
SECOND SUBSTITUTE HOUSE BILL 2822

State of Washington 60th Legislature 2008 Regular Session

By House Appropriations (originally sponsored by Representatives Kagi, Walsh, Lantz, Dickerson, Haler, Sullivan, Seaquist, and Kenney)

READ FIRST TIME 02/12/08.

1 AN ACT Relating to the family and juvenile court improvement
2 program; amending RCW 2.56.030; reenacting and amending RCW 43.84.092,
3 43.84.092, and 43.84.092; adding new sections to chapter 2.56 RCW;
4 creating a new section; providing effective dates; and providing
5 expiration dates.

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

7 NEW SECTION. **Sec. 1.** A new section is added to chapter 2.56 RCW
8 to read as follows:

9 (1) The family and juvenile court improvement grant program is
10 created. The purpose of the program is to assist superior courts in
11 improving their family and juvenile court systems, especially in
12 dependency cases, with the goals of:

13 (a) Assuring a stable and well-trained judiciary in family and
14 juvenile law providing consistency of judicial officers hearing all of
15 the proceedings in a case involving one family, especially in
16 dependency cases; and

17 (b) Ensuring judicial accountability in implementing specific
18 principles and practices for family and juvenile court.

1 (2) The administrator for the courts shall develop and administer
2 the program subject to requirements in section 2 of this act.

3 (3) As part of administering the program, the administrator for the
4 courts shall define appropriate outcome measures, collect data, and
5 gather information from courts receiving grants.

6 NEW SECTION. **Sec. 2.** A new section is added to chapter 2.56 RCW
7 to read as follows:

8 (1) A superior court may apply for grants from the family and
9 juvenile court improvement grant program by submitting a local
10 improvement plan with the administrator for the courts. To be eligible
11 for grant funds, a superior court's local improvement plan must meet
12 the criteria developed by the administrator for the courts and approved
13 by the board for judicial administration. The criteria must be
14 consistent with the principles adopted for unified family courts. At
15 a minimum, the criteria must require that the court's local improvement
16 plan meet the following requirements:

17 (a) Commit to a chief judge assignment to the family and juvenile
18 court for a minimum of two years;

19 (b) Implementation of the principle of one judicial team hearing
20 all of the proceedings in a case involving one family, especially in
21 dependency cases; and

22 (c) Require court commissioners and judges assigned to family and
23 juvenile court to receive a minimum of thirty hours specialized
24 training in topics related to family and juvenile matters within six
25 months of assuming duties in family and juvenile court. Where
26 possible, courts should utilize local, statewide, and national training
27 forums. A judicial officer's recorded educational history may be
28 applied toward the thirty-hour requirement. The topics for training
29 must include:

30 (i) Parentage;

31 (ii) Adoption;

32 (iii) Domestic relations;

33 (iv) Dependency and termination of parental rights;

34 (v) Child development;

35 (vi) The impact of child abuse and neglect;

36 (vii) Domestic violence;

37 (viii) Substance abuse;

1 (ix) Mental health;
2 (x) Juvenile status offenses;
3 (xi) Juvenile offenders;
4 (xii) Self-representation issues;
5 (xiii) Cultural competency;
6 (xiv) Roles of family and juvenile court judges and commissioners.
7 (2) Courts receiving grant money must use the funds to improve and
8 support family and juvenile court operations based on standards
9 developed by the administrator for the courts and approved by the board
10 for judicial administration. The standards may allow courts to use the
11 funds to:
12 (a) Pay for family and juvenile court training of commissioners and
13 judges or pay for pro tem commissioners and judges to assist the court
14 while the commissioners and judges receive training;
15 (b) Increase judicial and nonjudicial staff, including
16 administrative staff to improve case coordination and referrals in
17 family and juvenile cases, guardian ad litem volunteers or
18 court-appointed special advocates, security, and other staff;
19 (c) Improve the court facility to better meet the needs of children
20 and families;
21 (d) Improve referral and treatment options for court participants,
22 including enhancing court facilitator programs and family treatment
23 court and increasing the availability of alternative dispute
24 resolution;
25 (e) Enhance existing family and children support services funded by
26 the courts and expand access to social service programs for families
27 and children ordered by the court; and
28 (f) Improve or support family and juvenile court operations in any
29 other way deemed appropriate by the administrator for the courts.
30 (3) The administrator for the courts shall establish a funding
31 distribution formula for allocating available grant moneys to ensure
32 that eligible courts in small, medium, and large counties receive grant
33 moneys.
34 (4) Money received by the superior court under this program must be
35 used to supplement, not supplant, any other local, state, and federal
36 funds for the court.

