## SUBSTITUTE SENATE BILL 5616

State of Washington 67th Legislature 2022 Regular Session

By Senate Ways & Means (originally sponsored by Senator Rolfes; by request of Office of Financial Management)

READ FIRST TIME 02/01/22.

- AN ACT Relating to accounts; amending RCW 43.330.767, 46.68.067, 1 2 38.52.105, 41.05.143, 41.06.280, 43.08.190, 43.09.475, 71.24.580, 3 82.08.170, and 90.50A.090; reenacting and amending RCW 43.70.715, 43.155.050, 79.105.150, and 82.14.310; reenacting and amending 2018 c 4 5 s 7008 (uncodified); reenacting RCW 43.79.550, 43.79.555, 43.79.557, and 28A.300.820; adding a new section to chapter 43.79 6 7 RCW; creating a new section; repealing RCW 43.60A.153 and 43.79.467; 8 and providing an effective date.
- 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 10 **Sec. 1.** RCW 43.330.767 and 2021 c 64 s 5 are each amended to 11 read as follows:
- (1) The manufacturing cluster acceleration ((subaccount is established in the economic development strategic reserve)) account is created in the state treasury. All receipts from appropriations made to the manufacturing cluster acceleration ((subaccount)) account shall be deposited into the ((subaccount)) account. Moneys in the account may be spent only after appropriation.
- 18 (2) The department may make expenditures from the ((subaccount)) account 19 to support regional cluster acceleration strategies, including: Supporting projects to assist manufacturers to diversify 20 21 their customer base and supply chain, supporting pilot or

p. 1 SSB 5616

- demonstration manufacturing projects coordination with organized cluster initiatives, and supporting projects that are intended to increase manufacturing and research and development jobs regionally.
- 4 (3) The department is encouraged to seek match funds for any funds appropriated to this account (([subaccount])) and may utilize funds to match nonstate funds being expended on a specific project that aligns with the purpose of this section.
- 8 **Sec. 2.** RCW 46.68.067 and 2021 c 240 s 15 are each amended to 9 read as follows:
- The driver licensing technology support account is created ((as a subaccount)) in the highway safety fund under RCW 46.68.060. Moneys in the ((subaccount)) account may be spent only after appropriation.

  Expenditures from the ((subaccount)) account may be used only for supporting information technology systems used by the department to communicate with the judicial information system, manage driving records, and implement court orders.
- NEW SECTION. Sec. 3. A new section is added to chapter 43.79
  RCW to read as follows:
- The clean energy transition workforce account is created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only to support workers who are affected by the state's transition away from fossil fuels to a clean energy economy and associated program administrative expenses.
- 25 **Sec. 4.** RCW 43.79.550 and 2021 c 334 s 958 are each reenacted to 26 read as follows:
- The forest resiliency account is created in the state treasury. 27 28 Revenues to the account shall consist of appropriations and transfers 29 by the legislature and all other funding directed for deposit into 30 the account. Moneys in the account may be spent only after appropriation. Expenditures from the account are dedicated to 31 activities that include but are not limited to forest health, carbon 32 33 sequestration, and any other activity that helps protect the forests 34 of Washington.
- 35 **Sec. 5.** RCW 43.79.555 and 2021 c 334 s 1902 are each reenacted 36 to read as follows:

p. 2 SSB 5616

The Washington rescue plan transition account is created in the state treasury. Moneys in the account may be spent only after appropriation. Revenues to the account consist of moneys directed by the legislature to the account. Allowable uses of moneys in the account include responding to the impacts of the COVID-19 pandemic including those related to education, human services, health care, and the economy. In addition, the legislature may appropriate from the account to continue activities begun with, or augmented with, COVID-19 related federal funding.

**Sec. 6.** RCW 43.79.557 and 2021 c 334 s 1903 are each reenacted 11 to read as follows:

The coronavirus state fiscal recovery fund is created in the state treasury. Moneys in the account may be spent only after appropriation. All federal moneys received by the state pursuant to the American rescue plan act of 2021, state fiscal recovery fund, P.L. 117-2, subtitle M, section 9901, must be deposited in the account. The legislature may appropriate from the account only for the purposes authorized in that section of the federal act.

