

the legislature is critical and must not be hindered by a possible conflict of interest through actual participation in ongoing programs.

In addition, I question the appointed origin of the board members. The active and the retired members of the state's retirement systems must be responsive to public interest. The board that this bill proposes would be rife with appointed individuals who would be insulated from public accountability.

Lastly, I recognize the structural and administrative problems which this bill addresses. Many other states have selected a more centralized management system. However, since this bill would not significantly shift the state's investment authority until mid-1981, I am convinced that there is enough time to develop better alternatives to meet such challenges.

For the foregoing reasons, I have determined to veto Substitute House Bill No. 1610.

Respectfully submitted,

Dixy Lee Ray
Governor"

Note: Chief Clerk of the House's letter informing the Secretary of State that the legislature has overridden the Governor's veto is as follows:

"February 10, 1981

The Honorable Ralph Munro
Secretary of State
Legislative Building
Olympia, WA 98504

Dear Mr. Munro:

We herewith transmit Substitute House Bill No. 1610, which was passed by the House of Representatives on January 30, 1981, and by the Senate on February 6, 1981, notwithstanding the Governor's Veto.

Yours very truly,

VITO T. CHIECHI
Chief Clerk"

CHAPTER 4

[Second Substitute House Bill No. 209]

STATE FUNDS, TRANSFERS

AN ACT Relating to state funds; amending section 28A.40.100, chapter 223, Laws of 1969 ex. sess. as amended by section 1, chapter 6, Laws of 1980 and RCW 28A.40.100; amending section 2, chapter 178, Laws of 1961 and RCW 79.64.020; amending section 8, chapter 294, Laws of 1971 ex. sess. as last amended by section 3, chapter 6, Laws of 1979 and RCW 84.33.080; amending section 3, chapter 212, Laws of 1977 ex. sess. as amended by section 1, chapter 164, Laws of 1979 ex. sess. and RCW 43.101.210; adding a new section to chapter 84.33 RCW; creating new sections; repealing section 1, chapter 70, Laws of

1975-'76 2nd ex. sess. and RCW 82.32.095; providing effective dates; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Section 1. Section 28A.40.100, chapter 223, Laws of 1969 ex. sess. as amended by section 1, chapter 6, Laws of 1980 and RCW 28A.40.100 are each amended to read as follows:

The common school construction fund is to be used exclusively for the purpose of financing the construction of facilities for the common schools. The sources of said fund shall be: (1) Those proceeds derived from sale or appropriation of timber and other crops from school and state land subsequent to June 30, 1965, other than those granted for specific purposes; (2) the interest accruing on the permanent common school fund from and after July 2, 1967, together with all rentals and other revenue derived therefrom and from land and other property devoted to the permanent common school fund from and after July 1, 1967; (3) all moneys received by the state from the United States under the provisions of section 191, Title 30, United States Code, Annotated, and under section 810, chapter 12, Title 16, (Conservation), United States Code, Annotated; and (4) such other sources as the legislature may direct. That portion of the common school construction fund derived from interest on the permanent common school fund may be used to retire such bonds as may be authorized by law for the purpose of financing the construction of facilities for the common schools.

The interest accruing on the permanent common school fund together with all rentals and other revenues accruing thereto pursuant to subsection (2) of this section prior to July 1, 1967, shall be exclusively applied to the current use of the common schools.

To the extent that the moneys in the common school construction fund are in excess of the amount necessary to allow fulfillment of the purpose of said fund, the excess shall be available for deposit to the credit of the permanent common school fund or available for the current use of the common schools, as the legislature may direct. Any money from the common school construction fund which is made available for the current use of the common schools shall be restored to the fund by appropriation, including interest income foregone, before the end of the next fiscal biennium following such use.

