
HOUSE BILL 1006

State of Washington

63rd Legislature

2013 Regular Session

By Representatives Schmick and Cody; by request of Horse Racing Commission
Prefiled 12/03/12. Read first time 01/14/13. Referred to Committee on
Appropriations Subcommittee on General Government.

1 AN ACT Relating to removing the requirement that earnings from the
2 Washington horse racing commission operating account be credited to the
3 Washington horse racing commission class C purse fund account; amending
4 RCW 67.16.280; and reenacting and amending RCW 43.79A.040.

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

6 **Sec. 1.** RCW 43.79A.040 and 2012 c 198 s 8, 2012 c 196 s 6, 2012 c
7 187 s 13, and 2012 c 114 s 3 are each reenacted and amended to read as
8 follows:

9 (1) Money in the treasurer's trust fund may be deposited, invested,
10 and reinvested by the state treasurer in accordance with RCW 43.84.080
11 in the same manner and to the same extent as if the money were in the
12 state treasury, and may be commingled with moneys in the state treasury
13 for cash management and cash balance purposes.

14 (2) All income received from investment of the treasurer's trust
15 fund must be set aside in an account in the treasury trust fund to be
16 known as the investment income account.

17 (3) The investment income account may be utilized for the payment
18 of purchased banking services on behalf of treasurer's trust funds
19 including, but not limited to, depository, safekeeping, and

1 disbursement functions for the state treasurer or affected state
2 agencies. The investment income account is subject in all respects to
3 chapter 43.88 RCW, but no appropriation is required for payments to
4 financial institutions. Payments must occur prior to distribution of
5 earnings set forth in subsection (4) of this section.

6 (4)(a) Monthly, the state treasurer must distribute the earnings
7 credited to the investment income account to the state general fund
8 except under (b), (c), and (d) of this subsection.

9 (b) The following accounts and funds must receive their
10 proportionate share of earnings based upon each account's or fund's
11 average daily balance for the period: The Washington promise
12 scholarship account, the Washington advanced college tuition payment
13 program account, the accessible communities account, the community and
14 technical college innovation account, the agricultural local fund, the
15 American Indian scholarship endowment fund, the foster care scholarship
16 endowment fund, the foster care endowed scholarship trust fund, the
17 basic health plan self-insurance reserve account, the contract
18 harvesting revolving account, the Washington state combined fund drive
19 account, the commemorative works account, the county enhanced 911
20 excise tax account, the toll collection account, the developmental
21 disabilities endowment trust fund, the energy account, the fair fund,
22 the family leave insurance account, the food animal veterinarian
23 conditional scholarship account, the fruit and vegetable inspection
24 account, the future teachers conditional scholarship account, the game
25 farm alternative account, the GET ready for math and science
26 scholarship account, the Washington global health technologies and
27 product development account, the grain inspection revolving fund, the
28 industrial insurance rainy day fund, the juvenile accountability
29 incentive account, the law enforcement officers' and firefighters' plan
30 2 expense fund, the local tourism promotion account, the multiagency
31 permitting team account, the pilotage account, the produce railcar pool
32 account, the regional transportation investment district account, the
33 rural rehabilitation account, the stadium and exhibition center
34 account, the youth athletic facility account, the self-insurance
35 revolving fund, the children's trust fund, the Washington horse racing
36 commission Washington bred owners' bonus fund and breeder awards
37 account, the Washington horse racing commission class C purse fund
38 account, the individual development account program account, the

1 Washington horse racing commission operating account (~~(earnings from~~
2 ~~the Washington horse racing commission operating account must be~~
3 ~~credited to the Washington horse racing commission class C purse fund~~
4 ~~account~~)), the life sciences discovery fund, the Washington state
5 heritage center account, (~~and~~) the reduced cigarette ignition
6 propensity account, the center for childhood deafness and hearing loss
7 account, (~~and~~) the school for the blind account, the Millersylvania
8 park trust fund, the public employees' and retirees' insurance reserve
9 fund, and the radiation perpetual maintenance fund.

10 (c) The following accounts and funds must receive eighty percent of
11 their proportionate share of earnings based upon each account's or
12 fund's average daily balance for the period: The advanced right-of-way
13 revolving fund, the advanced environmental mitigation revolving
14 account, the federal narcotics asset forfeitures account, the high
15 occupancy vehicle account, the local rail service assistance account,
16 and the miscellaneous transportation programs account.

17 (d) Any state agency that has independent authority over accounts
18 or funds not statutorily required to be held in the custody of the
19 state treasurer that deposits funds into a fund or account in the
20 custody of the state treasurer pursuant to an agreement with the office
21 of the state treasurer shall receive its proportionate share of
22 earnings based upon each account's or fund's average daily balance for
23 the period.

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

27 **Sec. 2.** RCW 67.16.280 and 2011 c 12 s 2 are each amended to read
28 as follows:

29 (1) The Washington horse racing commission operating account is
30 created in the custody of the state treasurer. All receipts collected
31 by the commission under RCW 67.16.105(2) must be deposited into the
32 account. The commission has the authority to receive such gifts,
33 grants, and endowments from public or private sources as may be made
34 from time to time in trust or otherwise for the use and purpose of
35 regulating or supporting nonprofit race meets as set forth in RCW
36 67.16.130 and 67.16.105(1); such gifts, grants, and endowments must
37 also be deposited into the account and expended according to the terms

1 of such gift, grant, or endowment. Moneys in the account may be spent
2 only after appropriation. Except as provided in subsection (2) of this
3 section, expenditures from the account may be used only for operating
4 expenses of the commission. (~~Investment earnings from the account~~
5 ~~will be retained in the Washington horse racing commission operating~~
6 ~~account, pursuant to RCW 43.79A.040.~~)

7 (2) In order to provide funding in support of the legislative
8 findings in RCW 67.16.101 (1) through (3), and to provide additional
9 necessary support to the nonprofit race meets beyond the funding
10 provided by RCW 67.16.101(4) and 67.16.102(2), the commission is
11 authorized to spend up to three hundred thousand dollars per fiscal
12 year from its operating account for the purpose of developing the
13 equine industry, maintaining and upgrading racing facilities, and
14 assisting equine health research. When determining how to allocate the
15 funds available for these purposes, the commission must give first
16 consideration to uses that regulate and assist the nonprofit race meets
17 and equine health research. These expenditures may occur only when
18 sufficient funds remain for the continued operations of the horse
19 racing commission.

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