- 19 Sec. 7. RCW 43.70.715 and 2021 c 334 s 1004 are each reenacted 20 and amended to read as follows:
  - (1) The COVID-19 public health response account is created in the custody of the state treasurer. The account shall consist of funds appropriated by the legislature and grants received by the department of health for activities in response to the coronavirus pandemic (COVID-19). Only the secretary, or the secretary's designee, may authorize expenditures from the account for costs related to the public health response to COVID-19, subject to any limitations imposed by grant funding deposited into the account. The COVID-19 public health response account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.
  - (2)(a) The legislature finds that a safe, efficient, and effective delivery of vaccinations is of the utmost importance for restoring societal and economic functions. As we learn more about the virus, the vaccine, and challenges to vaccine allocation and distribution, it is anticipated that the state's COVID-19 vaccination distribution plan will evolve. To that end, the legislature has provided flexibility by funding expenditures for testing, contact

p. 3 SSB 5616

- tracing, mitigation activities, vaccine administration distribution, and other allowable uses for the state, local health jurisdictions, and tribes at the discretion of the secretary and without an appropriation. However, to maintain fiscal control and to ensure spending priorities align, the department is required to collaborate and communicate with the chairs and ranking members of the health care and fiscal committees of the legislature and local health jurisdictions in advance of any significant revision of the state's COVID-19 vaccination plan and to provide regular updates on its implementation and spending.
  - (b) As part of the public health response to COVID-19, the expenditures from the account must be used to effectively administer the vaccine for COVID-19 and conduct testing and contact tracing. The department must ensure that COVID-19 outreach is accessible, culturally and linguistically appropriate, and that it includes community-driven partnerships and strategies.

- (c) When making expenditures for administering the vaccine for COVID-19, the department must focus on identifying persons for vaccination, prioritizing underserved, underrepresented, and hard-to-reach communities, making the vaccine accessible, and providing support to schools for safe reopening. Strategies for vaccine distribution shall include the establishment and expansion of community vaccination centers, mobile vaccination units, reporting enhancements, in-home visits for vaccinations for the elderly, and transportation of individuals to vaccination sites.
- (d) When making expenditures regarding testing and contact tracing, the department must provide equitable access, prioritize underserved, underrepresented, and hard-to-reach communities, and provide support and resources to facilitate the safe reopening of schools while minimizing community spread of the virus.
- (e) The department may also make expenditures from the account related to developing the public health workforce using funds granted by the federal government for that purpose in section 2501, the American rescue plan act of 2021, P.L. 117-2.
- (3) When making expenditures from the account, the department must include an emphasis on public communication regarding the availability and accessibility of the vaccine and testing, and the importance of vaccine and testing availability to the safe reopening of the state.

p. 4 SSB 5616

- 1 (4)(a) The department must report to the fiscal and health care 2 committees of the legislature on a monthly basis regarding its 3 COVID-19 response.
- (b) To the extent that it is available, the report must include 4 data regarding vaccine distribution, testing, and contact tracing, as 5 6 follows:

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- (i) The number of vaccines administered per day, including regional data regarding the location and age groups of persons receiving the vaccine, specifically identifying hard-to-reach communities in which vaccines were administered; and
- (ii) The number of tests conducted per week, including data 11 12 specifically addressing testing conducted in hard-to-reach 13 communities.
- 14 (c) The first monthly report is due no later than one month from February 19, 2021. Monthly reports are no longer required upon the 15 16 department's determination that the remaining balance of the COVID-19 17 ((<del>[public health]</del>)) <u>public health</u> response account is less than \$100,000. 18
- 19 Sec. 8. RCW 28A.300.820 and 2021 c 334 s 1901 are each reenacted 20 to read as follows:
- 21 The elementary and secondary school emergency relief III account is created in the state treasury. Revenues attributable to section 22 23 2001, the American rescue plan act of 2021, P.L. 117-2 must be 24 deposited into the account. Moneys in the account may be spent only 25 after appropriation.
- 26 Sec. 9. 2018 c 298 s 7008 (uncodified) is reenacted and amended 27 to read as follows:

The energy efficiency account is hereby created in the state 28 29 treasury. The sums deposited in the energy efficiency account shall 30 be appropriated and expended for loans, loan guarantees, and grants 31 for projects that encourage the establishment and use of innovative and sustainable industries for renewable energy and energy efficiency 32 33 technology. The balance of state funds, federal funds, and loan 34 repayments, from the energy recovery act account, are deposited in this account. Moneys in the account may also be appropriated and 35 expended for loans, loan guarantees, and grants for projects that 36 37 achieve reductions in greenhouse gas emissions for emissionsintensive, trade-exposed industries.

> SSB 5616 p. 5

1 **Sec. 10.** RCW 38.52.105 and 2021 c 334 s 963 are each amended to read as follows:

3 The disaster response account is created in the state treasury. Moneys may be placed in the account from legislative appropriations 4 and transfers, federal appropriations, or any other lawful source. 5 6 Moneys in the account may be spent only after appropriation. 7 Expenditures from the account may be used only for support of state agency and local government disaster response and recovery efforts, 8 including response by state and local government and federally 9 recognized tribes to the novel coronavirus pursuant to the 10 11 gubernatorial declaration of emergency of February 29, 2020, and to 12 reimburse the workers' compensation funds and self-insured employers under RCW 51.16.220. ((During the 2019-2021 and 2021-2023 fiscal 13 14 biennia, expenditures)) <u>Expenditures</u> from the disaster response account may be used for military department operations and to support 15 16 wildland fire suppression preparedness, prevention, and restoration 17 activities by state agencies and local governments. ((During the 18 2017-2019 and 2019-2021 fiscal biennia, the)) The legislature may direct the treasurer to make transfers of moneys in the disaster 19 response account to the state general fund. ((It is the intent of the 20 legislature that these policies will be continued in subsequent 21 22 fiscal biennia.))

