
HOUSE BILL 1658

State of Washington

57th Legislature

2001 Regular Session

By Representatives Buck, Doumit, Ericksen, Linville, Haigh,
G. Chandler, Cooper and Dunshee

Read first time 01/31/2001. Referred to Committee on Natural
Resources.

1 AN ACT Relating to state oyster reserve lands; amending RCW
2 79.96.110, 43.84.092, and 43.84.092; adding new sections to chapter
3 77.60 RCW; repealing RCW 79.96.090; providing an effective date; and
4 providing an expiration date.

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

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 77.60 RCW
7 to read as follows:

8 The department shall initiate a pilot project to evaluate the
9 feasibility and potential of intensively culturing shellfish on
10 currently nonproductive oyster reserve land in Puget Sound and in
11 Willapa Harbor. The department shall enter into no fewer than six
12 long-term lease agreements with commercial shellfish growers on or
13 before July 1, 2002. At least three of these leases shall be on oyster
14 reserve lands in Willapa Harbor and three shall be on oyster reserve
15 lands in Puget Sound. Revenues from the lease of such lands shall be
16 deposited in the oyster reserve land account created in section 2 of
17 this act.

18 The department shall form one advisory committee each for the
19 Willapa Harbor oyster reserve lands and the Puget Sound oyster reserve

1 lands. The advisory committees shall make recommendations on
2 management practices to conserve, protect, and develop oyster reserve
3 lands. The advisory committees may make recommendations regarding the
4 management practices on oyster reserve lands, in particular to ensure
5 that they are managed in a manner that will not be detrimental to the
6 market for shellfish grown on nonreserve lands. The advisory
7 committees may also make recommendation on the distribution of funds in
8 section 2(2)(a) of this act.

9 The department shall submit a brief progress report on the status
10 of the pilot programs to the appropriate standing committees of the
11 legislature by January 7, 2003.

12 NEW SECTION. **Sec. 2.** A new section is added to chapter 77.60 RCW
13 to read as follows:

14 (1) The oyster reserve land account is created in the state
15 treasury. All receipts from revenues from the lease of land or sale of
16 shellfish from oyster reserve lands must be deposited into the account.
17 Moneys in the account may be spent only after appropriation.
18 Expenditures from the account may be used only as provided in this
19 section.

20 (2) Funds in the account shall be used for the purposes provided
21 for in this subsection:

22 (a) Up to forty percent for the management expenses incurred by the
23 department that are directly attributable to the management of the
24 oyster reserve lands and for the expenses associated with new research
25 and development activities at the Pt. Whitney and Nahcotta shellfish
26 laboratories managed by the department. As used in this subsection,
27 "new research and development activities" includes an emphasis on the
28 control of aquatic nuisance species and burrowing shrimp;

29 (b) Up to ten percent may be deposited into the state general fund;
30 and

31 (c) All remaining funds in the account shall be used for the
32 shellfish - on-site sewage grant program established in section 3 of
33 this act.

34 NEW SECTION. **Sec. 3.** A new section is added to chapter 77.60 RCW
35 to read as follows:

36 (1) The department of health shall establish a shellfish - on-site
37 sewage grant program. The grants shall be given to improve on-site

1 sewage systems only in areas that have the potential to adversely
2 affect water quality in commercial and recreational shellfish growing
3 areas. A recipient of a grant shall enter into an agreement with the
4 appropriate local health jurisdiction to maintain the on-site sewage
5 systems according to specifications required by the local health
6 jurisdiction. In issuing grants, the department shall work closely
7 with local health jurisdictions and shall endeavor to attain geographic
8 equity between the Willapa Harbor and the Puget Sound. For the
9 purposes of this subsection, "geographic equity" means issuing on-site
10 sewage grants at a level that matches the funds generated from the
11 oyster reserve lands in that area.

