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**SUBSTITUTE HOUSE BILL 2009**

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**State of Washington**

**54th Legislature**

**1995 Regular Session**

**By** House Committee on Energy & Utilities (originally sponsored by Representatives Casada, Huff, Campbell, Clements, Goldsmith, Elliot, Pelesky, Backlund, Reams, Smith, Delvin, Blanton and Beeksma)

Read first time 03/01/95.

1 AN ACT Relating to the energy office; amending RCW 43.140.040,  
2 43.140.050, 70.94.544, 70.94.960, 70.120.210, 70.120.220, 19.27.190,  
3 19.27A.020, 19.27A.055, 28A.515.320, 39.35C.100, 39.35C.110, 43.06.115,  
4 43.19.675, 43.19.680, 43.31.621, 43.41.175, 43.99I.050, 47.06.110,  
5 82.35.020, 82.35.080, and 90.03.247; reenacting and amending RCW  
6 42.17.2401; adding new sections to chapter 43.330 RCW; adding a new  
7 section to chapter 38.52 RCW; creating new sections; recodifying RCW  
8 39.35C.100, 39.35C.110, and 43.21F.015; repealing RCW 43.21F.010,  
9 43.21F.025, 43.21F.035, 43.21F.045, 43.21F.055, 43.21F.060, 43.21F.065,  
10 43.21F.090, 70.94.537, 70.94.541, 39.35.010, 39.35.020, 39.35.030,  
11 39.35.040, 39.35.050, 39.35.060, 39.35.900, 41.06.081, 39.35C.010,  
12 39.35C.020, 39.35C.030, 39.35C.040, 39.35C.050, 39.35C.060, 39.35C.070,  
13 39.35C.080, 39.35C.090, 39.35C.120, 39.35C.130, 39.35C.900, and  
14 39.35C.901; making appropriations; providing an effective date;  
15 providing an expiration date; and declaring an emergency.

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

17 NEW SECTION. **Sec. 1.** Responsibilities of state government need to  
18 be limited to core services in support of the public safety and  
19 welfare. Some services of the state energy office are primarily

1 advisory and can be eliminated. Essential regulatory functions can be  
2 performed by other state agencies and energy-related information  
3 services can be provided through a private nonprofit organization.  
4 This simplifies state government yet continues to maintain core  
5 services. It is the intent of the legislature that the state continue  
6 to receive oil overcharge restitution funds for our citizens and that  
7 every effort be made to maximize federal funds available for energy  
8 conservation purposes.

9 NEW SECTION. **Sec. 2.** The following acts or parts of acts are each  
10 repealed:

- 11 (1) RCW 43.21F.010 and 1975-'76 2nd ex.s. c 108 s 1;
- 12 (2) RCW 43.21F.025 and 1994 c 207 s 2, 1987 c 330 s 501, & 1981 c  
13 295 s 2;
- 14 (3) RCW 43.21F.035 and 1990 c 12 s 1 & 1981 c 295 s 3;
- 15 (4) RCW 43.21F.045 and 1994 c 207 s 4, 1990 c 12 s 2, 1987 c 505 s  
16 29, & 1981 c 295 s 4;
- 17 (5) RCW 43.21F.055 and 1981 c 295 s 5;
- 18 (6) RCW 43.21F.060 and 1981 c 295 s 6 & 1975-'76 2nd ex.s. c 108 s  
19 6;
- 20 (7) RCW 43.21F.065 and 1987 c 330 s 502 & 1981 c 295 s 8; and
- 21 (8) RCW 43.21F.090 and 1994 c 207 s 5.

22 NEW SECTION. **Sec. 3.** In recognition of the fact that some state  
23 energy office functions continue and some were eliminated by chapter  
24 ..., Laws of 1995 (this act), the director of community, trade, and  
25 economic development has the discretion to determine the extent to  
26 which state energy office employees will be hired to perform the  
27 functions transferred by chapter ..., Laws of 1995 (this act).