1 NEW SECTION. **Sec. 3.** A new section is added to chapter 2.56 RCW
2 to read as follows:

3 (1) The Washington state institute for public policy shall evaluate
4 the implementation of the family and juvenile court improvement grant
5 program. The institute shall examine each superior court receiving
6 funding under the program and evaluate each court's implementation and
7 effectiveness of its local improvement plan.

8 (2) The institute's study shall specifically consider whether the
9 court is:

10 (a) Providing consistent judicial oversight of children and family
11 cases by implementing the principle of one judicial team hearing all of
12 the proceedings in a case involving one family, especially in
13 dependency cases;

14 (b) Working towards resolving multiple case types through
15 centralized case management; and

16 (c) Implementing practices consistent with the criteria developed
17 by the administrator for the courts and approved by the board for
18 judicial administration.

19 (3) By December 31, 2009, the institute shall report to the
20 legislature the findings of its evaluations.

21 NEW SECTION. **Sec. 4.** A new section is added to chapter 2.56 RCW
22 to read as follows:

23 The family and juvenile court improvement grant account is created
24 in the state treasury. Moneys in the account may be spent only after
25 appropriation. Expenditures from the account may be made only for the
26 family and juvenile improvement grant program.

27 **Sec. 5.** RCW 2.56.030 and 2007 c 496 s 302 are each amended to read
28 as follows:

29 The administrator for the courts shall, under the supervision and
30 direction of the chief justice:

31 (1) Examine the administrative methods and systems employed in the
32 offices of the judges, clerks, stenographers, and employees of the
33 courts and make recommendations, through the chief justice, for the
34 improvement of the same;

35 (2) Examine the state of the dockets of the courts and determine
36 the need for assistance by any court;

1 (3) Make recommendations to the chief justice relating to the
2 assignment of judges where courts are in need of assistance and carry
3 out the direction of the chief justice as to the assignments of judges
4 to counties and districts where the courts are in need of assistance;

5 (4) Collect and compile statistical and other data and make reports
6 of the business transacted by the courts and transmit the same to the
7 chief justice to the end that proper action may be taken in respect
8 thereto;

9 (5) Prepare and submit budget estimates of state appropriations
10 necessary for the maintenance and operation of the judicial system and
11 make recommendations in respect thereto;

12 (6) Collect statistical and other data and make reports relating to
13 the expenditure of public moneys, state and local, for the maintenance
14 and operation of the judicial system and the offices connected
15 therewith;

16 (7) Obtain reports from clerks of courts in accordance with law or
17 rules adopted by the supreme court of this state on cases and other
18 judicial business in which action has been delayed beyond periods of
19 time specified by law or rules of court and make report thereof to
20 supreme court of this state;

21 (8) Act as secretary of the judicial conference referred to in RCW
22 2.56.060;

23 (9) Submit annually, as of February 1st, to the chief justice, a
24 report of the activities of the administrator's office for the
25 preceding calendar year including activities related to courthouse
26 security;

27 (10) Administer programs and standards for the training and
28 education of judicial personnel;

29 (11) Examine the need for new superior court and district court
30 judge positions under an objective workload analysis. The results of
31 the objective workload analysis shall be reviewed by the board for
32 judicial administration which shall make recommendations to the
33 legislature. It is the intent of the legislature that an objective
34 workload analysis become the basis for creating additional district and
35 superior court positions, and recommendations should address that
36 objective;

37 (12) Provide staff to the judicial retirement account plan under
38 chapter 2.14 RCW;

1 (13) Attend to such other matters as may be assigned by the supreme
2 court of this state;

3 (14) Within available funds, develop a curriculum for a general
4 understanding of child development, placement, and treatment resources,
5 as well as specific legal skills and knowledge of relevant statutes
6 including chapters 13.32A, 13.34, and 13.40 RCW, cases, court rules,
7 interviewing skills, and special needs of the abused or neglected
8 child. This curriculum shall be completed and made available to all
9 juvenile court judges, court personnel, and service providers and be
10 updated yearly to reflect changes in statutes, court rules, or case
11 law;

