ENGROSSED SUBSTITUTE HOUSE BILL 2015

State of Washington 66th Legislature 2019 Regular Session

By House Capital Budget (originally sponsored by Representatives Doglio, DeBolt, Dolan, Walsh, Blake, Springer, Tarleton, and Pollet; by request of Secretary of State)

READ FIRST TIME 02/28/19.

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AN ACT Relating to providing funding for the Washington state library-archives building and operations of library and archives facilities; amending RCW 36.18.010, 36.22.175, 36.22.175, 43.07.128, 43.07.129, and 43.07.370; reenacting and amending RCW 43.79A.040; adding a new section to chapter 43.07 RCW; creating new sections; providing an effective date; and providing an expiration date.

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

NEW SECTION. Sec. 1. (1) The legislature finds that the current facilities housing the Washington state archives, Washington state library, Washington state corporations and charities office, and the state elections office is in need of modernization and update. This is due to these vital programs being housed in obsolete and crowded facilities that do not meet modern standards for the functions performed in each.

(2) It is the intent of the secretary of state and the legislature to preserve and protect the state's vital records and collections, provide convenient service to the public, be excellent stewards of state funds, and house staff and collections in a state of the art, energy efficient building owned and operated by the office of the secretary of state. This will be accomplished by constructing a new building funded by a financing contract entered

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into by the secretary of state pursuant to chapter 39.94 RCW. The principal and interest requirements of the financing contract will be serviced by existing rents, existing fees, and a new fee on documents recorded at county recording offices.

- (3) This building, to be known as the library-archives building, will replace the existing state archives, the existing leased library location, the existing leased elections office, and the corporations and charities building on Capitol Way in addition to consolidating other archival structures. The consolidation of facilities will create efficiency under RCW 43.82.010(6) and convenience for customers with the eventual goal of housing all functions of the various divisions of the office of the secretary of state.
- NEW SECTION. Sec. 2. The secretary of state's office shall own and operate the library-archives building. The secretary of state's office is authorized to enter into a long-term land lease from the port of Olympia for a period of up to seventy-five years. To comply with the provisions of this section, this project is exempt from the provisions of RCW 43.82.010.
- **Sec. 3.** RCW 36.18.010 and 2015 3rd sp.s. c 28 s 1 are each 20 amended to read as follows:
- County auditors or recording officers shall collect the following fees for their official services:
 - (1) For recording instruments, for the first page eight and one-half by fourteen inches or less, five dollars; for each additional page eight and one-half by fourteen inches or less, one dollar. The fee for recording multiple transactions contained in one instrument will be calculated for each transaction requiring separate indexing as required under RCW 65.04.050 as follows: The fee for each title or transaction is the same fee as the first page of any additional recorded document; the fee for additional pages is the same fee as for any additional pages for any recorded document; the fee for the additional pages may be collected only once and may not be collected for each title or transaction;
 - (2) For preparing and certifying copies, for the first page eight and one-half by fourteen inches or less, three dollars; for each additional page eight and one-half by fourteen inches or less, one dollar;

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1 (3) For preparing noncertified copies, for each page eight and 2 one-half by fourteen inches or less, one dollar;

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- (4) For administering an oath or taking an affidavit, with or without seal, two dollars;
- (5) For issuing a marriage license, eight dollars, (this fee includes taking necessary affidavits, filing returns, indexing, and transmittal of a record of the marriage to the state registrar of vital statistics) plus an additional five dollar fee for use and support of the prevention of child abuse and neglect activities to be transmitted monthly to the state treasurer and deposited in the state general fund plus an additional ten dollar fee to be transmitted monthly to the state treasurer and deposited in the state general fund. The legislature intends to appropriate an amount at least equal to the revenue generated by this fee for the purposes of the displaced homemaker act, chapter 28B.04 RCW;
 - (6) For searching records per hour, eight dollars;
- (7) For recording plats, fifty cents for each lot except cemetery plats for which the charge shall be twenty-five cents per lot; also one dollar for each acknowledgment, dedication, and description: PROVIDED, That there shall be a minimum fee of twenty-five dollars per plat;
- (8) For recording of miscellaneous records not listed above, for the first page eight and one-half by fourteen inches or less, five dollars; for each additional page eight and one-half by fourteen inches or less, one dollar;
- (9) For modernization and improvement of the recording and indexing system, a surcharge as provided in RCW 36.22.170;
- (10) For recording an emergency nonstandard document as provided in RCW 65.04.047, fifty dollars, in addition to all other applicable recording fees;
- (11) For recording instruments, a three dollar surcharge to be deposited into the Washington state ((heritage center)) library operations account created in RCW 43.07.129;
- 34 (12) For recording instruments, a two dollar surcharge to be 35 deposited into the Washington state library-archives building account 36 created in section 9 of this act until the financing contract entered 37 into by the secretary of state for the Washington state library-38 archives building is paid in full;
- 39 <u>(13)</u> For recording instruments, a surcharge as provided in RCW 36.22.178; and

