
SECOND SUBSTITUTE HOUSE BILL 1623

State of Washington

59th Legislature

2005 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Sommers, Anderson, Morris, Armstrong, Hinkle, Kenney, Priest, Linville, Kessler, Hunt, Williams, Chase, Kilmer, Hunter and Hudgins; by request of Governor Gregoire)

READ FIRST TIME 03/07/05.

1 AN ACT Relating to the strategic financing of life sciences
2 research; amending RCW 43.79.480, 42.30.110, and 43.84.092; reenacting
3 and amending RCW 42.17.310, 42.17.2401, and 43.84.092; adding a new
4 section to chapter 82.04 RCW; adding a new chapter to Title 43 RCW;
5 creating new sections; providing an effective date; and providing an
6 expiration date.

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

8 NEW SECTION. **Sec. 1.** LEGISLATIVE DECLARATION. The legislature
9 declares it to be a clear public purpose and governmental function to
10 promote life sciences research to foster a preventive and predictive
11 vision of the next generation of health-related innovations, to enhance
12 the competitive position of Washington state in this vital sector of
13 the economy, and to improve the quality, effectiveness, and delivery of
14 health care for the people of Washington. It is appropriate and
15 consistent with the intent of the master settlement agreement between
16 the state and tobacco product manufacturers to invest a portion of the
17 revenues derived therefrom by the state in life sciences research, to
18 leverage the revenues with other moneys, and to encourage cooperation

1 and innovation among public and private institutions involved in life
2 sciences research.

3 The purpose of this chapter is to establish a life sciences
4 discovery authority; to permit the authority to receive certain
5 revenues from the master settlement, pursuant to appropriation; to
6 permit the authority to solicit and receive contributions from nonstate
7 public and private sources; and to disburse those moneys as grants for
8 life science research consistent with the purpose of this chapter. The
9 life sciences discovery authority is intended to promote the best
10 available research in life sciences disciplines through diverse
11 Washington institutions and to foster improved health care outcomes
12 across this state and the world. The research investments of the life
13 sciences discovery account are intended to further the goals of the
14 "Bio 21" report and to support future statewide, comprehensive
15 strategies to lead the nation in life sciences-related research and
16 employment.

17 NEW SECTION. **Sec. 2.** DEFINITIONS. The definitions in this
18 section apply throughout this chapter unless the context clearly
19 requires otherwise.

20 (1) "Authority" means the life sciences discovery authority created
21 in this chapter.

22 (2) "Board" means the governing board of trustees of the authority.

23 (3) "Contribution agreement" means any agreement authorized under
24 this chapter in which a private entity or a public entity other than
25 the state agrees to provide to the authority contributions for the
26 purpose of promoting life sciences research.

27 (4) "Life sciences research" means advanced and applied research
28 and development intended to improve human health and patient health
29 care outcomes in: (a) Predictive and preventive medicine including
30 innovative areas such as the development of new technologies and
31 computational tools; (b) new approaches to cost-effective diagnosis and
32 treatment of disease, medical and imaging devices, as well as relevant
33 state of the art technologies and computational tools; and (c) software
34 that can be used in clinical settings to increase the efficiency and
35 effectiveness of health services delivery. Research efforts can entail
36 laboratory and clinical research, proof of concept development, and
37 appropriate equipment and personnel to support all these areas.

1 (5) "Master settlement agreement" means the national master
2 settlement agreement and related documents entered into on November 23,
3 1998, by the state and the four principal United States tobacco product
4 manufacturers, as amended and supplemented, for the settlement of
5 litigation brought by the state against the tobacco product
6 manufacturers.

7 (6) "Strategic contribution payments" means the payments designated
8 as such under the master settlement agreement, which will be made to
9 the state in the years 2008 through 2017.

10 NEW SECTION. **Sec. 3.** LIFE SCIENCES DISCOVERY AUTHORITY
11 ESTABLISHED. (1) The life sciences discovery authority is created as
12 an agency of the state, exercising public and essential governmental
13 functions.

14 (2) The powers of the authority are vested in and shall be
15 exercised by a board of trustees consisting of seven members appointed
16 by the governor with the consent of the senate, one of whom shall be
17 appointed by the governor as chair of the authority and who shall serve
18 on the board and as chair of the authority at the pleasure of the
19 governor. At least one trustee shall be a health economist, and at
20 least one trustee shall be a purchaser of health services for an entity
21 that is not engaged in life sciences research, the delivery of health
22 services, or the production of health care devices or products. The
23 governor shall make the initial appointments no later than thirty days
24 after the effective date of this section. The term of the trustees,
25 other than the chair, is four years from the date of their appointment,
26 except that the terms of three of the initial appointees, as determined
27 by the governor, are for two years from the date of their appointment.
28 A trustee may be removed by the governor for cause under RCW 43.06.070
29 and 43.06.080. The governor shall fill any vacancy on the board by
30 appointment for the remainder of the unexpired term. The trustees
31 shall be compensated in accordance with RCW 43.03.240 and may be
32 reimbursed, solely from amounts appropriated to the authority, for
33 expenses incurred in the discharge of their duties under this chapter,
34 subject to RCW 43.03.050 and 43.03.060.

35 (3) The trustees or the staff of the trustees are prohibited from
36 accepting any compensation, contribution, or financial interest, either

1 directly or indirectly, from a grantee or their vendors, or from
2 incurring any obligation of indebtedness to a grantee or their vendors.

3 (4) Four members of the board constitute a quorum.

4 (5) All trustees and staff of trustees are required to annually
5 file a statement of financial affairs under RCW 42.17.241.

