
ENGROSSED SUBSTITUTE SENATE BILL 5819

State of Washington

65th Legislature

2017 Regular Session

By Senate Transportation (originally sponsored by Senators King and Hobbs)

READ FIRST TIME 02/24/17.

1 AN ACT Relating to the board of pilotage commissioners; amending
2 RCW 88.16.035, 88.16.061, and 88.16.090; reenacting and amending RCW
3 43.79A.040 and 43.84.092; creating a new section; providing an
4 effective date; and declaring an emergency.

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

6 NEW SECTION. **Sec. 1.** (1) The joint legislative audit and review
7 committee must conduct a performance audit of the board of pilotage
8 commissioners. The audit must examine whether the board is complying
9 with the statutory requirements in chapter 88.16 RCW. The audit must
10 include, but is not limited to:

- 11 (a) The board's compliance with statutory reporting requirements;
12 (b) The composition of the fees charged for pilotage, how fees
13 are developed, and the relationship between the fees, pilotage
14 tariffs, and pilotage district expenditures;
15 (c) An analysis of how other states structure pilotage fees,
16 training, and licensing;
17 (d) An analysis of the diversity in the pilot applicant pool and
18 pilot training program;
19 (e) An analysis of the composition and size of the board.

20 (2) The joint legislative audit and review committee must provide
21 the results of the audit to the transportation committees of the

1 legislature and the office of financial management by December 31,
2 2018.

3 **Sec. 2.** RCW 88.16.035 and 2009 c 496 s 1 are each amended to
4 read as follows:

5 (1) The board of pilotage commissioners shall:

6 (a) Adopt rules, pursuant to chapter 34.05 RCW, necessary for the
7 enforcement and administration of this chapter;

8 (b)(i) Issue training licenses and pilot licenses to pilot
9 applicants meeting the qualifications provided for in RCW 88.16.090
10 and such additional qualifications as may be determined by the board;

11 (ii) Establish a comprehensive training program to assist in the
12 training and evaluation of pilot applicants before final licensing;
13 and

14 (iii) Establish additional training requirements, including a
15 program of continuing education developed after consultation with
16 pilot organizations, including those located within the state of
17 Washington, as required to maintain a competent pilotage service;

18 (c) Maintain a register of pilots, records of pilot accidents,
19 and other history pertinent to pilotage;

20 (d) Determine from time to time the number of pilots necessary to
21 be licensed in each district of the state to optimize the operation
22 of a safe, fully regulated, efficient, and competent pilotage service
23 in each district;

24 (e)(i) Subject to subsection (3) of this section, annually fix
25 the pilotage tariffs for pilotage services provided under this
26 chapter: PROVIDED, That the board may fix extra compensation for
27 extra services to vessels in distress, for awaiting vessels, for all
28 vessels in direct transit to or from a Canadian port where Puget
29 Sound pilotage is required for a portion of the voyage, or for being
30 carried to sea on vessels against the will of the pilot, and for such
31 other services as may be determined by the board: PROVIDED FURTHER,
32 That as an element of the Puget Sound pilotage district tariff, the
33 board may consider pilot retirement plan expenses incurred in the
34 prior year in either pilotage district. However, under no
35 circumstances shall the state be obligated to fund or pay for any
36 portion of retirement payments for pilots or retired pilots;

37 (ii) Until July 1, 2023, impose on vessels requiring pilotage a
38 sixteen dollar per pilotage assignment self-insurance premium

1 surcharge, to be deposited into the pilotage account created in RCW
2 88.16.061 solely for the expenditure of self-insurance premiums;

3 (iii) Until July 1, 2023, annually deposit the first four hundred
4 thousand dollars collected through the Puget Sound pilotage district
5 tariff authorized in (e)(i) of this subsection to the pilotage
6 account created in RCW 88.16.061 solely for the expenditure of self-
7 insurance premiums;