## 28 **PART I**

### 29 **FUNCTIONS OF THE DEPARTMENT OF COMMUNITY, TRADE, AND** 30 **ECONOMIC DEVELOPMENT TO BE PERFORMED BY PRIVATE NONPROFIT CORPORATION**

31 NEW SECTION. **Sec. 101.** A new section is added to chapter 43.330  
32 RCW to read as follows:

- 33 (1) All powers, duties, and functions of the state energy office  
34 relating to the following energy efficiency, renewable energy, and

1 energy code functions are transferred to the department of community,  
2 trade, and economic development:

3 (a) Providing support for increasing cost-effective energy  
4 conservation, including assisting in the removal of impediments to  
5 timely implementation;

6 (b) Providing support for the development of cost-effective energy  
7 resources including assisting in the removal of impediments to timely  
8 construction; and

9 (c) Establishing and maintaining a central repository in the state  
10 for collection of existing data on energy resources, including:

11 (i) Supply, demand, costs, use technology, projections, and  
12 forecasts;

13 (ii) Comparative costs of alternative energy sources, uses, and  
14 applications;

15 (iii) Inventory data on energy research projects in the state  
16 conducted in the public and private sectors, and the results thereof.

17 (2) The department shall cooperate with other agencies,  
18 organizations, and businesses within and without the state of  
19 Washington to establish a private nonprofit corporation for purposes of  
20 providing the services performed by the department under subsection (1)  
21 of this section.

22 (3) The department shall cease providing the services it performs  
23 under subsection (1) of this section before June 30, 1996, if a  
24 qualified successor organization agrees to assume full responsibility  
25 for providing services that are equivalent to the services performed by  
26 the department under subsection (1) of this section.

27 (4) For purposes of this section and sections 102 and 103 of this  
28 act, "successor organization" means a private, nonprofit corporation  
29 created specifically to assume responsibility for providing the  
30 services assigned to the department under this section. Any such  
31 private, nonprofit corporation shall qualify as a tax-exempt, nonprofit  
32 corporation under section 501(c) of the federal internal revenue code.  
33 If no such corporation exists, that is capable, in the department's  
34 opinion, of adequately assuming the department's operations under  
35 subsection (1) of this section, then another governmental entity may be  
36 the successor organization.

37 NEW SECTION. **Sec. 102.** A new section is added to chapter 43.330  
38 RCW to read as follows:

1 To accomplish the establishment of a successor organization, the  
2 department may take all necessary and proper steps, including:

3 (1) Transfer any equipment, software, data base, other assets, or  
4 contracts for services to the successor organization under appropriate  
5 terms and conditions, including reasonable compensation deemed  
6 appropriate by the department. However, the department shall retain  
7 the right to repossess any such property transferred for a period of up  
8 to five years, in the event that the successor organization becomes  
9 bankrupt, insolvent, or is otherwise unable to provide services that  
10 are satisfactory to a majority of users. In the event that the  
11 department exercises its right to repossess under this section, any  
12 such property returned to the department shall become the property of  
13 the state of Washington and shall be administered by the department;

14 (2) Unless otherwise provided by agreement, assign any duties and  
15 responsibilities to the successor organization that are related to the  
16 department's responsibilities under subsection (1) of this section and  
17 not otherwise assigned by statute;

18 (3) Provide for personnel services by department employees, or  
19 other necessary support services to the successor organization under  
20 contract for up to a two-year period after the effective date of a  
21 contract between a successor organization and the department for  
22 delivery of services. The successor organization shall provide full  
23 reimbursement for all costs of services contracted for under this  
24 provision; and

25 (4) Designate one or more persons to serve in the capacity of a  
26 member of the board of directors of a successor organization. The  
27 state shall not be liable for either the actions of the director in  
28 that capacity, nor for the actions of the successor organization.

29 (5) Any appropriations made to the state energy office for carrying  
30 out the powers, functions, and duties transferred shall, on the  
31 effective date of this section, be transferred and credited to the  
32 department of community, trade, and economic development for use by a  
33 successor organization to perform the functions transferred in section  
34 101 of this act.

35 NEW SECTION. **Sec. 103.** A new section is added to chapter 43.330  
36 RCW to read as follows:

1 At the time certain department of community, trade, and economic  
2 development services are transferred to a successor corporation  
3 pursuant to section 101 of this act:

4 (1) Any supplies, equipment, or other property, whether tangible or  
5 intangible, not transferred to the successor organization shall remain  
6 the property of the state of Washington and shall be administered by  
7 the department;

8 (2) Any contracts or other obligations of the department not  
9 transferred to the successor organization shall be the obligation of  
10 the department.