6 (6) The trustees shall elect a treasurer and secretary annually,
7 and other officers as the trustees determine necessary, and may adopt
8 bylaws or rules for their own government.

9 (7) Meetings of the board shall be held in accordance with the open
10 public meetings act, chapter 42.30 RCW, and at the call of the chair or
11 when a majority of the trustees so requests. Meetings of the board may
12 be held at any location within the state, and trustees may participate
13 in a meeting of the board by means of a conference telephone or similar
14 communication equipment under RCW 23B.08.200.

15 (8) The authority is subject to audit by the state auditor.

16 (9) The attorney general must advise the authority and represent it
17 in all legal proceedings.

18 NEW SECTION. **Sec. 4.** AUTHORIZATION TO ENTER INTO CONTRIBUTION
19 AGREEMENTS AND TO MAKE GRANTS FOR LIFE SCIENCES RESEARCH. In addition
20 to other powers and duties prescribed in this chapter, the authority is
21 empowered to:

22 (1) Use amounts appropriated from the life sciences discovery
23 account, leveraging those appropriations with amounts received from
24 other public and private sources in accordance with contribution
25 agreements, to promote life sciences research;

26 (2) Solicit and receive gifts, grants, and bequests, and enter into
27 contribution agreements with private entities and public entities other
28 than the state to receive moneys in consideration of the authority's
29 promise to leverage those moneys with amounts received through
30 appropriations from the legislature and contributions from other public
31 entities and private entities, in order to use those moneys to promote
32 life sciences research;

33 (3) Make grants to entities for life sciences research. The
34 authority shall solicit requests for funding and evaluate the requests.
35 The requests shall be evaluated based upon factors that include, but
36 are not limited to:

37 (a) The quality of the proposed research;

1 (b) Its potential for leveraging additional funding;

2 (c) Its potential to improve health outcomes, with particular
3 attention to the likelihood that it will also lower health care costs,
4 substitute for a more costly diagnostic or treatment modality, or offer
5 a breakthrough treatment for a particular disease or condition;

6 (d) Its potential to stimulate health care delivery, biomedical
7 manufacturing, and life sciences related employment in the state;

8 (e) The geographic diversity of the grantees within Washington;

9 (f) Evidence of public and private collaboration; and

10 (g) Evidence of potential royalty income and contractual means to
11 recapture such income for purposes consistent with this chapter;

12 (4) Create one or more advisory boards composed of scientists,
13 industrialists, and others familiar with life sciences research; and

14 (5) Adopt rules to facilitate the orderly process of grant
15 application, review, and reward.

16 NEW SECTION. **Sec. 5.** GENERAL POWERS--RESTRICTIONS. The authority
17 has all the general powers necessary to carry out its purposes and
18 duties and to exercise its specific powers. In addition to other
19 powers specified in this chapter, the authority may: (1) Sue and be
20 sued in its own name; (2) make and execute agreements, contracts, and
21 other instruments, with any public or private person or entity, in
22 accordance with this chapter; (3) employ, contract with, or engage
23 independent counsel, financial advisors, auditors, other technical or
24 professional assistants, and such other personnel as are necessary or
25 desirable to implement this chapter; (4) establish such special funds,
26 and controls on deposits to and disbursements from them, as it finds
27 convenient for the implementation of this chapter; (5) enter into
28 contracts with public and private entities for life sciences research
29 to be conducted in the state; (6) adopt rules, consistent with this
30 chapter; (7) delegate any of its powers and duties if consistent with
31 the purposes of this chapter; (8) exercise any other power reasonably
32 required to implement the purposes of this chapter; and (9) hire staff
33 and pay administrative costs.

34 NEW SECTION. **Sec. 6.** LIMITATION OF LIABILITY. Members of the
35 board and persons acting on behalf of the authority, while acting in
36 good faith within the scope of their employment or agency, are not

1 subject to personal liability resulting from carrying out the powers
2 and duties conferred on them under this chapter. Neither the state nor
3 the authority is liable for any loss, damage, harm, or other
4 consequence resulting directly or indirectly from grants made by the
5 authority or by any life sciences research funded by such grants.

6 NEW SECTION. **Sec. 7.** LIFE SCIENCES DISCOVERY ACCOUNT. The life
7 sciences discovery account is created in the state treasury. Moneys in
8 the account may be spent only after appropriation. Expenditures from
9 the account may be made only for purposes of this chapter. Revenues to
10 the account consist of transfers made by the legislature from strategic
11 contribution payments deposited in the tobacco settlement account under
12 RCW 43.79.480, moneys received pursuant to contribution agreements
13 entered into pursuant to section 4 of this act, and moneys received
14 from gifts, grants, and bequests.

15 NEW SECTION. **Sec. 8.** A new section is added to chapter 82.04 RCW
16 to read as follows:

17 BUSINESS AND OCCUPATION TAX EXEMPTION. This chapter does not apply
18 to income received by the life sciences discovery authority under
19 chapter 43.-- RCW (sections 1 through 7 of this act).

20 **Sec. 9.** RCW 43.79.480 and 2002 c 365 s 15 are each amended to read
21 as follows:

22 (1) Moneys received by the state of Washington in accordance with
23 the settlement of the state's legal action against tobacco product
24 manufacturers, exclusive of costs and attorneys' fees, shall be
25 deposited in the tobacco settlement account created in this section
26 except as these moneys are sold or assigned under chapter 43.340 RCW.

