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ENGROSSED SENATE BILL 6211

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AS AMENDED BY THE HOUSE

Passed Legislature - 2018 Regular Session

State of Washington

65th Legislature

2018 Regular Session

By Senators Hawkins, Rolfes, Van De Wege, and Takko; by request of  
Department of Natural Resources

1 AN ACT Relating to the federal lands revolving account; amending  
2 RCW 43.79A.040; reenacting and amending RCW 79.02.010; adding a new  
3 section to chapter 77.12 RCW; adding a new section to chapter 79.64  
4 RCW; and declaring an emergency.

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

6 **Sec. 1.** RCW 79.02.010 and 2012 c 166 s 2 are each reenacted and  
7 amended to read as follows:

8 The definitions in this section apply throughout this title  
9 unless the context clearly requires otherwise.

10 (1) "Aquatic lands" means all state-owned tidelands, shorelands,  
11 harbor areas, and the beds of navigable waters as defined in RCW  
12 79.105.060 that are administered by the department.

13 (2) "Board" means the board of natural resources.

14 (3) "Commissioner" means the commissioner of public lands.

15 (4) "Community and technical college forest reserve lands" means  
16 lands managed under RCW 79.02.420.

17 (5) "Community forest trust lands" means those lands acquired and  
18 managed under the provisions of chapter 79.155 RCW.

19 (6) "Department" means the department of natural resources.

20 (7)(a) "Forest biomass" means the by-products of: Current forest  
21 management activities; current forest protection treatments

1 prescribed or permitted under chapter 76.04 RCW; or the by-products  
2 of forest health treatment prescribed or permitted under chapter  
3 76.06 RCW.

4 (b) "Forest biomass" does not include wood pieces that have been  
5 treated with chemical preservatives such as: Creosote,  
6 pentachlorophenol, or copper-chrome-arsenic; wood from existing old  
7 growth forests; wood required to be left on-site under chapter 76.09  
8 RCW, the state forest practices act; and implementing rules, and  
9 other legal and contractual requirements; or municipal solid waste.

10 (8) "Good neighbor agreement" means an agreement entered into  
11 between the state and the United States forest service or United  
12 States bureau of land management to conduct forestland, watershed,  
13 and rangeland restoration activities on federal lands, as originally  
14 authorized by the 2014 farm bill (P.L. 113-79).

15 (9) "Improvements" means anything considered a fixture in law  
16 placed upon or attached to lands administered by the department that  
17 has changed the value of the lands or any changes in the previous  
18 condition of the fixtures that changes the value of the lands.

19 ((+9)) (10) "Land bank lands" means lands acquired under RCW  
20 79.19.020.

21 ((+10)) (11) "Person" means an individual, partnership,  
22 corporation, association, organization, cooperative, public or  
23 municipal corporation, or agency of a federal, state, or local  
24 governmental unit, however designated.

25 ((+11)) (12) "Public lands" means lands of the state of  
26 Washington administered by the department including but not limited  
27 to state lands, state forestlands, lands included in a state  
28 forestland pool, and aquatic lands.

29 ((+12)) (13) "State forestland pool" or "land pool" means state  
30 forestlands acquired and managed under RCW 79.22.140.

31 ((+13)) (14) "State forestlands" means lands acquired under RCW  
32 79.22.010, 79.22.040, and 79.22.020.

33 ((+14)) (15) "State lands" includes:

34 (a) School lands, that is, lands held in trust for the support of  
35 the common schools;

36 (b) University lands, that is, lands held in trust for university  
37 purposes;

38 (c) Agricultural college lands, that is, lands held in trust for  
39 the use and support of agricultural colleges;

1 (d) Scientific school lands, that is, lands held in trust for the  
2 establishment and maintenance of a scientific school;

3 (e) Normal school lands, that is, lands held in trust for state  
4 normal schools;

5 (f) Capitol building lands, that is, lands held in trust for the  
6 purpose of erecting public buildings at the state capital for  
7 legislative, executive, and judicial purposes;

8 (g) Institutional lands, that is, lands held in trust for state  
9 charitable, educational, penal, and reformatory institutions; and

10 (h) Land bank, escheat, donations, and all other lands, except  
11 aquatic lands, administered by the department that are not devoted to  
12 or reserved for a particular use by law.

13 (~~(15)~~) (16) "Valuable materials" means any product or material  
14 on the lands, such as forest products, forage or agricultural crops,  
15 stone, gravel, sand, peat, and all other materials of value except:

16 (a) Mineral, coal, petroleum, and gas as provided for under chapter  
17 79.14 RCW; and (b) forest biomass as provided for under chapter  
18 79.150 RCW.

19 NEW SECTION. **Sec. 2.** A new section is added to chapter 77.12  
20 RCW to read as follows:

21 The fish and wildlife federal lands revolving account is created  
22 in the custody of the state treasurer. All receipts from the proceeds  
23 of good neighbor agreements as defined in RCW 79.02.010 and  
24 implemented by the department of fish and wildlife and all  
25 legislative transfers, gifts, grants, and federal funds designated  
26 for use in conjunction with a good neighbor agreement implemented by  
27 the department of fish and wildlife must be deposited into the  
28 account. Expenditures from the account are subject to the limitations  
29 of the agreements under which proceeds were generated and may be used  
30 only for the planning and implementation of good neighbor agreements,  
31 including management or administrative costs and relevant goods and  
32 services. Only the director or the director's designee may authorize  
33 expenditures from the account. The account is subject to allotment  
34 procedures under chapter 43.88 RCW, but an appropriation is not  
35 required for expenditures. The fish and wildlife federal lands  
36 revolving account is an interest-bearing account and the interest  
37 must be credited to the account.

1        NEW SECTION.    **Sec. 3.**    A new section is added to chapter 79.64  
2    RCW to read as follows:

3        The natural resources federal lands revolving account is created  
4    in the custody of the state treasurer. All receipts from the proceeds  
5    of good neighbor agreements as defined in RCW 79.02.010 and  
6    implemented by the department of natural resources and all  
7    legislative transfers, gifts, grants, and federal funds designated  
8    for use in conjunction with a good neighbor agreement implemented by  
9    the department of natural resources must be deposited into the  
10   account. Expenditures from the account are subject to the limitations  
11   of the agreements under which proceeds were generated and may be used  
12   only for the planning and implementation of good neighbor agreements,  
13   including management or administrative costs and relevant goods and  
14   services. Only the commissioner or the commissioner's designee may  
15   authorize expenditures from the account. The account is subject to  
16   allotment procedures under chapter 43.88 RCW, but an appropriation is  
17   not required for expenditures. The natural resources federal lands  
18   revolving account is an interest-bearing account and the interest  
19   must be credited to the account.

20        **Sec. 4.**    RCW 43.79A.040 and 2017 3rd sp.s. c 5 s 89 are each  
21    amended to read as follows:

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

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

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

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

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

1 individual development account program account, the Washington horse  
2 racing commission operating account, the life sciences discovery  
3 fund, the Washington state heritage center account, the reduced  
4 cigarette ignition propensity account, the center for childhood  
5 deafness and hearing loss account, the school for the blind account,  
6 the Millersylvania park trust fund, the public employees' and  
7 retirees' insurance reserve fund, and the radiation perpetual  
8 maintenance fund.

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

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

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

26 NEW SECTION. **Sec. 5.** This act is necessary for the immediate  
27 preservation of the public peace, health, or safety, or support of  
28 the state government and its existing public institutions, and takes  
29 effect immediately.

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