
SUBSTITUTE SENATE BILL 5215

State of Washington

53rd Legislature

1993 Regular Session

By Senate Committee on Ecology & Parks (originally sponsored by Senators Talmadge, Fraser, Owen and Skratek)

Read first time 03/03/93.

1 AN ACT Relating to protecting Puget Sound and other waters of
2 Washington; amending RCW 36.70A.070, 58.17.110, 43.21B.300, 90.70.011,
3 90.70.070, and 43.84.092; reenacting and amending RCW 70.146.060;
4 adding new sections to chapter 90.48 RCW; adding a new chapter to Title
5 36 RCW; creating a new section; and prescribing penalties.

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

7 **PART I**

8 **LOCAL FUNDING OF WATERSHED PROTECTION**

9 NEW SECTION. **Sec. 1.** (1) The legislative authority of a county
10 may create one or more watershed protection districts for the purpose
11 of funding water resource protection activities, programs, projects,
12 and planning within the district or districts.

13 (2) When a county legislative authority proposes to create a
14 watershed protection district it shall conduct a public hearing on the
15 proposal. Notice of the public hearing shall be published at least
16 once, not less than ten days prior to the hearing, in a newspaper of
17 general circulation within the proposed district. The public hearing
18 may be continued to other times, dates, and places announced at the

1 public hearing, without publication of the notice. At the public
2 hearing, the county legislative authority shall hear objections and
3 comments from anyone interested in the proposed district.

4 After the public hearing, the county legislative authority may by
5 ordinance create a watershed protection district, if the county
6 legislative authority finds that the creation of the watershed
7 protection district would be in the public interest. The ordinance
8 shall: (a) Describe the boundaries of the proposed watershed
9 protection district; and (b) find that its creation is in the public
10 interest.

11 Where the proposed district includes territory located within a
12 city or town, the county shall seek approval from the city or town
13 legislative authority for inclusion within the district. If the city
14 or town agrees to participate, the county shall develop procedures for
15 the participation of the city or town in determining the boundaries of
16 the proposed district, in establishing and collecting fees or charges
17 to be collected within the incorporated area, and in carrying out
18 watershed protection programs funded by the district. The legislative
19 authority of more than one county may by agreement provide for the
20 creation of a district including areas within each of those counties.
21 The legislative authority or authorities creating an area may abolish
22 that area on its or their motion or by submitting the question to the
23 voters of the district and obtaining a majority vote.

24 (3) The county legislative authority establishing a watershed
25 protection district may finance the district's programs through:

- 26 (a) County tax revenues;
- 27 (b) Inspection fees and similar fees for services performed;
- 28 (c) Charges or rates; or
- 29 (d) Federal, state, or private grants.

30 Counties may fix, alter, regulate, and control rates or charges in
31 the manner determined by the county legislative authority. A district
32 may also receive gifts, grants, and donations to carry out its
33 activities.

34 A county may contract with existing public utilities to collect the
35 fees or charges, or collect the fees or charges itself.

36 A county may adopt an ordinance reducing the level of fees that are
37 imposed upon the residential property of a class or classes of low-
38 income persons.

1 (4) Within available funding, watershed protection districts may:
2 (a) Contract with conservation districts or others for implementation
3 of plans to control pollution effects of farm animal waste; (b) make
4 use of conservation corps surface water action teams to assist
5 landowners in reaching best management practices to reduce pollution;
6 (c) assist in funding county health departments for water quality
7 activities within the watershed, including implementation of plans to
8 monitor, inspect, and cause on-site and off-site septic drainfield
9 systems to be adequately maintained and working properly; and (d)
10 provide grants or other assistance for public involvement and education
11 in water quality protection activities within the watershed.

12 (5) Where a district program includes addressing sources of
13 nonpoint pollution to lakes, the county legislative authority shall
14 adopt an ordinance requiring use of best management practices to
15 control such pollution within six years of the creation of the
16 district.

17 NEW SECTION. **Sec. 2.** Counties may issue general obligation bonds,
18 revenue bonds, and other evidences of indebtedness to assist in
19 carrying out the programs of watershed protection districts, and
20 counties may issue revenue bonds and other revenue obligations payable
21 from fees, rates, charges, and other revenue of districts. Any such
22 obligations shall be issued in accordance with chapter 36.67 or 36.94
23 RCW.