27 (2) The tobacco settlement account is created in the state
28 treasury. Moneys in the tobacco settlement account may only be
29 transferred to the health services account for the purposes set forth
30 in RCW 43.72.900, and to the tobacco prevention and control account for
31 purposes set forth in this section. Amounts received as strategic
32 contribution payments as defined in section 2 of this act may only be
33 transferred to the health services account for the purposes set forth
34 in RCW 43.72.900, to the tobacco prevention and control account for

1 purposes set forth in this section, or to the life sciences discovery
2 account established in section 7 of this act for the purposes of
3 chapter 43.-- RCW (sections 1 through 7 of this act).

4 (3) The tobacco prevention and control account is created in the
5 state treasury. The source of revenue for this account is moneys
6 transferred to the account from the tobacco settlement account,
7 investment earnings, donations to the account, and other revenues as
8 directed by law. Expenditures from the account are subject to
9 appropriation.

10 **Sec. 10.** RCW 42.30.110 and 2003 c 277 s 1 are each amended to read
11 as follows:

12 (1) Nothing contained in this chapter may be construed to prevent
13 a governing body from holding an executive session during a regular or
14 special meeting:

15 (a) To consider matters affecting national security;

16 (b) To consider the selection of a site or the acquisition of real
17 estate by lease or purchase when public knowledge regarding such
18 consideration would cause a likelihood of increased price;

19 (c) To consider the minimum price at which real estate will be
20 offered for sale or lease when public knowledge regarding such
21 consideration would cause a likelihood of decreased price. However,
22 final action selling or leasing public property shall be taken in a
23 meeting open to the public;

24 (d) To review negotiations on the performance of publicly bid
25 contracts when public knowledge regarding such consideration would
26 cause a likelihood of increased costs;

27 (e) To consider, in the case of an export trading company,
28 financial and commercial information supplied by private persons to the
29 export trading company;

30 (f) To receive and evaluate complaints or charges brought against
31 a public officer or employee. However, upon the request of such
32 officer or employee, a public hearing or a meeting open to the public
33 shall be conducted upon such complaint or charge;

34 (g) To evaluate the qualifications of an applicant for public
35 employment or to review the performance of a public employee. However,
36 subject to RCW 42.30.140(4), discussion by a governing body of
37 salaries, wages, and other conditions of employment to be generally

1 applied within the agency shall occur in a meeting open to the public,
2 and when a governing body elects to take final action hiring, setting
3 the salary of an individual employee or class of employees, or
4 discharging or disciplining an employee, that action shall be taken in
5 a meeting open to the public;

6 (h) To evaluate the qualifications of a candidate for appointment
7 to elective office. However, any interview of such candidate and final
8 action appointing a candidate to elective office shall be in a meeting
9 open to the public;

10 (i) To discuss with legal counsel representing the agency matters
11 relating to agency enforcement actions, or to discuss with legal
12 counsel representing the agency litigation or potential litigation to
13 which the agency, the governing body, or a member acting in an official
14 capacity is, or is likely to become, a party, when public knowledge
15 regarding the discussion is likely to result in an adverse legal or
16 financial consequence to the agency.

17 This subsection (1)(i) does not permit a governing body to hold an
18 executive session solely because an attorney representing the agency is
19 present. For purposes of this subsection (1)(i), "potential
20 litigation" means matters protected by RPC 1.6 or RCW 5.60.060(2)(a)
21 concerning:

22 (A) Litigation that has been specifically threatened to which the
23 agency, the governing body, or a member acting in an official capacity
24 is, or is likely to become, a party;

25 (B) Litigation that the agency reasonably believes may be commenced
26 by or against the agency, the governing body, or a member acting in an
27 official capacity; or

28 (C) Litigation or legal risks of a proposed action or current
29 practice that the agency has identified when public discussion of the
30 litigation or legal risks is likely to result in an adverse legal or
31 financial consequence to the agency;

32 (j) To consider, in the case of the state library commission or its
33 advisory bodies, western library network prices, products, equipment,
34 and services, when such discussion would be likely to adversely affect
35 the network's ability to conduct business in a competitive economic
36 climate. However, final action on these matters shall be taken in a
37 meeting open to the public;

1 (k) To consider, in the case of the state investment board,
2 financial and commercial information when the information relates to
3 the investment of public trust or retirement funds and when public
4 knowledge regarding the discussion would result in loss to such funds
5 or in private loss to the providers of this information;

6 (l) To consider proprietary or confidential nonpublished
7 information related to the development, acquisition, or implementation
8 of state purchased health care services as provided in RCW 41.05.026;

9 (m) In the case of the life sciences discovery authority, to
10 consider the substance of grant applications and grant awards when
11 public knowledge regarding the discussion would reasonably be expected
12 to result in private loss to the providers of this information.

13 (2) Before convening in executive session, the presiding officer of
14 a governing body shall publicly announce the purpose for excluding the
15 public from the meeting place, and the time when the executive session
16 will be concluded. The executive session may be extended to a stated
17 later time by announcement of the presiding officer.

18 **Sec. 11.** RCW 42.17.310 and 2003 c 277 s 3 and 2003 c 124 s 1 are
19 each reenacted and amended to read as follows:

20 (1) The following are exempt from public inspection and copying:

21 (a) Personal information in any files maintained for students in
22 public schools, patients or clients of public institutions or public
23 health agencies, or welfare recipients.

24 (b) Personal information in files maintained for employees,
25 appointees, or elected officials of any public agency to the extent
26 that disclosure would violate their right to privacy.

27 (c) Information required of any taxpayer in connection with the
28 assessment or collection of any tax if the disclosure of the
29 information to other persons would (i) be prohibited to such persons by
30 RCW 84.08.210, 82.32.330, 84.40.020, or 84.40.340 or (ii) violate the
31 taxpayer's right to privacy or result in unfair competitive
32 disadvantage to the taxpayer.