8 (f) By September 1, 2017, and annually thereafter, file
9 ((annually)) with the governor and the chairs of the transportation
10 committees of the senate and house of representatives a report which
11 includes, but is not limited to, the following: The number, names,
12 ages, pilot license number, training license number, and years of
13 service as a Washington licensed pilot of any person licensed by the
14 board as a Washington state pilot or trainee; the names, employment,
15 and other information of the members of the board; the total number
16 of pilotage assignments by pilotage district, including information
17 concerning the various types and sizes of vessels and the total
18 annual tonnage; the annual earnings or stipends of individual pilots
19 and trainees before and after deduction for expenses of pilot
20 organizations, including extra compensation as a separate category;
21 the annual expenses of private pilot associations, including
22 personnel employed and capital expenditures; the status of pilotage
23 tariffs, extra compensation, and travel; the retirement contributions
24 paid to pilots and the disposition thereof; the number of groundings,
25 marine occurrences, or other incidents which are reported to or
26 investigated by the board, and which are determined to be accidents,
27 as defined by the board, including the vessel name, location of
28 incident, pilot's or trainee's name, and disposition of the case
29 together with information received before the board acted from all
30 persons concerned, including the United States coast guard; the
31 names, qualifications, time scheduled for examinations, and the
32 district of persons desiring to apply for Washington state pilotage
33 licenses; summaries of dispatch records, quarterly reports from
34 pilots, and the bylaws and operating rules of pilotage organizations;
35 the names, sizes in deadweight tons, surcharges, if any, port of
36 call, name of the pilot or trainee, and names and horsepower of tug
37 boats for any and all oil tankers subject to the provisions of RCW
38 88.16.190 together with the names of any and all vessels for which
39 the United States coast guard requires special handling pursuant to
40 their authority under the Ports and Waterways Safety Act of 1972; the

1 expenses of the board; and any and all other information which the
2 board deems appropriate to include;

3 (g) Make available information that includes the pilotage act and
4 other statutes of Washington state and the federal government that
5 affect pilotage, including the rules of the board, together with such
6 additional information as may be informative for pilots, agents,
7 owners, operators, and masters;

8 (h) Appoint advisory committees and employ marine experts as
9 necessary to carry out its duties under this chapter;

10 (i) Provide for the maintenance of efficient and competent
11 pilotage service on all waters covered by this chapter; and do such
12 other things as are reasonable, necessary, and expedient to insure
13 proper and safe pilotage upon the waters covered by this chapter and
14 facilitate the efficient administration of this chapter.

15 (2) The board may pay stipends to pilot trainees under subsection
16 (1)(b) of this section.

17 (3) Until July 1, 2023, the board may not increase the pilotage
18 tariffs in existence on January 1, 2017.

19 **Sec. 3.** RCW 88.16.061 and 2008 c 128 s 17 are each amended to
20 read as follows:

21 ~~((The account in the general fund designated in RCW 43.79.330(17)~~
22 ~~as the "Puget Sound pilotage account" is hereby redesignated as the~~
23 ~~"pilotage account".))~~

24 The pilotage account is ~~((hereby redesignated as a~~
25 ~~nonappropriated account, and is therefore))~~ created in the ~~((custody~~
26 ~~of the))~~ state ~~((treasurer))~~ treasury. All receipts designated,
27 credited, or transferred to the pilotage account must be deposited
28 into the account. Moneys in the account may be spent only after
29 appropriation. Expenditures from the account may be used only for the
30 purposes of the board of pilotage commissioners as prescribed under
31 this chapter. ~~((Only the board or the board's designee may authorize~~
32 ~~expenditures from the account.))~~ The account is subject to allotment
33 procedures under chapter 43.88 RCW~~((, but an appropriation is not~~
34 ~~required for expenditures))~~.

35 **Sec. 4.** RCW 88.16.090 and 2009 c 470 s 708 are each amended to
36 read as follows:

1 (1) A person may pilot any vessel subject to this chapter on
2 waters covered by this chapter only if licensed to pilot such vessels
3 on such waters under this chapter.

