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HOUSE BILL 2237

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State of Washington                      60th Legislature                      2007 Regular Session

By Representatives Jarrett, Schindler, Armstrong, Priest, Rodne, Hailey, Condotta, Kristiansen, Ericksen, Orcutt, Kretz and Skinner

Read first time 02/14/2007. Referred to Committee on Transportation.

1            AN ACT Relating to the creation of the transportation project  
2 contingency account; reenacting and amending RCW 43.84.092; adding a  
3 new section to chapter 43.79 RCW; providing an effective date; and  
4 declaring an emergency.

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

6            NEW SECTION.    **Sec. 1.** A new section is added to chapter 43.79 RCW  
7 to read as follows:

8            (1) The transportation project contingency account is created in  
9 the state treasury. All receipts from taxes imposed under RCW  
10 82.08.020 and 82.12.020 on materials, labor, equipment, contracts, and  
11 components used for constructing any state transportation project must  
12 be deposited into the account. Moneys in the account may be spent only  
13 after appropriation. Expenditures from the account may be used only  
14 for unanticipated increases in transportation project costs.

15            (2) The department of revenue shall provide the state treasurer  
16 with the information regarding the amount of sales and use taxes  
17 available for deposit into the account on a quarterly basis. The  
18 department of revenue shall report annually on the account balance to  
19 the transportation committees of the legislature by March 1st.

1 (3) Transportation projects in need of additional funding due to  
2 unanticipated cost increases shall be identified by the department of  
3 transportation and reported annually to the transportation committees  
4 of the legislature by March 1st.

5 **Sec. 2.** RCW 43.84.092 and 2006 c 337 s 11, 2006 c 311 s 23, 2006  
6 c 171 s 10, 2006 c 56 s 10, and 2006 c 6 s 8 are each reenacted and  
7 amended to read as follows:

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

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

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

34 (4) Monthly, the state treasurer shall distribute the earnings  
35 credited to the treasury income account. The state treasurer shall  
36 credit the general fund with all the earnings credited to the treasury  
37 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 Columbia river basin water supply development  
8 account, the common school construction fund, the county criminal  
9 justice assistance account, the county sales and use tax equalization  
10 account, the data processing building construction account, the  
11 deferred compensation administrative account, the deferred compensation  
12 principal account, the department of retirement systems expense  
13 account, the developmental disabilities community trust account, the  
14 drinking water assistance account, the drinking water assistance  
15 administrative account, the drinking water assistance repayment  
16 account, the Eastern Washington University capital projects account,  
17 the education construction fund, the education legacy trust account,  
18 the election account, the emergency reserve fund, the energy freedom  
19 account, The Evergreen State College capital projects account, the  
20 federal forest revolving account, the freight mobility investment  
21 account, the freight mobility multimodal 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 high-occupancy toll  
26 lanes operations account, the industrial insurance premium refund  
27 account, the judges' retirement account, the judicial retirement  
28 administrative account, the judicial retirement principal account, the  
29 local leasehold excise tax account, the local real estate excise tax  
30 account, the local sales and use tax account, the medical aid account,  
31 the mobile home park relocation fund, the multimodal transportation  
32 account, the municipal criminal justice assistance account, the  
33 municipal sales and use tax equalization account, the natural resources  
34 deposit account, the oyster reserve land account, the pension funding  
35 stabilization account, the perpetual surveillance and maintenance  
36 account, the public employees' retirement system plan 1 account, the  
37 public employees' retirement system combined plan 2 and plan 3 account,  
38 the public facilities construction loan revolving account beginning

1 July 1, 2004, the public health supplemental account, the public works  
2 assistance account, the Puyallup tribal settlement account, the real  
3 estate appraiser commission account, the regional mobility grant  
4 program account, the resource management cost account, the rural  
5 Washington loan fund, the site closure account, the small city pavement  
6 and sidewalk account, the special wildlife account, the state  
7 employees' insurance account, the state employees' insurance reserve  
8 account, the state investment board expense account, the state  
9 investment board commingled trust fund accounts, the supplemental  
10 pension account, the Tacoma Narrows toll bridge account, the teachers'  
11 retirement system plan 1 account, the teachers' retirement system  
12 combined plan 2 and plan 3 account, the tobacco prevention and control  
13 account, the tobacco settlement account, the transportation  
14 infrastructure account, the transportation partnership account, the  
15 transportation project contingency account, the tuition recovery trust  
16 fund, the University of Washington bond retirement fund, the University  
17 of Washington building account, the volunteer fire fighters' and  
18 reserve officers' relief and pension principal fund, the volunteer fire  
19 fighters' and reserve officers' administrative fund, the Washington  
20 fruit express account, the Washington judicial retirement system  
21 account, the Washington law enforcement officers' and fire fighters'  
22 system plan 1 retirement account, the Washington law enforcement  
23 officers' and fire fighters' system plan 2 retirement account, the  
24 Washington public safety employees' plan 2 retirement account, the  
25 Washington school employees' retirement system combined plan 2 and 3  
26 account, the Washington state health insurance pool account, the  
27 Washington state patrol retirement account, the Washington State  
28 University building account, the Washington State University bond  
29 retirement fund, the water pollution control revolving fund, and the  
30 Western Washington University capital projects account. Earnings  
31 derived from investing balances of the agricultural permanent fund, the  
32 normal school permanent fund, the permanent common school fund, the  
33 scientific permanent fund, and the state university permanent fund  
34 shall be allocated to their respective beneficiary accounts. All  
35 earnings to be distributed under this subsection (4)(a) shall first be  
36 reduced by the allocation to the state treasurer's service fund  
37 pursuant to RCW 43.08.190.

1 (b) The following accounts and funds shall receive eighty percent  
2 of their proportionate share of earnings based upon each account's or  
3 fund's average daily balance for the period: The aeronautics account,  
4 the aircraft search and rescue account, the county arterial  
5 preservation account, the department of licensing services account, the  
6 essential rail assistance account, the ferry bond retirement fund, the  
7 grade crossing protective fund, the high capacity transportation  
8 account, the highway bond retirement fund, the highway safety account,  
9 the motor vehicle fund, the motorcycle safety education account, the  
10 pilotage account, the public transportation systems account, the Puget  
11 Sound capital construction account, the Puget Sound ferry operations  
12 account, the recreational vehicle account, the rural arterial trust  
13 account, the safety and education account, the special category C  
14 account, the state patrol highway account, the transportation 2003  
15 account (nickel account), the transportation equipment fund, the  
16 transportation fund, the transportation improvement account, the  
17 transportation improvement board bond retirement account, and the urban  
18 arterial trust account.

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

22 NEW SECTION. **Sec. 3.** This act is necessary for the immediate  
23 preservation of the public peace, health, or safety, or support of the  
24 state government and its existing public institutions, and takes effect  
25 July 1, 2007.

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