33 (d) Specific intelligence information and specific investigative
34 records compiled by investigative, law enforcement, and penology
35 agencies, and state agencies vested with the responsibility to
36 discipline members of any profession, the nondisclosure of which is

1 essential to effective law enforcement or for the protection of any
2 person's right to privacy.

3 (e) Information revealing the identity of persons who are witnesses
4 to or victims of crime or who file complaints with investigative, law
5 enforcement, or penology agencies, other than the public disclosure
6 commission, if disclosure would endanger any person's life, physical
7 safety, or property. If at the time a complaint is filed the
8 complainant, victim or witness indicates a desire for disclosure or
9 nondisclosure, such desire shall govern. However, all complaints filed
10 with the public disclosure commission about any elected official or
11 candidate for public office must be made in writing and signed by the
12 complainant under oath.

13 (f) Test questions, scoring keys, and other examination data used
14 to administer a license, employment, or academic examination.

15 (g) Except as provided by chapter 8.26 RCW, the contents of real
16 estate appraisals, made for or by any agency relative to the
17 acquisition or sale of property, until the project or prospective sale
18 is abandoned or until such time as all of the property has been
19 acquired or the property to which the sale appraisal relates is sold,
20 but in no event shall disclosure be denied for more than three years
21 after the appraisal.

22 (h) Valuable formulae, designs, drawings, computer source code or
23 object code, and research data obtained by any agency within five years
24 of the request for disclosure when disclosure would produce private
25 gain and public loss.

26 (i) Preliminary drafts, notes, recommendations, and intra-agency
27 memorandums in which opinions are expressed or policies formulated or
28 recommended except that a specific record shall not be exempt when
29 publicly cited by an agency in connection with any agency action.

30 (j) Records which are relevant to a controversy to which an agency
31 is a party but which records would not be available to another party
32 under the rules of pretrial discovery for causes pending in the
33 superior courts.

34 (k) Records, maps, or other information identifying the location of
35 archaeological sites in order to avoid the looting or depredation of
36 such sites.

37 (l) Any library record, the primary purpose of which is to maintain

1 control of library materials, or to gain access to information, which
2 discloses or could be used to disclose the identity of a library user.

3 (m) Financial information supplied by or on behalf of a person,
4 firm, or corporation for the purpose of qualifying to submit a bid or
5 proposal for (i) a ferry system construction or repair contract as
6 required by RCW 47.60.680 through 47.60.750 or (ii) highway
7 construction or improvement as required by RCW 47.28.070.

8 (n) Railroad company contracts filed prior to July 28, 1991, with
9 the utilities and transportation commission under RCW 81.34.070, except
10 that the summaries of the contracts are open to public inspection and
11 copying as otherwise provided by this chapter.

12 (o) Financial and commercial information and records supplied by
13 private persons pertaining to export services provided pursuant to
14 chapter 43.163 RCW and chapter 53.31 RCW, and by persons pertaining to
15 export projects pursuant to RCW 43.23.035.

16 (p) Financial disclosures filed by private vocational schools under
17 chapters 28B.85 and 28C.10 RCW.

18 (q) Records filed with the utilities and transportation commission
19 or attorney general under RCW 80.04.095 that a court has determined are
20 confidential under RCW 80.04.095.

21 (r) Financial and commercial information and records supplied by
22 businesses or individuals during application for loans or program
23 services provided by chapters 43.163, 43.160, 43.330, and 43.168 RCW,
24 or during application for economic development loans or program
25 services provided by any local agency.

26 (s) Membership lists or lists of members or owners of interests of
27 units in timeshare projects, subdivisions, camping resorts,
28 condominiums, land developments, or common-interest communities
29 affiliated with such projects, regulated by the department of
30 licensing, in the files or possession of the department.

31 (t) All applications for public employment, including the names of
32 applicants, resumes, and other related materials submitted with respect
33 to an applicant.

34 (u) The residential addresses or residential telephone numbers of
35 employees or volunteers of a public agency which are held by any public
36 agency in personnel records, public employment related records, or
37 volunteer rosters, or are included in any mailing list of employees or
38 volunteers of any public agency.

1 (v) The residential addresses and residential telephone numbers of
2 the customers of a public utility contained in the records or lists
3 held by the public utility of which they are customers, except that
4 this information may be released to the division of child support or
5 the agency or firm providing child support enforcement for another
6 state under Title IV-D of the federal social security act, for the
7 establishment, enforcement, or modification of a support order.

8 (w)(i) The federal social security number of individuals governed
9 under chapter 18.130 RCW maintained in the files of the department of
10 health, except this exemption does not apply to requests made directly
11 to the department from federal, state, and local agencies of
12 government, and national and state licensing, credentialing,
13 investigatory, disciplinary, and examination organizations; (ii) the
14 current residential address and current residential telephone number of
15 a health care provider governed under chapter 18.130 RCW maintained in
16 the files of the department, if the provider requests that this
17 information be withheld from public inspection and copying, and
18 provides to the department an accurate alternate or business address
19 and business telephone number. On or after January 1, 1995, the
20 current residential address and residential telephone number of a
21 health care provider governed under RCW 18.130.040 maintained in the
22 files of the department shall automatically be withheld from public
23 inspection and copying unless the provider specifically requests the
24 information be released, and except as provided for under RCW
25 42.17.260(9).

26 (x) Information obtained by the board of pharmacy as provided in
27 RCW 69.45.090.

28 (y) Information obtained by the board of pharmacy or the department
29 of health and its representatives as provided in RCW 69.41.044,
30 69.41.280, and 18.64.420.

