
(Signature ((of notary public)))

(Seal or stamp)

Title

My appointment expires _____

Passed the Senate February 13, 1988.

Passed the House March 3, 1988.

Approved by the Governor March 15, 1988.

Filed in Office of Secretary of State March 15, 1988.

CHAPTER 70

[Senate Bill No. 6313]

STATE FOREST LAND—RETIREMENT OF INTERFUND LOANS FROM THE RESOURCE MANAGEMENT COST ACCOUNT TO THE FOREST DEVELOPMENT ACCOUNT

AN ACT Relating to the retirement of interfund loans from the resource management cost account to the forest development account; amending RCW 76.12.120 and 79.64.030; adding a new section to chapter 79.12 RCW; and creating a new section.

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

Sec. 1. Section 7, chapter 154, Laws of 1923 as last amended by section 11, chapter 154, Laws of 1980 and RCW 76.12.120 are each amended to read as follows:

All land, acquired or designated by the board as state forest land, shall be forever reserved from sale, but the timber and other products thereon may be sold or the land may be leased in the same manner and for the same purposes as is authorized for state granted land if the board finds such sale or lease to be in the best interests of the state and approves the terms and conditions thereof.

Except as provided in section 3 of this 1988 act, all money derived from the sale of timber or other products, or from lease, or from any other source from the land, except where the Constitution of this state or RCW 76.12.030 requires other disposition, shall be disposed of as follows:

(1) Fifty percent shall be placed in the forest development fund.

(2) Fifty percent shall be prorated and distributed to the state general fund, to be dedicated for the benefit of the public schools, and the county in which the land is located according to the relative proportions of tax levies of all taxing districts in the county. The portion to be distributed to the state general fund shall be based on the regular school levy rate under RCW 84.52.065 as now or hereafter amended and the levy rate for any maintenance and operation special school levies. The money distributed to the county shall be paid, distributed, and prorated to the various other funds

in the same manner as general taxes are paid and distributed during the year of payment.

NEW SECTION. Sec. 2. The purpose of section 3 of this act is to provide a means to retire interfund loans authorized by RCW 79.64.030 from the resource management cost account to the forest development account. The resource management cost account is an asset of the federal land grant trusts. Section 3 of this act is intended to authorize a process by which the interfund loans may be repaid such that the federal land grant trusts will receive full fair market value without disruption in income to counties and the state general fund from management activities on state forest lands managed pursuant to chapter 79.12 RCW.

NEW SECTION. Sec. 3. A new section is added to chapter 79.12 RCW to read as follows:

(1) The department of natural resources is authorized to:

(a) Determine the total present account balance with interest of the interfund loans made by the resource management cost account to the forest development account in accordance with generally accepted accounting principles;

(b) Subject to approval of the board of natural resources, effectuate a transfer of timber cutting rights on forest board purchase lands to the federal land grant trusts in such proportion that each trust receives full and fair market value for the interfund loans and is fully repaid or so much thereof as possible within distribution constraints described in subsection (2) of this section.

(2) After the effective date of the transfer authorized by subsection (1)(b) of this section and until the exercise of the cutting rights on the timber transferred has been fully satisfied, the distribution of revenue from timber management activities on forest board purchase lands on which cutting rights have been transferred shall be as follows:

(a) As determined by the board of natural resources, an amount no greater than thirty-three and three-tenths percent to be distributed to the federal land grant trust accounts and resource management cost account as directed by RCW 79.64.040 and 79.64.050;

(b) As determined by the board of natural resources, an amount not less than sixteen and seven-tenths percent to the forest development account;

(c) Fifty percent to be distributed as provided in RCW 76.12.120(2).

Sec. 4. Section 3, chapter 178, Laws of 1961 as amended by section 2, chapter 159, Laws of 1977 ex. sess. and RCW 79.64.030 are each amended to read as follows:

Funds in the account derived from the gross proceeds of leases, sales, contracts, licenses, permits, easements, and rights of way issued by the department and affecting school lands, university lands, agricultural college

lands, scientific school lands, normal school lands, capitol building lands, or institutional lands shall be expended by the department solely for the purpose of defraying the costs and expenses necessarily incurred in managing and administering public lands of the same trust: PROVIDED, That such funds may be used for similar costs and expenses in managing and administering other lands managed by the department: PROVIDED FURTHER, That such expenditures that have been or may be made on such other lands shall be repaid to the resource management cost account together with interest at ~~((the rate provided for in RCW 79.01.216))~~ a rate determined by the board of natural resources.

An accounting shall be made annually of the accrued expenditures as regards each trust. In the event the accounting determines that expenditures have been made from moneys derived from one category of trust lands for the benefit of another trust or other lands, such expenditure shall be considered a debt against the trust benefited and shall be considered an encumbrance against the property of the trust or trust funds benefited, including property held under chapter 76.12 RCW. The results of the accounting shall be reported to the legislature at the next regular session. The state treasurer is authorized, upon request of the department, to transfer funds between the forest development account and the resource management cost account solely for purpose of repaying loans pursuant to this section.

Passed the Senate February 15, 1988.

Passed the House March 3, 1988.

Approved by the Governor March 15, 1988.

Filed in Office of Secretary of State March 15, 1988.

CHAPTER 71

[Substitute Senate Bill No. 6402]

VENUE—DISTRICT COURT CIVIL ACTIONS

AN ACT Relating to venue in district court civil actions; and amending RCW 3.66.040.

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

Sec. 1. Section 115, chapter 299, Laws of 1961 as amended by section 42, chapter 258, Laws of 1984 and RCW 3.66.040 are each amended to read as follows:

(1) An action arising under RCW 3.66.020 (1), (2) except for the recovery of possession of personal property, (4), (6), (7), and (9) may be brought in any district in which the defendant, or, if there be more than one defendant, where some one of the defendants, resides at the time the complaint is filed or in which the defendant, or if there be more than one defendant, where some one of the defendants may be served with the notice