11 **Sec. 104.** RCW 43.140.040 and 1981 c 158 s 4 are each amended to  
12 read as follows:

13 Distribution of funds from the geothermal account of the general  
14 fund shall be subject to the following limitations:

15 (1) Thirty percent to the department of natural resources for  
16 geothermal exploration and assessment;

17 (2) Thirty percent to the (~~Washington state energy office or its~~  
18 ~~statutory successor~~) department of community, trade, and economic  
19 development for the purpose of encouraging the development of  
20 geothermal energy; and

21 (3) Forty percent to the county of origin for mitigating impacts  
22 caused by geothermal energy exploration, assessment, and development.

23 **Sec. 105.** RCW 43.140.050 and 1981 c 158 s 5 are each amended to  
24 read as follows:

25 The state treasurer shall be responsible for distribution of funds  
26 to the county of origin. Each county's share of rentals and royalties  
27 from a lease including lands in more than one county shall be computed  
28 on the basis of the ratio that the acreage within each county has to  
29 the total acreage in the lease. The (~~Washington state energy office~~  
30 ~~or its statutory successor~~) department of community, trade, and  
31 economic development shall obtain the necessary information to make the  
32 distribution of funds on such a basis.

33 **PART II**  
34 **FUNCTIONS OF THE DEPARTMENT OF COMMUNITY, TRADE,**  
35 **AND ECONOMIC DEVELOPMENT RELATING TO**  
36 **ENERGY EFFICIENT TRANSPORTATION**

1        NEW SECTION.    **Sec. 201.**    A new section is added to chapter 43.330  
2    RCW to read as follows:

3        (1) All powers, duties, and functions of the state energy office  
4    pertaining to programs providing technical assistance for energy  
5    efficient transportation are transferred to the department of  
6    community, trade, and economic development. All references to the  
7    director or the state energy office in the Revised Code of Washington  
8    shall be construed to mean the director or the department of community,  
9    trade, and economic development when referring to the functions  
10   transferred in this section.

11        (2)(a) All reports, documents, surveys, books, records, files,  
12   papers, or written material in the possession of the state energy  
13   office pertaining to the powers, functions, and duties transferred  
14   shall be delivered to the custody of the department of community,  
15   trade, and economic development. All cabinets, furniture, office  
16   equipment, motor vehicles, and other tangible property employed by the  
17   state energy office in carrying out the powers, functions, and duties  
18   transferred shall be made available to the department of community,  
19   trade, and economic development. All funds, credits, or other assets  
20   held in connection with the powers, functions, and duties transferred  
21   shall be assigned to the department of community, trade, and economic  
22   development.

23        (b) Any appropriations made to the state energy office for carrying  
24   out the powers, functions, and duties transferred shall, on the  
25   effective date of this section, be transferred and credited to the  
26   department of community, trade, and economic development.

27        (c) The director of the department of community, trade, and  
28   economic development shall direct the closure of the financial records  
29   of the state energy office. Whenever any question arises as to the  
30   transfer of any personnel, funds, books, documents, records, papers,  
31   files, equipment, or other tangible property used or held in the  
32   exercise of the powers and the performance of the duties and functions  
33   transferred, the director of financial management shall make a  
34   determination as to the proper allocation and certify the same to the  
35   state agencies concerned.

36        (3) All rules and all pending business before the state energy  
37   office pertaining to the powers, functions, and duties transferred  
38   shall be continued and acted upon by the department of community,  
39   trade, and economic development. All existing contracts and

1 obligations shall remain in full force and shall be performed by the  
2 department of community, trade, and economic development.

3 (4) The transfer of the powers, duties, functions, and personnel of  
4 the state energy office shall not affect the validity of any act  
5 performed before the effective date of this section.

6 (5) If apportionments of budgeted funds are required because of the  
7 transfers directed by this section, the director of financial  
8 management shall certify the apportionments to the agencies affected,  
9 the state auditor, and the state treasurer. Each of these shall make  
10 the appropriate transfer and adjustments in funds and appropriation  
11 accounts and equipment records in accordance with the certification.