24 NEW SECTION. **Sec. 3.** Revenues collected under this chapter may be
25 used to fund any activity, program, project, or planning related to
26 water resource protection in the watershed protection district,
27 including sewage treatment, the protection of ground water and drinking
28 water, the management of storm water runoff, the prevention and
29 management of nonpoint source pollution generally, and the
30 construction, maintenance, and operation of facilities for these
31 purposes.

32 **PART II**

33 **STORM WATER MANAGEMENT**

34 **Sec. 4.** RCW 36.70A.070 and 1990 1st ex.s. c 17 s 7 are each
35 amended to read as follows:

1 STORM WATER PROGRAMS IN LOCAL COMPREHENSIVE PLANS. The
2 comprehensive plan of a county or city that is required or chooses to
3 plan under RCW 36.70A.040 shall consist of a map or maps, and
4 descriptive text covering objectives, principles, and standards used to
5 develop the comprehensive plan. The plan shall be an internally
6 consistent document and all elements shall be consistent with the
7 future land use map. A comprehensive plan shall be adopted and amended
8 with public participation as provided in RCW 36.70A.140.

9 Each comprehensive plan shall include a plan, scheme, or design for
10 each of the following:

11 (1) A land use element designating the proposed general
12 distribution and general location and extent of the uses of land, where
13 appropriate, for agriculture, timber production, housing, commerce,
14 industry, recreation, open spaces, public utilities, public facilities,
15 and other land uses. The land use element shall include population
16 densities, building intensities, and estimates of future population
17 growth. The land use element shall provide for protection of the
18 quality and quantity of ground water used for public water supplies.
19 Where applicable, the land use element shall review drainage, flooding,
20 and storm water run-off in the area and nearby jurisdictions and
21 provide guidance for corrective actions to mitigate or cleanse those
22 discharges that pollute waters of the state, including Puget Sound or
23 waters entering Puget Sound. The land use element may incorporate any
24 element of a storm water management program for the area adopted
25 pursuant to the Puget Sound water quality management plan required
26 under RCW 90.70.060.

27 (2) A housing element recognizing the vitality and character of
28 established residential neighborhoods that: (a) Includes an inventory
29 and analysis of existing and projected housing needs; (b) includes a
30 statement of goals, policies, and objectives for the preservation,
31 improvement, and development of housing; (c) identifies sufficient land
32 for housing, including, but not limited to, government-assisted
33 housing, housing for low-income families, manufactured housing,
34 multifamily housing, and group homes and foster care facilities; and
35 (d) makes adequate provisions for existing and projected needs of all
36 economic segments of the community.

37 (3) A capital facilities plan element consisting of: (a) An
38 inventory of existing capital facilities owned by public entities,
39 showing the locations and capacities of the capital facilities; (b) a

1 forecast of the future needs for such capital facilities; (c) the
2 proposed locations and capacities of expanded or new capital
3 facilities; (d) at least a six-year plan that will finance such capital
4 facilities within projected funding capacities and clearly identifies
5 sources of public money for such purposes; and (e) a requirement to
6 reassess the land use element if probable funding falls short of
7 meeting existing needs and to ensure that the land use element, capital
8 facilities plan element, and financing plan within the capital
9 facilities plan element are coordinated and consistent.

10 (4) A utilities element consisting of the general location,
11 proposed location, and capacity of all existing and proposed utilities,
12 including, but not limited to, electrical lines, telecommunication
13 lines, and natural gas lines.

14 (5) Counties shall include a rural element including lands that are
15 not designated for urban growth, agriculture, forest, or mineral
16 resources. The rural element shall permit land uses that are
17 compatible with the rural character of such lands and provide for a
18 variety of rural densities.