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(((13))) (14) For recording instruments, except for documents recording a birth, marriage, divorce, or death or any documents otherwise exempted from a recording fee under state law, a surcharge as provided in RCW 36.22.179.

- **Sec. 4.** RCW 36.22.175 and 2017 c 303 s 7 are each amended to read as follows:
- (1) (a) In addition to any other charge authorized by law, the county auditor shall charge a surcharge of one dollar per instrument for each document recorded. Revenue generated through this surcharge shall be transmitted monthly to the state treasurer for deposit in the local government archives account under RCW 40.14.024. These funds shall be used solely for providing records schedule compliance, security microfilm inspection and storage, archival preservation, cataloging, and indexing for local government records and digital data and access to those records and data through the regional branch archives of the division of archives and records management.
- (b) The division of archives and records management within the office of the secretary of state shall provide records management training for local governments and shall establish a competitive grant program to solicit and prioritize project proposals from local governments for potential funding to be paid for by funds from the auditor surcharge and tax warrant surcharge revenues. Application for specific projects may be made by local government agencies only. The state archivist in consultation with the advisory committee established under RCW 40.14.027 shall adopt rules governing project eligibility, evaluation, awarding of grants, and other criteria including requirements for records management training for grant recipients.
- (2) The advisory committee established under RCW 40.14.027 shall review grant proposals and establish a prioritized list of projects to be considered for funding by January 1st of each even-numbered year, beginning in 2002. The evaluation of proposals and development of the prioritized list must be developed through open public meetings. Funding for projects shall be granted according to the ranking of each application on the prioritized list and projects will be funded only to the extent that funds are available. A grant award may have an effective date other than the date the project is placed on the prioritized list.

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(3)((-(a))) In addition to any other surcharge authorized by law, the county auditor shall charge a surcharge of one dollar per instrument for every document recorded after January 1, 2002. Revenue generated through this surcharge shall be transmitted to the state treasurer monthly for deposit in the ((local government archives account under RCW 40.14.024 to be used exclusively for: (i) The construction and improvement of a specialized regional facility located in eastern Washington designed to serve the archives, records management, and digital data management needs of local government; and (ii) payment of the certificate of participation issued for the Washington state heritage center to the extent there is an excess fund balance in the account and fees generated under RCW 36.18.010 and 43.07.128 are insufficient to meet debt service payments on the certificate of participation.

(b) To the extent the facilities are used for the storage and retrieval of state agency records and digital data, that portion of the construction of such facilities used for state government records and data shall be supported by other charges and fees paid by state agencies and shall not be supported by the surcharge authorized in this subsection, except that to the extent there is an excess fund balance in the account and fees generated under RCW 36.18.010 and 43.07.128 are insufficient to meet debt service payments for the Washington state heritage center, the local government archives account under RCW 40.14.024 may be used for the Washington state heritage center.

(c) At such time that all debt service from construction of the specialized regional archive facility located in eastern Washington has been paid,)) following accounts, fifty percent of the surcharge authorized by this subsection shall be reverted to the ((centennial document preservation and modernization)) local government archives account as prescribed in RCW ((36.22.170)) 40.14.024 for maintenance and operation of the specialized regional archive facility located in eastern Washington and fifty percent of the surcharge authorized by this section shall be reverted to the ((state treasurer for deposit in the public records efficiency, preservation, and access account to serve the archives, records management, and digital data management needs of local government, except that the state treasurer shall not revert funds to the centennial document preservation and modernization account and to the public records efficiency, preservation, and access account if fees generated under RCW

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36.18.010 and 43.07.128 are insufficient to meet debt service payments on the Washington state heritage center)) account created in section 9 of this act for payment of the financing contract entered into by the secretary of state for the Washington state libraryarchives building.