12 **Sec. 202.** RCW 70.94.544 and 1991 c 202 s 17 are each amended to  
13 read as follows:

14 A portion of the funds made available for the purposes of this  
15 chapter shall be used to (~~fund the commute trip reduction task force~~  
16 ~~in carrying out the responsibilities of RCW 70.94.541, and the~~  
17 ~~interagency technical assistance team, including the activities~~  
18 ~~authorized under RCW 70.94.541(2), and to~~) assist counties, cities,  
19 and towns implementing commute trip reduction plans. Funds shall be  
20 provided to the counties in proportion to the number of major employers  
21 and major worksites in each county. The counties shall provide funds  
22 to cities and towns within the county which are implementing commute  
23 trip reduction plans in proportion to the number of major employers and  
24 major worksites within the city or town.

25 **Sec. 203.** RCW 70.94.960 and 1991 c 199 s 218 are each amended to  
26 read as follows:

27 The department may disburse matching grants from funds provided by  
28 the legislature from the air pollution control account, created in RCW  
29 70.94.015, to units of local government to partially offset the  
30 additional cost of purchasing "clean fuel" and/or operating "clean-fuel  
31 vehicles" provided that such vehicles are used for public transit.  
32 Publicly owned school buses are considered public transit for the  
33 purposes of this section. The department may also disburse grants to  
34 vocational-technical institutes for the purpose of establishing  
35 programs to certify clean-fuel vehicle mechanics. The department may  
36 also distribute grants to the (~~state energy office~~) department of

1 community, trade, and economic development for the purpose of  
2 furthering the establishment of clean fuel refueling infrastructure.

3 **Sec. 204.** RCW 70.120.210 and 1991 c 199 s 212 are each amended to  
4 read as follows:

5 By July 1, 1992, the department shall develop, in cooperation with  
6 the departments of general administration (~~and~~), transportation, and  
7 (~~the state energy office~~) community, trade, and economic development,  
8 aggressive clean-fuel performance and clean-fuel vehicle emissions  
9 specifications including clean-fuel vehicle conversion equipment. To  
10 the extent possible, such specifications shall be equivalent for all  
11 fuel types. In developing such specifications the department shall  
12 consider the requirements of the clean air act and the findings of the  
13 environmental protection agency, other states, the American petroleum  
14 institute, the gas research institute, and the motor vehicles  
15 manufacturers association.

16 **Sec. 205.** RCW 70.120.220 and 1991 c 199 s 215 are each amended to  
17 read as follows:

18 The department, in cooperation with the departments of general  
19 administration, community, trade, and economic development, and  
20 transportation, and the utilities and transportation commission(~~, and~~  
21 ~~the state energy office,~~) shall biennially prepare a report to the  
22 legislature starting July 1, 1992, on:

23 (1) Progress of clean fuel and clean-fuel vehicle programs in  
24 reducing automotive emissions;

25 (2) Recommendations for enhancing clean-fuel distribution systems;

26 (3) Efforts of the state, units of local government, and the  
27 private sector to evaluate and utilize "clean fuel" or "clean-fuel  
28 vehicles"; and

29 (4) Recommendations for changes in the existing program to make it  
30 more effective and, if warranted, for expansion of the program.

31 NEW SECTION. **Sec. 206.** The following acts or parts of acts are  
32 each repealed:

33 (1) RCW 70.94.537 and 1991 c 202 s 15; and

34 (2) RCW 70.94.541 and 1991 c 202 s 16.





1 trade, and economic development. All existing contracts and  
2 obligations shall remain in full force and shall be performed by the  
3 department community, trade, and economic development.

4 (4) The transfer of the powers, duties, functions, and personnel of  
5 the state energy office shall not affect the validity of any act  
6 performed before the effective date of this section.

7 (5) If apportionments of budgeted funds are required because of the  
8 transfers directed by this section, the director of financial  
9 management shall certify the apportionments to the agencies affected,  
10 the state auditor, and the state treasurer. Each of these shall make  
11 the appropriate transfer and adjustments in funds and appropriation  
12 accounts and equipment records in accordance with the certification.

13 (6)(a) If a bill is signed into law by June 30, 1995, transferring  
14 emergency management functions from the department of community, trade,  
15 and economic development to the military department, the state energy  
16 office functions relating to energy emergencies transferred in  
17 subsection (1) of this section shall be transferred to the military  
18 department and all references to the director or the state energy  
19 office in the Revised Code of Washington pertaining to the functions  
20 transferred shall be construed to mean the adjutant general or the  
21 military department when referring to the functions transferred.