19 (6) A transportation element that implements, and is consistent
20 with, the land use element. The transportation element shall include
21 the following subelements:

22 (a) Land use assumptions used in estimating travel;

23 (b) Facilities and services needs, including:

24 (i) An inventory of air, water, and land transportation facilities
25 and services, including transit alignments, to define existing capital
26 facilities and travel levels as a basis for future planning;

27 (ii) Level of service standards for all arterials and transit
28 routes to serve as a gauge to judge performance of the system. These
29 standards should be regionally coordinated;

30 (iii) Specific actions and requirements for bringing into
31 compliance any facilities or services that are below an established
32 level of service standard;

33 (iv) Forecasts of traffic for at least ten years based on the
34 adopted land use plan to provide information on the location, timing,
35 and capacity needs of future growth;

36 (v) Identification of system expansion needs and transportation
37 system management needs to meet current and future demands;

38 (c) Finance, including:

1 (i) An analysis of funding capability to judge needs against
2 probable funding resources;

3 (ii) A multiyear financing plan based on the needs identified in
4 the comprehensive plan, the appropriate parts of which shall serve as
5 the basis for the six-year street, road, or transit program required by
6 RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW
7 35.58.2795 for public transportation systems;

8 (iii) If probable funding falls short of meeting identified needs,
9 a discussion of how additional funding will be raised, or how land use
10 assumptions will be reassessed to ensure that level of service
11 standards will be met;

12 (d) Intergovernmental coordination efforts, including an assessment
13 of the impacts of the transportation plan and land use assumptions on
14 the transportation systems of adjacent jurisdictions;

15 (e) Demand-management strategies.

16 (7) The land use, capital facilities, and transportation elements
17 of comprehensive plans may incorporate applicable provisions of
18 watershed management plans for the area adopted pursuant to the Puget
19 Sound water quality management plan.

20 (8) After adoption of the comprehensive plan by jurisdictions
21 required to plan or who choose to plan under RCW 36.70A.040, local
22 jurisdictions must adopt and enforce ordinances which prohibit
23 development approval if the development causes the level of service on
24 a transportation facility to decline below the standards adopted in the
25 transportation element of the comprehensive plan, unless transportation
26 improvements or strategies to accommodate the impacts of development
27 are made concurrent with the development. These strategies may include
28 increased public transportation service, ride sharing programs, demand
29 management, and other transportation systems management strategies.
30 For the purposes of this subsection ((+6+)) "concurrent with the
31 development" shall mean that improvements or strategies are in place at
32 the time of development, or that a financial commitment is in place to
33 complete the improvements or strategies within six years.

34 The transportation element described in this subsection, and the
35 six-year plans required by RCW 35.77.010 for cities, RCW 36.81.121 for
36 counties, and RCW 35.58.2795 for public transportation systems, must be
37 consistent.

1 **Sec. 5.** RCW 58.17.110 and 1990 1st ex.s. c 17 s 52 are each
2 amended to read as follows:

3 STORM WATER FACILITIES CONSIDERED IN SUBDIVISION APPROVAL. (1) The
4 city, town, or county legislative body shall inquire into the public
5 use and interest proposed to be served by the establishment of the
6 subdivision and dedication. It shall determine: (a) If appropriate
7 provisions are made for, but not limited to, the public health, safety,
8 and general welfare, for open spaces, drainage ways, streets or roads,
9 alleys, other public ways, transit stops, potable water supplies,
10 sanitary wastes, storm water management, parks and recreation,
11 playgrounds, schools and schoolgrounds, and shall consider all other
12 relevant facts, including sidewalks and other planning features that
13 assure safe walking conditions for students who only walk to and from
14 school; and (b) whether the public interest will be served by the
15 subdivision and dedication.

16 (2) A proposed subdivision and dedication shall not be approved
17 unless the city, town, or county legislative body makes written
18 findings that: (a) Appropriate provisions are made for the public
19 health, safety, and general welfare and for such open spaces, drainage
20 ways, streets or roads, alleys, other public ways, transit stops,
21 potable water supplies, sanitary wastes, storm water management, parks
22 and recreation, playgrounds, schools and schoolgrounds and all other
23 relevant facts, including sidewalks and other planning features that
24 assure safe walking conditions for students who only walk to and from
25 school; and (b) the public use and interest will be served by the
26 platting of such subdivision and dedication. If it finds that the
27 proposed subdivision and dedication make such appropriate provisions
28 and that the public use and interest will be served, then the
29 legislative body shall approve the proposed subdivision and dedication.
30 Dedication of land to any public body, provision of public improvements
31 to serve the subdivision, and/or impact fees imposed under RCW
32 82.02.050 through 82.02.090 may be required as a condition of
33 subdivision approval. Dedications shall be clearly shown on the final
34 plat. No dedication, provision of public improvements, or impact fees
35 imposed under RCW 82.02.050 through 82.02.090 shall be allowed that
36 constitutes an unconstitutional taking of private property. The
37 legislative body shall not as a condition to the approval of any
38 subdivision require a release from damages to be procured from other
39 property owners.