23 **Sec. 11.** RCW 41.05.143 and 2018 c 260 s 27 are each amended to 24 read as follows:

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(1) The uniform medical plan benefits administration account is created in the custody of the state treasurer. Only the director or the director's designee may authorize expenditures from the account. Moneys in the account shall be used exclusively for contracted expenditures for uniform medical plan claims administration, data analysis, utilization management, preferred provider administration, and activities related to benefits administration where the level of services provided pursuant to a contract fluctuate as a direct result of changes in uniform medical plan enrollment. Moneys in the account may also be used for administrative activities required to respond to new and unforeseen conditions that impact the uniform medical plan, but only when the authority and the office of financial management jointly agree that such activities must be initiated prior to the next legislative session.

p. 6 SSB 5616

(2) Receipts from amounts due from or on behalf of uniform medical plan enrollees for expenditures related to benefits administration, including moneys disbursed from the public employees' and retirees' insurance account, shall be deposited into the account. The account is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures. All proposals for allotment increases shall be provided to the house of representatives appropriations committee and to the senate ways and means committee at the same time as they are provided to the office of financial management.

- (3) The uniform dental plan benefits administration account is created in the custody of the state treasurer. Only the director or the director's designee may authorize expenditures from the account. Moneys in the account shall be used exclusively for contracted expenditures related to benefits administration for the uniform dental plan as established under RCW 41.05.140. Receipts from amounts due from or on behalf of uniform dental plan enrollees for expenditures related to benefits administration, including moneys disbursed from the public employees' and retirees' insurance account, shall be deposited into the account. The account is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures.
- (4) ((The public employees' benefits board medical benefits administration account is created in the custody of the state treasurer. Only the director or the director's designee may authorize expenditures from the account. Moneys in the account shall be used exclusively for contracted expenditures related to claims administration, data analysis, utilization management, preferred provider administration, and other activities related to benefits administration for self-insured medical plans. Receipts from amounts due from or on behalf of enrollees for expenditures related to benefits administration, including moneys disbursed from the public employees' and retirees' insurance account, shall be deposited into the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.
- (5))) The school employees' benefits board medical benefits administrative account is created in the custody of the state treasurer. Only the director or the director's designee may authorize expenditures from the account. Moneys in the account shall be used

p. 7 SSB 5616

exclusively for school employees' benefits board contracted expenditures related to claims administration, data analysis, utilization management, preferred provider administration, and other activities related to benefits administration for self-insured medical plans. Receipts from amounts due from or on behalf of enrollees for expenditures related to benefits administration, including moneys disbursed from the school employees' insurance account, shall be deposited into the account. The account is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures.

((+6+)) (5) The school employees' benefits board dental benefits administration account is created in the custody of the state treasurer. Only the director or the director's designee may authorize expenditures from the account. Moneys in the account shall be used exclusively for school employees' benefits board contracted expenditures related to benefits administration for the self-insured dental plan as established under RCW 41.05.140. Receipts from amounts due from or on behalf of the self-insured dental plan enrollees for expenditures related to benefits administration, including moneys disbursed from the school employees' insurance account, shall be deposited into the account. The account is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures.

## Sec. 12. RCW 41.06.280 and 2021 c 334 s 964 are each amended to read as follows:

(1) There is hereby created a fund within the state treasury, designated as the "personnel service fund," to be used by the office of financial management as a revolving fund for the payment of salaries, wages, and operations required for the administration of the provisions of this chapter, applicable provisions of chapter 41.04 RCW, and chapter 41.60 RCW. An amount not to exceed one and one-half percent of the salaries and wages for all positions in the classified service in each of the agencies subject to this chapter, except the institutions of higher education, shall be charged to the operations appropriations of each agency and credited to the personnel service fund as the allotments are approved pursuant to chapter 43.88 RCW. Subject to the above limitations, the amount shall be charged against the allotments pro rata, at a rate to be fixed by the director from time to time which, together with income derived

p. 8 SSB 5616

from services rendered under RCW 41.06.080, will provide the office of financial management with funds to meet its anticipated expenditures during the allotment period, including the training requirements in RCW 41.06.500 and 41.06.530. All revenues, net of expenditures, previously derived from services provided by the department of enterprise services under RCW 41.06.080 must be transferred to the enterprise services account.

