

HB 2856 - S COMM AMD
By Committee on Ways & Means

ADOPTED 03/03/2016

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** (1) The office of Chehalis basin is
4 established in the department. The primary purpose of the office is
5 to aggressively pursue implementation of an integrated strategy and
6 administer funding for long-term flood damage reduction and aquatic
7 species restoration in the Chehalis river basin.

8 (2) The office of Chehalis basin must be funded from
9 appropriations specified for Chehalis river basin-related flood
10 hazard reduction and habitat recovery activities.

11 (3) In operating the office, the department must follow, to the
12 greatest extent practicable, the model being used to administer the
13 Columbia river basin water supply program established in chapter 6,
14 Laws of 2006.

15 NEW SECTION. **Sec. 2.** (1) The Chehalis board is created
16 consisting of seven members.

17 (2)(a) Four members of the board must be voting members who are
18 appointed by the governor, subject to confirmation by the senate. One
19 member must represent the Chehalis Indian tribe and one member must
20 represent the Quinault Indian nation. Three board members must be
21 selected by the Chehalis basin flood authority. No member may have a
22 financial or regulatory interest in the work of the board. The
23 governor shall appoint one of the flood authority appointees as the
24 chair. The voting members of the board must be appointed for terms of
25 four years, except that two members initially must be appointed for
26 terms of two years and three members must initially be appointed for
27 terms of three years. In making the appointments, the governor shall
28 seek a board membership that collectively provides the expertise
29 necessary to provide strong oversight for implementation of the
30 Chehalis basin strategy, that provides extensive knowledge of local
31 government processes and functions, and that has an understanding of

1 issues relevant to reducing flood damages and restoring aquatic
2 species.

3 (b) In addition to the seven voting members of the board, the
4 following five state officials must serve as ex officio nonvoting
5 members of the board: The director of the department of fish and
6 wildlife, the executive director of the Washington state conservation
7 commission, the secretary of the department of transportation, the
8 director of the department of ecology, and the commissioner of public
9 lands. The state officials serving in an ex officio capacity may
10 designate a representative of their respective agencies to serve on
11 the board in their behalf. These designations must be made in writing
12 and in such a manner as is specified by the board.

13 (3) Staff support to the board must be provided by the
14 department. For administrative purposes, the board is located within
15 the department.

16 (4) Members of the board who do not represent state agencies must
17 be compensated as provided by RCW 43.03.250. Members of the board
18 shall be reimbursed for travel expenses as provided by RCW 43.03.050
19 and 43.03.060.

20 (5) The board is responsible for oversight of a long-term
21 strategy resulting from the department's programmatic environmental
22 impact statement for the Chehalis river basin to reduce flood damages
23 and restore aquatic species habitat.

24 (6) The board is responsible for overseeing the implementation of
25 the strategy and developing biennial and supplemental budget
26 recommendations to the governor.

27 NEW SECTION. **Sec. 3.** The Chehalis basin strategy must include a
28 detailed set of actions to reduce flood damage and improve aquatic
29 species habitat. The strategy must be amended by the Chehalis board
30 as necessary to include new scientific information and needed changes
31 to the actions to achieve the overall purpose of the strategy. The
32 strategy must include an implementation schedule and quantified
33 measures for evaluating the success of implementation.

34 NEW SECTION. **Sec. 4.** The Chehalis basin account is created in
35 the state treasury. All receipts from direct appropriations from the
36 legislature, including the proceeds of tax exempt bonds, or moneys
37 directed to the account from any other sources must be deposited in
38 the account. Interest earned by deposits in the account will be

1 retained in the account. Moneys in the account may be spent only
2 after appropriation. Expenditures from the account may be used only
3 for the purposes set out in section 1 of this act and for the payment
4 of expenses incurred in the issuance and sale of bonds.

5 **Sec. 5.** RCW 43.84.092 and 2015 3rd sp.s. c 44 s 107 and 2015 3rd
6 sp.s. c 12 s 3 are each reenacted and amended to read as 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
11 receive funds associated with federal programs as required by the
12 federal cash management improvement act of 1990. The treasury income
13 account is subject in all respects to chapter 43.88 RCW, but no
14 appropriation is required for refunds or allocations of interest
15 earnings required by the cash management improvement act. Refunds of
16 interest to the federal treasury required under the cash management
17 improvement act fall under RCW 43.88.180 and shall not require
18 appropriation. The office of financial management shall determine the
19 amounts due to or from the federal government pursuant to the cash
20 management improvement act. The office of financial management may
21 direct transfers of funds between accounts as deemed necessary to
22 implement the provisions of the cash management improvement act, and
23 this subsection. Refunds or allocations shall occur prior to the
24 distributions of earnings set forth in subsection (4) of this
25 section.