4 (2)(a) A person is eligible to be licensed as a pilot or a pilot
5 trainee if the person:

6 (i) Is a citizen of the United States;

7 (ii) Is over the age of twenty-five years and under the age of
8 seventy years;

9 (iii)(A) Holds at the time of application, as a minimum, a United
10 States government license as master of steam or motor vessels of not
11 more than one thousand six hundred gross register tons (three
12 thousand international tonnage convention tons) upon oceans, near
13 coastal waters, or inland waters; or the then most equivalent federal
14 license as determined by the board; any such license to have been
15 held by the applicant for a period of at least two years before
16 application;

17 (B) Holds at the time of licensure as a pilot, after successful
18 completion of the board-required training program, a first class
19 United States endorsement without restrictions on the United States
20 government license for the pilotage district in which the pilot
21 applicant desires to be licensed; however, all applicants for a pilot
22 examination scheduled to be given before July 1, 2008, must have the
23 United States pilotage endorsement at the time of application; and

24 (C) The board may require that applicants and pilots have federal
25 licenses and endorsements as it deems appropriate; and

26 (iv) Successfully completes a board-specified training program.

27 (b) In addition to the requirements of (a) of this subsection, a
28 pilot applicant must meet such other qualifications as may be
29 required by the board.

30 (c) A person applying for a license under this section shall not
31 have been convicted of an offense involving drugs or the personal
32 consumption of alcohol in the twelve months prior to the date of
33 application. This restriction does not apply to license renewals
34 under this section.

35 (3) The board may establish such other training license and pilot
36 license requirements as it deems appropriate.

37 (4) Pilot applicants shall be evaluated and may be ranked for
38 entry into a board-specified training program in a manner specified
39 by the board based on their performance on a written examination or
40 examinations established by the board, performance on other

1 evaluation exercises as may be required by the board, and other
2 criteria or qualifications as may be set by the board.

3 When the board determines that the demand for pilots requires
4 entry of an applicant into the training program it shall issue a
5 training license to that applicant, but under no circumstances may an
6 applicant be issued a training license more than four years after
7 taking the written entry examination. The training license authorizes
8 the trainee to do such actions as are specified in the training
9 program.

10 After the completion of the training program the board shall
11 evaluate the trainee's performance and knowledge. The board, as it
12 deems appropriate, may then issue a pilot license, delay the issuance
13 of the pilot license, deny the issuance of the pilot license, or
14 require further training and evaluation.

15 (5) The board may (a) appoint a special independent committee or
16 (b) contract with private or governmental entities knowledgeable and
17 experienced in the development, administration, and grading of
18 licensing examinations or simulator evaluations for marine pilots, or
19 (c) do both. Active, licensed pilots designated by the board may
20 participate in the development, administration, and grading of
21 examinations and other evaluation exercises. If the board does
22 appoint a special examination or evaluation development committee, it
23 is authorized to pay the members of the committee the same
24 compensation and travel expenses as received by members of the board.
25 Any person who willfully gives advance knowledge of information
26 contained on a pilot examination or other evaluation exercise is
27 guilty of a gross misdemeanor.

28 (6) This subsection applies to the review of a pilot applicant's
29 written examinations and evaluation exercises to qualify to be placed
30 on a waiting list to become a pilot trainee. Failure to comply with
31 the process set forth in this subsection renders the results of the
32 pilot applicant's written examinations and evaluation exercises
33 final. A pilot applicant may seek board review, administrative
34 review, and judicial review of the results of the written
35 examinations and evaluation exercises in the following manner:

36 (a) A pilot applicant who seeks a review of the results of his or
37 her written examinations or evaluation exercises must request from
38 the board-appointed or board-designated examination committee an
39 administrative review of the results of his or her written
40 examinations or evaluation exercises as set forth by board rule.

1 (b) The determination of the examination committee's review of a
2 pilot applicant's examination results becomes final after thirty days
3 from the date of service of written notification of the committee's
4 determination unless a full adjudicative hearing before an
5 administrative law judge has been requested by the pilot applicant
6 before the thirty-day period has expired, as set forth by board rule.

7 (c) When a full adjudicative hearing has been requested by the
8 pilot applicant, the board shall request the appointment of an
9 administrative law judge under chapter 34.12 RCW who has sufficient
10 experience and familiarity with pilotage matters to be able to
11 conduct a fair and impartial hearing. The hearing shall be governed
12 by chapter 34.05 RCW. The administrative law judge shall issue an
13 initial order.

14 (d) The initial order of the administrative law judge is final
15 unless within thirty days of the date of service of the initial order
16 the board or pilot applicant requests review of the initial order
17 under chapter 34.05 RCW.

