

## CHAPTER 4

[Substitute House Bill No. 773]

## PUBLIC FUNDS—MANAGEMENT

AN ACT Relating to the management of state funds; amending section 43.85.130, chapter 8, Laws of 1965 and RCW 43.85.130; amending section 4, chapter 178, Laws of 1961 as last amended by section 2, chapter 224, Laws of 1971 ex. sess. and RCW 79.64.040; amending section 3, chapter 288, Laws of 1927 as last amended by section 1, chapter 224, Laws of 1971 ex. sess. and RCW 76.12.030; amending section 43.01.050, chapter 8, Laws of 1965 as last amended by section 80, chapter 151, Laws of 1979 and RCW 43.01.050; amending section 43.79.350, chapter 8, Laws of 1965 and RCW 43.79.350; amending section 43.79-.370, chapter 8, Laws of 1965 and RCW 43.79.370; amending section 8, chapter 61, Laws of 1975-'76 2nd ex. sess. and RCW 82.29A.080; amending section 9, chapter 61, Laws of 1975-'76 2nd ex. sess. and RCW 82.29A.090; amending section 6, chapter 94, Laws of 1970 ex. sess. as amended by section 3, chapter 296, Laws of 1971 ex. sess. and RCW 82.14.050; amending section 7, chapter 94, Laws of 1970 ex. sess. as amended by section 4, chapter 296, Laws of 1971 ex. sess. and RCW 82.14.060; amending section 3, chapter 10, Laws of 1979 and RCW 43.41.110; creating new sections; repealing section 43.85.140, chapter 8, Laws of 1965 and RCW 43.85.140; repealing section 43.85.160, chapter 8, Laws of 1965 and RCW 43.85.160; repealing section 43.85.180, chapter 8, Laws of 1965 and RCW 43.85.180; and declaring an emergency.

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

Section 1. Section 43.85.130, chapter 8, Laws of 1965 and RCW 43.85-.130 are each amended to read as follows:

(1) The ((commissioner of public lands)) department shall deposit daily all moneys and fees collected or received by ((him)) the commissioner of public lands and the department of natural resources in the discharge of ((his)) official duties((including all moneys and fees which remain in his custody and control awaiting disposition under the provisions of the land laws, or the action of the department of natural resources. PROVIDED; That all moneys collected or received by him, belonging to the state at the time, or to any department or institution thereof, in payment of principal and interest under outstanding contracts and leases, where no question is raised as to the right of the state to receive payment, shall be paid to the state treasurer daily in the manner provided by law)) as follows:

(a) The department shall pay moneys received as advance payments, deposits, and security from successful bidders under RCW 79.01.132 and 79.01.204 to the state treasurer for deposit under subsection (1)(b) of this section. Moneys received from unsuccessful bidders shall be returned as provided in RCW 79.01.204;

(b) The department shall pay all moneys received on behalf of a trust fund or account to the state treasurer for deposit in the trust fund or account after making the deduction authorized under RCW 76.12.030, 76.12-.120, and 79.64.040;

(c) The natural resources deposit fund is hereby created. The state treasurer is the custodian of the fund. All moneys or sums which remain in the custody of the commissioner of public lands awaiting disposition or

where the final disposition is not known shall be deposited into the natural resources deposit fund. Disbursement from the fund shall be on the authorization of the commissioner or the commissioner's designee, without necessity of appropriation;

(d) If it is required by law that the department repay moneys disbursed under subsections (1)(a) and (1)(b) of this section the state treasurer shall transfer such moneys, without necessity of appropriation, to the department upon demand by the department from those trusts and accounts originally receiving the moneys.

(2) Money shall not be deemed to have been paid to the state upon any sale or lease of land until it has been paid to the state treasurer.

NEW SECTION. Sec. 2. Moneys received as deposits from successful bidders, advance payments, and security under RCW 79.01.132 and 79.01-.204, which have been invested prior to the effective date of this act in time deposits, shall be subject to RCW 43.85.130 as each time deposit matures.

