
SENATE BILL 6856

State of Washington 60th Legislature 2008 Regular Session

By Senators Prentice, Fraser, McAuliffe, and Rasmussen

Read first time 01/29/08. Referred to Committee on Ways & Means.

1 AN ACT Relating to supporting infrastructure and economic
2 development funding; amending RCW 82.16.020, 82.18.020, 43.155.020,
3 43.155.050, and 43.155.050; reenacting and amending RCW 43.155.070 and
4 43.84.092; creating a new section; providing effective dates; and
5 providing an expiration date.

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

7 NEW SECTION. **Sec. 1.** The legislature finds it is in the interest
8 of the state to increase infrastructure funding in order to ensure the
9 public health and safety of its citizens. The legislature also finds
10 it is in the interest of the state to increase infrastructure funding
11 in support of the requirements of the growth management act, other
12 state regulatory requirements, and state administered federal
13 requirements.

14 The legislature also finds that state investment in public
15 infrastructure requires local governments to administer maintenance and
16 preservation plans for public infrastructure it owns and operates. The
17 legislature further finds that state investment in public
18 infrastructure is a contributor to the economic development of
19 Washington state and its communities by encouraging private investment

1 and the creation and retention of high-wage jobs. Finally, the
2 legislature finds that providing dedicated funding for economic
3 development programs will lead to greater certainty in economic
4 development decisions and further encourage private investment.

5 **Sec. 2.** RCW 82.16.020 and 1996 c 150 s 2 are each amended to read
6 as follows:

7 (1) There is levied and there shall be collected from every person
8 a tax for the act or privilege of engaging within this state in any one
9 or more of the businesses herein mentioned. The tax shall be equal to
10 the gross income of the business, multiplied by the rate set out after
11 the business, as follows:

12 (a) Express, sewerage collection, and telegraph businesses:
13 (~~Three and six tenths~~) six percent;

14 (b) Light and power business: Three and sixty-two one-hundredths
15 percent;

16 (c) Gas distribution business: Three and six-tenths percent;

17 (d) Urban transportation business: Six-tenths of one percent;

18 (e) Vessels under sixty-five feet in length, except tugboats,
19 operating upon the waters within the state: Six-tenths of one percent;

20 (f) Motor transportation, railroad, railroad car, and tugboat
21 businesses, and all public service businesses other than ones mentioned
22 above: One and eight-tenths of one percent;

23 (g) Water distribution business: (~~Four and seven tenths~~) Seven
24 and twenty-nine one-hundredths percent.

25 (2) An additional tax is imposed equal to the rate specified in RCW
26 82.02.030 multiplied by the tax payable under subsection (1) of this
27 section.

28 (3) (~~Twenty~~) Forty-three percent of the moneys collected under
29 subsection (1) of this section on water distribution businesses and
30 (~~sixty~~) seventy-four percent of the moneys collected under subsection
31 (1) of this section on sewerage collection businesses shall be
32 deposited in the public works assistance account created in RCW
33 43.155.050.

34 **Sec. 3.** RCW 82.18.020 and 1989 c 431 s 79 are each amended to read
35 as follows:

36 There is imposed on each person using the solid waste services of

1 a solid waste collection business a solid waste collection tax equal to
2 (~~three and six tenths~~) seven and two-tenths percent of the
3 consideration charged for the services.

4 **Sec. 4.** RCW 43.155.020 and 2001 c 131 s 1 are each amended to read
5 as follows:

6 Unless the context clearly requires otherwise, the definitions in
7 this section shall apply throughout this chapter.

8 (1) "Board" means the public works board created in RCW 43.155.030.

9 (2) "Capital facility plan" means a capital facility plan required
10 by the growth management act under chapter 36.70A RCW or, for local
11 governments not fully planning under the growth management act, a plan
12 required by the public works board.

13 (3) "Department" means the department of community, trade, and
14 economic development.

15 (4) "Financing guarantees" means the pledge of money in the public
16 works assistance account, or money to be received by the public works
17 assistance account, to the repayment of all or a portion of the
18 principal of or interest on obligations issued by local governments to
19 finance public works projects.

20 (5) "Local governments" means cities, towns, counties, special
21 purpose districts, and any other municipal corporations or quasi-
22 municipal corporations in the state excluding school districts and port
23 districts.