31 (z) Financial information, business plans, examination reports, and
32 any information produced or obtained in evaluating or examining a
33 business and industrial development corporation organized or seeking
34 certification under chapter 31.24 RCW.

35 (aa) Financial and commercial information supplied to the state
36 investment board by any person when the information relates to the
37 investment of public trust or retirement funds and when disclosure

1 would result in loss to such funds or in private loss to the providers
2 of this information.

3 (bb) Financial and valuable trade information under RCW 51.36.120.

4 (cc) Client records maintained by an agency that is a domestic
5 violence program as defined in RCW 70.123.020 or 70.123.075 or a rape
6 crisis center as defined in RCW 70.125.030.

7 (dd) Information that identifies a person who, while an agency
8 employee: (i) Seeks advice, under an informal process established by
9 the employing agency, in order to ascertain his or her rights in
10 connection with a possible unfair practice under chapter 49.60 RCW
11 against the person; and (ii) requests his or her identity or any
12 identifying information not be disclosed.

13 (ee) Investigative records compiled by an employing agency
14 conducting a current investigation of a possible unfair practice under
15 chapter 49.60 RCW or of a possible violation of other federal, state,
16 or local laws prohibiting discrimination in employment.

17 (ff) Business related information protected from public inspection
18 and copying under RCW 15.86.110.

19 (gg) Financial, commercial, operations, and technical and research
20 information and data submitted to or obtained by the clean Washington
21 center in applications for, or delivery of, program services under
22 chapter 70.95H RCW.

23 (hh) Information and documents created specifically for, and
24 collected and maintained by a quality improvement committee pursuant to
25 RCW 43.70.510 or 70.41.200, or by a peer review committee under RCW
26 4.24.250, regardless of which agency is in possession of the
27 information and documents.

28 (ii) Personal information in files maintained in a data base
29 created under RCW 43.07.360.

30 (jj) Financial and commercial information requested by the public
31 stadium authority from any person or organization that leases or uses
32 the stadium and exhibition center as defined in RCW 36.102.010.

33 (kk) Names of individuals residing in emergency or transitional
34 housing that are furnished to the department of revenue or a county
35 assessor in order to substantiate a claim for property tax exemption
36 under RCW 84.36.043.

37 (ll) The names, residential addresses, residential telephone
38 numbers, and other individually identifiable records held by an agency

1 in relation to a vanpool, carpool, or other ride-sharing program or
2 service. However, these records may be disclosed to other persons who
3 apply for ride-matching services and who need that information in order
4 to identify potential riders or drivers with whom to share rides.

5 (mm) The personally identifying information of current or former
6 participants or applicants in a paratransit or other transit service
7 operated for the benefit of persons with disabilities or elderly
8 persons.

9 (nn) The personally identifying information of persons who acquire
10 and use transit passes and other fare payment media including, but not
11 limited to, stored value smart cards and magnetic strip cards, except
12 that an agency may disclose this information to a person, employer,
13 educational institution, or other entity that is responsible, in whole
14 or in part, for payment of the cost of acquiring or using a transit
15 pass or other fare payment media, or to the news media when reporting
16 on public transportation or public safety. This information may also
17 be disclosed at the agency's discretion to governmental agencies or
18 groups concerned with public transportation or public safety.

19 (oo) Proprietary financial and commercial information that the
20 submitting entity, with review by the department of health,
21 specifically identifies at the time it is submitted and that is
22 provided to or obtained by the department of health in connection with
23 an application for, or the supervision of, an antitrust exemption
24 sought by the submitting entity under RCW 43.72.310. If a request for
25 such information is received, the submitting entity must be notified of
26 the request. Within ten business days of receipt of the notice, the
27 submitting entity shall provide a written statement of the continuing
28 need for confidentiality, which shall be provided to the requester.
29 Upon receipt of such notice, the department of health shall continue to
30 treat information designated under this section as exempt from
31 disclosure. If the requester initiates an action to compel disclosure
32 under this chapter, the submitting entity must be joined as a party to
33 demonstrate the continuing need for confidentiality.

34 (pp) Records maintained by the board of industrial insurance
35 appeals that are related to appeals of crime victims' compensation
36 claims filed with the board under RCW 7.68.110.

37 (qq) Financial and commercial information supplied by or on behalf

1 of a person, firm, corporation, or entity under chapter 28B.95 RCW
2 relating to the purchase or sale of tuition units and contracts for the
3 purchase of multiple tuition units.

4 (rr) Any records of investigative reports prepared by any state,
5 county, municipal, or other law enforcement agency pertaining to sex
6 offenses contained in chapter 9A.44 RCW or sexually violent offenses as
7 defined in RCW 71.09.020, which have been transferred to the Washington
8 association of sheriffs and police chiefs for permanent electronic
9 retention and retrieval pursuant to RCW 40.14.070(2)(b).

10 (ss) Credit card numbers, debit card numbers, electronic check
11 numbers, card expiration dates, or bank or other financial account
12 numbers, except when disclosure is expressly required by or governed by
13 other law.

14 (tt) Financial information, including but not limited to account
15 numbers and values, and other identification numbers supplied by or on
16 behalf of a person, firm, corporation, limited liability company,
17 partnership, or other entity related to an application for a liquor
18 license, gambling license, or lottery retail license.

19 (uu) Records maintained by the employment security department and
20 subject to chapter 50.13 RCW if provided to another individual or
21 organization for operational, research, or evaluation purposes.

22 (vv) Individually identifiable information received by the work
23 force training and education coordinating board for research or
24 evaluation purposes.