12 (2) In the Puget Sound, the department shall give first priority to
13 areas that are:

14 (a) Identified as "areas of special concern" under WAC 246-272-
15 01001; or

16 (b) Included in shellfish protection districts under chapter 90.72
17 RCW.

18 (3) The department may not award grants to a person with an income
19 that is greater than eighty percent of the median income of the county
20 in which the on-site septic system is located.

21 (4) The department shall administer the program to enhance the
22 effectiveness of the state revolving fund loans to local governments
23 for on-site sewage systems.

24 (5) The department may recover the costs to administer this program
25 not to exceed four percent of the shellfish - on-site sewage grant
26 program.

27 (6) For the 2001-03 biennium, the department may use up to fifty
28 percent of the shellfish - on-site sewage grant program funds for
29 grants to local health jurisdictions to establish "areas of special
30 concern" under WAC 246-272-01001 where commercial and recreational uses
31 are present.

32 **Sec. 4.** RCW 79.96.110 and 2000 c 11 s 30 are each amended to read
33 as follows:

34 (1) In (~~case the director of~~) the event that the fish and
35 wildlife commission approves the vacation of the whole or any part of
36 said reserve, the department of natural resources may vacate and offer
37 for lease such parts or all of said reserve as it deems to be for the
38 best interest of the state, and all moneys received for the lease of

1 such lands shall be paid to the department of natural resources(~~(:~~
2 ~~PROVIDED, That nothing in RCW 79.96.090 through 79.96.110 shall be~~
3 ~~construed as authorizing the lease of any tidelands which have~~
4 ~~heretofore, or which may hereafter, be set aside as))).~~

5 (2) Notwithstanding RCW 77.60.020, subsection (1) of this section,
6 or any other provision of state law, the state oyster reserves in Eld
7 Inlet, Hammersley Inlet, or Totten Inlet, situated in Mason or Thurston
8 counties(~~(:~~ ~~PROVIDED FURTHER, That any portion of Plat 138, Clifton's~~
9 Oyster Reserve, which has already been vacated, may be leased by the
10 department)) shall permanently be designated as state oyster reserve
11 lands.

12 **Sec. 5.** RCW 43.84.092 and 2000 2nd sp.s. c 4 s 5 are each amended
13 to read as follows:

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

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

32 (3) Except for the provisions of RCW 43.84.160, the treasury income
33 account may be utilized for the payment of purchased banking services
34 on behalf of treasury funds including, but not limited to, depository,
35 safekeeping, and disbursement functions for the state treasury and
36 affected state agencies. The treasury income account is subject in all
37 respects to chapter 43.88 RCW, but no appropriation is required for

1 payments to financial institutions. Payments shall occur prior to
2 distribution of earnings set forth in subsection (4) of this section.

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

7 (a) The following accounts and funds shall receive their
8 proportionate share of earnings based upon each account's and fund's
9 average daily balance for the period: The capitol building
10 construction account, the Cedar River channel construction and
11 operation account, the Central Washington University capital projects
12 account, the charitable, educational, penal and reformatory
13 institutions account, the common school construction fund, the county
14 criminal justice assistance account, the county sales and use tax
15 equalization account, the data processing building construction
16 account, the deferred compensation administrative account, the deferred
17 compensation principal account, the department of retirement systems
18 expense account, the drinking water assistance account, the Eastern
19 Washington University capital projects account, the education
20 construction fund, the emergency reserve fund, the federal forest
21 revolving account, the health services account, the public health
22 services account, the health system capacity account, the personal
23 health services account, the state higher education construction
24 account, the higher education construction account, the highway
25 infrastructure account, the industrial insurance premium refund
26 account, the judges' retirement account, the judicial retirement
27 administrative account, the judicial retirement principal account, the
28 local leasehold excise tax account, the local real estate excise tax
29 account, the local sales and use tax account, the medical aid account,
30 the mobile home park relocation fund, the multimodal transportation
31 account, the municipal criminal justice assistance account, the
32 municipal sales and use tax equalization account, the natural resources
33 deposit account, the oyster reserve land 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 teachers' retirement system plan 1
3 account, the teachers' retirement system combined plan 2 and plan 3
4 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 fund, the volunteer fire fighters' and reserve officers'
10 administrative fund, the Washington judicial retirement system account,
11 the Washington law enforcement officers' and fire fighters' system plan
12 1 retirement account, the Washington law enforcement officers' and fire
13 fighters' system plan 2 retirement account, the Washington school
14 employees' retirement system combined plan 2 and 3 account, the
15 Washington state health insurance pool account, the Washington state
16 patrol retirement account, the Washington State University building
17 account, the Washington State University bond retirement fund, the
18 water pollution control revolving fund, and the Western Washington
19 University capital projects account. Earnings derived from investing
20 balances of the agricultural permanent fund, the normal school
21 permanent fund, the permanent common school fund, the scientific
22 permanent fund, and the state university permanent fund shall be
23 allocated to their respective beneficiary accounts. All earnings to be
24 distributed under this subsection (4)(a) shall first be reduced by the
25 allocation to the state treasurer's service fund pursuant to RCW
26 43.08.190.