24 (6) "Public works project" means a project of a local government
25 for the planning, acquisition, construction, repair, reconstruction,
26 replacement, rehabilitation, or improvement of streets and roads,
27 bridges, water systems, or storm and sanitary sewage systems and solid
28 waste facilities, including recycling facilities. A planning project
29 may include the compilation of biological, hydrological, or other data
30 on a county, drainage basin, or region necessary to develop a base of
31 information for a capital facility plan.

32 (7) "Solid waste or recycling project" means remedial actions
33 necessary to bring abandoned or closed landfills into compliance with
34 regulatory requirements and the repair, restoration, and replacement of
35 existing solid waste transfer, recycling facilities, and landfill
36 projects limited to the opening of landfill cells that are in existing
37 and permitted landfills.

1 (8) "Technical assistance" means training and other services
2 provided to local governments to: (a) Help such local governments
3 plan, apply, and qualify for loans and financing guarantees from the
4 board, and (b) help local governments improve their ability to plan
5 for, finance, acquire, construct, repair, replace, rehabilitate, and
6 maintain public facilities.

7 (9) "High growth area" means an area in a city or county
8 comprehensive plan that is:

9 (a) Within city boundaries of a county planning under chapter
10 36.70A RCW and is zoned for:

11 (i) Residential development of at least a gross area wide average
12 of four dwelling units per acre; and/or

13 (ii) Nonresidential development;

14 (b) Eligible to be annexed to a city under chapter 35.13 or 35A.14
15 RCW; or

16 (c) Eligible for annexation by an interlocal agreement, established
17 by the city and county, that identifies levels and types of municipal
18 services needed in the area to facilitate growth.

19 **Sec. 5.** RCW 43.155.050 and 2007 c 520 s 6036 are each amended to
20 read as follows:

21 (1) The public works assistance account is hereby established in
22 the state treasury. Money may be placed in the public works assistance
23 account from the proceeds of bonds when authorized by the legislature
24 or from any other lawful source. Money in the public works assistance
25 account shall be used to make loans and to give financial guarantees to
26 local governments for public works projects. Moneys in the account may
27 also be appropriated to provide for state match requirements under
28 federal law for projects and activities conducted and financed by the
29 board under the drinking water assistance account. Not more than
30 fifteen percent of the biennial capital budget appropriation to the
31 public works board from this account may be expended or obligated for
32 preconstruction loans, emergency loans, or loans for capital facility
33 planning under this chapter; of this amount, not more than ten percent
34 of the biennial capital budget appropriation may be expended for
35 emergency loans and not more than one percent of the biennial capital
36 budget appropriation may be expended for capital facility planning

1 loans. For the 2007-2009 biennium, moneys in the account may be used
2 for grants for projects identified in section 138, chapter 488, Laws of
3 2005.

4 (2) The job development fund is hereby established in the state
5 treasury. Up to fifty million dollars each biennium from the public
6 works assistance account may be transferred into the job development
7 fund. Money in the job development fund may be used solely for job
8 development fund program grants, administrative expenses related to the
9 administration of the job development fund program created in RCW
10 43.160.230, and for the report prepared by the joint legislative audit
11 and review committee pursuant to RCW 44.28.801(2). Moneys in the job
12 development fund may be spent only after appropriation. The board
13 shall prepare a prioritized list of proposed projects of up to fifty
14 million dollars as part of the department's 2007-09 biennial budget
15 request. The board may provide an additional alternate job development
16 fund project list of up to ten million dollars. The legislature may
17 remove projects from the list recommended by the board. The
18 legislature may not change the prioritization of projects recommended
19 for funding by the board, but may add projects from the alternate list
20 in order of priority, as long as the total funding does not exceed
21 fifty million dollars.

22 (3) The growth management infrastructure account is hereby created
23 in the state treasury. Eight percent of the public works assistance
24 account must be deposited into the growth management infrastructure
25 account. Money in the growth management infrastructure account may be
26 used solely for grants in high growth areas identified in RCW
27 43.155.020(9) and administrative expenses related to the administration
28 of high growth area projects. The board must prepare a prioritized
29 list of proposed projects as part of the department's biennial budget
30 request. The legislature may remove projects from the list recommended
31 by the board. The legislature may not change the prioritization of
32 projects recommended for funding by the board, but may add projects
33 from the alternate list in order of priority, provided that the total
34 funding does not exceed eight percent of the public works assistance
35 account.

