
HOUSE BILL 2422

State of Washington 59th Legislature 2006 Regular Session

By Representatives B. Sullivan, Chase and Conway

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Committee on Natural Resources, Ecology & Parks.

1 AN ACT Relating to providing funding for state and local parks;
2 amending RCW 82.45.060, 79A.05.070, 79A.05.215, and 43.99N.060;
3 reenacting and amending RCW 43.84.092; adding a new section to chapter
4 46.16 RCW; adding new sections to chapter 79A.05 RCW; adding a new
5 section to chapter 43.33A RCW; creating a new section; providing an
6 effective date; and providing an expiration date.

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

8 NEW SECTION. **Sec. 1.** The legislature finds that the state parks
9 and recreation commission has identified over three hundred million
10 dollars in projects to eliminate the backlog of deferred maintenance
11 projects, improve state park facilities, and provide new investments to
12 implement the state park's centennial 2013 plan. The legislature
13 further finds that significant investments in state parks facilities
14 are necessary to protect public health and safety, reduce current
15 operating and maintenance costs, improve basic park services, and
16 protect valuable cultural and natural resources. The legislature
17 further finds that revenues to the youth athletic facilities account to
18 fund local parks projects have not materialized. Therefore, the

1 legislature finds that new revenue sources are needed to support state
2 and local parks for the benefit of all Washington citizens.

3 NEW SECTION. **Sec. 2.** A new section is added to chapter 46.16 RCW
4 to read as follows:

5 (1) Except as provided in subsection (2) of this section, in
6 addition to the vehicle license fees required under RCW 46.16.0621,
7 there shall be paid and collected at the time of initial or renewal
8 registration for each motor vehicle an additional fee of five dollars.
9 The fee shall be deposited as described in section 4 of this act in the
10 state parks renewal and stewardship account established in RCW
11 79A.05.215 and the state parks centennial account created in section 5
12 of this act to be used for the operation and maintenance of state
13 parks.

14 (2) A person who registers a vehicle under this section may, at the
15 time of initial or renewal registration, certify that the person does
16 not intend to use the vehicle to visit state parks. If a person
17 certifies that they do not intend to use the vehicle to visit state
18 parks, the department shall not collect the additional fee in
19 subsection (1) of this section.

20 **Sec. 3.** RCW 82.45.060 and 2005 c 450 s 1 are each amended to read
21 as follows:

22 (1) There is imposed an excise tax upon each sale of real property
23 at the rate of one and twenty-eight one-hundredths percent of the
24 selling price. An amount equal to six and one-tenth percent of the
25 proceeds of this tax to the state treasurer shall be deposited in the
26 public works assistance account created in RCW 43.155.050. An amount
27 equal to one and six-tenths percent of the proceeds of this tax to the
28 state treasurer shall be deposited in the city-county assistance
29 account created in RCW 43.08.290.

30 (2) Beginning July 1, 2006, for four fiscal years through June 30,
31 2010, in addition to the distributions in subsection (1) of this
32 section, an amount equal to one and five-tenths percent of the proceeds
33 of the tax to the state treasurer must be deposited in the youth
34 athletic facility account in RCW 43.99N.060 and an amount equal to one
35 and five-tenths percent of the proceeds of the tax to the state

1 treasurer shall be deposited in the state parks centennial account
2 created in section 5 of this act.

3 NEW SECTION. Sec. 4. A new section is added to chapter 79A.05 RCW
4 to read as follows:

5 From revenues generated by the optional vehicle tax in section 2 of
6 this act:

7 (1) Beginning July 1st of each fiscal year, the first four million
8 dollars must be deposited in the state parks renewal and stewardship
9 account established in RCW 79A.05.215 to implement the state parks'
10 2013 centennial plan and for state parks maintenance and operation.

11 (2) Any other revenues must be deposited in the state parks
12 centennial account created in section 5 of this act.

13 NEW SECTION. Sec. 5. A new section is added to chapter 79A.05 RCW
14 to read as follows:

15 (1) The state parks centennial account is created in the state
16 treasury. All receipts directed to the account from section 2 of this
17 act and RCW 82.45.060 must be deposited in the account. Expenditures
18 from the account require an appropriation and may be made only for
19 implementation of the state parks' 2013 centennial plan and for the
20 operation and maintenance of the state parks system.

21 (2) The principal of the account consists of revenues from the
22 optional vehicle license tax in section 2 of this act and the real
23 estate excise tax revenues in RCW 82.45.060(2). The account retains
24 its own interest earnings. The principal of the account may not be
25 invaded and only the interest earnings may be appropriated.

26 NEW SECTION. Sec. 6. A new section is added to chapter 79A.05 RCW
27 to read as follows:

28 (1) The state investment board has the full power to invest,
29 reinvest, manage, contract, sell, or exchange investment moneys in the
30 state parks centennial account created in section 5 of this act. All
31 investment and operating costs associated with the investment of money
32 shall be paid pursuant to RCW 43.33A.160 and 43.84.160. With the
33 exception of these expenses, the earnings from the investment of the
34 money shall be retained by the fund.