1 PART III

2 CENTENNIAL CLEAN WATER FUND AND STORM WATER MANAGEMENT

3 Sec. 6. RCW 70.146.060 and 1987 c 527 s 1 and 1987 c 436 s 7 are
4 each reenacted and amended to read as follows:

5 WATER QUALITY ACCOUNT DISTRIBUTIONS--LIMITATIONS--STORM WATER
6 MANAGEMENT AND COMBINED SEWER OVERFLOW REDUCTION FUNDING. During the
7 period from July 1, 1987, until June 30, 1995, the following
8 limitations shall apply to the department's total distribution of funds
9 appropriated from the water quality account:

10 (1) Not more than fifty percent for water pollution control
11 facilities which discharge directly into marine waters and for
12 activities to control or remediate the effects of such discharges,
13 including projects and activities to reduce combined sewer overflows
14 and projects to manage storm water runoff;

15 (2) Not more than twenty percent for water pollution control
16 activities that prevent or mitigate pollution of underground waters and
17 facilities that protect federally designated sole source aquifers with
18 at least two-thirds for the Spokane-Rathdrum Prairie Aquifer;

19 (3) Not more than ten percent for water pollution control
20 activities that protect freshwater lakes and rivers including but not
21 limited to Lake Chelan and the Yakima and Columbia rivers;

22 (4) Not more than ten percent for activities which control nonpoint
23 source water pollution;

24 (5) Ten percent and such sums as may be remaining from the
25 categories specified in subsections (1) through (4) of this section for
26 water pollution control activities or facilities as determined by the
27 department; and

28 (6) Two and one-half percent of the total amounts of moneys under
29 subsections (1) through (5) of this section from February 21, 1986,
30 until December 31, 1995, shall be appropriated biennially to the state
31 conservation commission for the purposes of this chapter. Not less
32 than ten percent of the moneys received by the state conservation
33 commission under the provisions of this section shall be expended on
34 research activities.

35 The distribution under this section shall not be required to be met
36 in any single fiscal year.

37 Funds provided for facilities and activities under this chapter may
38 be used for payments to a service provider under a service agreement

1 pursuant to RCW 70.150.060. If funds are to be used for such payments,
2 the department may make periodic disbursements to a public body or may
3 make a single lump sum disbursement. Disbursements of funds with
4 respect to a facility owned or operated by a service provider shall be
5 equivalent in value to disbursements that would otherwise be made if
6 that facility were owned or operated by a public body. Payments under
7 this chapter for waste disposal and management facilities made to
8 public bodies entering into service agreements pursuant to RCW
9 70.150.060 shall not exceed amounts paid to public bodies not entering
10 into service agreements.

11 Until January 1, 1997, the department shall place a priority upon
12 providing assistance to projects for the reduction of combined sewer
13 overflows, and programs for the inspection and maintenance of on-site
14 sewage disposal systems, and that are otherwise eligible under this
15 chapter.

16 **PART IV**
17 **SEPTIC SYSTEMS**

18 NEW SECTION. **Sec. 7.** A new section is added to chapter 90.48 RCW
19 to read as follows:

20 **SELLER DISCLOSURE OF SEPTIC SYSTEM IN SENSITIVE AREAS.** Before the
21 closing of the sale of real property located within a sensitive area
22 designated under section 8 of this act, the seller shall provide a
23 report to the purchaser that discloses whether the property being sold
24 is served by a public or private sewer system, an on-site sewage
25 disposal system, other means of waste disposal, or is undeveloped
26 property. If the property is served by an on-site sewage disposal
27 system, the report shall include:

28 (1) The location of the system and, if known, the location of
29 drainfields identified on a scale drawing;

30 (2) Drawings of the system as it was built, if available from
31 either the seller or the local health agency; and

32 (3) A statement of the most recent pumping of the system and a
33 description of the most recent inspection of the system by a certified
34 professional, if known.