36 **Sec. 6.** RCW 43.155.050 and 2007 c 520 s 6037 are each amended to
37 read as follows:

1 (1) The public works assistance account is hereby established in
2 the state treasury. Money may be placed in the public works assistance
3 account from the proceeds of bonds when authorized by the legislature
4 or from any other lawful source. Money in the public works assistance
5 account shall be used to make loans and to give financial guarantees to
6 local governments for public works projects. Moneys in the account may
7 also be appropriated to provide for state match requirements under
8 federal law for projects and activities conducted and financed by the
9 board under the drinking water assistance account. Not more than
10 fifteen percent of the biennial capital budget appropriation to the
11 public works board from this account may be expended or obligated for
12 preconstruction loans, emergency loans, or loans for capital facility
13 planning under this chapter; of this amount, not more than ten percent
14 of the biennial capital budget appropriation may be expended for
15 emergency loans and not more than one percent of the biennial capital
16 budget appropriation may be expended for capital facility planning
17 loans. For the 2007-2009 biennium, moneys in the account may be used
18 for grants for projects identified in section 138, chapter 488, Laws of
19 2005 and section 1033, chapter 520, Laws of 2007.

20 (2) The growth management infrastructure account is hereby created
21 in the state treasury. Eight percent of the public works assistance
22 account must be deposited into the growth management infrastructure
23 account. Money in the growth management infrastructure account may be
24 used solely for grants in high growth areas identified in RCW
25 43.155.020(9) and administrative expenses related to the administration
26 of high growth area projects. The board must prepare a prioritized
27 list of proposed projects as part of the department's biennial budget
28 request. The legislature may remove projects from the list recommended
29 by the board. The legislature may not change the prioritization of
30 projects recommended for funding by the board, but may add projects
31 from the alternate list in order of priority, provided that the total
32 funding does not exceed eight percent of the public works assistance
33 account.

34 **Sec. 7.** RCW 43.155.070 and 2007 c 341 s 24 and 2007 c 231 s 2 are
35 each reenacted and amended to read as follows:

36 (1) To qualify for loans or pledges under this chapter the board

1 must determine that a local government meets all of the following
2 conditions:

3 (a) The city or county must be imposing a tax under chapter 82.46
4 RCW at a rate of at least one-quarter of one percent;

5 (b) The local government must have developed a capital facility
6 plan; and

7 (c) The local government must be using all local revenue sources
8 which are reasonably available for funding public works, taking into
9 consideration local employment and economic factors.

10 (2) Except where necessary to address a public health need or
11 substantial environmental degradation, a county, city, or town planning
12 under RCW 36.70A.040 must have adopted a comprehensive plan, including
13 a capital facilities plan element, and development regulations as
14 required by RCW 36.70A.040. This subsection does not require any
15 county, city, or town planning under RCW 36.70A.040 to adopt a
16 comprehensive plan or development regulations before requesting or
17 receiving a loan or loan guarantee under this chapter if such request
18 is made before the expiration of the time periods specified in RCW
19 36.70A.040. A county, city, or town planning under RCW 36.70A.040
20 which has not adopted a comprehensive plan and development regulations
21 within the time periods specified in RCW 36.70A.040 is not prohibited
22 from receiving a loan or loan guarantee under this chapter if the
23 comprehensive plan and development regulations are adopted as required
24 by RCW 36.70A.040 before submitting a request for a loan or loan
25 guarantee.

26 (3) In considering awarding loans for public facilities to special
27 districts requesting funding for a proposed facility located in a
28 county, city, or town planning under RCW 36.70A.040, the board shall
29 consider whether the county, city, or town planning under RCW
30 36.70A.040 in whose planning jurisdiction the proposed facility is
31 located has adopted a comprehensive plan and development regulations as
32 required by RCW 36.70A.040.