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

35 (4) Monthly, the state treasurer shall distribute the earnings
36 credited to the treasury income account. The state treasurer shall
37 credit the general fund with all the earnings credited to the
38 treasury 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 aeronautics account, the
4 aircraft search and rescue account, the Alaskan Way viaduct
5 replacement project account, the brownfield redevelopment trust fund
6 account, the budget stabilization account, the capital vessel
7 replacement account, the capitol building construction account, the
8 Cedar River channel construction and operation account, the Central
9 Washington University capital projects account, the charitable,
10 educational, penal and reformatory institutions account, the Chehalis
11 basin account, the cleanup settlement account, the Columbia river
12 basin water supply development account, the Columbia river basin
13 taxable bond water supply development account, the Columbia river
14 basin water supply revenue recovery account, the common school
15 construction fund, the community forest trust account, the connecting
16 Washington account, the county arterial preservation account, the
17 county criminal justice assistance account, the deferred compensation
18 administrative account, the deferred compensation principal account,
19 the department of licensing services account, the department of
20 retirement systems expense account, the developmental disabilities
21 community trust account, the diesel idle reduction account, the
22 drinking water assistance account, the drinking water assistance
23 administrative account, the drinking water assistance repayment
24 account, the Eastern Washington University capital projects account,
25 the Interstate 405 express toll lanes operations account, the
26 education construction fund, the education legacy trust account, the
27 election account, the electric vehicle charging infrastructure
28 account, the energy freedom account, the energy recovery act account,
29 the essential rail assistance account, The Evergreen State College
30 capital projects account, the federal forest revolving account, the
31 ferry bond retirement fund, the freight mobility investment account,
32 the freight mobility multimodal account, the grade crossing
33 protective fund, the public health services account, the high
34 capacity transportation account, the state higher education
35 construction account, the higher education construction account, the
36 highway bond retirement fund, the highway infrastructure account, the
37 highway safety fund, the high occupancy toll lanes operations
38 account, the hospital safety net assessment fund, the industrial
39 insurance premium refund account, the judges' retirement account, the
40 judicial retirement administrative account, the judicial retirement

1 principal account, the local leasehold excise tax account, the local
2 real estate excise tax account, the local sales and use tax account,
3 the marine resources stewardship trust account, the medical aid
4 account, the mobile home park relocation fund, the motor vehicle
5 fund, the motorcycle safety education account, the multimodal
6 transportation account, the multiuse roadway safety account, the
7 municipal criminal justice assistance account, the natural resources
8 deposit account, the oyster reserve land account, the pension funding
9 stabilization account, the perpetual surveillance and maintenance
10 account, the public employees' retirement system plan 1 account, the
11 public employees' retirement system combined plan 2 and plan 3
12 account, the public facilities construction loan revolving account
13 beginning July 1, 2004, the public health supplemental account, the
14 public works assistance account, the Puget Sound capital construction
15 account, the Puget Sound ferry operations account, the Puget Sound
16 taxpayer accountability account, the real estate appraiser commission
17 account, the recreational vehicle account, the regional mobility
18 grant program account, the resource management cost account, the
19 rural arterial trust account, the rural mobility grant program
20 account, the rural Washington loan fund, the site closure account,
21 the skilled nursing facility safety net trust fund, the small city
22 pavement and sidewalk account, the special category C account, the
23 special wildlife account, the state employees' insurance account, the
24 state employees' insurance reserve account, the state investment
25 board expense account, the state investment board commingled trust
26 fund accounts, the state patrol highway account, the state route
27 number 520 civil penalties account, the state route number 520
28 corridor account, the state wildlife account, the supplemental
29 pension account, the Tacoma Narrows toll bridge account, the
30 teachers' retirement system plan 1 account, the teachers' retirement
31 system combined plan 2 and plan 3 account, the tobacco prevention and
32 control account, the tobacco settlement account, the toll facility
33 bond retirement account, the transportation 2003 account (nickel
34 account), the transportation equipment fund, the transportation fund,
35 the transportation future funding program account, the transportation
36 improvement account, the transportation improvement board bond
37 retirement account, the transportation infrastructure account, the
38 transportation partnership account, the traumatic brain injury
39 account, the tuition recovery trust fund, the University of
40 Washington bond retirement fund, the University of Washington

1 building account, the volunteer firefighters' and reserve officers'
2 relief and pension principal fund, the volunteer firefighters' and
3 reserve officers' administrative fund, the Washington judicial
4 retirement system account, the Washington law enforcement officers'
5 and firefighters' system plan 1 retirement account, the Washington
6 law enforcement officers' and firefighters' system plan 2 retirement
7 account, the Washington public safety employees' plan 2 retirement
8 account, the Washington school employees' retirement system combined
9 plan 2 and 3 account, the Washington state health insurance pool
10 account, the Washington state patrol retirement account, the
11 Washington State University building account, the Washington State
12 University bond retirement fund, the water pollution control
13 revolving administration account, the water pollution control
14 revolving fund, the Western Washington University capital projects
15 account, the Yakima integrated plan implementation account, the
16 Yakima integrated plan implementation revenue recovery account, and
17 the Yakima integrated plan implementation taxable bond account.
18 Earnings derived from investing balances of the agricultural
19 permanent fund, the normal school permanent fund, the permanent
20 common school fund, the scientific permanent fund, the state
21 university permanent fund, and the state reclamation revolving
22 account shall be allocated to their respective beneficiary accounts.

23 (b) Any state agency that has independent authority over accounts
24 or funds not statutorily required to be held in the state treasury
25 that deposits funds into a fund or account in the state treasury
26 pursuant to an agreement with the office of the state treasurer shall
27 receive its proportionate share of earnings based upon each account's
28 or fund's average daily balance for the period.

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

32 NEW SECTION. **Sec. 6.** Sections 1 through 4 of this act are each
33 added to chapter 43.21A RCW."

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ADOPTED 03/03/2016

1 On page 1, line 1 of the title, after "Relating to" strike the
2 remainder of the title and insert "establishing the office of
3 Chehalis basin; reenacting and amending RCW 43.84.092; and adding new
4 sections to chapter 43.21A RCW."

EFFECT: Changes name to the office of Chehalis basin;
Creates the Chehalis board with seven members, with four members
appointed by the governor and confirmed by the senate and specifies
terms for members;
Requires the department of ecology to staff the Chehalis board;
The Chehalis board has oversight of long-term Chehalis basin
strategy; and
Specifies that the Chehalis basin strategy include detailed
actions, an implementation schedule, and quantified measures for
evaluating the success of implementation.

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