35 NEW SECTION. **Sec. 8.** A new section is added to chapter 90.48 RCW
36 to read as follows:

1 quality protection account shall remain in the fund and be available
2 for distribution.

3 NEW SECTION. **Sec. 10.** A new section is added to chapter 90.48 RCW
4 to read as follows:

5 CIVIL PENALTIES FOR PUGET SOUND WATER QUALITY VIOLATIONS DEDICATED
6 TO PUGET SOUND RESTORATION. All penalties collected under RCW
7 90.48.144 for water quality violations in the waters of Puget Sound as
8 defined by RCW 90.70.005, or waters draining to Puget Sound, shall be
9 deposited to the Puget Sound restoration account, which is hereby
10 created in the state treasury. Moneys in the account shall be subject
11 to legislative appropriation and expended by the Puget Sound water
12 quality authority for the funding of local programs for public
13 involvement and education, including proper operation and maintenance
14 of on-site sewage disposal system. The authority shall seek proposals
15 which raise awareness of water quality issues by engaging people in
16 actions to protect Puget Sound and through diverse education
17 activities. A portion of the fund shall be directed to programs which
18 specifically support the educational needs of local government directly
19 related to the Puget Sound plan. Not more than ten percent of the
20 appropriated moneys shall be expended by the authority for
21 administering the grants. All earnings of balances in the Puget Sound
22 restoration account shall remain in the fund and be available for
23 distribution. Upon the termination of the authority, funds in the
24 account shall be administered by the department of ecology.

25 **Sec. 11.** RCW 43.21B.300 and 1992 c 73 s 2 are each amended to read
26 as follows:

27 (1) Any civil penalty provided in RCW 70.94.431, 70.105.080,
28 70.107.050, 88.46.090, 90.03.600, 90.48.144, 90.56.310, and 90.56.330
29 shall be imposed by a notice in writing, either by certified mail with
30 return receipt requested or by personal service, to the person
31 incurring the penalty from the department, the administrator of the
32 office of marine safety, or the local air authority, describing the
33 violation with reasonable particularity. Within fifteen days after the
34 notice is received, the person incurring the penalty may apply in
35 writing to the department, the administrator, or the authority for the
36 remission or mitigation of the penalty. Upon receipt of the
37 application, the department, the administrator, or authority may remit

1 or mitigate the penalty upon whatever terms the department, the
2 administrator, or the authority in its discretion deems proper. The
3 department or the authority may ascertain the facts regarding all such
4 applications in such reasonable manner and under such rules as it may
5 deem proper and shall remit or mitigate the penalty only upon a
6 demonstration of extraordinary circumstances such as the presence of
7 information or factors not considered in setting the original penalty.

8 (2) Any penalty imposed under this section may be appealed to the
9 pollution control hearings board in accordance with this chapter if the
10 appeal is filed with the hearings board and served on the department,
11 the administrator, or authority thirty days after receipt by the person
12 penalized of the notice imposing the penalty or thirty days after
13 receipt of the notice of disposition of the application for relief from
14 penalty.

15 (3) A penalty shall become due and payable on the later of:

16 (a) Thirty days after receipt of the notice imposing the penalty;

17 (b) Thirty days after receipt of the notice of disposition on
18 application for relief from penalty, if such an application is made; or

19 (c) Thirty days after receipt of the notice of decision of the
20 hearings board if the penalty is appealed.

21 (4) If the amount of any penalty is not paid to the department or
22 the administrator within thirty days after it becomes due and payable,
23 the attorney general, upon request of the department or the
24 administrator, shall bring an action in the name of the state of
25 Washington in the superior court of Thurston county, or of any county
26 in which the violator does business, to recover the penalty. If the
27 amount of the penalty is not paid to the authority within thirty days
28 after it becomes due and payable, the authority may bring an action to
29 recover the penalty in the superior court of the county of the
30 authority's main office or of any county in which the violator does
31 business. In these actions, the procedures and rules of evidence shall
32 be the same as in an ordinary civil action.