- (2) The director shall fix the terms and charges for services rendered by the office of financial management pursuant to RCW 41.06.080, which amounts shall be credited to the personnel service fund and charged against the proper fund or appropriation of the recipient of such services on a monthly basis. Payment for services so rendered under RCW 41.06.080 shall be made on a monthly basis to the state treasurer and deposited in the personnel service fund.
- (3) Moneys from the personnel service fund shall be disbursed by the state treasurer by warrants on vouchers duly authorized by the office of financial management.
- (4) ((During the 2019-2021 and 2021-2023 fiscal biennia, the))

  The office of financial management may use the personnel service fund to administer an employee transit pass program and other employment benefits. The office of financial management must bill state agencies for the total cost of administering the program and payments received from agencies must be deposited in the personnel service fund.
- (((5) During the 2019-2021 fiscal biennium, the office of financial management may use the personnel service fund to administer an employee flexible spending arrangement. The office of financial management must bill state agencies for the total cost of administering the program and payments received from agencies must be deposited in the personnel service fund.))
- **Sec. 13.** RCW 43.08.190 and 2021 c 334 s 969 are each amended to 31 read as follows:
  - There is hereby created a fund within the state treasury to be known as the "state treasurer's service fund." Such fund shall be used solely for the payment of costs and expenses incurred in the operation and administration of the state treasurer's office.
  - Moneys shall be allocated monthly and placed in the state treasurer's service fund equivalent to a maximum of one percent of the trust and treasury average daily cash balances from the earnings generated under the authority of RCW 43.79A.040 and 43.84.080 other

p. 9 SSB 5616

than earnings generated from investment of balances in funds and 1 accounts specified in RCW 43.79A.040(4)(c). The allocation shall 2 3 precede the distribution of the remaining earnings as prescribed under RCW 43.79A.040 and 43.84.092. The state treasurer shall 4 establish a uniform allocation rate for all funds and accounts; 5 6 except that the state treasurer may negotiate a different allocation 7 rate with any state agency that has independent authority over funds not statutorily required to be held in the state treasury or in the 8 custody of the state treasurer. In no event shall the rate be less 9 than the actual costs incurred by the state treasurer's office. If no 10 rate is separately negotiated, the default rate for any funds held 11 12 shall be the rate set for funds held pursuant to statute.

((During the 2019-2021 and 2021-2023 fiscal biennia, the)) The legislature may direct the state treasurer to make transfers of money in the state treasurer's service fund to the state general fund. ((It is the intent of the legislature that this policy will be continued in subsequent biennia.))

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18 **Sec. 14.** RCW 43.09.475 and 2021 c 334 s 970 are each amended to 19 read as follows:

The performance audits of government account is hereby created in the custody of the state treasurer. Revenue identified in RCW 82.08.020(5) and 82.12.0201 shall be deposited in the account. Money in the account shall be used to fund the performance audits and follow-up performance audits under RCW 43.09.470 and shall be expended by the state auditor in accordance with chapter 1, Laws of 2006. Only the state auditor or the state auditor's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures. ((During the 2019-2021 and 2021-2023 fiscal biennia, the)) The performance audits of government account may be appropriated for the joint legislative audit and review committee, the legislative evaluation and accountability program committee, and for the office of financial management  $\underline{'s}((\tau))$ performance audit and compliance audit activities. During the 2019-2021 and 2021-2023 fiscal biennia, the performance audits of government account may be appropriated for the superintendent of public instruction, the department of fish and wildlife, and audits of school districts. In addition, during the 2019-2021 and 2021-2023 fiscal biennia the account may be used to fund the office of

p. 10 SSB 5616

financial management's contract for the compliance audit of the state auditor and audit activities at the department of revenue.

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**Sec. 15.** RCW 43.155.050 and 2021 c 334 s 979 and 2021 c 332 s 7031 are each reenacted and amended to read as follows:

The public works assistance account is hereby established in the state treasury. Money may be placed in the public works assistance account from the proceeds of bonds when authorized by the legislature or from any other lawful source. Money in the public works assistance account shall be used to make loans and grants and to give financial guarantees to local governments for public works projects. Moneys in the account may also be appropriated or transferred to the water pollution control revolving fund and the drinking water assistance account to provide for state match requirements under federal law. Not more than twenty percent of the biennial capital budget appropriation to the public works board from this account may be expended or obligated for preconstruction loans and grants, emergency loans and grants, or loans and grants for capital facility planning under this chapter. Not more than ten percent of the biennial capital budget appropriation to the public works board from this account may be expended or obligated as grants for preconstruction, emergency, capital facility planning, and construction projects. During the 2017-2019 and 2019-2021 fiscal biennia, the legislature may appropriate moneys from the account for activities related to rural economic development, the growth management act, the aviation revitalization loan program, the community economic revitalization board broadband program, and the voluntary stewardship program. During the 2021-2023 biennium, the legislature may appropriate moneys for from the account activities related to the revitalization board. During the 2019-2021 fiscal biennia, the legislature may direct the state treasurer to make transfers of moneys in the public works assistance account to the education legacy trust account. During the 2019-2021 and 2021-2023 fiscal biennia, the legislature may direct the state treasurer to make transfers of moneys in the public works assistance account to the statewide broadband account. ((During the 2021-2023 fiscal biennium, the)) The legislature may appropriate moneys from the public works assistance account for activities related to the voluntary stewardship program, rural economic development, and the growth management act.