22 (b) If functions are transferred to the military department  
23 pursuant to this subsection, all references to the director or the  
24 department of community, trade, and economic development in subsections  
25 (2) through (5) of this section and in section 302 of this act shall be  
26 construed to mean the adjutant general or the military department.

27 NEW SECTION. **Sec. 302.** A new section is added to chapter 43.330  
28 RCW to read as follows:

29 The department shall prepare and update contingency plans for  
30 implementation in the event of energy shortages or emergencies. The  
31 plans shall conform to chapter 43.21G RCW and shall include procedures  
32 for determining when these shortages or emergencies exist, the state  
33 officers and agencies to participate in the determination, and actions  
34 to be taken by various agencies and officers of state government in  
35 order to reduce hardship and maintain the general welfare during these  
36 emergencies. The department shall coordinate the activities undertaken  
37 pursuant to this subsection with other persons. The components of  
38 plans that require legislation for their implementation shall be

1 presented to the legislature in the form of proposed legislation at the  
2 earliest practicable date. The department shall report to the governor  
3 and the legislature on probable, imminent, and existing energy  
4 shortages, and shall administer energy allocation and curtailment  
5 programs in accordance with chapter 43.21G RCW.

6 **PART IV**  
7 **TECHNICAL CORRECTIONS**

8 **Sec. 401.** RCW 19.27.190 and 1990 c 2 s 7 are each amended to read  
9 as follows:

10 (1)(a) Not later than January 1, 1991, the state building code  
11 council(~~(, in consultation with the state energy office,)~~) shall  
12 establish interim requirements for the maintenance of indoor air  
13 quality in newly constructed residential buildings. In establishing  
14 the interim requirements, the council shall take into consideration  
15 differences in heating fuels and heating system types. These  
16 requirements shall be in effect July 1, 1991, through June 30, 1993.

17 (b) The interim requirements for new electrically space heated  
18 residential buildings shall include ventilation standards which provide  
19 for mechanical ventilation in areas of the residence where water vapor  
20 or cooking odors are produced. The ventilation shall be exhausted to  
21 the outside of the structure. The ventilation standards shall further  
22 provide for the capacity to supply outside air to each bedroom and the  
23 main living area through dedicated supply air inlet locations in walls,  
24 or in an equivalent manner. At least one exhaust fan in the home shall  
25 be controlled by a dehumidistat or clock timer to ensure that  
26 sufficient whole house ventilation is regularly provided as needed.

27 (c)(i) For new single family residences with electric space heating  
28 systems, zero lot line homes, each unit in a duplex, and each attached  
29 housing unit in a planned unit development, the ventilation standards  
30 shall include fifty cubic feet per minute of effective installed  
31 ventilation capacity in each bathroom and one hundred cubic feet per  
32 minute of effective installed ventilation capacity in each kitchen.

33 (ii) For other new residential units with electric space heating  
34 systems the ventilation standards may be satisfied by the installation  
35 of two exhaust fans with a combined effective installed ventilation  
36 capacity of two hundred cubic feet per minute.

1 (iii) Effective installed ventilation capacity means the capability  
2 to deliver the specified ventilation rates for the actual design of the  
3 ventilation system. Natural ventilation and infiltration shall not be  
4 considered acceptable substitutes for mechanical ventilation.

5 (d) For new residential buildings that are space heated with other  
6 than electric space heating systems, the interim standards shall be  
7 designed to result in indoor air quality equivalent to that achieved  
8 with the interim ventilation standards for electric space heated homes.

9 (e) The interim requirements for all newly constructed residential  
10 buildings shall include standards for indoor air quality pollutant  
11 source control, including the following requirements: All structural  
12 panel components of the residence shall comply with appropriate  
13 standards for the emission of formaldehyde; the back-drafting of  
14 combustion by-products from combustion appliances shall be minimized  
15 through the use of dampers, vents, outside combustion air sources, or  
16 other appropriate technologies; and, in areas of the state where  
17 monitored data indicate action is necessary to inhibit indoor radon gas  
18 concentrations from exceeding appropriate health standards, entry of  
19 radon gas into homes shall be minimized through appropriate foundation  
20 construction measures.