12 (15) Develop, in consultation with the entities set forth in RCW
13 2.56.150(3), a comprehensive statewide curriculum for persons who act
14 as guardians ad litem under Title 13 or 26 RCW. The curriculum shall
15 be made available July 1, 2008, and include specialty sections on child
16 development, child sexual abuse, child physical abuse, child neglect,
17 domestic violence, clinical and forensic investigative and interviewing
18 techniques, family reconciliation and mediation services, and relevant
19 statutory and legal requirements. The curriculum shall be made
20 available to all superior court judges, court personnel, and all
21 persons who act as guardians ad litem;

22 (16) Develop a curriculum for a general understanding of crimes of
23 malicious harassment, as well as specific legal skills and knowledge of
24 RCW 9A.36.080, relevant cases, court rules, and the special needs of
25 malicious harassment victims. This curriculum shall be made available
26 to all superior court and court of appeals judges and to all justices
27 of the supreme court;

28 (17) Develop, in consultation with the criminal justice training
29 commission and the commissions established under chapters 43.113,
30 43.115, and 43.117 RCW, a curriculum for a general understanding of
31 ethnic and cultural diversity and its implications for working with
32 youth of color and their families. The curriculum shall be available
33 to all superior court judges and court commissioners assigned to
34 juvenile court, and other court personnel. Ethnic and cultural
35 diversity training shall be provided annually so as to incorporate
36 cultural sensitivity and awareness into the daily operation of juvenile
37 courts statewide;

1 (18) Authorize the use of closed circuit television and other
2 electronic equipment in judicial proceedings. The administrator shall
3 promulgate necessary standards and procedures and shall provide
4 technical assistance to courts as required;

5 (19) Develop a Washington family law handbook in accordance with
6 RCW 2.56.180;

7 (20) Administer state funds for improving the operation of the
8 courts and provide support for court coordinating councils, under the
9 direction of the board for judicial administration;

10 (21) Administer the family and juvenile court improvement grant
11 program and distribute amounts appropriated from the family and
12 juvenile court improvement grant account;

13 (22)(a) Administer and distribute amounts appropriated from the
14 equal justice subaccount under RCW 43.08.250(2) for district court
15 judges' and qualifying elected municipal court judges' salary
16 contributions. The administrator for the courts shall develop a
17 distribution formula for these amounts that does not differentiate
18 between district and elected municipal court judges.

19 (b) A city qualifies for state contribution of elected municipal
20 court judges' salaries under (a) of this subsection if:

21 (i) The judge is serving in an elected position;

22 (ii) The city has established by ordinance that a full-time judge
23 is compensated at a rate equivalent to at least ninety-five percent,
24 but not more than one hundred percent, of a district court judge salary
25 or for a part-time judge on a pro rata basis the same equivalent; and

26 (iii) The city has certified to the office of the administrator for
27 the courts that the conditions in (b)(i) and (ii) of this subsection
28 have been met.

29 **Sec. 6.** RCW 43.84.092 and 2007 c 514 s 3 and 2007 c 356 s 9 are
30 each reenacted and amended to read as follows:

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

34 (2) The treasury income account shall be utilized to pay or receive
35 funds associated with federal programs as required by the federal cash
36 management improvement act of 1990. The treasury income account is
37 subject in all respects to chapter 43.88 RCW, but no appropriation is

1 required for refunds or allocations of interest earnings required by
2 the cash management improvement act. Refunds of interest to the
3 federal treasury required under the cash management improvement act
4 fall under RCW 43.88.180 and shall not require appropriation. The
5 office of financial management shall determine the amounts due to or
6 from the federal government pursuant to the cash management improvement
7 act. The office of financial management may direct transfers of funds
8 between accounts as deemed necessary to implement the provisions of the
9 cash management improvement act, and this subsection. Refunds or
10 allocations shall occur prior to the distributions of earnings set
11 forth in subsection (4) of this section.

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

20 (4) Monthly, the state treasurer shall distribute the earnings
21 credited to the treasury income account. The state treasurer shall
22 credit the general fund with all the earnings credited to the treasury
23 income account except:

24 (a) The following accounts and funds shall receive their
25 proportionate share of earnings based upon each account's and fund's
26 average daily balance for the period: The capitol building
27 construction account, the Cedar River channel construction and
28 operation account, the Central Washington University capital projects
29 account, the charitable, educational, penal and reformatory
30 institutions account, the Columbia river basin water supply development
31 account, the common school construction fund, the county criminal
32 justice assistance account, the county sales and use tax equalization
33 account, the data processing building construction account, the
34 deferred compensation administrative account, the deferred compensation
35 principal account, the department of retirement systems expense
36 account, the developmental disabilities community trust account, the
37 drinking water assistance account, the drinking water assistance
38 administrative account, the drinking water assistance repayment