Sec. 3. Section 4, chapter 178, Laws of 1961 as last amended by section 2, chapter 224, Laws of 1971 ex. sess. and RCW 79.64.040 are each amended to read as follows:

The board shall determine the amount deemed necessary in order to achieve the purposes of this chapter and shall provide by rule for the deduction of this amount from the gross proceeds of all leases, sales, contracts, licenses, permits, easements, and rights of way issued by the department and affecting public lands. Moneys received as deposits from successful bidders, advance payments, and security under RCW 79.01.132 and 79.01-.204 prior to the effective date of this 1981 act which have not been subjected to deduction under this section are not subject to deduction under this section. The deductions authorized under this section shall in no event exceed twenty-five percent of the total sum received by the department in connection with any one transaction pertaining to public lands other than second class tide and shore lands and the beds of navigable waters, and fifty percent of the total gross proceeds received by the department pertaining to second class tide and shore lands and the beds of navigable waters.

Sec. 4. Section 3, chapter 288, Laws of 1927 as last amended by section 1, chapter 224, Laws of 1971 ex. sess. and RCW 76.12.030 are each amended to read as follows:

If any land acquired by a county through foreclosure of tax liens, or otherwise, comes within the classification of land described in RCW 76.12-.020 and can be used as state forest land and if the board deems such land necessary for the purposes of this chapter, the county shall, upon demand by the board, deed such land to the board and the land shall become a part of the state forest lands, and upon such deed being made the commissioner of public lands shall be notified and enter and note it upon the records of his office.

Such land shall be held in trust and administered and protected by the board as other state forest lands. Any moneys derived from the lease of such land or from the sale of forest products, oils, gases, coal, minerals, or fossils therefrom, shall be distributed as follows:

(1) The expense incurred by the state for administration, reforestation, and protection, not to exceed twenty-five percent, which rate of percentage shall be determined by the board of natural resources, shall be returned to the forest development account in the state general fund; PROVIDED, That for moneys received as deposits from successful bidders, advance payments, and security under RCW 79.01.132 and 79.01.204 prior to the effective date of this 1981 act and not distributed under this section prior to the effective date of this 1981 act, an amount not to exceed fifty percent, which rate of percentage shall be determined by the board of natural resources, shall be returned to the forest development account in the state general fund.

(2) Any balance remaining shall be paid to the county in which the land is located to be paid, distributed, and prorated, except as hereinafter provided, to the various funds in the same manner as general taxes are paid and distributed during the year of payment: PROVIDED, That any such balance remaining paid to a county of the seventh, eighth, or ninth class shall first be applied to the reduction of any indebtedness existing in the current expense fund of such county during the year of payment.

Sec. 5. Section 43.01.050, chapter 8, Laws of 1965 as last amended by section 80, chapter 151, Laws of 1979 and RCW 43.01.050 are each amended to read as follows:

Each state officer or other person, other than county treasurer, who is authorized by law to collect or receive moneys which are required by statute to be deposited in the state treasury shall transmit to the state treasurer each day, all such moneys collected by him on the preceding day: PROVIDED, That the state treasurer may in his discretion grant exceptions where such daily transfers would not be administratively practical or feasible. In the event that remittances are not accompanied by a statement designating source and fund, the state treasurer shall deposit these moneys in the state ((treasury in a fund)) general fund in an account hereby created to be known as the ((<sup>u</sup>))undistributed receipts ((fund<sup>u</sup>)) account. These moneys shall be retained in ((said fund)) the account until such time as the transmitting agency provides a statement in duplicate of the source from which each item of money was derived and the fund into which it is to be transmitted. The director of financial management in accordance with RCW 43.88.160 shall promulgate regulations designed to assure orderly and efficient administration of this ((fund)) account. In the event moneys are deposited in this ((fund)) account that constitute overpayments, refunds may be made by the remitting agency without virtue of a legislative appropriation.