Sec. 2. Section 2, chapter 178, Laws of 1961 and RCW 79.64.020 are each amended to read as follows:

A resource management cost account in the state general fund is hereby created to be used solely for the purpose of defraying the costs and expenses necessarily incurred by the department in managing and administering public lands and the making and administering of leases, sales, contracts, licenses, permits, easements, and rights of way as authorized under the provisions of this title. Appropriations from the account to the department shall

be expended for no other purposes. Funds in the account may be appropriated or transferred by the legislature for the benefit of the trust from which the funds were derived.

NEW SECTION. Sec. 3. The reserve for accrued revenue account is abolished and all funds therein are transferred to the general fund.

NEW SECTION. Sec. 4. Section 1, chapter 70, Laws of 1975-'76 2nd ex. sess. and RCW 82.32.095 are each repealed.

NEW SECTION. Sec. 5. There is added to chapter 84.33 RCW a new section to read as follows:

A timber tax distribution guarantee account is established in the state treasury. Any interest earned on the investment of cash balances in this account shall be deposited in this account. If funds in the state timber tax reserve account are insufficient to make the distributions under RCW 84.33.080(4), each taxing district other than the state shall receive an amount from the timber tax distribution guarantee account to cover the insufficiency: PROVIDED, That a school district shall not receive an amount from the timber tax distribution guarantee account for that part of its state timber tax reserve account distribution which is attributable to a maintenance and operation levy.

Sec. 6. Section 8, chapter 294, Laws of 1971 ex. sess. as last amended by section 3, chapter 6, Laws of 1979 and RCW 84.33.080 are each amended to read as follows:

(1) On or before December 15 of each year commencing with 1972, the assessor of each timber county shall deliver to the treasurer of such county and to the department of revenue a schedule setting forth for each taxing district or portion thereof lying within such county:

(a) The value of timber as shown on the timber roll for such year;

(b) The aggregate dollar rate calculated pursuant to RCW 84.33.060 and actually utilized the immediately preceding October in extending real property taxes upon the tax rolls for collection in the following year;

(c) A "timber factor" which is the product of such aggregate dollar rate, the assessment ratio applied generally by such assessor in computing the assessed value of other property in his county and the appropriate portion listed below of the timber roll for such year ((a) above):

YEAR	PORTION OF TIMBER ROLL
1972	25%
1973	55%
1974 through 1977	100%
1978 and thereafter	80%

On or before December 31 of each year commencing with 1972, the department of revenue shall determine the proportion that each taxing district's timber factor bears to the sum of the timber factors for all taxing districts in the state, and shall deliver a list to the assessor and the treasurer of each timber county and to the state treasurer showing the factor and proportion for each taxing district.

(2) On the twentieth day of the second month of each calendar quarter, commencing February 20, 1974, the state treasurer shall pay to the treasurer of each timber county for the account of each taxing district such district's proportion and pay into the state general fund for the support of the common schools the state's proportion (determined in December of the preceding year pursuant to subsection (1) of this section) of the amount in state timber tax account A collected upon timber harvested in the preceding calendar quarter, but in no event shall any such quarterly payment to a taxing district, when added to such payments made to such district the previous quarters of the same year, exceed, respectively one-fourth, one-half, three-fourths, or the full amount of the timber factor for such district determined in December of the preceding year.

The balance in state timber tax account A, if any, on the twentieth day of the second month of each calendar quarter commencing February 20, 1975 and ending November 20, 1982 shall be transferred to the state timber tax reserve account.

(3) If the balance in state timber tax account A immediately prior to such twentieth day of the second month of each calendar quarter is not sufficient to permit a payment of one-fourth, one-half, three-fourths, or the full amount, as the case may be, which, when added to the payments made to any taxing district the previous quarters of the same year, will equal the timber factor for such district determined in December of the preceding year, the necessary additional amount shall be transferred from the state timber tax reserve account to state timber tax account A.