1 account, the Eastern Washington University capital projects account,
2 the education construction fund, the education legacy trust account,
3 the election account, the emergency reserve fund, the energy freedom
4 account, The Evergreen State College capital projects account, the
5 family and juvenile court improvement grant account, the federal forest
6 revolving account, the freight congestion relief account, the freight
7 mobility investment account, the freight mobility multimodal account,
8 the health services account, the public health services account, the
9 health system capacity account, the personal health services account,
10 the state higher education construction account, the higher education
11 construction account, the highway infrastructure account, the high-
12 occupancy toll lanes operations account, the industrial insurance
13 premium refund account, the judges' retirement account, the judicial
14 retirement administrative account, the judicial retirement principal
15 account, the local leasehold excise tax account, the local real estate
16 excise tax account, the local sales and use tax account, the medical
17 aid account, the mobile home park relocation fund, the multimodal
18 transportation account, the municipal criminal justice assistance
19 account, the municipal sales and use tax equalization account, the
20 natural resources deposit account, the oyster reserve land account, the
21 pension funding stabilization account, the perpetual surveillance and
22 maintenance account, the public employees' retirement system plan 1
23 account, the public employees' retirement system combined plan 2 and
24 plan 3 account, the public facilities construction loan revolving
25 account beginning July 1, 2004, the public health supplemental account,
26 the public works assistance account, the Puyallup tribal settlement
27 account, the real estate appraiser commission account, the regional
28 mobility grant program account, the resource management cost account,
29 the rural Washington loan fund, the site closure account, the small
30 city pavement and sidewalk account, the special wildlife account, the
31 state employees' insurance account, the state employees' insurance
32 reserve account, the state investment board expense account, the state
33 investment board commingled trust fund accounts, the supplemental
34 pension account, the Tacoma Narrows toll bridge account, the teachers'
35 retirement system plan 1 account, the teachers' retirement system
36 combined plan 2 and plan 3 account, the tobacco prevention and control
37 account, the tobacco settlement account, the transportation
38 infrastructure account, the transportation partnership account, the

1 traumatic brain injury account, the tuition recovery trust fund, the
2 University of Washington bond retirement fund, the University of
3 Washington building account, the volunteer firefighters' and reserve
4 officers' relief and pension principal fund, the volunteer
5 firefighters' and reserve officers' administrative fund, the Washington
6 fruit express account, the Washington judicial retirement system
7 account, the Washington law enforcement officers' and firefighters'
8 system plan 1 retirement account, the Washington law enforcement
9 officers' and firefighters' system plan 2 retirement account, the
10 Washington public safety employees' plan 2 retirement account, the
11 Washington school employees' retirement system combined plan 2 and 3
12 account, the Washington state health insurance pool account, the
13 Washington state patrol retirement account, the Washington State
14 University building account, the Washington State University bond
15 retirement fund, the water pollution control revolving fund, and the
16 Western Washington University capital projects account. Earnings
17 derived from investing balances of the agricultural permanent fund, the
18 normal school permanent fund, the permanent common school fund, the
19 scientific permanent fund, and the state university permanent fund
20 shall be allocated to their respective beneficiary accounts. All
21 earnings to be distributed under this subsection (4)(a) shall first be
22 reduced by the allocation to the state treasurer's service fund
23 pursuant to RCW 43.08.190.

24 (b) The following accounts and funds shall receive eighty percent
25 of their proportionate share of earnings based upon each account's or
26 fund's average daily balance for the period: The aeronautics account,
27 the aircraft search and rescue account, the county arterial
28 preservation account, the department of licensing services account, the
29 essential rail assistance account, the ferry bond retirement fund, the
30 grade crossing protective fund, the high capacity transportation
31 account, the highway bond retirement fund, the highway safety account,
32 the motor vehicle fund, the motorcycle safety education account, the
33 pilotage account, the public transportation systems account, the Puget
34 Sound capital construction account, the Puget Sound ferry operations
35 account, the recreational vehicle account, the rural arterial trust
36 account, the safety and education account, the special category C
37 account, the state patrol highway account, the transportation 2003
38 account (nickel account), the transportation equipment fund, the

1 transportation fund, the transportation improvement account, the
2 transportation improvement board bond retirement account, and the urban
3 arterial trust account.