1 (2) All investments made by the state investment board shall be
2 made with the exercise of that degree of judgment and care pursuant to
3 RCW 43.33A.140 and the investment policies established by the state
4 investment board.

5 (3) As deemed appropriate by the state investment board, moneys in
6 the fund may be commingled for investment with other funds subject to
7 investment by the board.

8 NEW SECTION. **Sec. 7.** A new section is added to chapter 43.33A RCW
9 to read as follows:

10 Under section 6 of this act, the state investment board shall
11 invest moneys in the state parks centennial account established in
12 section 5 of this act with full power to establish investment policies
13 for the fund.

14 **Sec. 8.** RCW 79A.05.070 and 2003 c 186 s 1 are each amended to read
15 as follows:

16 The commission may:

17 (1) Make rules and regulations for the proper administration of its
18 duties;

19 (2) Accept any grants of funds made with or without a matching
20 requirement by the United States, or any agency thereof, for purposes
21 in keeping with the purposes of this chapter; accept gifts, bequests,
22 devises and endowments for purposes in keeping with such purposes;
23 enter into cooperative agreements with and provide for private
24 nonprofit groups to use state park property and facilities to raise
25 money to contribute gifts, grants, and support to the commission for
26 the purposes of this chapter. The commission may assist the nonprofit
27 group in a cooperative effort by providing necessary agency personnel
28 and services, if available. However, none of the moneys raised may
29 inure to the benefit of the nonprofit group, except in furtherance of
30 its purposes to benefit the commission as provided in this chapter.
31 The agency and the private nonprofit group shall agree on the nature of
32 any project to be supported by such gift or grant prior to the use of
33 any agency property or facilities for raising money. Any such gifts
34 may be in the form of recreational facilities developed or built in
35 part or in whole for public use on agency property, provided that the
36 facility is consistent with the purposes of the agency;

1 (3) Require certification by the commission of all parks and
2 recreation workers employed in state aided or state controlled
3 programs;

4 (4) Act jointly, when advisable, with the United States, any other
5 state agencies, institutions, departments, boards, or commissions in
6 order to carry out the objectives and responsibilities of this chapter;

7 (5) Grant franchises and easements for any legitimate purpose on
8 parks or parkways, for such terms and subject to such conditions and
9 considerations as the commission shall specify;

10 (6) Charge such fees for services, utilities, and use of facilities
11 as the commission shall deem proper. The commission may not charge a
12 fee for general park access or parking;

13 (7) Enter into agreements whereby individuals or companies may rent
14 undeveloped parks or parkway land for grazing, agricultural, or mineral
15 development purposes upon such terms and conditions as the commission
16 shall deem proper, for a term not to exceed forty years;

17 (8) Determine the qualifications of and employ a director of parks
18 and recreation who shall receive a salary as fixed by the governor in
19 accordance with the provisions of RCW 43.03.040 and determine the
20 qualifications and salary of and employ such other persons as may be
21 needed to carry out the provisions hereof; and

22 (9) Without being limited to the powers hereinbefore enumerated,
23 the commission shall have such other powers as in the judgment of a
24 majority of its members are deemed necessary to effectuate the purposes
25 of this chapter: PROVIDED, That the commission shall not have power to
26 supervise directly any local park or recreation district, and no funds
27 shall be made available for such purpose.

28 **Sec. 9.** RCW 79A.05.215 and 1995 c 211 s 7 are each amended to read
29 as follows:

30 The state parks renewal and stewardship account is created in the
31 state treasury. Except as otherwise provided in this chapter, all
32 receipts from user fees, concessions, leases, optional motor vehicle
33 license fees under section 2 of this act and distributed as specified
34 in section 4 of this act, and other state park-based activities shall
35 be deposited into the account. Expenditures from the account may be
36 used for operating state parks, developing and renovating park

1 facilities, undertaking deferred maintenance, enhancing park
2 stewardship, and other state park purposes. Expenditures from the
3 account may be made only after appropriation by the legislature.

4 **Sec. 10.** RCW 43.99N.060 and 2000 c 137 s 1 are each amended to
5 read as follows:

6 (1) The stadium and exhibition center account is created in the
7 custody of the state treasurer. All receipts from the taxes imposed
8 under RCW 82.14.0494 and distributions under RCW 67.70.240(5) shall be
9 deposited into the account. Only the director of the office of
10 financial management or the director's designee may authorize
11 expenditures from the account. The account is subject to allotment
12 procedures under chapter 43.88 RCW. An appropriation is not required
13 for expenditures from this account.

14 (2) Until bonds are issued under RCW 43.99N.020, up to five million
15 dollars per year beginning January 1, 1999, shall be used for the
16 purposes of subsection (3)(b) of this section, all remaining moneys in
17 the account shall be transferred to the public stadium authority,
18 created under RCW 36.102.020, to be used for public stadium authority
19 operations and development of the stadium and exhibition center.