(4) ~~((If, after the transfer, if any, from the state timber tax account A (pursuant to subsection (2) of this section) in August of any year commencing with 1974, the balance in the state timber reserve account exceeds two million dollars, the amount of the excess shall be applied first, subject to legislative appropriation of funds allocated from the state timber reserve account;))~~ Funds in the state timber tax reserve account may be appropriated by the legislature for the support of the common schools, and for activities undertaken by the department of revenue forest tax division and for the activities undertaken by the department of natural resources relating to classification of lands as required by this chapter. ((If)) Following the transfer, if any, from the state timber tax account A (pursuant to subsection (2) of this section) in November of 1977 and each year thereafter, ~~((the balance in the state timber tax reserve account exceeds two million dollars;))~~ the department of revenue shall determine on or before December 31

of such year, an amount to be distributed to the taxing districts the following calendar year, which distribution shall be determined in the following manner: PROVIDED, That the amount of such excess reserve account distribution shall be limited to that amount which, when added to the total account A distribution for the same calendar year, will allow a percentage increase or decrease in total calendar year distributions equal to the percentage increase or decrease in excise tax collections between the preceding calendar year and the current calendar year:

(a) The department of revenue shall calculate a harvest factor and a harvest factor proportion for each taxing district, in the manner provided in subsection (5) of this section except that for years before 1978 there shall be used the aggregate value of timber harvested for as many quarters for which information is available;

(b) By multiplying the amount of such excess by the harvest factor proportion for each taxing district respectively, the department of revenue shall calculate the amount to be distributed to each local taxing district and to the state and shall certify such amounts to the respective county assessors and state;

(c) Along with each quarterly payment pursuant to subsection (2) of this section, the state treasurer shall pay, out of the state timber reserve account, to the treasurer of each timber county for the account of each local taxing district one-fourth of such district's portion (determined pursuant to (b) above) of such excess and the state treasurer shall pay into the state's general fund for the support of the common schools out of the state timber tax reserve account such additional one-fourth amount due the state.

(5) On or before December 31 of each year commencing with 1978, the department of revenue shall deliver to the treasurer of each timber county a schedule setting forth for each taxing district or portion thereof lying within such county:

(a) The average of the aggregate value of all timber harvested within such district in each of the immediately preceding five years as determined from the excise tax returns filed with the department of revenue;

(b) The aggregate dollar rate calculated pursuant to RCW 84.33.060 and chapter 84.52 RCW and actually utilized the immediately preceding October in extending real property taxes upon the tax rolls for collection the following year;

(c) A "harvest factor" which is the product of such five year average and such aggregate dollar rate;

(d) The proportion that each taxing district's harvest factor bears to the sum of the harvest factors for all taxing districts in the state.

NEW SECTION. Sec. 7. The unappropriated balance of the state timber tax reserve account is transferred to the timber tax distribution guarantee account.

Sec. 8. Section 3, chapter 212, Laws of 1977 ex. sess. as amended by section 1, chapter 164, Laws of 1979 ex. sess. and RCW 43.101.210 are each amended to read as follows:

(1) Costs of criminal justice training shall be borne in part by those who necessitate the establishment and maintenance of the criminal justice system.

(2) In each instance of bail forfeiture or monetary penalty paid in lieu of a court appearance attendant to any violation of a law of this state or an ordinance of a city or county except an ordinance relating to vehicles unlawfully left or parked, an assessment which shall be in addition to such bail forfeited or penalty paid shall be collected and forwarded within thirty days of receipt of such assessment by the clerk of the court, or the county treasurer, to the state treasurer to be deposited in an account within the state general fund to be known as the criminal justice training account, hereby created, funds from which shall be appropriated by law to the Washington state criminal justice training commission as established by chapter 43.101 RCW: PROVIDED, That funds in the criminal justice training account may be transferred to the state general fund by statute prior to June 30, 1981. The amount of the assessment shall be as follows:

(a) When forfeiture or penalty is ten dollars to nineteen dollars and ninety-nine cents, three dollars;

(b) When forfeiture or penalty is twenty dollars to thirty-nine dollars and ninety-nine cents, five dollars;

(c) When forfeiture or penalty is forty dollars to fifty-nine dollars and ninety-nine cents, seven dollars;

(d) When forfeiture or penalty is sixty dollars to ninety-nine dollars and ninety-nine cents, twelve dollars; and

(e) When forfeiture or penalty is one hundred dollars or more, fifteen dollars.