Sec. 6. Section 43.79.350, chapter 8, Laws of 1965 and RCW 43.79.350 are each amended to read as follows:

There is established in the state (~~((treasury))~~) general fund a special (~~((fund))~~) account to be known as the suspense (~~((fund))~~) account. All moneys which heretofore have been deposited with the state treasurer in the state treasurer's suspense fund, and moneys hereafter received which are contingent on some future action, or which cover overpayments and are to be refunded to the sender in part or whole, and any other moneys of which the final disposition is not known, shall be transmitted to the state treasurer and deposited in the suspense (~~((fund))~~) account in the state (~~((treasury))~~) general fund.

Sec. 7. Section 43.79.370, chapter 8, Laws of 1965 and RCW 43.79.370 are each amended to read as follows:

Disbursement from the suspense (~~((fund))~~) account (not to exceed receipts), shall be by warrant issued against the (~~((fund))~~) account by the state treasurer, upon a properly authenticated voucher presented by the state department or office which deposited the moneys in the (~~((fund))~~) account.

Sec. 8. Section 8, chapter 61, Laws of 1975-'76 2nd ex. sess. and RCW 82.29A.080 are each amended to read as follows:

The counties and cities shall contract, prior to the effective date of an ordinance imposing a leasehold excise tax, with the department of revenue for administration and collection. The department of revenue shall deduct a percentage amount, as provided by such contract, not to exceed two percent of the taxes collected, for administration and collection expenses incurred by the department. The remainder of any portion of any tax authorized by RCW 82.29A.040 which is collected by the department of revenue shall be deposited by the state department of revenue in (~~(a special fund under the custody of the state treasurer to be known as)~~) the local leasehold excise tax (~~((revolving fund))~~) account hereby created in the general fund. Moneys in the local leasehold excise tax account may be spent only for distribution to counties and cities imposing a leasehold excise tax.

Sec. 9. Section 9, chapter 61, Laws of 1975-'76 2nd ex. sess. and RCW 82.29A.090 are each amended to read as follows:

Bimonthly the state treasurer shall make distribution from the local leasehold excise tax (~~((revolving fund))~~) account to the counties and cities the amount of tax collected on behalf of each county or city. The state treasurer shall make the distribution under this section without appropriation.

Sec. 10. Section 6, chapter 94, Laws of 1970 ex. sess. as amended by section 3, chapter 296, Laws of 1971 ex. sess. and RCW 82.14.050 are each amended to read as follows:

The counties, metropolitan municipal corporations and cities shall contract, prior to the effective date of a resolution or ordinance imposing a sales and use tax, the administration and collection to the state department of

revenue, which shall deduct a percentage amount, as provided by contract, not to exceed two percent of the taxes collected for administration and collection expenses incurred by the department. The remainder of any portion of any tax authorized by this chapter which is collected by the department of revenue shall be deposited by the state department of revenue in ~~((a special fund under the custody of the state treasurer to be known as))~~ the local sales and use tax ~~((revolving fund))~~ account hereby created in the general fund. Moneys in the local sales and use tax account may be spent only for distribution to counties, metropolitan municipal corporations, and cities imposing a sales and use tax. All administrative provisions in chapters 82.03, 82.08, 82.12, and 82.32 RCW, as they now exist or may hereafter be amended, shall, insofar as they are applicable to state sales and use taxes, be applicable to taxes imposed pursuant to this chapter.

Sec. 11. Section 7, chapter 94, Laws of 1970 ex. sess. as amended by section 4, chapter 296, Laws of 1971 ex. sess. and RCW 82.14.060 are each amended to read as follows:

Bimonthly the state treasurer shall make distribution from the local sales and use tax ~~((revolving fund))~~ account to the counties, metropolitan municipal corporations and cities the amount of tax collected on behalf of each county, metropolitan municipal corporation or city, less the deduction provided for in RCW 82.14.050. The state treasurer shall make the distribution under this section without appropriation.