p. 11 SSB 5616

- 1 **Sec. 16.** RCW 71.24.580 and 2021 c 334 s 989 are each amended to read as follows:
- 3 (1) The criminal justice treatment account is created in the state treasury. Moneys in the account may be expended solely for: (a) 4 Substance use disorder treatment and treatment support services for 5 6 offenders with a substance use disorder that, if not treated, would result in addiction, against whom charges are filed by a prosecuting 7 attorney in Washington state; (b) the provision of substance use 8 disorder treatment services and treatment support services 9 nonviolent offenders within a drug court program; and (c) the 10 administrative and overhead costs associated with the operation of a 11 12 drug court. Amounts provided in this subsection must be used for treatment and recovery support services for criminally involved 13 offenders and authorization of these services shall not be subject to 14 determinations of medical necessity. During the 2019-2021 and 15 16 2021-2023 fiscal biennia, funding from the criminal justice treatment 17 account may be used to provide treatment and support services through 18 the conclusion of an individual's treatment plan to individuals participating in a drug court program as of February 24, 2021, if 19 that individual wishes to continue treatment following dismissal of 20 charges they were facing under RCW 69.50.4013(1). Such participation 21 22 is voluntary and contingent upon substantial compliance with drug court program requirements. ((During the 2019-2021 and 2021-2023 23 fiscal biennia, the)) The legislature may appropriate from the 24 25 account for municipal drug courts and increased treatment options. During the 2019-2021 fiscal biennium, the legislature may direct the 26 state treasurer to make transfers of moneys in the criminal justice 27 28 treatment account to the home security fund account created in RCW 29 43.185C.060. Moneys in the account may be spent only after appropriation. 30
  - (2) For purposes of this section:

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- (a) "Treatment" means services that are critical to a participant's successful completion of his or her substance use disorder treatment program, including but not limited to the recovery support and other programmatic elements outlined in RCW 2.30.030 authorizing therapeutic courts; and
- (b) "Treatment support" includes transportation to or from inpatient or outpatient treatment services when no viable alternative exists, and child care services that are necessary to ensure a participant's ability to attend outpatient treatment sessions.

p. 12 SSB 5616

(3) Revenues to the criminal justice treatment account consist of: (a) Funds transferred to the account pursuant to this section; and (b) any other revenues appropriated to or deposited in the account.

- (4) (a) For the fiscal year beginning July 1, 2005, and each subsequent fiscal year, the state treasurer shall transfer eight million two hundred fifty thousand dollars from the general fund to the criminal justice treatment account, divided into four equal quarterly payments. For the fiscal year beginning July 1, 2006, and each subsequent fiscal year, the amount transferred shall be increased on an annual basis by the implicit price deflator as published by the federal bureau of labor statistics.
- (b) In each odd-numbered year, the legislature shall appropriate the amount transferred to the criminal justice treatment account in (a) of this subsection to the department for the purposes of subsection (5) of this section.
- (5) Moneys appropriated to the authority from the criminal justice treatment account shall be distributed as specified in this subsection. The authority may retain up to three percent of the amount appropriated under subsection (4)(b) of this section for its administrative costs.
- (a) Seventy percent of amounts appropriated to the authority from the account shall be distributed to counties pursuant to the distribution formula adopted under this section. The authority, in consultation with the department of corrections, the Washington state association of counties, the Washington state association of drug court professionals, the superior court judges' association, the Washington association of prosecuting attorneys, representatives of the criminal defense bar, representatives of substance use disorder treatment providers, and any other person deemed by the authority to be necessary, shall establish a fair and reasonable methodology for distribution to counties of moneys in the criminal justice treatment account. County or regional plans submitted for the expenditure of formula funds must be approved by the panel established in (b) of this subsection.
- (b) Thirty percent of the amounts appropriated to the authority from the account shall be distributed as grants for purposes of treating offenders against whom charges are filed by a county prosecuting attorney. The authority shall appoint a panel of representatives from the Washington association of prosecuting

p. 13 SSB 5616

attorneys, the Washington association of sheriffs and police chiefs, 1 superior court judges' association, the Washington state 2 3 association of counties, the Washington defender's association or the Washington association of criminal defense lawyers, the department of 4 corrections, the Washington state association of drug court 5 6 professionals, and substance use disorder treatment providers. The panel shall review county or regional plans for funding under (a) of 7 this subsection and grants approved under this subsection. The panel 8 shall attempt to ensure that treatment as funded by the grants is 9 available to offenders statewide. 10

