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HOUSE BILL 1032

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State of Washington

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**By** Representatives Veloria, Eickmeyer, Linville, Chase, Hatfield, Fromhold, McCoy, Conway, Kessler, Cody, Jarrett, Murray, Kenney, Schual-Berke, Clibborn, Lovick, Upthegrove and McIntire; by request of Governor Locke

Prefiled 1/6/2003. Read first time 01/13/2003. Referred to Committee on Trade & Economic Development.

1 AN ACT Relating to funding for the community economic  
2 revitalization board; amending 2002 c 242 s 1 (uncodified); reenacting  
3 and amending RCW 43.84.092; adding a new section to chapter 43.84 RCW;  
4 and providing an effective date.

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

6 **Sec. 1.** 2002 c 242 s 1 (uncodified) is amended to read as follows:  
7 The legislature finds that the community economic revitalization  
8 board plays a valuable and unique role in stimulating and diversifying  
9 local economies, attracting private investment, creating new jobs, and  
10 generating additional state and local tax revenues by investing in  
11 public facilities projects that result in new or expanded economic  
12 development. The legislature also finds that it is in the best  
13 interest of the state and local communities to secure a stable and  
14 dedicated source of funds for the community economic revitalization  
15 board. It is the intent of the legislature to establish an ongoing  
16 funding source for the community economic revitalization board that  
17 will be used exclusively to advance economic development  
18 infrastructure. (~~This act provides a temporary funding source until~~  
19 ~~such time as a more permanent funding solution can be established.~~)

1 This act provides a partial funding solution by directing that  
2 beginning July 1, 2005, the interest earnings generated by the public  
3 works assistance account shall be used to fund the community economic  
4 revitalization board's financial assistance programs. These funds are  
5 not for use other than for the stated purpose and goals of the  
6 community economic revitalization board.

7 **Sec. 2.** RCW 43.84.092 and 2002 c 242 s 2, 2002 c 114 s 24, and  
8 2002 c 56 s 402 are each reenacted and amended to read as follows:

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

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

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

35 (4) Monthly, the state treasurer shall distribute the earnings  
36 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 drinking  
15 water assistance administrative account, the drinking water assistance  
16 repayment account, the Eastern Washington University capital projects  
17 account, the education construction fund, the emergency reserve fund,  
18 the federal forest revolving account, the health services account, the  
19 public health services account, the health system capacity account, the  
20 personal health services account, the state higher education  
21 construction account, the higher education construction account, the  
22 highway infrastructure account, the industrial insurance premium refund  
23 account, the judges' retirement account, the judicial retirement  
24 administrative account, the judicial retirement principal account, the  
25 local leasehold excise tax account, the local real estate excise tax  
26 account, the local sales and use tax account, the medical aid account,  
27 the mobile home park relocation fund, the multimodal transportation  
28 account, the municipal criminal justice assistance account, the  
29 municipal sales and use tax equalization account, the natural resources  
30 deposit account, the oyster reserve land account, the perpetual  
31 surveillance and maintenance account, the public employees' retirement  
32 system plan 1 account, the public employees' retirement system combined  
33 plan 2 and plan 3 account, the public facilities construction loan  
34 revolving account beginning July 1, 2004, the public health  
35 supplemental account, the public works assistance account, the Puyallup  
36 tribal settlement account, the regional transportation investment  
37 district account, the resource management cost account, the site  
38 closure account, the special wildlife account, the state employees'

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

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

1 Sound capital construction account, the Puget Sound ferry operations  
2 account, the recreational vehicle account, the rural arterial trust  
3 account, the safety and education account, the special category C  
4 account, the state patrol highway account, the transportation equipment  
5 fund, the transportation fund, the transportation improvement account,  
6 the transportation improvement board bond retirement account, and the  
7 urban arterial trust account.

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

11 NEW SECTION. **Sec. 3.** A new section is added to chapter 43.84 RCW  
12 to read as follows:

13 The proportionate share of earnings based on the average daily  
14 balance in the public works assistance account shall be placed in the  
15 public facilities construction loan revolving fund.

16 NEW SECTION. **Sec. 4.** Sections 2 and 3 of this act take effect  
17 July 1, 2005.

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