In the event that any ordinance or resolution imposes a sales and use tax at a rate in excess of the applicable limits contained herein, such ordinance or resolution shall not be considered void in toto, but only with respect to that portion of the rate which is in excess of the applicable limits contained herein.

NEW SECTION. Sec. 12. The state treasurer shall transfer the balance of the local sales and use tax revolving fund to the local sales and use tax account. The state treasurer shall transfer the balance of the local leasehold excise tax revolving fund to the local leasehold excise tax account.

Sec. 13. Section 3, chapter 10, Laws of 1979 and RCW 43.41.110 are each amended to read as follows:

The office of financial management shall:

(1) Provide technical assistance to the governor and the legislature in identifying needs and in planning to meet those needs through state programs and a plan for expenditures.

(2) Perform the comprehensive planning functions and processes necessary or advisable for state program planning and development, preparation of the budget, inter-departmental and inter-governmental coordination and cooperation, and determination of state capital improvement requirements.

(3) Provide assistance and coordination to state agencies and departments in their preparation of plans and programs.

(4) Provide general coordination and review of plans in functional areas of state government as may be necessary for receipt of federal or state funds.

(5) Participate with other states or subdivisions thereof in interstate planning.

(6) Encourage educational and research programs that further planning and provide administrative and technical services therefor.

(7) Carry out the provisions of RCW 43.62.010 through 43.62.050 relating to the state census.

(8) Be the official state participant in the federal-state cooperative program for local population estimates and as such certify all city and county special censuses to be considered in the allocation of state and federal revenues.

(9) Be the official state center for processing and dissemination of federal decennial or quinquennial census data in cooperation with other state agencies.

(10) Be the official state agency certifying annexations, incorporations, or disincorporations to the United States bureau of the census.

(11) Review all United States bureau of the census population estimates used for federal revenue sharing purposes and provide a liaison for local governments with the United States bureau of the census in adjusting or correcting revenue sharing population estimates.

(12) Provide fiscal notes depicting the expected fiscal impact of proposed legislation in accordance with chapter 43.88A RCW.

(13) Be the official state agency to estimate and manage the cash flow of all public funds as provided in chapter 43.88 RCW. To this end, the office shall adopt such rules as are necessary to manage the cash flow of public funds.

NEW SECTION. Sec. 14. References to a fund in which the balance has been transferred to an account under RCW 43.01.050, 43.79.350, 82.14.050, or 82.29A.080 shall be deemed to be references to that account.

NEW SECTION. Sec. 15. The following acts or parts of acts are each repealed:

(1) Section 43.85.140, chapter 8, Laws of 1965 and RCW 43.85.140;

(2) Section 43.85.160, chapter 8, Laws of 1965 and RCW 43.85.160;  
and

(3) Section 43.85.180, chapter 8, Laws of 1965 and RCW 43.85.180.

NEW SECTION. Sec. 16. 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. 17. 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, and shall take effect immediately.

Passed the House November 23, 1981.

Passed the Senate November 20, 1981.

Approved by the Governor December 1, 1981.

Filed in Office of Secretary of State December 1, 1981.

## CHAPTER 5

[House Bill No. 775]

### REDISTRICTING—BOUNDARY CLARIFICATION

AN ACT Relating to clarifying the legislative district boundaries between the twenty-fourth and thirty-fifth legislative districts and legislative district 19-B; amending section 45, chapter 288, Laws of 1981 and RCW 44.07B.350; and declaring an emergency.

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

Section 1. Section 45, chapter 288, Laws of 1981 and RCW 44.07B.350 are each amended to read as follows:

The Thirty-fifth legislative district shall consist of the following areas:

All of Mason County

In Kitsap County:

T 805

T 809

T 810

T 811

T 812

T 813

T 814

T 814.99

T 913

T 920

In Thurston County:

T 119

In Grays Harbor County:

BNA 9901

BNA 9902

BNA 9909

ED 650

ED 651A

ED 651B

ED 652A

ED 653