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- (6) The county alcohol and drug coordinator, county prosecutor, county sheriff, county superior court, a substance abuse treatment provider appointed by the county legislative authority, a member of criminal defense bar appointed by the county legislative authority, and, in counties with a drug court, a representative of the drug court shall jointly submit a plan, approved by the county legislative authority or authorities, to the panel established in subsection (5)(b) of this section, for disposition of all the funds provided from the criminal justice treatment account within that county. The submitted plan should incorporate current evidence-based practices in substance use disorder treatment. The funds shall be used solely to provide approved alcohol and substance use disorder treatment pursuant to RCW 71.24.560 and treatment support services. No more than ten percent of the total moneys received under subsections (4) and (5) of this section by a county or group of counties participating in a regional agreement shall be spent for treatment support services.
- (7) Counties are encouraged to consider regional agreements and submit regional plans for the efficient delivery of treatment under this section.
- (8) Moneys allocated under this section shall be used to supplement, not supplant, other federal, state, and local funds used for substance abuse treatment.
- (9) If a region or county uses criminal justice treatment account funds to support a therapeutic court, the therapeutic court must allow the use of all medications approved by the federal food and drug administration for the treatment of opioid use disorder as deemed medically appropriate for a participant by a medical professional. If appropriate medication-assisted treatment resources are not available or accessible within the jurisdiction, the health

p. 14 SSB 5616

- care authority's designee for assistance must assist the court with acquiring the resource.
- 3 (10) Counties must meet the criteria established in RCW 4 = 2.30.030(3).
- 5 (11) The authority shall annually review and monitor the 6 expenditures made by any county or group of counties that receives 7 appropriated funds distributed under this section. Counties shall 8 repay any funds that are not spent in accordance with the 9 requirements of its contract with the authority.
- 10 **Sec. 17.** RCW 79.105.150 and 2021 c 334 s 996 and 2021 c 209 s 16 11 are each reenacted and amended to read as follows:
- (1) After deduction for management costs as provided in RCW 12 79.64.040 and payments to towns under RCW 79.115.150(2), all moneys 13 received by the state from the sale or lease of state-owned aquatic 14 15 lands and from the sale of valuable material from state-owned aquatic 16 lands shall be deposited in the aquatic lands enhancement account 17 which is hereby created in the state treasury. After appropriation, 18 these funds shall be used solely for aquatic lands enhancement projects; for the purchase, improvement, or protection of aquatic 19 20 lands for public purposes; for providing and improving access to the 21 lands; and for volunteer cooperative fish and game projects. ((During 22 the 2017-2019, 2019-2021, and 2021-2023 fiscal biennia, the)) The aquatic lands enhancement account may be used to support the 23 24 shellfish program, the ballast water program, hatcheries, the Puget 25 Sound toxic sampling program and steelhead mortality research at the department of fish and wildlife, the knotweed program at the 26 27 department of agriculture, actions at the University of Washington for reducing ocean acidification, which may include the creation of a 28 center on ocean acidification, the Puget SoundCorps program, and 29 30 support of the marine resource advisory council and the Washington 31 coastal marine advisory council. During the 2017-2019 and 2019-2021 fiscal biennia, the legislature may transfer from the aquatic lands 32 enhancement account to the geoduck aquaculture research account for 33 research related to shellfish aquaculture. During the 2015-2017 34 fiscal biennium, the legislature may transfer moneys from the aquatic 35 lands enhancement account to the marine resources stewardship trust 36 account. 37
- 38 (2) In providing grants for aquatic lands enhancement projects, 39 the recreation and conservation funding board shall:

p. 15 SSB 5616

(a) Require grant recipients to incorporate the environmental benefits of the project into their grant applications;

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- 3 Utilize the statement of environmental benefits, consideration, except as provided in RCW 79.105.610, of whether the 4 applicant is a Puget Sound partner, as defined in RCW 90.71.010, 5 6 whether a project is referenced in the action agenda developed by the Puget Sound partnership under RCW 90.71.310, and except as otherwise 7 provided in RCW 79.105.630, and effective one calendar year following 8 development and statewide availability of urban 9 management plans and ordinances under RCW 76.15.090, whether the 10 11 applicant is an entity that has been recognized, and what gradation 12 of recognition was received, in the evergreen community designation program created in RCW 76.15.090 in its prioritization and selection 13 14 process; and
- 15 (c) Develop appropriate outcome-focused performance measures to 16 be used both for management and performance assessment of the grants.
  - (3) To the extent possible, the department should coordinate its performance measure system with other natural resource-related agencies as defined in RCW 43.41.270.
  - (4) The department shall consult with affected interest groups in implementing this section.
  - (5) Any project designed to address the restoration of Puget Sound may be funded under this chapter only if the project is not in conflict with the action agenda developed by the Puget Sound partnership under RCW 90.71.310.
  - **Sec. 18.** RCW 82.08.170 and 2021 c 334 s 998 are each amended to read as follows:
  - (1) Except as provided in subsections (4) and (5) of this section, during the months of January, April, July, and October of each year, the state treasurer must make the transfers required under subsections (2) and (3) of this section from the liquor excise tax fund and then the apportionment and distribution of all remaining moneys in the liquor excise tax fund to the counties, cities, and towns in the following proportions: (a) Twenty percent of the moneys in the liquor excise tax fund must be divided among and distributed to the counties of the state in accordance with the provisions of RCW 66.08.200; and (b) eighty percent of the moneys in the liquor excise tax fund must be divided among and distributed to the cities and

p. 16 SSB 5616

1 towns of the state in accordance with the provisions of RCW 2 66.08.210.