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

7 **Sec. 7.** RCW 43.84.092 and 2007 c 514 s 3, 2007 c 484 s 4, and 2007
8 c 356 s 9 are each reenacted and amended to read as follows:

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

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

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

35 (4) Monthly, the state treasurer shall distribute the earnings
36 credited to the treasury income account. The state treasurer shall

1 credit the general fund with all the earnings credited to the treasury
2 income account except:

3 (a) The following accounts and funds shall receive their
4 proportionate share of earnings based upon each account's and fund's
5 average daily balance for the period: The budget stabilization
6 account, the capitol building construction account, the Cedar River
7 channel construction and operation account, the Central Washington
8 University capital projects account, the charitable, educational, penal
9 and reformatory institutions account, the Columbia river basin water
10 supply development account, the common school construction fund, the
11 county criminal justice assistance account, the county sales and use
12 tax equalization account, the data processing building construction
13 account, the deferred compensation administrative account, the deferred
14 compensation principal account, the department of retirement systems
15 expense account, the developmental disabilities community trust
16 account, the drinking water assistance account, the drinking water
17 assistance administrative account, the drinking water assistance
18 repayment account, the Eastern Washington University capital projects
19 account, the education construction fund, the education legacy trust
20 account, the election account, the energy freedom account, The
21 Evergreen State College capital projects account, the family and
22 juvenile court improvement grant account, the federal forest revolving
23 account, the freight congestion relief account, the freight mobility
24 investment account, the freight mobility multimodal account, the health
25 services account, the public health services account, the health system
26 capacity account, the personal health services account, the state
27 higher education construction account, the higher education
28 construction account, the highway infrastructure account, the high-
29 occupancy toll lanes operations account, the industrial insurance
30 premium refund account, the judges' retirement account, the judicial
31 retirement administrative account, the judicial retirement principal
32 account, the local leasehold excise tax account, the local real estate
33 excise tax account, the local sales and use tax account, the medical
34 aid account, the mobile home park relocation fund, the multimodal
35 transportation account, the municipal criminal justice assistance
36 account, the municipal sales and use tax equalization account, the
37 natural resources deposit account, the oyster reserve land account, the
38 pension funding stabilization account, the perpetual surveillance and

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

1 earnings to be distributed under this subsection (4)(a) shall first be
2 reduced by the allocation to the state treasurer's service fund
3 pursuant to RCW 43.08.190.

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

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

25 **Sec. 8.** RCW 43.84.092 and 2007 c 514 s 3, 2007 c 513 s 1, 2007 c
26 484 s 4, and 2007 c 356 s 9 are each reenacted and amended to read as
27 follows:

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

31 (2) The treasury income account shall be utilized to pay or receive
32 funds associated with federal programs as required by the federal cash
33 management improvement act of 1990. The treasury income account is
34 subject in all respects to chapter 43.88 RCW, but no appropriation is
35 required for refunds or allocations of interest earnings required by
36 the cash management improvement act. Refunds of interest to the
37 federal treasury required under the cash management improvement act

1 fall under RCW 43.88.180 and shall not require appropriation. The
2 office of financial management shall determine the amounts due to or
3 from the federal government pursuant to the cash management improvement
4 act. The office of financial management may direct transfers of funds
5 between accounts as deemed necessary to implement the provisions of the
6 cash management improvement act, and this subsection. Refunds or
7 allocations shall occur prior to the distributions of earnings set
8 forth in subsection (4) of this section.

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

17 (4) Monthly, the state treasurer shall distribute the earnings
18 credited to the treasury income account. The state treasurer shall
19 credit the general fund with all the earnings credited to the treasury
20 income account except:

21 The following accounts and funds shall receive their proportionate
22 share of earnings based upon each account's and fund's average daily
23 balance for the period: The aeronautics account, the aircraft search
24 and rescue account, the budget stabilization account, the capitol
25 building construction account, the Cedar River channel construction and
26 operation account, the Central Washington University capital projects
27 account, the charitable, educational, penal and reformatory
28 institutions account, the Columbia river basin water supply development
29 account, the common school construction fund, the county arterial
30 preservation account, the county criminal justice assistance account,
31 the county sales and use tax equalization account, the data processing
32 building construction account, the deferred compensation administrative
33 account, the deferred compensation principal account, the department of
34 licensing services account, the department of retirement systems
35 expense account, the developmental disabilities community trust
36 account, the drinking water assistance account, the drinking water
37 assistance administrative account, the drinking water assistance
38 repayment account, the Eastern Washington University capital projects