(3) When any deposit of bail is made for a violation to which this section applies, the person making such deposit shall also deposit a sufficient amount to include the assessment prescribed in subsection (2) of this section.

(4) When bail is forfeited or a penalty paid, the assessment prescribed in this section shall be forwarded to the state treasurer pursuant to this section. If bail is returned, the assessment made thereon shall also be returned.

NEW SECTION. Sec. 9. On the effective date of this act, the state treasurer shall transfer seven hundred eighty-four thousand dollars from the criminal justice training account to the state general fund.

NEW SECTION. Sec. 10. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 11. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions. Sections 3, 4, and 7 of this act shall take effect on June 30, 1981. The remainder of this act shall take effect immediately.

Passed the House February 3, 1981.

Passed the Senate February 16, 1981.

Approved by the Governor February 19, 1981.

Filed in Office of Secretary of State February 19, 1981.

CHAPTER 5

[Substitute House Bill No. 206]

SUPPLEMENTAL BUDGET

AN ACT Relating to state agencies; adopting a supplemental budget; making supplemental appropriations and authorizing expenditures; making other appropriations; amending section 52, chapter 270, Laws of 1979 ex. sess. (uncodified); amending section 1, chapter 167, Laws of 1980 (uncodified); amending section 53, chapter 270, Laws of 1979 ex. sess. as amended by section 8, chapter 167, Laws of 1980 (uncodified); amending section 54, chapter 270, Laws of 1979 ex. sess. as amended by section 9, chapter 167, Laws of 1980 (uncodified); amending section 55, chapter 270, Laws of 1979 ex. sess. (uncodified); amending section 56, chapter 270, Laws of 1979 ex. sess. (uncodified); amending section 58, chapter 270, Laws of 1979 ex. sess. as amended by section 10, chapter 167, Laws of 1980 (uncodified); amending section 59, chapter 270, Laws of 1979 ex. sess. as amended by section 11, chapter 167, Laws of 1980 (uncodified); amending section 60, chapter 270, Laws of 1979 ex. sess. (uncodified); amending section 61, chapter 270, Laws of 1979 ex. sess. (uncodified); amending section 62, chapter 270, Laws of 1979 ex. sess. (uncodified); amending section 19, chapter 261, Laws of 1979 ex. sess. (uncodified); amending section 63, chapter 270, Laws of 1979 ex. sess. (uncodified); amending section 64, chapter 270, Laws of 1979 ex. sess. (uncodified); amending section 65, chapter 270, Laws of 1979 ex. sess. as amended by section 1, chapter 158, Laws of 1980 and by section 12, chapter 167, Laws of 1980 (uncodified); amending section 100, chapter 270, Laws of 1979 ex. sess. (uncodified); amending section 15, chapter 15, Laws of 1970 ex. sess. as last amended by section 5, chapter 6, Laws of 1980 and RCW 28A.48.010; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Section 1. A supplemental budget as set forth in this 1981 act is hereby adopted and, subject to the provisions set forth in this 1981 act, the several amounts specified in this 1981 act, or so much thereof as shall be sufficient to accomplish the purposes designated, are hereby appropriated and authorized to be disbursed for salaries, wages, and other expenses of the designated agencies and offices of the state and for other specified purposes for the fiscal biennium beginning July 1, 1979, and ending June 30, 1981, except as otherwise provided, out of the several funds of the state hereinafter named, and making other appropriations.

NEW SECTION. Sec. 2. FOR THE HOUSE OF REPRESENTATIVES

General Fund Appropriation \$ 1,400,000

NEW SECTION. Sec. 3. FOR THE SENATE