25 (ww) Those portions of records assembled, prepared, or maintained
26 to prevent, mitigate, or respond to criminal terrorist acts, which are
27 acts that significantly disrupt the conduct of government or of the
28 general civilian population of the state or the United States and that
29 manifest an extreme indifference to human life, the public disclosure
30 of which would have a substantial likelihood of threatening public
31 safety, consisting of:

32 (i) Specific and unique vulnerability assessments or specific and
33 unique response or deployment plans, including compiled underlying data
34 collected in preparation of or essential to the assessments, or to the
35 response or deployment plans; and

36 (ii) Records not subject to public disclosure under federal law
37 that are shared by federal or international agencies, and information

1 prepared from national security briefings provided to state or local
2 government officials related to domestic preparedness for acts of
3 terrorism.

4 (xx) Commercial fishing catch data from logbooks required to be
5 provided to the department of fish and wildlife under RCW 77.12.047,
6 when the data identifies specific catch location, timing, or
7 methodology and the release of which would result in unfair competitive
8 disadvantage to the commercial fisher providing the catch data.
9 However, this information may be released to government agencies
10 concerned with the management of fish and wildlife resources.

11 (yy) Sensitive wildlife data obtained by the department of fish and
12 wildlife. However, sensitive wildlife data may be released to
13 government agencies concerned with the management of fish and wildlife
14 resources. Sensitive wildlife data includes:

15 (i) The nesting sites or specific locations of endangered species
16 designated under RCW 77.12.020, or threatened or sensitive species
17 classified by rule of the department of fish and wildlife;

18 (ii) Radio frequencies used in, or locational data generated by,
19 telemetry studies; or

20 (iii) Other location data that could compromise the viability of a
21 specific fish or wildlife population, and where at least one of the
22 following criteria are met:

- 23 (A) The species has a known commercial or black market value;
- 24 (B) There is a history of malicious take of that species; or
- 25 (C) There is a known demand to visit, take, or disturb, and the
26 species behavior or ecology renders it especially vulnerable or the
27 species has an extremely limited distribution and concentration.

28 (zz) The personally identifying information of persons who acquire
29 recreational licenses under RCW 77.32.010 or commercial licenses under
30 chapter 77.65 or 77.70 RCW, except name, address of contact used by the
31 department, and type of license, endorsement, or tag. However, the
32 department of fish and wildlife may disclose personally identifying
33 information to:

34 (i) Government agencies concerned with the management of fish and
35 wildlife resources;

36 (ii) The department of social and health services, child support
37 division, and to the department of licensing in order to implement RCW
38 77.32.014 and 46.20.291; and

1 (iii) Law enforcement agencies for the purpose of firearm
2 possession enforcement under RCW 9.41.040.

3 (aaa)(i) Discharge papers of a veteran of the armed forces of the
4 United States filed at the office of the county auditor before July 1,
5 2002, that have not been commingled with other recorded documents.
6 These records will be available only to the veteran, the veteran's next
7 of kin, a deceased veteran's properly appointed personal representative
8 or executor, a person holding that veteran's general power of attorney,
9 or to anyone else designated in writing by that veteran to receive the
10 records.

11 (ii) Discharge papers of a veteran of the armed forces of the
12 United States filed at the office of the county auditor before July 1,
13 2002, that have been commingled with other records, if the veteran has
14 recorded a "request for exemption from public disclosure of discharge
15 papers" with the county auditor. If such a request has been recorded,
16 these records may be released only to the veteran filing the papers,
17 the veteran's next of kin, a deceased veteran's properly appointed
18 personal representative or executor, a person holding the veteran's
19 general power of attorney, or anyone else designated in writing by the
20 veteran to receive the records.

21 (iii) Discharge papers of a veteran filed at the office of the
22 county auditor after June 30, 2002, are not public records, but will be
23 available only to the veteran, the veteran's next of kin, a deceased
24 veteran's properly appointed personal representative or executor, a
25 person holding the veteran's general power of attorney, or anyone else
26 designated in writing by the veteran to receive the records.

27 (iv) For the purposes of this subsection (1)(aaa), next of kin of
28 deceased veterans have the same rights to full access to the record.
29 Next of kin are the veteran's widow or widower who has not remarried,
30 son, daughter, father, mother, brother, and sister.

31 (bbb) Those portions of records containing specific and unique
32 vulnerability assessments or specific and unique emergency and escape
33 response plans at a city, county, or state adult or juvenile
34 correctional facility, the public disclosure of which would have a
35 substantial likelihood of threatening the security of a city, county,
36 or state adult or juvenile correctional facility or any individual's
37 safety.

1 (ccc) Information compiled by school districts or schools in the
2 development of their comprehensive safe school plans pursuant to RCW
3 28A.320.125, to the extent that they identify specific vulnerabilities
4 of school districts and each individual school.

5 (ddd) Information regarding the infrastructure and security of
6 computer and telecommunications networks, consisting of security
7 passwords, security access codes and programs, access codes for secure
8 software applications, security and service recovery plans, security
9 risk assessments, and security test results to the extent that they
10 identify specific system vulnerabilities.

11 (eee) Information obtained and exempted or withheld from public
12 inspection by the health care authority under RCW 41.05.026, whether
13 retained by the authority, transferred to another state purchased
14 health care program by the authority, or transferred by the authority
15 to a technical review committee created to facilitate the development,
16 acquisition, or implementation of state purchased health care under
17 chapter 41.05 RCW.