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

1 account, the state patrol highway account, the transportation equipment
2 fund, the transportation fund, the transportation improvement account,
3 the transportation improvement board bond retirement account, and the
4 urban arterial trust account.

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

8 **Sec. 6.** RCW 43.84.092 and 2000 2nd sp.s. c 4 s 6 are each amended
9 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.

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37 credited to the treasury income account. The state treasurer shall

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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 multimodal transportation
27 account, the municipal criminal justice assistance account, the
28 municipal sales and use tax equalization account, the natural resources
29 deposit account, the oyster reserve land account, the perpetual
30 surveillance and maintenance account, the public employees' retirement
31 system plan 1 account, the public employees' retirement system combined
32 plan 2 and plan 3 account, the Puyallup tribal settlement account, the
33 resource management cost account, the site closure account, the special
34 wildlife account, the state employees' insurance account, the state
35 employees' insurance reserve account, the state investment board
36 expense account, the state investment board commingled trust fund
37 accounts, the supplemental pension account, the teachers' retirement
38 system plan 1 account, the teachers' retirement system combined plan 2
39 and plan 3 account, the tobacco prevention and control account, the

1 tobacco settlement account, the transportation infrastructure account,
2 the tuition recovery trust fund, the University of Washington bond
3 retirement fund, the University of Washington building account, the
4 volunteer fire fighters' and reserve officers' relief and pension
5 principal fund, the volunteer fire fighters' and reserve officers'
6 administrative fund, the Washington judicial retirement system account,
7 the Washington law enforcement officers' and fire fighters' system plan
8 1 retirement account, the Washington law enforcement officers' and fire
9 fighters' system plan 2 retirement account, the Washington school
10 employees' retirement system combined plan 2 and 3 account, the
11 Washington state health insurance pool account, the Washington state
12 patrol retirement account, the Washington State University building
13 account, the Washington State University bond retirement fund, the
14 water pollution control revolving fund, and the Western Washington
15 University capital projects account. Earnings derived from investing
16 balances of the agricultural permanent fund, the normal school
17 permanent fund, the permanent common school fund, the scientific
18 permanent fund, and the state university permanent fund shall be
19 allocated to their respective beneficiary accounts. All earnings to be
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21 allocation to the state treasurer's service fund pursuant to RCW
22 43.08.190.

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

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

4 NEW SECTION. **Sec. 7.** RCW 79.96.090 (Lease of tidelands set aside
5 as oyster reserves) and 1982 1st ex.s. c 21 s 142 are each repealed.

6 NEW SECTION. **Sec. 8.** Section 5 of this act expires March 1, 2002.

7 NEW SECTION. **Sec. 9.** Section 6 of this act takes effect March 1,
8 2002.

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