

**ESSB 5048** - H AMD TO H AMD (H-2540.1/17) **350**

By Representative Ormsby

**ADOPTED 03/31/2017**

1 On page 255, after line 29, insert the following:  
2 "State Treasurer's Service Account: For transfer to the state general  
3 fund, \$6,000,000 for fiscal year 2018 and \$6,000,000 for fiscal year  
4 2019.....\$12,000,000  
5 Financial Services Regulation Account: For transfer to the state  
6 general fund, \$2,500,000 for fiscal year 2018 and \$2,500,000 for  
7 fiscal year 2019.....\$5,000,000"

8  
9 On page 281, after line 17, insert the following:

10  
11 **"Sec. 958.** RCW 43.08.190 and 2015 3rd sp.s. c 4 s 953 are each  
12 amended to read as follows:

13 There is hereby created a fund within the state treasury to be  
14 known as the "state treasurer's service fund." Such fund shall be  
15 used solely for the payment of costs and expenses incurred in the  
16 operation and administration of the state treasurer's office.

17 Moneys shall be allocated monthly and placed in the state  
18 treasurer's service fund equivalent to a maximum of one percent of  
19 the trust and treasury average daily cash balances from the earnings  
20 generated under the authority of RCW 43.79A.040 and 43.84.080 other  
21 than earnings generated from investment of balances in funds and  
22 accounts specified in RCW 43.79A.040(4)(c). The allocation shall  
23 precede the distribution of the remaining earnings as prescribed  
24 under RCW 43.79A.040 and 43.84.092. The state treasurer shall  
25 establish a uniform allocation rate for all funds and accounts;  
26 except that the state treasurer may negotiate a different allocation  
27 rate with any state agency that has independent authority over funds

1 not statutorily required to be held in the state treasury or in the  
2 custody of the state treasurer. In no event shall the rate be less  
3 than the actual costs incurred by the state treasurer's office. If  
4 no rate is separately negotiated, the default rate for any funds  
5 held shall be the rate set for funds held pursuant to statute.

6 During the 2013-2015 and 2015-2017 fiscal biennia, the  
7 legislature may transfer from the state treasurer's service fund to  
8 the state general fund such amounts as reflect the excess fund  
9 balance of the fund. During the 2017-2019 fiscal biennium, the  
10 legislature may direct the state treasurer to make transfers of  
11 money in the state treasurer's service fund to the state general  
12 fund. It is the intent of the legislature that this policy will be  
13 continued in subsequent biennia."

14

15 Renumber the remaining sections consecutively and correct any  
16 internal references accordingly.

17

18 Correct the title.

19

20 On page 284, after line 21, insert the following:

21

22 "**Sec. 962.** RCW 43.320.110 and 2015 3rd sp.s. c 4 s 960 are each  
23 amended to read as follows:

24 There is created a local fund known as the "financial services  
25 regulation fund" which shall consist of all moneys received by the  
26 divisions of the department of financial institutions, except for  
27 the division of securities which shall deposit thirteen percent of  
28 all moneys received, except as provided in RCW 43.320.115, and which  
29 shall be used for the purchase of supplies and necessary equipment;  
30 the payment of salaries, wages, and utilities; the establishment of  
31 reserves; and other incidental costs required for the proper  
32 regulation of individuals and entities subject to regulation by the  
33 department. The state treasurer shall be the custodian of the fund.  
34 Disbursements from the fund shall be on authorization of the

1 director of financial institutions or the director's designee. In  
2 order to maintain an effective expenditure and revenue control, the  
3 fund shall be subject in all respects to chapter 43.88 RCW, but no  
4 appropriation is required to permit expenditures and payment of  
5 obligations from the fund.

6 During the 2015-2017 fiscal biennium, the legislature may  
7 transfer from the financial services regulation fund to the state  
8 general fund such amounts as reflect the excess fund balance of the  
9 fund. During the 2015-2017 fiscal biennium, moneys from the  
10 financial services regulation fund may be appropriated for the  
11 family prosperity account program at the department of commerce and  
12 for the operations of the department of revenue. During the 2017-  
13 2019 fiscal biennium, the legislature may direct the treasurer to  
14 make transfers of moneys from the financial services regulation fund  
15 to the state general fund. It is the intent of the legislature that  
16 this policy will be continued in subsequent biennia."

17  
18 Renumber the remaining sections consecutively and correct any  
19 internal references accordingly.

20  
21 Correct the title.

22  
23 On page 296, line 16, after "legislature" strike "that this  
24 policy be continued in future biennia" and insert "to continue, in  
25 future biennia, the policy of transferring to the state general fund  
26 such amounts as reflect the excess fund balance of the account"

**EFFECT:** Requires the Treasurer to transfer \$12 million from the State Treasurer's Service Account to the State General Fund during the 2017-19 biennium. Requires the Treasurer to transfer \$5 million from the Financial Services Regulation Account to the State General Fund during the 2017-19 biennium. Includes or modifies language related to legislative intent for the policy of transfers from the two accounts and the Criminal Justice Treatment Account in subsequent biennia.

**FISCAL IMPACT:** Increases general fund-state resources in the FY

2017-19 biennium by \$17,000,000. (Also further increases resources assumed in the outlook for FY 2019-21).

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