- (2) Each fiscal quarter and prior to making the twenty percent distribution to counties under subsection (1)(a) of this section, the treasurer shall transfer to the liquor revolving fund created in RCW 66.08.170 sufficient moneys to fund the allotments from any legislative appropriations for county research and services as provided under chapter 43.110 RCW.
- 9 (3) During the months of January, April, July, and October of 10 each year, the state treasurer must transfer two million five hundred 11 thousand dollars from the liquor excise tax fund to the state general 12 fund.
  - (4) During calendar year 2012, the October distribution under subsection (1) of this section and the July and October transfers under subsections (2) and (3) of this section must not be made. During calendar year 2013, the January, April, and July distributions under subsection (1) of this section and transfers under subsections (2) and (3) of this section must not be made.
  - (5) ((During the 2015-2017, 2019-2021, and 2021-2023 fiscal biennia, the)) The liquor excise tax fund may be appropriated for the local government fiscal note program in the department of commerce. ((It is the intent of the legislature to continue this policy in the subsequent fiscal biennium.))
  - Sec. 19. RCW 82.14.310 and 2021 c 334 s 999 and 2021 c 296 s 2 are each reenacted and amended to read as follows:
    - (1) The county criminal justice assistance account is created in the state treasury. Beginning in fiscal year 2000, the state treasurer must transfer into the county criminal justice assistance account from the general fund the sum of \$23,200,000 divided into four equal deposits occurring on July 1, October 1, January 1, and April 1. For each fiscal year thereafter, the state treasurer must increase the total transfer by the fiscal growth factor, as defined in RCW 43.135.025, forecast for that fiscal year by the office of financial management in November of the preceding year.
    - (2) The moneys deposited in the county criminal justice assistance account for distribution under this section, less any moneys appropriated for purposes under subsections (4) and (5) of this section, must be distributed at such times as distributions are

p. 17 SSB 5616

made under RCW 82.44.150 and on the relative basis of each county's funding factor as determined under this subsection.

(a) A county's funding factor is the sum of:

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- (i) The population of the county, divided by 1,000, and multiplied by two-tenths;
- 6 (ii) The crime rate of the county, multiplied by three-tenths; 7 and
- 8 (iii) The annual number of criminal cases filed in the county 9 superior court, for each 1,000 in population, multiplied by five-10 tenths.
  - (b) Under this section and RCW 82.14.320 and 82.14.330:
- 12 (i) The population of the county or city is as last determined by 13 the office of financial management;
  - (ii) The crime rate of the county or city is the annual occurrence of specified criminal offenses, as calculated in the most recent annual report on crime in Washington state as published by the Washington association of sheriffs and police chiefs, for each 1,000 in population;
- (iii) The annual number of criminal cases filed in the county superior court must be determined by the most recent annual report of the courts of Washington, as published by the administrative office of the courts;
  - (iv) Distributions and eligibility for distributions in the 1989-1991 biennium must be based on 1988 figures for both the crime rate as described under  $((\frac{\{(b)\}}{\{(b)\}}))$  (b)(ii) of this subsection and the annual number of criminal cases that are filed as described under  $((\frac{\{(b)\}}{\{(b)\}}))$  (b)(iii) of this subsection. Future distributions must be based on the most recent figures for both the crime rate as described under  $((\frac{\{(b)\}}{\{(b)\}}))$  (b)(ii) of this subsection and the annual number of criminal cases that are filed as described under  $((\frac{\{(b)\}}{\{(b)\}}))$  (b)(iii) of this subsection.
  - (3) Moneys distributed under this section must be expended exclusively for criminal justice purposes. Except after May 13, 2021, through December 31, 2023, these funds may not be used to replace or supplant existing funding. Criminal justice purposes are defined as activities that substantially assist the criminal justice system, which may include circumstances where ancillary benefit to the civil or juvenile justice system occurs, and which includes (a) domestic violence services such as those provided by domestic violence programs, community advocates, and legal advocates, as defined in RCW

p. 18 SSB 5616

70.123.020, and (b) during the 2001-2003 fiscal biennium, juvenile dispositional hearings relating to petitions for at-risk youth, truancy, and children in need of services. Existing funding for purposes of this subsection is defined as calendar year 1989 actual operating expenditures for criminal justice purposes. Calendar year 1989 actual operating expenditures for criminal justice purposes exclude the following: Expenditures for extraordinary events not likely to reoccur, changes in contract provisions for criminal justice services, beyond the control of the local jurisdiction receiving the services, and major nonrecurring capital expenditures.