33 (5) All penalties recovered shall be paid into the state treasury
34 and credited to the general fund except those penalties imposed
35 pursuant to RCW 70.94.431, the disposition of which shall be governed
36 by that provision, RCW 70.105.080, which shall be credited to the
37 hazardous waste control and elimination account, created by RCW
38 70.105.180, RCW 90.48.144, which shall be credited to either the water
39 quality protection account created under section 9 of this act or the

1 Puget Sound restoration account created under section 10 of this act,
2 as applicable, and RCW 90.56.330, which shall be credited to the
3 coastal protection fund created by RCW 90.48.390.

4 **PART VI**

5 **PUGET SOUND WATER QUALITY AUTHORITY**

6 **Sec. 12.** RCW 90.70.011 and 1990 c 115 s 2 are each amended to read
7 as follows:

8 AUTHORITY CHAIR SELECTION. (1) There is established the Puget
9 Sound water quality authority composed of eleven members. Nine members
10 shall be appointed by the governor and confirmed by the senate. In
11 addition, the commissioner of public lands (~~or the commissioner's~~
12 ~~designee~~) and the director of ecology (~~or the director's~~
13 ~~designee~~) shall serve as ex officio members. Three of the members shall include
14 a representative from the counties, a representative from the cities,
15 and a tribal representative. The director of ecology shall be chair of
16 the authority. In making these appointments, the governor shall seek
17 to include representation of the variety of interested parties
18 concerned about Puget Sound water quality. Of the appointed members,
19 at least one shall be selected from each of the six congressional
20 districts surrounding Puget Sound. All votes shall be cast by members.
21 Designees or alternates may not vote. Members shall serve four-year
22 terms. Of the initial members appointed to the authority, two shall
23 serve for two years, two shall serve for three years, and two shall
24 serve for four years. Thereafter members shall be appointed to four-
25 year terms. Members representing cities, counties, and the tribes
26 shall also serve four-year staggered terms, as determined by the
27 governor. Vacancies shall be filled by appointment for the remainder
28 of the unexpired term of the position being vacated. The executive
29 director of the authority shall be selected by the governor and shall
30 serve at the pleasure of the governor. The executive director shall
31 not be a member of the authority.

32 (2) Members shall be compensated as provided in RCW 43.03.250.
33 Members shall be reimbursed for travel expenses as provided in RCW
34 43.03.050 and 43.03.060.

35 (3) The executive director of the authority shall be a full-time
36 employee responsible for the administration of all functions of the
37 authority, including hiring and terminating staff, contracting,

1 coordinating with the governor, the legislature, and other state and
2 local entities, and the delegation of responsibilities as deemed
3 appropriate. The executive director shall report to the authority and
4 shall serve to carry out the policy direction of the authority. The
5 salary of the executive director shall be comparable to those of other
6 agency directors and shall be fixed by the governor, subject to RCW
7 43.03.040.

8 (4) The authority shall prepare a budget and a work plan.

9 (5) Not more than four employees of the authority may be exempt
10 from the provisions of chapter 41.06 RCW.

11 (6) The executive director and staff of the authority shall be
12 located in the Olympia area(~~(, as space becomes available. The~~
13 ~~department of general administration shall house the authority within~~
14 ~~the department of ecology)~~).

15 **Sec. 13.** RCW 90.70.070 and 1990 c 115 s 6 are each amended to read
16 as follows:

17 (1) In conducting planning, regulatory, and appeals actions, the
18 state agencies and local governments identified in the plan must
19 evaluate, and incorporate as applicable, subject to the availability of
20 appropriated funds or other funding sources, the provisions of the
21 plan, including any guidelines, standards, and timetables contained in
22 the plan.

23 (2) The authority shall review the progress of state agencies and
24 local governments regarding the timely implementation of the plan.
25 Where prescribed actions have not been accomplished in accordance with
26 the plan, the responsible state agencies and local governments shall,
27 at the request of the authority, submit written explanations for the
28 shortfalls, together with their proposed remedies, to the authority.

29 The results of the review and a description of the actions
30 necessary to comply with the plan shall be included in the biennial
31 state of the Sound report.

32 (3) The state agencies and local governments identified in the plan
33 shall review their activities biennially and document their consistency
34 with the plan. They shall submit written reports or updates of their
35 findings to the authority.