18 (fff) Proprietary data, trade secrets, or other information that
19 relates to: (i) A vendor's unique methods of conducting business; (ii)
20 data unique to the product or services of the vendor; or (iii)
21 determining prices or rates to be charged for services, submitted by
22 any vendor to the department of social and health services for purposes
23 of the development, acquisition, or implementation of state purchased
24 health care as defined in RCW 41.05.011.

25 (ggg) Financial, commercial, operations, and technical and research
26 information and data submitted to or obtained by the life sciences
27 discovery authority in applications for, or delivery of, grants under
28 chapter 43.-- RCW (sections 1 through 7 of this act), to the extent
29 that such information, if revealed, would reasonably be expected to
30 result in private loss to the providers of this information.

31 (2) Except for information described in subsection (1)(c)(i) of
32 this section and confidential income data exempted from public
33 inspection pursuant to RCW 84.40.020, the exemptions of this section
34 are inapplicable to the extent that information, the disclosure of
35 which would violate personal privacy or vital governmental interests,
36 can be deleted from the specific records sought. No exemption may be
37 construed to permit the nondisclosure of statistical information not
38 descriptive of any readily identifiable person or persons.

1 (3) Inspection or copying of any specific records exempt under the
2 provisions of this section may be permitted if the superior court in
3 the county in which the record is maintained finds, after a hearing
4 with notice thereof to every person in interest and the agency, that
5 the exemption of such records is clearly unnecessary to protect any
6 individual's right of privacy or any vital governmental function.

7 (4) Agency responses refusing, in whole or in part, inspection of
8 any public record shall include a statement of the specific exemption
9 authorizing the withholding of the record (or part) and a brief
10 explanation of how the exemption applies to the record withheld.

11 **Sec. 12.** RCW 42.17.2401 and 2001 c 36 s 1 and 2001 c 9 s 1 are
12 each reenacted and amended to read as follows:

13 For the purposes of RCW 42.17.240, the term "executive state
14 officer" includes:

15 (1) The chief administrative law judge, the director of
16 agriculture, the administrator of the Washington basic health plan, the
17 director of the department of services for the blind, the director of
18 the state system of community and technical colleges, the director of
19 community, trade, and economic development, the secretary of
20 corrections, the director of ecology, the commissioner of employment
21 security, the (~~chairman~~) chair of the energy facility site evaluation
22 council, the secretary of the state finance committee, the director of
23 financial management, the director of fish and wildlife, the executive
24 secretary of the forest practices appeals board, the director of the
25 gambling commission, the director of general administration, the
26 secretary of health, the administrator of the Washington state health
27 care authority, the executive secretary of the health care facilities
28 authority, the executive secretary of the higher education facilities
29 authority, the executive secretary of the horse racing commission, the
30 executive secretary of the human rights commission, the executive
31 secretary of the indeterminate sentence review board, the director of
32 the department of information services, the director of the interagency
33 committee for outdoor recreation, the executive director of the state
34 investment board, the director of labor and industries, the director of
35 licensing, the director of the lottery commission, the director of the
36 office of minority and women's business enterprises, the director of
37 parks and recreation, the director of personnel, the executive director

1 of the public disclosure commission, the director of retirement
2 systems, the director of revenue, the secretary of social and health
3 services, the chief of the Washington state patrol, the executive
4 secretary of the board of tax appeals, the secretary of transportation,
5 the secretary of the utilities and transportation commission, the
6 director of veterans affairs, the president of each of the regional and
7 state universities and the president of The Evergreen State College,
8 each district and each campus president of each state community
9 college;

10 (2) Each professional staff member of the office of the governor;

11 (3) Each professional staff member of the legislature; and

12 (4) Central Washington University board of trustees, board of
13 trustees of each community college, each member of the state board for
14 community and technical colleges, state convention and trade center
15 board of directors, committee for deferred compensation, Eastern
16 Washington University board of trustees, Washington economic
17 development finance authority, The Evergreen State College board of
18 trustees, executive ethics board, forest practices appeals board,
19 forest practices board, gambling commission, life sciences discovery
20 authority board of trustees, Washington health care facilities
21 authority, each member of the Washington health services commission,
22 higher education coordinating board, higher education facilities
23 authority, horse racing commission, state housing finance commission,
24 human rights commission, indeterminate sentence review board, board of
25 industrial insurance appeals, information services board, interagency
26 committee for outdoor recreation, state investment board, commission on
27 judicial conduct, legislative ethics board, liquor control board,
28 lottery commission, marine oversight board, Pacific Northwest electric
29 power and conservation planning council, parks and recreation
30 commission, personnel appeals board, board of pilotage commissioners,
31 pollution control hearings board, public disclosure commission, public
32 pension commission, shorelines hearing board, public employees'
33 benefits board, salmon recovery funding board, board of tax appeals,
34 transportation commission, University of Washington board of regents,
35 utilities and transportation commission, Washington state maritime
36 commission, Washington personnel resources board, Washington public
37 power supply system executive board, Washington State University board

1 of regents, Western Washington University board of trustees, and fish
2 and wildlife commission.