18 (e) The board may appoint a person to review the initial order
19 and to prepare and enter a final order as governed by chapter 34.05
20 RCW and as set forth by board rule. The person appointed by the board
21 under this subsection (6)(e) is called the board reviewing officer.

22 (7) Pilots are licensed under this section for a term of five
23 years from and after the date of the issuance of their respective
24 state licenses. Licenses must thereafter be renewed as a matter of
25 course, unless the board withholds the license for good cause. Each
26 pilot shall pay to the state treasurer an annual license fee in an
27 amount set by the board by rule. (~~Pursuant to RCW 43.135.055, the~~
28 ~~fees established under this subsection may be increased through the~~
29 ~~fiscal year ending June 30, 2011.~~) The fees must be deposited in the
30 pilotage account. The board may assess partially active or inactive
31 pilots a reduced fee.

32 (8) All pilots and pilot trainees are subject to an annual
33 physical examination by a physician chosen by the board. The
34 physician shall examine the pilot's or pilot trainee's heart, blood
35 pressure, circulatory system, lungs and respiratory system, eyesight,
36 hearing, and such other items as may be prescribed by the board.
37 After consultation with a physician and the United States coast
38 guard, the board shall establish minimum health standards to ensure
39 that pilots and pilot trainees licensed by the state are able to
40 perform their duties. Within ninety days of the date of each annual

1 physical examination, and after review of the physician's report, the
2 board shall make a determination of whether the pilot or pilot
3 trainee is fully able to carry out the duties of a pilot or pilot
4 trainee under this chapter. The board may in its discretion check
5 with the appropriate authority for any convictions of or information
6 regarding offenses by a licensed pilot or pilot trainee involving
7 drugs or the personal consumption of alcohol in the prior twelve
8 months.

9 (9) The board may require vessel simulator training for a pilot
10 trainee and shall require vessel simulator training for a licensed
11 pilot subject to RCW 88.16.105. The board shall also require vessel
12 simulator training in the first year of active duty for a new pilot
13 and at least once every five years for all active pilots.

14 (10) The board shall prescribe, pursuant to chapter 34.05 RCW,
15 such reporting requirements and review procedures as may be necessary
16 to assure the accuracy and validity of license and service claims.
17 Willful misrepresentation of such required information by a pilot
18 applicant shall result in disqualification of the pilot applicant.

19 **Sec. 5.** RCW 43.79A.040 and 2016 c 203 s 2, 2016 c 173 s 10, 2016
20 c 69 s 21, and 2016 c 39 s 7 are each reenacted and amended to read
21 as follows:

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

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

30 (3) The investment income account may be utilized for the payment
31 of purchased banking services on behalf of treasurer's trust funds
32 including, but not limited to, depository, safekeeping, and
33 disbursement functions for the state treasurer or affected state
34 agencies. The investment income account is subject in all respects to
35 chapter 43.88 RCW, but no appropriation is required for payments to
36 financial institutions. Payments must occur prior to distribution of
37 earnings set forth in subsection (4) of this section.

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

4 (b) The following accounts and funds must receive their
5 proportionate share of earnings based upon each account's or fund's
6 average daily balance for the period: The 24/7 sobriety account, the
7 Washington promise scholarship account, the Washington advanced
8 college tuition payment program account, the Washington college
9 savings program account, the accessible communities account, the
10 Washington achieving a better life experience program account, the
11 community and technical college innovation account, the agricultural
12 local fund, the American Indian scholarship endowment fund, the
13 foster care scholarship endowment fund, the foster care endowed
14 scholarship trust fund, the contract harvesting revolving account,
15 the Washington state combined fund drive account, the commemorative
16 works account, the county enhanced 911 excise tax account, the toll
17 collection account, the developmental disabilities endowment trust
18 fund, the energy account, the fair fund, the family leave insurance
19 account, the food animal veterinarian conditional scholarship
20 account, the fruit and vegetable inspection account, the future
21 teachers conditional scholarship account, the game farm alternative
22 account, the GET ready for math and science scholarship account, the
23 Washington global health technologies and product development
24 account, the grain inspection revolving fund, the industrial
25 insurance rainy day fund, the juvenile accountability incentive
26 account, the law enforcement officers' and firefighters' plan 2
27 expense fund, the local tourism promotion account, the multiagency
28 permitting team account, (~~the pilotage account,~~) the produce
29 railcar pool account, the regional transportation investment district
30 account, the rural rehabilitation account, the Washington sexual
31 assault kit account, the stadium and exhibition center account, the
32 youth athletic facility account, the self-insurance revolving fund,
33 the children's trust fund, the Washington horse racing commission
34 Washington bred owners' bonus fund and breeder awards account, the
35 Washington horse racing commission class C purse fund account, the
36 individual development account program account, the Washington horse
37 racing commission operating account, the life sciences discovery
38 fund, the Washington state heritage center account, the reduced
39 cigarette ignition propensity account, the center for childhood
40 deafness and hearing loss account, the school for the blind account,