- (4) Not more than five percent of the funds deposited to the county criminal justice assistance account may be available for appropriations for enhancements to the state patrol crime laboratory system and the continuing costs related to these enhancements. Funds appropriated from this account for such enhancements may not supplant existing funds from the state general fund.
- (5) ((During the 2017-2019 fiscal biennium, the sum of \$153,000, and during the 2019-2021 and 2021-2023 fiscal biennia)) Each fiscal biennium, the sum of \$510,000, may be appropriated for the Washington state patrol to provide investigative assistance and report services to assist local law enforcement agencies to prosecute criminals. ((It is the intent of the legislature that this policy will be continued in subsequent fiscal biennia.))
- Sec. 20. RCW 90.50A.090 and 2021 c 334 s 1000 are each amended to read as follows:
  - (1) The water pollution control revolving administration account is created in the state treasury. All receipts from charges authorized in this section must be deposited in the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only in a manner consistent with this section.
  - (2) The department is authorized to assess administration charges as a portion of the debt service for loans issued under the water pollution control revolving fund created in RCW 90.50A.020. The sole purpose of assessing administration charges is to predictably and adequately fund the department's costs of administering the water pollution control revolving fund loan program, as identified in subsection (5) of this section. The department must assess administration charges on each water pollution control revolving fund

p. 19 SSB 5616

loan at the point the loan enters repayment status, after July 28, 2013, and rule changes are adopted to implement the administration charge. Loans that are at an interest rate below the established administration charge rate are exempt from the administration charge.

- (3) The water pollution control revolving administration account consists of:
- (a) Any administration charge levied by the department in conjunction with administration of the water pollution control revolving fund; and
- (b) Any other revenues derived from gifts, grants, or bequests pledged to the state for the purpose of administering the water pollution control revolving fund.
- (4) The state treasurer may invest and reinvest moneys in the water pollution control revolving administration account in the manner provided by law. All earnings from such investment and reinvestment must be credited to the water pollution control revolving administration account.
- (5) Moneys in the water pollution control revolving administration account are to be used for the following water pollution control revolving fund loan program costs:
- (a) Administration costs associated with conducting application processes, managing contracts, collecting loan repayments, managing the revolving fund, providing technical assistance, and meeting state and federal reporting requirements; and
- (b) Information and data system costs associated with loan tracking and fund management.
  - (6) Each biennium, the department may spend from the water pollution control revolving administration account an amount no greater than four percent of the water pollution control revolving fund new capital appropriation.
  - (7) For its 2017-2019 biennial operating budget submittal, and every biennium thereafter, the department must compare the projected water pollution control revolving administration account balance and the projected administration charge income with projected program costs, including an adequate working capital reserve as defined by the office of financial management. In its submittal to the office of financial management, the department may:
- 38 (a) Find that the projected administration charge income is 39 inadequate to fund the cost of administering the program, and that 40 the rate of the charge must be increased. However, the administration

p. 20 SSB 5616

1 charge may never exceed one percent on the declining principal loan 2 balance;

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- (b) Find that the projected administration charge income exceeds what is needed to fund the cost of administering the program, and that the rate of the charge must be decreased;
- (c) Find that there is an excess balance in the revolving administration account, and that the excess must be transferred to the water pollution control revolving fund to be used for loans; or
- 9 (d) Find that there is no need for any rate adjustments or 10 balance transfers.
- 11 (8) At the point where the water pollution control revolving 12 administration account adequately covers the program administration 13 costs, the department may no longer use the federal administration 14 allowance. If a federal capitalization grant is awarded after that 15 point, all federal capitalization dollars must be used for making 16 loans.
  - (9) By December 1, 2018, the department must submit to the appropriate legislative fiscal committees a report on implementation of the administration charge, including information on: The amount of income the administration charge has produced since its inception; the uses and adequacy of the income for administrative costs; any excess balances that have been transferred to the water pollution control revolving fund; and any additional sources that the department is using for program administration.
- (10) ((During the 2019-2021 and 2021-2023 fiscal biennia, the))

  The legislature may direct the state treasurer to make transfers of moneys in the water pollution control revolving administration account to the water pollution control revolving fund.
- NEW SECTION. Sec. 21. The following acts or parts of acts are ach repealed:
- 31 (1) RCW 43.60A.153 (Veterans conservation corps account) and 2007  $^{\circ}$  c 451 s 6; and
- 33 (2) RCW 43.79.467 (Dedicated McCleary penalty account) and 2018 c 34 299 s 920.
- 35 <u>NEW SECTION.</u> **Sec. 22.** The special personnel litigation revolving account created in chapter 372, Laws of 2006 is eliminated.

p. 21 SSB 5616

1 <u>NEW SECTION.</u> **Sec. 23.** Section 2 of this act takes effect

2 January 1, 2023.

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p. 22 SSB 5616