33 (4) The board shall develop a priority process for public works
34 projects as provided in this section. The intent of the priority
35 process is to maximize the value of public works projects accomplished
36 with assistance under this chapter. The board shall attempt to assure
37 a geographical balance in assigning priorities to projects. The board

1 shall consider at least the following factors in assigning a priority
2 to a project:

3 (a) Whether the local government receiving assistance has
4 experienced severe fiscal distress resulting from natural disaster or
5 emergency public works needs;

6 (b) Except as otherwise conditioned by RCW 43.155.110, whether the
7 entity receiving assistance is a Puget Sound partner, as defined in RCW
8 90.71.010;

9 (c) Whether the project is referenced in the action agenda
10 developed by the Puget Sound partnership under RCW 90.71.310;

11 (d) Whether the project is critical in nature and would affect the
12 health and safety of a great number of citizens;

13 (e) Whether the applicant has developed and adhered to guidelines
14 regarding its permitting process for those applying for development
15 permits consistent with section 1(2), chapter 231, Laws of 2007;

16 (f) The cost of the project compared to the size of the local
17 government and amount of loan money available;

18 (g) The number of communities served by or funding the project;

19 (h) Whether the project is located in an area of high unemployment,
20 compared to the average state unemployment;

21 (i) Whether the project is the acquisition, expansion, improvement,
22 or renovation by a local government of a public water system that is in
23 violation of health and safety standards, including the cost of
24 extending existing service to such a system;

25 (j) The relative benefit of the project to the community,
26 considering the present level of economic activity in the community and
27 the existing local capacity to increase local economic activity in
28 communities that have low economic growth; and

29 (k) Other criteria that the board considers advisable.

30 (5) To qualify for grants under RCW 43.155.020(9) the board must
31 determine that a local government meets all of the following
32 conditions:

33 (a)(i) The city or county is imposing a tax under chapter 82.46 RCW
34 at a rate of at least one quarter of one percent; or

35 (ii) The city or county is imposing a tax under chapter 82.46 RCW
36 at a rate of at least one-half of one percent if planning under RCW
37 36.70A.040.

38 (b) The local government has developed a capital facility plan.

1 (c) Except where necessary to address a public health need or
2 substantial environmental degradation, a county, city, or town planning
3 under RCW 36.70A.040 has adopted a comprehensive plan, including a
4 capital facilities plan element, and development regulations as
5 required by RCW 36.70A.040. This subsection (5)(c) does not require
6 any county, city, or town planning under RCW 36.70A.040 to adopt a
7 comprehensive plan or development regulations before requesting or
8 receiving a loan or loan guarantee under this chapter, if such request
9 is made before the expiration of the time periods specified in RCW
10 36.70A.040. A county, city, or town planning under RCW 36.70A.040
11 which has not adopted a comprehensive plan and development regulations
12 within the time periods specified in RCW 36.70A.040 is not prohibited
13 from receiving a loan or loan guarantee under this chapter if the
14 comprehensive plan and development regulations are adopted as required
15 by RCW 36.70A.040 before submitting a request for a loan or loan
16 guarantee.

17 (d) The board must develop a priority process for public works
18 projects as provided in this section based on factors such as whether:

19 (i) The proposed project is within city boundaries of a county
20 planning under RCW 36.70A.040 and is zoned for:

21 (A) Residential development of at least a gross area wide average
22 of four dwelling units per acre; and/or

23 (B) Nonresidential development; or

24 (ii) The proposed project is eligible to be annexed to a city under
25 chapter 35.13 or 35A.14 RCW; and

26 (iii) The city and county have established an interlocal agreement
27 for the area eligible for annexation that identifies levels and types
28 of municipal services needed in the area to facilitate growth.

29 (e) The project is critical in nature and would affect the health
30 and safety of a great number of citizens.

31 (f) The applicant has developed and adhered to guidelines regarding
32 its permitting process for those applying for development permits
33 consistent with section 1(2), chapter 231, Laws of 2007.

34 (g) The cost of the project compared to the size of the local
35 government and amount of grant money available.

36 (h) The project is the acquisition, expansion, improvement, or
37 renovation by a local government of a public water system that is in

1 violation of health and safety standards, including the cost of
2 extending existing service to such a system.

3 (i) Other criteria that the board considers advisable.

4 (6) Existing debt or financial obligations of local governments
5 shall not be refinanced under this chapter. Each local government
6 applicant shall provide documentation of attempts to secure additional
7 local or other sources of funding for each public works project for
8 which financial assistance is sought under this chapter.

