the motor vehicle fund, the motorcycle safety education account, the
29 pilotage account, the public transportation systems account, the Puget
30 Sound capital construction account, the Puget Sound ferry operations
31 account, the recreational vehicle account, the rural arterial trust
32 account, the safety and education account, the special category C
33 account, the state patrol highway account, the transportation equipment
34 fund, the transportation fund, the transportation improvement account,
35 the transportation improvement board bond retirement account, and the
36 urban arterial trust account.

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

1 **Sec. 9.** RCW 43.84.092 and 1999 c 380 s 9, 1999 c 309 s 929, 1999
2 c 268 s 5, and 1999 c 94 s 4 are each reenacted and amended to read as
3 follows:

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

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

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

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

34 (a) The following accounts and funds shall receive their
35 proportionate share of earnings based upon each account's and fund's
36 average daily balance for the period: The capitol building
37 construction account, the Cedar River channel construction and
38 operation account, the Central Washington University capital projects
39 account, the charitable, educational, penal and reformatory

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

1 fighters' system plan 2 retirement account, the Washington school
2 employees' retirement system combined plan 2 and 3 account, the
3 Washington state patrol retirement account, the Washington State
4 University building account, the Washington State University bond
5 retirement fund, the water pollution control revolving fund, and the
6 Western Washington University capital projects account. Earnings
7 derived from investing balances of the agricultural permanent fund, the
8 normal school permanent fund, the permanent common school fund, the
9 scientific permanent fund, and the state university permanent fund
10 shall be allocated to their respective beneficiary accounts. All
11 earnings to be distributed under this subsection (4)(a) shall first be
12 reduced by the allocation to the state treasurer's service fund
13 pursuant to RCW 43.08.190.

14 (b) The following accounts and funds shall receive eighty percent
15 of their proportionate share of earnings based upon each account's or
16 fund's average daily balance for the period: The aeronautics account,
17 the aircraft search and rescue account, the county arterial
18 preservation account, the department of licensing services account, the
19 essential rail assistance account, the ferry bond retirement fund, the
20 grade crossing protective fund, the high capacity transportation
21 account, the highway bond retirement fund, the highway safety account,
22 the motor vehicle fund, the motorcycle safety education account, the
23 pilotage account, the public transportation systems account, the Puget
24 Sound capital construction account, the Puget Sound ferry operations
25 account, the recreational vehicle account, the rural arterial trust
26 account, the safety and education account, the special category C
27 account, the state patrol highway account, the transportation equipment
28 fund, the transportation fund, the transportation improvement account,
29 the transportation improvement board bond retirement account, and the
30 urban arterial trust account.

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

34 NEW SECTION. **Sec. 10.** (1) Sections 1 through 8 of this act take
35 effect July 1, 2000.

36 (2) Section 9 of this act takes effect September 1, 2000.

1 NEW SECTION. **Sec. 11.** Sections 7 and 8 of this act expire
2 September 1, 2000.

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