21 (2) No later than January 1, 1993, the state building code  
22 council(~~(, in consultation with the state energy office,)~~) shall  
23 establish final requirements for the maintenance of indoor air quality  
24 in newly constructed residences to be in effect beginning July 1, 1993.  
25 For new electrically space heated residential buildings, these  
26 requirements shall maintain indoor air quality equivalent to that  
27 provided by the mechanical ventilation and indoor air pollutant source  
28 control requirements included in the February 7, 1989, Bonneville power  
29 administration record of decision for the environmental impact  
30 statement on new energy efficient homes programs (DOE/EIS-0127F) built  
31 with electric space heating. In residential units other than single  
32 family, zero lot line, duplexes, and attached housing units in planned  
33 unit developments, ventilation requirements may be satisfied by the  
34 installation of two exhaust fans with a combined effective installed  
35 ventilation capacity of two hundred cubic feet per minute. For new  
36 residential buildings that are space heated with other than electric  
37 space heating systems, the standards shall be designed to result in  
38 indoor air quality equivalent to that achieved with the ventilation and  
39 source control standards for electric space heated homes. In

1 establishing the final requirements, the council shall take into  
2 consideration differences in heating fuels and heating system types.

3 **Sec. 402.** RCW 19.27A.020 and 1994 c 226 s 1 are each amended to  
4 read as follows:

5 (1) No later than January 1, 1991, the state building code council  
6 shall promulgate rules to be known as the Washington state energy code  
7 as part of the state building code.

8 (2) The council shall follow the legislature's standards set forth  
9 in this section to promulgate rules to be known as the Washington state  
10 energy code. The Washington state energy code shall be designed to  
11 require new buildings to meet a certain level of energy efficiency, but  
12 allow flexibility in building design, construction, and heating  
13 equipment efficiencies within that framework. The Washington state  
14 energy code shall be designed to allow space heating equipment  
15 efficiency to offset or substitute for building envelope thermal  
16 performance.

17 (3) The Washington state energy code shall take into account  
18 regional climatic conditions. Climate zone 1 shall include all  
19 counties not included in climate zone 2. Climate zone 2 includes:  
20 Adams, Chelan, Douglas, Ferry, Grant, Kittitas, Lincoln, Okanogan, Pend  
21 Oreille, Spokane, Stevens, and Whitman counties.

22 (4) The Washington state energy code for residential buildings  
23 shall require:

24 (a) New residential buildings that are space heated with electric  
25 resistance heating systems to achieve energy use equivalent to that  
26 used in typical buildings constructed with:

27 (i) Ceilings insulated to a level of R-38. The code shall contain  
28 an exception which permits single rafter or joist vaulted ceilings  
29 insulated to a level of R-30 (R value includes insulation only);

30 (ii) In zone 1, walls insulated to a level of R-19 (R value  
31 includes insulation only), or constructed with two by four members,  
32 R-13 insulation batts, R-3.2 insulated sheathing, and other normal  
33 assembly components; in zone 2 walls insulated to a level of R-24 (R  
34 value includes insulation only), or constructed with two by six  
35 members, R-22 insulation batts, R-3.2 insulated sheathing, and other  
36 normal construction assembly components; for the purpose of determining  
37 equivalent thermal performance, the wall U-value shall be 0.058 in zone  
38 1 and 0.044 in zone 2;

1 (iii) Below grade walls, insulated on the interior side, to a level  
2 of R-19 or, if insulated on the exterior side, to a level of R-10 in  
3 zone 1 and R-12 in zone 2 (R value includes insulation only);

4 (iv) Floors over unheated spaces insulated to a level of R-30 (R  
5 value includes insulation only);

6 (v) Slab on grade floors insulated to a level of R-10 at the  
7 perimeter;

8 (vi) Double glazed windows with values not more than U-0.4;

9 (vii) In zone 1 the glazing area may be up to twenty-one percent of  
10 floor area and in zone 2 the glazing area may be up to seventeen  
11 percent of floor area where consideration of the thermal resistance  
12 values for other building components and solar heat gains through the  
13 glazing result in thermal performance equivalent to that achieved with  
14 thermal resistance values for other components determined in accordance  
15 with the equivalent thermal performance criteria of (a) of this  
16 subsection and glazing area equal to fifteen percent of the floor area.  
17 Throughout the state for the purposes of determining equivalent thermal  
18 performance, the maximum glazing area shall be fifteen percent of the  
19 floor area; and

20 (viii) Exterior doors insulated to a level of R-5; or an exterior  
21 wood door with a thermal resistance value of less than R-5 and values  
22 for other components determined in accordance with the equivalent  
23 thermal performance criteria of (a) of this subsection.