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- 6 (4) In addition to any other surcharge authorized by law, the 7 county auditor shall charge a surcharge of one dollar per instrument for every document recorded. Revenue generated through this surcharge 8 shall be transmitted to the state treasurer monthly for deposit in the local government archives account under RCW 40.14.024 to be used 10 11 exclusively for the competitive grant program in RCW 40.14.026, and for the attorney general's consultation program and state archivist's 12 training services authorized in RCW 42.56.570. 13
- RCW 36.22.175 and 2011 1st sp.s. c 50 s 931 are each 14 15 amended to read as follows:
 - (1)(a) In addition to any other charge authorized by law, the county auditor shall charge a surcharge of one dollar per instrument for each document recorded. Revenue generated through this surcharge shall be transmitted monthly to the state treasurer for deposit in the local government archives account under RCW 40.14.024. These funds shall be used solely for providing records scheduling, security microfilm inspection and storage, archival preservation, cataloging, and indexing for local government records and digital data and access to those records and data through the regional branch archives of the division of archives and records management.
 - (b) The division of archives and records management within the office of the secretary of state shall provide records management training for local governments and shall establish a competitive grant program to solicit and prioritize project proposals from local governments for potential funding to be paid for by funds from the auditor surcharge and tax warrant surcharge revenues. Application for specific projects may be made by local government agencies only. The state archivist consultation with the advisory committee in established under RCW 40.14.027 shall adopt rules governing project eligibility, evaluation, awarding of grants, and other criteria including requirements for records management training for grant recipients.
 - (2) The advisory committee established under RCW 40.14.027 shall review grant proposals and establish a prioritized list of projects

p. 6 ESHB 2015 to be considered for funding by January 1st of each even-numbered year, beginning in 2002. The evaluation of proposals and development of the prioritized list must be developed through open public meetings. Funding for projects shall be granted according to the ranking of each application on the prioritized list and projects will be funded only to the extent that funds are available. A grant award may have an effective date other than the date the project is placed on the prioritized list.

(3)((-(a))) In addition to any other surcharge authorized by law, the county auditor shall charge a surcharge of one dollar per instrument for every document recorded after January 1, 2002. Revenue generated through this surcharge shall be transmitted to the state treasurer monthly for deposit in the ((local government archives account under RCW 40.14.024 to be used exclusively for: (i) The construction and improvement of a specialized regional facility located in eastern Washington designed to serve the archives, records management, and digital data management needs of local government; and (ii) payment of the certificate of participation issued for the Washington state heritage center to the extent there is an excess fund balance in the account and fees generated under RCW 36.18.010 and 43.07.128 are insufficient to meet debt service payments on the certificate of participation.

(b) To the extent the facilities are used for the storage and retrieval of state agency records and digital data, that portion of the construction of such facilities used for state government records and data shall be supported by other charges and fees paid by state agencies and shall not be supported by the surcharge authorized in this subsection, except that to the extent there is an excess fund balance in the account and fees generated under RCW 36.18.010 and 43.07.128 are insufficient to meet debt service payments for the Washington state heritage center, the local government archives account under RCW 40.14.024 may be used for the Washington state heritage center.

(c) At such time that all debt service from construction of the specialized regional archive facility located in eastern Washington has been paid,)) following accounts, fifty percent of the surcharge authorized by this subsection shall be reverted to the ((eentennial document preservation and modernization)) local government archives account as prescribed in RCW ((36.22.170)) 40.14.024 for maintenance and operation of the specialized regional archive facility located in

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- 1 eastern Washington and fifty percent of the surcharge authorized by this section shall be reverted to the ((state treasurer for deposit 2 in the public records efficiency, preservation, and access account to 3 serve the archives, records management, and digital data management 4 needs of local government, except that the state treasurer shall not 5 6 revert funds to the centennial document preservation and modernization account and to the public records efficiency, 7 preservation, and access account if fees generated under RCW 8 36.18.010 and 43.07.128 are insufficient to meet debt service 9 payments on the Washington state heritage center)) account created in 10 11 section 9 of this act for payment of the financing contract entered 12 into by the secretary of state for the Washington state libraryarchives building. 13
- 14 **Sec. 6.** RCW 43.07.128 and 2007 c 523 s 1 are each amended to 15 read as follows:
- 16 (1) In addition to other required filing fees, the secretary of 17 state shall collect a fee of five dollars at the time of filing for:

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- (a) Articles of incorporation for domestic corporations or applications for certificates of authority for foreign corporations under Title 23B RCW;
- 21 (b) Certificates of formation for domestic limited liability 22 companies or registrations of foreign limited liability companies 23 under chapter 25.15 RCW;
 - (c) Registrations of foreign and domestic partnerships and limited liability partnerships under chapter 25.05 RCW;
- 26 (d) Certificates of limited partnership($(\frac{\{s\}}{\}})$) \underline{s} and 27 registration($(\frac{\{s\}}{\}})$) \underline{s} of foreign limited partnerships under chapter 28 25.10 RCW; and
 - (e) Registrations of trademarks under chapter 19.77 RCW.
- 30 (2) Moneys received under subsection (1) of this section must be deposited into the ((Washington state heritage center)) library operations account created in RCW 43.07.129.
- 33 **Sec. 7.** RCW 43.07.129 and 2012 2nd sp.s. c 7 s 917 are each amended to read as follows:
- The Washington state ((heritage center)) <u>library operations</u>
 account is created in the custody of the state treasurer. All moneys
 received under RCW 36.18.010(11) and 43.07.128 must be deposited in

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- the account. Expenditures from the account may be made only for the following purposes:
 - (1) Payment of the ((certificate of participation issued))

 financing contract entered into by the secretary of state for the

 Washington state ((heritage center)) library-archives building;
 - (2) Capital maintenance of the Washington state ((heritage center)) library-archives building and the specialized regional facility located in eastern Washington designed to serve the archives, records management, and digital data management needs of local government; and
 - (3) Program operations that serve the public, relate to the collections and exhibits housed in the Washington state ((heritage center)) library-archives building, or fulfill the missions of the state archives ((τ)) and state library((τ and capital museum)).

Only the secretary of state or the secretary of state's designee may authorize expenditures from the account. An appropriation is not required for expenditures, but the account is subject to allotment procedures under chapter 43.88 RCW. ((During the 2011-2013 fiscal biennium, the legislature may appropriate from the Washington state heritage center account for the purposes of state arts, historical, and library programs. Additionally, during the 2011-2013 fiscal biennium, the legislature may transfer from the Washington state heritage center account to the state general fund such amounts as reflect the excess fund balance of the fund.)

- **Sec. 8.** RCW 43.07.370 and 2009 c 71 s 1 are each amended to read 26 as follows:
 - (1) The secretary of state may solicit and accept gifts, grants, conveyances, bequests, and devises of real or personal property, or both, in trust or otherwise, and sell, lease, exchange, invest, or expend these donations or the proceeds, rents, profits, and income from the donations except as limited by the donor's terms.
 - (2) Moneys received under this section may be used only for the following purposes:
 - (a) Conducting the Washington state legacy project;
 - (b) Archival activities;

- (c) Washington state library activities;
- 37 (d) Development, construction, and operation of the Washington 38 state ((heritage center)) library-archives building; and
 - (e) Donation of Washington state flags.

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- 1 (3)(a) Moneys received under subsection (2)(a) through (c) of 2 this section must be deposited in the Washington state legacy 3 project, state library, and archives account established in RCW 4 43.07.380.
- (b) Moneys received under subsection (2)(d) of this section must be deposited in the Washington state ((heritage center)) library-archives building account created in ((RCW 43.07.129)) section 9 of this act.
- 9 (c) Moneys received under subsection (2)(e) of this section must 10 be deposited in the Washington state flag account created in RCW 11 43.07.388.
- 12 (4) The secretary of state shall adopt rules to govern and 13 protect the receipt and expenditure of the proceeds.
- NEW SECTION. Sec. 9. A new section is added to chapter 43.07
 RCW to read as follows:
- 16 The Washington state library-archives building account is created 17 in the custody of the state treasurer. All moneys received under RCW 36.18.010(12), 36.22.175(3), and 43.07.370(3) must be deposited in 18 the account. Expenditures from the account may be made only for the 19 purposes of payment of the financing contract entered into by the 20 21 secretary of state for the Washington state library-archives building. Only the secretary of state or the secretary of state's 22 authorize expenditures 23 may from the account. 24 appropriation is not required for expenditures, but the account is 25 subject to allotment procedures under chapter 43.88 RCW.
- 26 **Sec. 10.** RCW 43.79A.040 and 2018 c 260 s 28, 2018 c 258 s 4, and 27 2018 c 127 s 6 are each reenacted and amended to read as follows:

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- (1) Money in the treasurer's trust fund may be deposited, invested, and reinvested by the state treasurer in accordance with RCW 43.84.080 in the same manner and to the same extent as if the money were in the state treasury, and may be commingled with moneys 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

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

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- (4)(a) Monthly, the state treasurer must distribute the earnings credited to the investment income account to the state general fund except under (b), (c), and (d) of this subsection.
- The following accounts and funds must receive their 9 proportionate share of earnings based upon each account's or fund's 10 11 average daily balance for the period: The 24/7 sobriety account, the 12 Washington promise scholarship account, the Gina Grant Bull memorial legislative page scholarship account, the Washington advanced college 13 14 tuition payment program account, the Washington college savings program account, the accessible communities account, the Washington 15 16 achieving a better life experience program account, the community and 17 technical college innovation account, the agricultural local fund, 18 the American Indian scholarship endowment fund, the foster care scholarship endowment fund, the foster care endowed scholarship trust 19 fund, the contract harvesting revolving account, the Washington state 20 21 combined fund drive account, the commemorative works account, the 22 county enhanced 911 excise tax account, the toll collection account, 23 the developmental disabilities endowment trust fund, the energy account, the fair fund, the family and medical leave insurance 24 25 account, the fish and wildlife federal lands revolving account, the natural resources federal lands revolving account, the food animal 26 veterinarian conditional scholarship account, the forest health 27 revolving account, the fruit and vegetable inspection account, the 28 future teachers conditional scholarship account, the game farm 29 alternative account, the GET ready for math and science scholarship 30 31 account, the Washington global health technologies and product 32 development account, the grain inspection revolving fund, the Washington history day account, the industrial insurance rainy day 33 juvenile accountability incentive account, the law 34 fund, the enforcement officers' and firefighters' plan 2 expense fund, the 35 local tourism promotion account, the low-income home rehabilitation 36 revolving loan program account, the multiagency permitting team 37 account, the northeast Washington wolf-livestock management account, 38 39 the pilotage account, the produce railcar pool account, the regional 40 transportation investment district account, the rural rehabilitation

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1 account, the Washington sexual assault kit account, the stadium and exhibition center account, the youth athletic facility account, the 2 self-insurance revolving fund, the children's trust fund, the 3 Washington horse racing commission Washington bred owners' bonus fund 4 and breeder awards account, the Washington horse racing commission 5 6 class C purse fund account, the individual development account 7 program account, the Washington horse racing commission operating account, the life sciences discovery fund, the Washington state 8 ((heritage center)) library-archives building account, the reduced 9 cigarette ignition propensity account, the center for childhood 10 deafness and hearing loss account, the school for the blind account, 11 12 the Millersylvania park trust fund, the public employees' and retirees' insurance reserve fund, the school employees' benefits 13 board insurance reserve fund, (([the])) the public employees' and 14 retirees' insurance account, ((\frac{\text{the}}{\text{the}})) \text{the} school employees' 15 insurance account, ((and)) the radiation perpetual maintenance fund, 16 17 and the library operations account.

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

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- (d) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the custody of the state treasurer that deposits funds into a fund or account in the custody of the state treasurer pursuant to an agreement with the office of the state treasurer shall receive its proportionate share of earnings based upon each account's or fund's average daily balance for the period.
- 32 (5) In conformance with Article II, section 37 of the state 33 Constitution, no trust accounts or funds shall be allocated earnings 34 without the specific affirmative directive of this section.
- NEW SECTION. Sec. 11. Section 4 of this act expires June 30, 36 2020.
- NEW SECTION. Sec. 12. Section 5 of this act takes effect June 30, 2020.

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NEW SECTION. Sec. 13. If specific financing for the alternative financing contract for the library-archives building in section 2 of this act is not authorized by June 30, 2019, in the omnibus capital appropriations act, this act is null and void.

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