1 account, the education construction fund, the education legacy trust
2 account, the election account, the energy freedom account, the
3 essential rail assistance account, The Evergreen State College capital
4 projects account, the family and juvenile court improvement grant
5 account, the federal forest revolving account, the ferry bond
6 retirement fund, the freight congestion relief account, the freight
7 mobility investment account, the freight mobility multimodal account,
8 the grade crossing protective fund, the health services account, the
9 public health services account, the health system capacity account, the
10 personal health services account, the high capacity transportation
11 account, the state higher education construction account, the higher
12 education construction account, the highway bond retirement fund, the
13 highway infrastructure account, the highway safety account, the high-
14 occupancy toll lanes operations account, the industrial insurance
15 premium refund account, the judges' retirement account, the judicial
16 retirement administrative account, the judicial retirement principal
17 account, the local leasehold excise tax account, the local real estate
18 excise tax account, the local sales and use tax account, the medical
19 aid account, the mobile home park relocation fund, the motor vehicle
20 fund, the motorcycle safety education account, the multimodal
21 transportation account, the municipal criminal justice assistance
22 account, the municipal sales and use tax equalization account, the
23 natural resources deposit account, the oyster reserve land account, the
24 pension funding stabilization account, the perpetual surveillance and
25 maintenance account, the pilotage account, the public employees'
26 retirement system plan 1 account, the public employees' retirement
27 system combined plan 2 and plan 3 account, the public facilities
28 construction loan revolving account beginning July 1, 2004, the public
29 health supplemental account, the public transportation systems account,
30 the public works assistance account, the Puget Sound capital
31 construction account, the Puget Sound ferry operations account, the
32 Puyallup tribal settlement account, the real estate appraiser
33 commission account, the recreational vehicle account, the regional
34 mobility grant program account, the resource management cost account,
35 the rural arterial trust account, the rural Washington loan fund, the
36 safety and education account, the site closure account, the small city
37 pavement and sidewalk account, the special category C account, the
38 special wildlife account, the state employees' insurance account, the

1 state employees' insurance reserve account, the state investment board
2 expense account, the state investment board commingled trust fund
3 accounts, the state patrol highway account, the supplemental pension
4 account, the Tacoma Narrows toll bridge account, the teachers'
5 retirement system plan 1 account, the teachers' retirement system
6 combined plan 2 and plan 3 account, the tobacco prevention and control
7 account, the tobacco settlement account, the transportation 2003
8 account (nickel account), the transportation equipment fund, the
9 transportation fund, the transportation improvement account, the
10 transportation improvement board bond retirement account, the
11 transportation infrastructure account, the transportation partnership
12 account, the traumatic brain injury account, the tuition recovery trust
13 fund, the University of Washington bond retirement fund, the University
14 of Washington building account, the urban arterial trust account, the
15 volunteer firefighters' and reserve officers' relief and pension
16 principal fund, the volunteer firefighters' and reserve officers'
17 administrative fund, the Washington fruit express account, the
18 Washington judicial retirement system account, the Washington law
19 enforcement officers' and firefighters' system plan 1 retirement
20 account, the Washington law enforcement officers' and firefighters'
21 system plan 2 retirement account, the Washington public safety
22 employees' plan 2 retirement account, the Washington school employees'
23 retirement system combined plan 2 and 3 account, the Washington state
24 health insurance pool account, the Washington state patrol retirement
25 account, the Washington State University building account, the
26 Washington State University bond retirement fund, the water pollution
27 control revolving fund, and the Western Washington University capital
28 projects account. Earnings derived from investing balances of the
29 agricultural permanent fund, the normal school permanent fund, the
30 permanent common school fund, the scientific permanent fund, and the
31 state university permanent fund shall be allocated to their respective
32 beneficiary accounts. All earnings to be distributed under this
33 subsection (4)(a) shall first be reduced by the allocation to the state
34 treasurer's service fund pursuant to RCW 43.08.190.

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

1 NEW SECTION. **Sec. 9.** (1) Section 7 of this act takes effect July
2 1, 2008.

3 (2) Section 8 of this act takes effect July 1, 2009.

4 NEW SECTION. **Sec. 10.** (1) Section 6 of this act expires July 1,
5 2008.

6 (2) Section 7 of this act expires July 1, 2009.

7 NEW SECTION. **Sec. 11.** If specific funding for the purposes of
8 this act, referencing this act by bill or chapter number, is not
9 provided by June 30, 2008, in the omnibus appropriations act, this act
10 is null and void.

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