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HOUSE BILL 2135

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State of Washington

65th Legislature

2017 Regular Session

By Representatives Frame, Tarleton, and Santos

Read first time 02/27/17. Referred to Committee on Technology & Economic Development.

1 AN ACT Relating to establishing a mitigation fund for businesses  
2 affected by significant pipeline accidents; amending RCW 81.88.050;  
3 reenacting and amending RCW 43.79A.040; adding a new section to  
4 chapter 43.31 RCW; and declaring an emergency.

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

6 **Sec. 1.** RCW 81.88.050 and 2007 c 142 s 3 are each amended to  
7 read as follows:

8 (1) The pipeline safety account is created in the custody of the  
9 state treasurer. All fees received by the commission for the pipeline  
10 safety program according to RCW 80.24.060 and 81.24.090 and all  
11 receipts from the federal office of pipeline safety and any other  
12 state or federal funds provided for pipeline safety shall be  
13 deposited in the account. Any penalties collected under this chapter,  
14 or otherwise designated to this account must be deposited in the  
15 account. Moneys in the account may be spent only after appropriation.  
16 Except as provided in subsection (2) of this section, expenditures  
17 from the account may be used only for funding pipeline safety.

18 (2) During the 2017-2019 fiscal biennium, the commission may, at  
19 the direction of the governor, transfer up to five hundred thousand  
20 dollars in moneys collected from penalties assessed under RCW

1 81.88.040 from the pipeline safety account to the pipeline accident  
2 mitigation account created in section 2 of this act.

3 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.31  
4 RCW to read as follows:

5 (1) The pipeline accident mitigation account is created in the  
6 custody of the state treasurer. Moneys transferred under RCW  
7 81.88.050(2) and any other federal, state, or private funds,  
8 appropriated or nonappropriated, as the department receives for the  
9 purpose of mitigating the costs associated with significant pipeline  
10 accidents must be deposited into the account. Expenditures from the  
11 account may be used only for the following:

12 (a) Grants or loans to private and nonprofit entities for  
13 temporary assistance to private entities for costs incurred as a  
14 result of damage caused by a significant pipeline accident; and

15 (b) The department's administrative expenses in carrying out the  
16 purposes of this section.

17 (2) The department may determine the eligibility criteria for  
18 loans authorized under this section, including maximum awards for  
19 individual applicants, and other application requirements as  
20 necessary to expedite expenditures from the pipeline accident  
21 mitigation account. Only the director or the director's designee may  
22 authorize expenditures from the account. The account is subject to  
23 allotment procedures under chapter 43.88 RCW, but an appropriation is  
24 not required for expenditures.

25 **Sec. 3.** RCW 43.79A.040 and 2016 c 203 s 2, 2016 c 173 s 10, 2016  
26 c 69 s 21, and 2016 c 39 s 7 are each reenacted and amended to read  
27 as follows:

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

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

36 (3) The investment income account may be utilized for the payment  
37 of purchased banking services on behalf of treasurer's trust funds  
38 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 24/7 sobriety account, the  
12 Washington promise scholarship account, the Washington advanced  
13 college tuition payment program account, the Washington college  
14 savings program account, the accessible communities account, the  
15 Washington achieving a better life experience program account, the  
16 community and technical college innovation account, the agricultural  
17 local fund, the American Indian scholarship endowment fund, the  
18 foster care scholarship endowment fund, the foster care endowed  
19 scholarship trust fund, the contract harvesting revolving account,  
20 the Washington state combined fund drive account, the commemorative  
21 works account, the county enhanced 911 excise tax account, the toll  
22 collection account, the developmental disabilities endowment trust  
23 fund, the energy account, the fair fund, the family leave insurance  
24 account, the food animal veterinarian conditional scholarship  
25 account, the fruit and vegetable inspection account, the future  
26 teachers conditional scholarship account, the game farm alternative  
27 account, the GET ready for math and science scholarship account, the  
28 Washington global health technologies and product development  
29 account, the grain inspection revolving fund, the industrial  
30 insurance rainy day fund, the juvenile accountability incentive  
31 account, the law enforcement officers' and firefighters' plan 2  
32 expense fund, the local tourism promotion account, the multiagency  
33 permitting team account, the pilotage account, the pipeline accident  
34 mitigation account, the produce railcar pool account, the regional  
35 transportation investment district account, the rural rehabilitation  
36 account, the Washington sexual assault kit account, the stadium and  
37 exhibition center account, the youth athletic facility account, the  
38 self-insurance revolving fund, the children's trust fund, the  
39 Washington horse racing commission Washington bred owners' bonus fund  
40 and breeder awards account, the Washington horse racing commission

1 class C purse fund account, the individual development account  
2 program account, the Washington horse racing commission operating  
3 account, the life sciences discovery fund, the Washington state  
4 heritage center account, the reduced cigarette ignition propensity  
5 account, the center for childhood deafness and hearing loss account,  
6 the school for the blind account, the Millersylvania park trust fund,  
7 the public employees' and retirees' insurance reserve fund, and the  
8 radiation perpetual maintenance fund.

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

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

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

26 NEW SECTION. **Sec. 4.** This act is necessary for the immediate  
27 preservation of the public peace, health, or safety, or support of  
28 the state government and its existing public institutions, and takes  
29 effect immediately.

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