CERTIFICATION OF ENROLLMENT

ENGROSSED SENATE BILL 6211

Chapter 258, Laws of 2018

65th Legislature 2018 Regular Session

GOOD NEIGHBOR AGREEMENTS--FEDERAL LANDS REVOLVING ACCOUNTS

EFFECTIVE DATE: March 23, 2018

Passed by the Senate March 6, 2018 Yeas 49 Nays 0

CYRUS HABIB

President of the Senate

Passed by the House March 2, 2018 Yeas 98 Nays 0

FRANK CHOPP

Speaker of the House of Representatives

Approved March 23, 2018 9:30 AM

CERTIFICATE

I, Brad Hendrickson, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SENATE BILL 6211** as passed by Senate and the House of Representatives on the dates hereon set forth.

BRAD HENDRICKSON

Secretary

FILED

March 26, 2018

JAY INSLEE

Governor of the State of Washington

Secretary of State State of Washington

ENGROSSED SENATE BILL 6211

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

AN ACT Relating to the federal lands revolving account; amending RCW 43.79A.040; reenacting and amending RCW 79.02.010; adding a new section to chapter 77.12 RCW; adding a new section to chapter 79.64 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.

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

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

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

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

17 (5) "Community forest trust lands" means those lands acquired and18 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

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

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 of35 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 for39 the use and support of agricultural colleges;

(d) Scientific school lands, that is, lands held in trust for the
 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 <u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 77.12
20 RCW to read as follows:

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

<u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 79.64
 RCW to read as follows:

The natural resources federal lands revolving account is created 3 in the custody of the state treasurer. All receipts from the proceeds 4 of good neighbor agreements as defined in RCW 79.02.010 5 and implemented by the department of natural resources б and all 7 legislative transfers, gifts, grants, and federal funds designated for use in conjunction with a good neighbor agreement implemented by 8 the department of natural resources must be deposited into the 9 account. Expenditures from the account are subject to the limitations 10 11 of the agreements under which proceeds were generated and may be used 12 only for the planning and implementation of good neighbor agreements, including management or administrative costs and relevant goods and 13 services. Only the commissioner or the commissioner's designee may 14 authorize expenditures from the account. The account is subject to 15 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:

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

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

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

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

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

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

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.

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

26 <u>NEW SECTION.</u> 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.

> Passed by the Senate March 6, 2018. Passed by the House March 2, 2018. Approved by the Governor March 23, 2018. Filed in Office of Secretary of State March 26, 2018.

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