20 (3) After bonds are issued under RCW 43.99N.020, all moneys in the
21 stadium and exhibition center account shall be used exclusively for the
22 following purposes in the following priority:

23 (a) On or before June 30th of each year, the office of financial
24 management shall accumulate in the stadium and exhibition center
25 account an amount at least equal to the amount required in the next
26 succeeding twelve months for the payment of principal of and interest
27 on the bonds issued under RCW 43.99N.020;

28 (b) An additional reserve amount not in excess of the expected
29 average annual principal and interest requirements of bonds issued
30 under RCW 43.99N.020 shall be accumulated and maintained in the
31 account, subject to withdrawal by the state treasurer at any time if
32 necessary to meet the requirements of (a) of this subsection, and,
33 following any withdrawal, reaccumulated from the first tax revenues and
34 other amounts deposited in the account after meeting the requirements
35 of (a) of this subsection; and

36 (c) The balance, if any, shall be transferred to the youth athletic
37 facility account under subsection (4) of this section.

1 Any revenues derived from the taxes authorized by RCW 36.38.010(5)
2 and 36.38.040 or other amounts that if used as provided under (a) and
3 (b) of this subsection would cause the loss of any tax exemption under
4 federal law for interest on bonds issued under RCW 43.99N.020 shall be
5 deposited in and used exclusively for the purposes of the youth
6 athletic facility account and shall not be used, directly or
7 indirectly, as a source of payment of principal of or interest on bonds
8 issued under RCW 43.99N.020, or to replace or reimburse other funds
9 used for that purpose.

10 (4) Any moneys in the stadium and exhibition center account not
11 required or permitted to be used for the purposes described in
12 subsection (3)(a) and (b) of this section and moneys from the real
13 estate excise tax under RCW 82.45.060(2) shall be deposited in the
14 youth athletic facility account hereby created in the state treasury.
15 Expenditures from the account may be used only for purposes of grants
16 or loans to cities, counties, and qualified nonprofit organizations for
17 community outdoor athletic facilities. Only the director of the
18 interagency committee for outdoor recreation or the director's designee
19 may authorize expenditures from the account. The account is subject to
20 allotment procedures under chapter 43.88 RCW, but an appropriation is
21 not required for expenditures. The athletic facility grants or loans
22 may be used for acquiring, developing, equipping, maintaining, and
23 improving community outdoor athletic facilities. Funds shall be
24 divided equally between the development of new community outdoor
25 athletic facilities, the improvement of existing community outdoor
26 athletic facilities, and the maintenance of existing community outdoor
27 athletic facilities. Cities, counties, and qualified nonprofit
28 organizations must submit proposals for grants or loans from the
29 account. To the extent that funds are available, cities, counties, and
30 qualified nonprofit organizations must meet eligibility criteria as
31 established by the director of the interagency committee for outdoor
32 recreation. The grants and loans shall be awarded on a competitive
33 application process and the amount of the grant or loan shall be in
34 proportion to the population of the city or county for where the
35 community outdoor athletic facility is located. Grants or loans
36 awarded in any one year need not be distributed in that year. The
37 director of the interagency committee for outdoor recreation may expend

1 up to one and one-half percent of the moneys deposited in the account
2 created in this subsection for administrative purposes.

3 **Sec. 11.** RCW 43.84.092 and 2005 c 514 s 1106, 2005 c 353 s 4, 2005
4 c 339 s 23, 2005 c 314 s 110, 2005 c 312 s 8, and 2005 c 94 s 2 are
5 each reenacted and amended to read as 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 developmental disabilities community trust
11 account, the drinking water assistance account, the drinking water
12 assistance administrative account, the drinking water assistance
13 repayment account, the Eastern Washington University capital projects
14 account, the education construction fund, the education legacy trust
15 account, the election account, the emergency reserve fund, The
16 Evergreen State College capital projects account, the federal forest
17 revolving account, the freight mobility investment account, the health
18 services account, the public health services account, the health system
19 capacity account, the personal health services account, the state
20 higher education construction account, the higher education
21 construction account, the highway infrastructure account, the high-
22 occupancy toll lanes operations account, the industrial insurance
23 premium refund account, the judges' retirement account, the judicial
24 retirement administrative account, the judicial retirement principal
25 account, the local leasehold excise tax account, the local real estate
26 excise tax account, the local sales and use tax account, the medical
27 aid account, the mobile home park relocation fund, the multimodal
28 transportation account, the municipal criminal justice assistance
29 account, the municipal sales and use tax equalization account, the
30 natural resources deposit account, the oyster reserve land account, the
31 perpetual surveillance and maintenance account, the public employees'
32 retirement system plan 1 account, the public employees' retirement
33 system combined plan 2 and plan 3 account, the public facilities
34 construction loan revolving account beginning July 1, 2004, the public
35 health supplemental account, the public works assistance account, the
36 Puyallup tribal settlement account, the real estate appraiser
37 commission account, the regional transportation investment district
38 account, the resource management cost account, the rural Washington

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

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

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

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

16 NEW SECTION. **Sec. 12.** Section 3 of this act expires July 1, 2010.

17 NEW SECTION. **Sec. 13.** This act takes effect July 1, 2006.

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