
SENATE BILL 5772

State of Washington 59th Legislature 2005 Regular Session

By Senators Kastama, McCaslin, Berkey, Esser, Benton and Kline

Read first time 02/07/2005. Referred to Committee on Government Operations & Elections.

1 AN ACT Relating to creating the growth management infrastructure
2 account; amending RCW 43.84.092; reenacting and amending RCW 43.84.092;
3 adding new sections to chapter 36.70A RCW; creating new sections;
4 providing an effective date; and providing an expiration date.

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

6 NEW SECTION. **Sec. 1.** The legislature finds that population growth
7 in many areas of the state requires new, improved, or additional
8 infrastructure to accommodate growth. The legislature further finds
9 that the needed infrastructure identified in the capital facilities
10 elements of comprehensive plans adopted by counties and cities far
11 exceed the existing funding available to county, city, or state
12 agencies responsible for constructing or operating the needed
13 infrastructure. The legislature therefore establishes the growth
14 management infrastructure account to assist counties and cities in
15 financing and constructing those infrastructure projects needed to
16 accommodate growth, as identified in the capital facilities elements of
17 growth management plans.

1 NEW SECTION. **Sec. 2.** A new section is added to chapter 36.70A RCW
2 to read as follows:

3 For the purposes of sections 3 and 4 of this act, the following
4 definitions apply:

5 (1) "Basic service" means that level of service necessary to meet
6 only the minimum level of service sufficient to accommodate growth,
7 specifically:

8 (a) For bridge and road projects, a level of service category "c"
9 on a scale of "a" to "f";

10 (b) For domestic water projects, a level of service necessary to
11 meet the minimum standards for water systems as set by the department
12 of health;

13 (c) For sanitary sewer, storm water, and solid waste/recycling
14 projects, a level of service necessary to meet the minimum standards as
15 established by the department of ecology or the department of health.
16 If no such standards exist, the board shall establish such standards;
17 and

18 (d) In no case will project landscaping be considered a minimum
19 level of service.

20 (2) "Financial assistance" means loans or loan guarantees.

21 (3) "General purpose local government" means counties, cities, and
22 towns.

23 (4) "Growth infrastructure projects" means the costs of
24 acquisition, construction, reconstruction, rehabilitation, and
25 improvement of those bridges, roads, and domestic water, sanitary
26 sewer, storm sewer, and solid waste/recycling projects necessary to
27 meet the requirements of this chapter.

28 (5) "Special purpose local government" means all local governments
29 as defined in RCW 43.155.020, except counties, cities, and towns.

30 NEW SECTION. **Sec. 3.** A new section is added to chapter 36.70A RCW
31 to read as follows:

32 (1) The growth management infrastructure account is created in the
33 state treasury. Moneys may be placed in the account from the proceeds
34 of bonds when authorized by the legislature or from any other lawful
35 source. The public works board shall use appropriated moneys from the
36 account to provide financial assistance to qualifying local governments

1 for capital costs directly related to providing basic service for
2 growth infrastructure projects necessary to accommodate residential,
3 commercial, and industrial growth.

4 (2) The public works board, established in chapter 43.155 RCW,
5 shall manage appropriated funds from the account. The board shall have
6 all responsibilities granted to it under RCW 43.155.040, 43.155.080,
7 and 43.155.090 in carrying out the purposes of this section.

8 (3) Existing debt or financial obligations of local governments
9 shall not be refinanced under this chapter. Each local government
10 applicant shall provide documentation of attempts to secure additional
11 local or other sources of funding for projects for which financial
12 assistance is sought under this chapter.

13 NEW SECTION. **Sec. 4.** A new section is added to chapter 36.70A RCW
14 to read as follows:

15 To qualify for financial assistance local governments must meet the
16 following standards:

17 (1) For general purpose local governments:

18 (a) Be in compliance with the provisions of this chapter;

19 (b) Demonstrate that the growth infrastructure project is necessary
20 to attract or accommodate the planned population and employment growth;

21 (c) Demonstrate that the comprehensive land use plan, the zoning
22 designations, the development regulations, and the capital facilities
23 plan are sufficient to accommodate projected growth; and

24 (d) Other criteria the board deems necessary to carry out the
25 purposes of this chapter.

26 (2) For special purpose local governments:

27 (a) Demonstrate that the local government has a capital facilities
28 plan meeting standards established by the board;

29 (b) Demonstrate that the growth infrastructure project is necessary
30 to attract or accommodate the planned population and employment growth;

31 (c) Demonstrate that the capital facilities plan is compatible with
32 the comprehensive land use plan, zoning designations, and the
33 development regulations of the overlying general purpose local
34 government or governments; and

35 (d) Other criteria the board deems necessary to carry out the
36 purposes of section 3 of this act and this section.

1 NEW SECTION. **Sec. 5.** Nothing in sections 3 and 4 of this act
2 precludes the local government using local funds to construct a project
3 in excess of the minimum level financed under this act.