9 ~~((+6+))~~ (7) Before November 1st of each year, the board shall
10 develop and submit to the appropriate fiscal committees of the senate
11 and house of representatives a description of the loans made under RCW
12 43.155.065, 43.155.068, and subsection ~~((+9+))~~ (10) of this section
13 during the preceding fiscal year and a prioritized list of projects
14 which are recommended for funding by the legislature, including one
15 copy to the staff of each of the committees. The list shall include,
16 but not be limited to, a description of each project and recommended
17 financing, the terms and conditions of the loan or financial guarantee,
18 the local government jurisdiction and unemployment rate, demonstration
19 of the jurisdiction's critical need for the project and documentation
20 of local funds being used to finance the public works project. The
21 list shall also include measures of fiscal capacity for each
22 jurisdiction recommended for financial assistance, compared to
23 authorized limits and state averages, including local government sales
24 taxes; real estate excise taxes; property taxes; and charges for or
25 taxes on sewerage, water, garbage, and other utilities.

26 ~~((+7+))~~ (8) The board shall not sign contracts or otherwise
27 financially obligate funds from the public works assistance account
28 before the legislature has appropriated funds for a specific list of
29 public works projects. The legislature may remove projects from the
30 list recommended by the board. The legislature shall not change the
31 order of the priorities recommended for funding by the board.

32 ~~((+8+))~~ (9) Subsection ~~((+7+))~~ (8) of this section does not apply
33 to loans made under RCW 43.155.065, 43.155.068, and subsection ~~((+9+))~~
34 (10) of this section.

35 ~~((+9+))~~ (10) Loans made for the purpose of capital facilities plans
36 shall be exempted from subsection ~~((+7+))~~ (8) of this section.

37 ~~((+10+))~~ (11) To qualify for loans or pledges for solid waste or
38 recycling facilities under this chapter, a city or county must

1 demonstrate that the solid waste or recycling facility is consistent
2 with and necessary to implement the comprehensive solid waste
3 management plan adopted by the city or county under chapter 70.95 RCW.

4 ~~((11))~~ (12) After January 1, 2010, any project designed to
5 address the effects of storm water or wastewater on Puget Sound may be
6 funded under this section only if the project is not in conflict with
7 the action agenda developed by the Puget Sound partnership under RCW
8 90.71.310.

9 **Sec. 8.** RCW 43.84.092 and 2007 c 514 s 3, 2007 c 513 s 1, 2007 c
10 484 s 4, and 2007 c 356 s 9 are each reenacted and amended to read as
11 follows:

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

15 (2) The treasury income account shall be utilized to pay or receive
16 funds associated with federal programs as required by the federal cash
17 management improvement act of 1990. The treasury income account is
18 subject in all respects to chapter 43.88 RCW, but no appropriation is
19 required for refunds or allocations of interest earnings required by
20 the cash management improvement act. Refunds of interest to the
21 federal treasury required under the cash management improvement act
22 fall under RCW 43.88.180 and shall not require appropriation. The
23 office of financial management shall determine the amounts due to or
24 from the federal government pursuant to the cash management improvement
25 act. The office of financial management may direct transfers of funds
26 between accounts as deemed necessary to implement the provisions of the
27 cash management improvement act, and this subsection. Refunds or
28 allocations shall occur prior to the distributions of earnings set
29 forth in subsection (4) of this section.

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

1 (4) Monthly, the state treasurer shall distribute the earnings
2 credited to the treasury income account. The state treasurer shall
3 credit the general fund with all the earnings credited to the treasury
4 income account except:

5 The following accounts and funds shall receive their proportionate
6 share of earnings based upon each account's and fund's average daily
7 balance for the period: The aeronautics account, the aircraft search
8 and rescue account, the budget stabilization account, the capitol
9 building construction account, the Cedar River channel construction and
10 operation account, the Central Washington University capital projects
11 account, the charitable, educational, penal and reformatory
12 institutions account, the Columbia river basin water supply development
13 account, the common school construction fund, the county arterial
14 preservation account, the county criminal justice assistance account,
15 the county sales and use tax equalization account, the data processing
16 building construction account, the deferred compensation administrative
17 account, the deferred compensation principal account, the department of
18 licensing services account, the department of retirement systems
19 expense account, the developmental disabilities community trust
20 account, the drinking water assistance account, the drinking water
21 assistance administrative account, the drinking water assistance
22 repayment account, the Eastern Washington University capital projects
23 account, the education construction fund, the education legacy trust
24 account, the election account, the energy freedom account, the
25 essential rail assistance account, The Evergreen State College capital
26 projects account, the federal forest revolving account, the ferry bond
27 retirement fund, the freight congestion relief account, the freight
28 mobility investment account, the freight mobility multimodal account,
29 the grade crossing protective fund, the growth management
30 infrastructure account, the health services account, the public health
31 services account, the health system capacity account, the personal
32 health services account, the high capacity transportation account, the
33 state higher education construction account, the higher education
34 construction account, the highway bond retirement fund, the highway
35 infrastructure account, the highway safety account, the high-occupancy
36 toll lanes operations account, the industrial insurance premium refund
37 account, the judges' retirement account, the judicial retirement
38 administrative account, the judicial retirement principal account, the

1 local leasehold excise tax account, the local real estate excise tax
2 account, the local sales and use tax account, the medical aid account,
3 the mobile home park relocation fund, the motor vehicle fund, the
4 motorcycle safety education account, the multimodal transportation
5 account, the municipal criminal justice assistance account, the
6 municipal sales and use tax equalization account, the natural resources
7 deposit account, the oyster reserve land account, the pension funding
8 stabilization account, the perpetual surveillance and maintenance
9 account, the pilotage account, the public employees' retirement system
10 plan 1 account, the public employees' retirement system combined plan
11 2 and plan 3 account, the public facilities construction loan revolving
12 account beginning July 1, 2004, the public health supplemental account,
13 the public transportation systems account, the public works assistance
14 account, the Puget Sound capital construction account, the Puget Sound
15 ferry operations account, the Puyallup tribal settlement account, the
16 real estate appraiser commission account, the recreational vehicle
17 account, the regional mobility grant program account, the resource
18 management cost account, the rural arterial trust account, the rural
19 Washington loan fund, the safety and education account, the site
20 closure account, the small city pavement and sidewalk account, the
21 special category C account, the special wildlife account, the state
22 employees' insurance account, the state employees' insurance reserve
23 account, the state investment board expense account, the state
24 investment board commingled trust fund accounts, the state patrol
25 highway account, the supplemental pension account, the Tacoma Narrows
26 toll bridge account, the teachers' retirement system plan 1 account,
27 the teachers' retirement system combined plan 2 and plan 3 account, the
28 tobacco prevention and control account, the tobacco settlement account,
29 the transportation 2003 account (nickel account), the transportation
30 equipment fund, the transportation fund, the transportation improvement
31 account, the transportation improvement board bond retirement account,
32 the transportation infrastructure account, the transportation
33 partnership account, the traumatic brain injury account, the tuition
34 recovery trust fund, the University of Washington bond retirement fund,
35 the University of Washington building account, the urban arterial trust
36 account, the volunteer firefighters' and reserve officers' relief and
37 pension principal fund, the volunteer firefighters' and reserve
38 officers' administrative fund, the Washington fruit express account,

1 the Washington judicial retirement system account, the Washington law
2 enforcement officers' and firefighters' system plan 1 retirement
3 account, the Washington law enforcement officers' and firefighters'
4 system plan 2 retirement account, the Washington public safety
5 employees' plan 2 retirement account, the Washington school employees'
6 retirement system combined plan 2 and 3 account, the Washington state
7 health insurance pool account, the Washington state patrol retirement
8 account, the Washington State University building account, the
9 Washington State University bond retirement fund, the water pollution
10 control revolving fund, and the Western Washington University capital
11 projects account. Earnings derived from investing balances of the
12 agricultural permanent fund, the normal school permanent fund, the
13 permanent common school fund, the scientific permanent fund, and the
14 state university permanent fund shall be allocated to their respective
15 beneficiary accounts. All earnings to be distributed under this
16 subsection (4)(a) shall first be reduced by the allocation to the state
17 treasurer's service fund pursuant to RCW 43.08.190.

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

21 NEW SECTION. **Sec. 9.** This act takes effect July 1, 2009, except
22 for section 6 of this act.

23 NEW SECTION. **Sec. 10.** Section 5 of this act expires June 30,
24 2011.

25 NEW SECTION. **Sec. 11.** Section 6 of this act takes effect June 30,
26 2011.

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