1 the Millersylvania park trust fund, the public employees' and
2 retirees' insurance reserve fund, and the radiation perpetual
3 maintenance fund.

4 (c) The following accounts and funds must 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 advanced right-of-
7 way revolving fund, the advanced environmental mitigation revolving
8 account, the federal narcotics asset forfeitures account, the high
9 occupancy vehicle account, the local rail service assistance account,
10 and the miscellaneous transportation programs account.

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

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

21 **Sec. 6.** RCW 43.84.092 and 2016 c 194 s 5, 2016 c 161 s 20, and
22 2016 c 112 s 4 are each reenacted and amended to read as follows:

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

26 (2) The treasury income account shall be utilized to pay or
27 receive funds associated with federal programs as required by the
28 federal cash management improvement act of 1990. The treasury income
29 account is subject in all respects to chapter 43.88 RCW, but no
30 appropriation is required for refunds or allocations of interest
31 earnings required by the cash management improvement act. Refunds of
32 interest to the federal treasury required under the cash management
33 improvement act fall under RCW 43.88.180 and shall not require
34 appropriation. The office of financial management shall determine the
35 amounts due to or from the federal government pursuant to the cash
36 management improvement act. The office of financial management may
37 direct transfers of funds between accounts as deemed necessary to
38 implement the provisions of the cash management improvement act, and
39 this subsection. Refunds or allocations shall occur prior to the

1 distributions of earnings set forth in subsection (4) of this
2 section.

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

12 (4) Monthly, the state treasurer shall distribute the earnings
13 credited to the treasury income account. The state treasurer shall
14 credit the general fund with all the earnings credited to the
15 treasury income account except:

16 (a) The following accounts and funds shall receive their
17 proportionate share of earnings based upon each account's and fund's
18 average daily balance for the period: The aeronautics account, the
19 aircraft search and rescue account, the Alaskan Way viaduct
20 replacement project account, the brownfield redevelopment trust fund
21 account, the budget stabilization account, the capital vessel
22 replacement account, the capitol building construction account, the
23 Cedar River channel construction and operation account, the Central
24 Washington University capital projects account, the charitable,
25 educational, penal and reformatory institutions account, the Chehalis
26 basin account, the cleanup settlement account, the Columbia river
27 basin water supply development account, the Columbia river basin
28 taxable bond water supply development account, the Columbia river
29 basin water supply revenue recovery account, the common school
30 construction fund, the community forest trust account, the connecting
31 Washington account, the county arterial preservation account, the
32 county criminal justice assistance account, the deferred compensation
33 administrative account, the deferred compensation principal account,
34 the department of licensing services account, the department of
35 retirement systems expense account, the developmental disabilities
36 community trust account, the diesel idle reduction account, the
37 drinking water assistance account, the drinking water assistance
38 administrative account, the drinking water assistance repayment
39 account, the Eastern Washington University capital projects account,
40 the Interstate 405 express toll lanes operations account, the