3 **Sec. 13.** RCW 43.84.092 and 2003 c 361 s 602, 2003 c 324 s 1, 2003
4 c 150 s 2, and 2003 c 48 s 2 are each reenacted and amended to read as
5 follows:

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

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

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

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

36 (a) The following accounts and funds shall receive their
37 proportionate share of earnings based upon each account's and fund's

1 average daily balance for the period: The capitol building
2 construction account, the Cedar River channel construction and
3 operation account, the Central Washington University capital projects
4 account, the charitable, educational, penal and reformatory
5 institutions account, the common school construction fund, the county
6 criminal justice assistance account, the county sales and use tax
7 equalization account, the data processing building construction
8 account, the deferred compensation administrative account, the deferred
9 compensation principal account, the department of retirement systems
10 expense account, the drinking water assistance account, the drinking
11 water assistance administrative account, the drinking water assistance
12 repayment account, the Eastern Washington University capital projects
13 account, the education construction fund, the election account, the
14 emergency reserve fund, The Evergreen State College capital projects
15 account, the federal forest revolving account, the health services
16 account, the public health services account, the health system capacity
17 account, the personal health services account, the state higher
18 education construction account, the higher education construction
19 account, the highway infrastructure account, the industrial insurance
20 premium refund account, the judges' retirement account, the judicial
21 retirement administrative account, the judicial retirement principal
22 account, the life sciences discovery account, the local leasehold
23 excise tax account, the local real estate excise tax account, the local
24 sales and use tax account, the medical aid account, the mobile home
25 park relocation fund, the multimodal transportation account, the
26 municipal criminal justice assistance account, the municipal sales and
27 use tax equalization account, the natural resources deposit account,
28 the oyster reserve land account, the perpetual surveillance and
29 maintenance account, the public employees' retirement system plan 1
30 account, the public employees' retirement system combined plan 2 and
31 plan 3 account, the public facilities construction loan revolving
32 account beginning July 1, 2004, the public health supplemental account,
33 the public works assistance account, the Puyallup tribal settlement
34 account, the regional transportation investment district account, the
35 resource management cost account, the site closure account, the special
36 wildlife account, the state employees' insurance account, the state
37 employees' insurance reserve account, the state investment board
38 expense account, the state investment board commingled trust fund

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

1 account, the safety and education account, the special category C
2 account, the state patrol highway account, the transportation 2003
3 account (nickel account), the transportation equipment fund, the
4 transportation fund, the transportation improvement account, the
5 transportation improvement board bond retirement account, and the urban
6 arterial trust account.

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

10 **Sec. 14.** RCW 43.84.092 and 2004 c 242 s 60 are each amended to
11 read as follows:

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

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

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

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

5 (a) The following accounts and funds shall receive their
6 proportionate share of earnings based upon each account's and fund's
7 average daily balance for the period: The capitol building
8 construction account, the Cedar River channel construction and
9 operation account, the Central Washington University capital projects
10 account, the charitable, educational, penal and reformatory
11 institutions account, the common school construction fund, the county
12 criminal justice assistance account, the county sales and use tax
13 equalization account, the data processing building construction
14 account, the deferred compensation administrative account, the deferred
15 compensation principal account, the department of retirement systems
16 expense account, the drinking water assistance account, the drinking
17 water assistance administrative account, the drinking water assistance
18 repayment account, the Eastern Washington University capital projects
19 account, the education construction fund, the election account, the
20 emergency reserve fund, The Evergreen State College capital projects
21 account, the federal forest revolving account, the health services
22 account, the public health services account, the health system capacity
23 account, the personal health services account, the state higher
24 education construction account, the higher education construction
25 account, the highway infrastructure account, the industrial insurance
26 premium refund account, the judges' retirement account, the judicial
27 retirement administrative account, the judicial retirement principal
28 account, the life sciences discovery account, the local leasehold
29 excise tax account, the local real estate excise tax account, the local
30 sales and use tax account, the medical aid account, the mobile home
31 park relocation fund, the multimodal transportation account, the
32 municipal criminal justice assistance account, the municipal sales and
33 use tax equalization account, the natural resources deposit account,
34 the oyster reserve land account, the perpetual surveillance and
35 maintenance account, the public employees' retirement system plan 1
36 account, the public employees' retirement system combined plan 2 and
37 plan 3 account, the public facilities construction loan revolving
38 account beginning July 1, 2004, the public health supplemental account,

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

34 (b) The following accounts and funds shall receive eighty percent
35 of their proportionate share of earnings based upon each account's or
36 fund's average daily balance for the period: The aeronautics account,
37 the aircraft search and rescue account, the county arterial
38 preservation account, the department of licensing services account, the

1 essential rail assistance account, the ferry bond retirement fund, the
2 grade crossing protective fund, the high capacity transportation
3 account, the highway bond retirement fund, the highway safety account,
4 the motor vehicle fund, the motorcycle safety education account, the
5 pilotage account, the public transportation systems account, the Puget
6 Sound capital construction account, the Puget Sound ferry operations
7 account, the recreational vehicle account, the rural arterial trust
8 account, the safety and education account, the special category C
9 account, the state patrol highway account, the transportation 2003
10 account (nickel account), the transportation equipment fund, the
11 transportation fund, the transportation improvement account, the
12 transportation improvement board bond retirement account, and the urban
13 arterial trust account.

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

17 NEW SECTION. **Sec. 15.** CAPTIONS. Captions used in this act are
18 not any part of the law.

19 NEW SECTION. **Sec. 16.** LIBERAL CONSTRUCTION. This act, being
20 necessary for the welfare of the state and its inhabitants, shall be
21 liberally construed.

22 NEW SECTION. **Sec. 17.** CODIFICATION. Sections 1 through 7 of this
23 act constitute a new chapter in Title 43 RCW.

24 NEW SECTION. **Sec. 18.** SEVERABILITY. If any provision of this act
25 or its application to any person or circumstance is held invalid, the
26 remainder of the act or the application of the provision to other
27 persons or circumstances is not affected.

28 NEW SECTION. **Sec. 19.** EXPIRATION DATE. Section 13 of this act
29 expires July 1, 2006.

30 NEW SECTION. **Sec. 20.** EFFECTIVE DATE. Section 14 of this act

1 takes effect July 1, 2006.

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