4 **Sec. 6.** RCW 43.84.092 and 2003 c 361 s 602, 2003 c 324 s 1, 2003
5 c 150 s 2, and 2003 c 48 s 2 are each reenacted and amended to read as
6 follows:

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

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

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

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

1 (a) The following accounts and funds shall receive their
2 proportionate share of earnings based upon each account's and fund's
3 average daily balance for the period: The capitol building
4 construction account, the Cedar River channel construction and
5 operation account, the Central Washington University capital projects
6 account, the charitable, educational, penal and reformatory
7 institutions account, the common school construction fund, the county
8 criminal justice assistance account, the county sales and use tax
9 equalization account, the data processing building construction
10 account, the deferred compensation administrative account, the deferred
11 compensation principal account, the department of retirement systems
12 expense account, the drinking water assistance account, the drinking
13 water assistance administrative account, the drinking water assistance
14 repayment account, the Eastern Washington University capital projects
15 account, the education construction fund, the election account, the
16 emergency reserve fund, The Evergreen State College capital projects
17 account, the federal forest revolving account, the growth management
18 infrastructure account, the health services account, the public health
19 services account, the health system capacity account, the personal
20 health services account, the state higher education construction
21 account, the higher education construction account, the highway
22 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 2003
5 account (nickel account), the transportation equipment fund, the
6 transportation fund, the transportation improvement account, the
7 transportation improvement board bond retirement account, and the urban
8 arterial trust account.

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

12 **Sec. 7.** RCW 43.84.092 and 2004 c 242 s 60 are each amended to read
13 as follows:

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

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

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

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

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5 credited to the treasury income account. The state treasurer shall
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7 income account except:

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10 average daily balance for the period: The capitol building
11 construction account, the Cedar River channel construction and
12 operation account, the Central Washington University capital projects
13 account, the charitable, educational, penal and reformatory
14 institutions account, the common school construction fund, the county
15 criminal justice assistance account, the county sales and use tax
16 equalization account, the data processing building construction
17 account, the deferred compensation administrative account, the deferred
18 compensation principal account, the department of retirement systems
19 expense account, the drinking water assistance account, the drinking
20 water assistance administrative account, the drinking water assistance
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23 emergency reserve fund, The Evergreen State College capital projects
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26 services account, the health system capacity account, the personal
27 health services account, the state higher education construction
28 account, the higher education construction account, the highway
29 infrastructure account, the industrial insurance premium refund
30 account, the judges' retirement account, the judicial retirement
31 administrative account, the judicial retirement principal account, the
32 local leasehold excise tax account, the local real estate excise tax
33 account, the local sales and use tax account, the medical aid account,
34 the mobile home park relocation fund, the multimodal transportation
35 account, the municipal criminal justice assistance account, the
36 municipal sales and use tax equalization account, the natural resources
37 deposit account, the oyster reserve land account, the perpetual
38 surveillance and maintenance account, the public employees' retirement

1 system plan 1 account, the public employees' retirement system combined
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11 Tacoma Narrows toll bridge account, the teachers' retirement system
12 plan 1 account, the teachers' retirement system combined plan 2 and
13 plan 3 account, the tobacco prevention and control account, the tobacco
14 settlement account, the transportation infrastructure account, the
15 tuition recovery trust fund, the University of Washington bond
16 retirement fund, the University of Washington building account, the
17 volunteer fire fighters' and reserve officers' relief and pension
18 principal fund, the volunteer fire fighters' and reserve officers'
19 administrative fund, the Washington fruit express account, the
20 Washington judicial retirement system account, the Washington law
21 enforcement officers' and fire fighters' system plan 1 retirement
22 account, the Washington law enforcement officers' and fire fighters'
23 system plan 2 retirement account, the Washington public safety
24 employees' plan 2 retirement account, the Washington school employees'
25 retirement system combined plan 2 and 3 account, the Washington state
26 health insurance pool account, the Washington state patrol retirement
27 account, the Washington State University building account, the
28 Washington State University bond retirement fund, the water pollution
29 control revolving fund, and the Western Washington University capital
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4 essential rail assistance account, the ferry bond retirement fund, the
5 grade crossing protective fund, the high capacity transportation
6 account, the highway bond retirement fund, the highway safety account,
7 the motor vehicle fund, the motorcycle safety education account, the
8 pilotage account, the public transportation systems account, the Puget
9 Sound capital construction account, the Puget Sound ferry operations
10 account, the recreational vehicle account, the rural arterial trust
11 account, the safety and education account, the special category C
12 account, the state patrol highway account, the transportation 2003
13 account (nickel account), the transportation equipment fund, the
14 transportation fund, the transportation improvement account, the
15 transportation improvement board bond retirement account, and the urban
16 arterial trust account.

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

20 NEW SECTION. **Sec. 8.** Section 6 of this act expires July 1, 2006.

21 NEW SECTION. **Sec. 9.** Section 7 of this act takes effect July 1,
22 2006.

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