36 (4) The authority shall review the major actions (~~(affected by the~~
37 ~~plan)~~) affecting the Sound being considered by the state agencies and
38 local governments and shall comment in a timely manner regarding

1 consistency with the plan and may participate in administrative and
2 subsequent judicial proceedings with respect to such actions. Any
3 deviations from the plan, identified by the authority, shall be
4 transmitted in writing by the authority to the responsible state agency
5 or local government.

6 **Sec. 14.** RCW 43.84.092 and 1992 c 235 s 4 are each amended to read
7 as follows:

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

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

15 (a) The following accounts and funds shall receive their
16 proportionate share of earnings based upon each account's and fund's
17 average daily balance for the period: The capitol building
18 construction account, the Cedar River channel construction and
19 operation account, the Central Washington University capital projects
20 account, the charitable, educational, penal and reformatory
21 institutions account, the common school construction fund, the county
22 criminal justice assistance account, the county sales and use tax
23 equalization account, the data processing building construction
24 account, the deferred compensation administrative account, the deferred
25 compensation principal account, the department of retirement systems
26 expense account, the Eastern Washington University capital projects
27 account, the federal forest revolving account, the industrial insurance
28 premium refund account, the judges' retirement account, the judicial
29 retirement administrative account, the judicial retirement principal
30 account, the local leasehold excise tax account, the local sales and
31 use tax account, the medical aid account, the municipal criminal
32 justice assistance account, the municipal sales and use tax
33 equalization account, the natural resources deposit account, the
34 perpetual surveillance and maintenance account, the public employees'
35 retirement system plan I account, the public employees' retirement
36 system plan II account, the Puget Sound restoration account, the
37 Puyallup tribal settlement account, the resource management cost
38 account, the site closure account, the special wildlife account, the

1 state employees' insurance account, the state employees' insurance
2 reserve account, the state investment board expense account, the state
3 investment board commingled trust fund accounts, the supplemental
4 pension account, the teachers' retirement system plan I account, the
5 teachers' retirement system plan II account, the University of
6 Washington bond retirement fund, the University of Washington building
7 account, the volunteer fire fighters' relief and pension principal
8 account, the volunteer fire fighters' relief and pension administrative
9 account, the Washington judicial retirement system account, the
10 Washington law enforcement officers' and fire fighters' system plan I
11 retirement account, the Washington law enforcement officers' and fire
12 fighters' system plan II retirement account, the Washington state
13 patrol retirement account, the Washington State University building
14 account, the Washington State University bond retirement fund, the
15 water quality protection account, and the Western Washington University
16 capital projects account. Earnings derived from investing balances of
17 the agricultural permanent fund, the normal school permanent fund, the
18 permanent common school fund, the scientific permanent fund, and the
19 state university permanent fund shall be allocated to their respective
20 beneficiary accounts. All earnings to be distributed under this
21 subsection (2)(a) shall first be reduced by the allocation to the state
22 treasurer's service fund pursuant to RCW 43.08.190.

23 (b) The following accounts and funds shall receive eighty percent
24 of their proportionate share of earnings based upon each account's or
25 fund's average daily balance for the period: The central Puget Sound
26 public transportation account, the city hardship assistance account,
27 the county arterial preservation account, the economic development
28 account, the essential rail assistance account, the essential rail
29 banking account, the ferry bond retirement fund, the grade crossing
30 protective fund, the high capacity transportation account, the highway
31 bond retirement fund, the highway construction stabilization account,
32 the highway safety account, the motor vehicle fund, the motorcycle
33 safety education account, the pilotage account, the public
34 transportation systems account, the Puget Sound capital construction
35 account, the Puget Sound ferry operations account, the recreational
36 vehicle account, the rural arterial trust account, the special category
37 C account, the state patrol highway account, the transfer relief
38 account, the transportation capital facilities account, the
39 transportation equipment fund, the transportation fund, the

1 transportation improvement account, and the urban arterial trust
2 account.

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

6 NEW SECTION. **Sec. 15.** Sections 1 through 3 of this act shall
7 constitute a new chapter in Title 36 RCW.

8 NEW SECTION. **Sec. 16.** CAPTIONS. Part headings and section
9 captions as used in this act constitute no part of the law.

--- END ---