1 education construction fund, the education legacy trust account, the
2 election account, the electric vehicle charging infrastructure
3 account, the energy freedom account, the energy recovery act account,
4 the essential rail assistance account, The Evergreen State College
5 capital projects account, the federal forest revolving account, the
6 ferry bond retirement fund, the freight mobility investment account,
7 the freight mobility multimodal account, the grade crossing
8 protective fund, the public health services account, the high
9 capacity transportation account, the state higher education
10 construction account, the higher education construction account, the
11 highway bond retirement fund, the highway infrastructure account, the
12 highway safety fund, the high occupancy toll lanes operations
13 account, the hospital safety net assessment fund, the industrial
14 insurance premium refund account, the judges' retirement account, the
15 judicial retirement administrative account, the judicial retirement
16 principal account, the local leasehold excise tax account, the local
17 real estate excise tax account, the local sales and use tax account,
18 the marine resources stewardship trust account, the medical aid
19 account, the mobile home park relocation fund, the money-purchase
20 retirement savings administrative account, the money-purchase
21 retirement savings principal account, the motor vehicle fund, the
22 motorcycle safety education account, the multimodal transportation
23 account, the multiuse roadway safety account, the municipal criminal
24 justice assistance account, the natural resources deposit account,
25 the oyster reserve land account, the pension funding stabilization
26 account, the perpetual surveillance and maintenance account, the
27 pilotage account, the pollution liability insurance agency
28 underground storage tank revolving account, the public employees'
29 retirement system plan 1 account, the public employees' retirement
30 system combined plan 2 and plan 3 account, the public facilities
31 construction loan revolving account beginning July 1, 2004, the
32 public health supplemental account, the public works assistance
33 account, the Puget Sound capital construction account, the Puget
34 Sound ferry operations account, the Puget Sound taxpayer
35 accountability account, the real estate appraiser commission account,
36 the recreational vehicle account, the regional mobility grant program
37 account, the resource management cost account, the rural arterial
38 trust account, the rural mobility grant program account, the rural
39 Washington loan fund, the site closure account, the skilled nursing
40 facility safety net trust fund, the small city pavement and sidewalk

1 account, the special category C account, the special wildlife
2 account, the state employees' insurance account, the state employees'
3 insurance reserve account, the state investment board expense
4 account, the state investment board commingled trust fund accounts,
5 the state patrol highway account, the state route number 520 civil
6 penalties account, the state route number 520 corridor account, the
7 state wildlife account, the supplemental pension account, the Tacoma
8 Narrows toll bridge account, the teachers' retirement system plan 1
9 account, the teachers' retirement system combined plan 2 and plan 3
10 account, the tobacco prevention and control account, the tobacco
11 settlement account, the toll facility bond retirement account, the
12 transportation 2003 account (nickel account), the transportation
13 equipment fund, the transportation fund, the transportation future
14 funding program account, the transportation improvement account, the
15 transportation improvement board bond retirement account, the
16 transportation infrastructure account, the transportation partnership
17 account, the traumatic brain injury account, the tuition recovery
18 trust fund, the University of Washington bond retirement fund, the
19 University of Washington building account, the volunteer
20 firefighters' and reserve officers' relief and pension principal
21 fund, the volunteer firefighters' and reserve officers'
22 administrative fund, the Washington judicial retirement system
23 account, the Washington law enforcement officers' and firefighters'
24 system plan 1 retirement account, the Washington law enforcement
25 officers' and firefighters' system plan 2 retirement account, the
26 Washington public safety employees' plan 2 retirement account, the
27 Washington school employees' retirement system combined plan 2 and 3
28 account, the Washington state health insurance pool account, the
29 Washington state patrol retirement account, the Washington State
30 University building account, the Washington State University bond
31 retirement fund, the water pollution control revolving administration
32 account, the water pollution control revolving fund, the Western
33 Washington University capital projects account, the Yakima integrated
34 plan implementation account, the Yakima integrated plan
35 implementation revenue recovery account, and the Yakima integrated
36 plan implementation taxable bond account. Earnings derived from
37 investing balances of the agricultural permanent fund, the normal
38 school permanent fund, the permanent common school fund, the
39 scientific permanent fund, the state university permanent fund, and

1 the state reclamation revolving account shall be allocated to their
2 respective beneficiary accounts.

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

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

12 NEW SECTION. **Sec. 7.** This act is necessary for the immediate
13 preservation of the public peace, health, or safety, or support of
14 the state government and its existing public institutions, and takes
15 effect July 1, 2017.

--- END ---