24 (b) New residential buildings which are space-heated with all other  
25 forms of space heating to achieve energy use equivalent to that used in  
26 typical buildings constructed with:

27 (i) Ceilings insulated to a level of R-30 in zone 1 and R-38 in  
28 zone 2 the code shall contain an exception which permits single rafter  
29 or joist vaulted ceilings insulated to a level of R-30 (R value  
30 includes insulation only);

31 (ii) Walls insulated to a level of R-19 (R value includes  
32 insulation only), or constructed with two by four members, R-13  
33 insulation batts, R-3.2 insulated sheathing, and other normal assembly  
34 components;

35 (iii) Below grade walls, insulated on the interior side, to a level  
36 of R-19 or, if insulated on the exterior side, to a level of R-10 in  
37 zone 1 and R-12 in zone 2 (R value includes insulation only);

38 (iv) Floors over unheated spaces insulated to a level of R-19 in  
39 zone 1 and R-30 in zone 2 (R value includes insulation only);

1 (v) Slab on grade floors insulated to a level of R-10 at the  
2 perimeter;

3 (vi) Heat pumps with a minimum heating season performance factor  
4 (HSPF) of 6.8 or with all other energy sources with a minimum annual  
5 fuel utilization efficiency (AFUE) of seventy-eight percent;

6 (vii) Double glazed windows with values not more than U-0.65 in  
7 zone 1 and U-0.60 in zone 2. The state building code council(~~(in~~  
8 ~~consultation with the state energy office,~~) shall review these U-  
9 values, and, if economically justified for consumers, shall amend the  
10 Washington state energy code to improve the U-values by December 1,  
11 1993. The amendment shall not take effect until July 1, 1994; and

12 (viii) In zone 1, the maximum glazing area shall be twenty-one  
13 percent of the floor area. In zone 2 the maximum glazing area shall be  
14 seventeen percent of the floor area. Throughout the state for the  
15 purposes of determining equivalent thermal performance, the maximum  
16 glazing area shall be fifteen percent of the floor area.

17 (c) The requirements of (b)(ii) of this subsection do not apply to  
18 residences with log or solid timber walls with a minimum average  
19 thickness of three and one-half inches and with space heat other than  
20 electric resistance.

21 (d) The state building code council may approve an energy code for  
22 pilot projects of residential construction that use innovative energy  
23 efficiency technologies intended to result in savings that are greater  
24 than those realized in the levels specified in this section.

25 (5) U-values for glazing shall be determined using the area  
26 weighted average of all glazing in the building. U-values for vertical  
27 glazing shall be determined, certified, and labeled in accordance with  
28 the appropriate national fenestration rating council (NFRC) standard,  
29 as determined and adopted by the state building code council.  
30 Certification of U-values shall be conducted by a certified,  
31 independent agency licensed by the NFRC. The state building code  
32 council may develop and adopt alternative methods of determining,  
33 certifying, and labeling U-values for vertical glazing that may be used  
34 by fenestration manufacturers if determined to be appropriate by the  
35 council. The state building code council shall review and consider the  
36 adoption of the NFRC standards for determining, certifying, and  
37 labeling U-values for doors and skylights when developed and published  
38 by the NFRC. The state building code council may develop and adopt  
39 appropriate alternative methods for determining, certifying, and

1 labeling U-values for doors and skylights. U-values for doors and  
2 skylights determined, certified, and labeled in accordance with the  
3 appropriate NFRC standard shall be acceptable for compliance with the  
4 state energy code. Sealed insulation glass, where used, shall conform  
5 to, or be in the process of being tested for, ASTM E-774-81 class A or  
6 better.

7 (6) The minimum state energy code for new nonresidential buildings  
8 shall be the Washington state energy code, 1986 edition, as amended.

9 (7)(a) Except as provided in (b) of this subsection, the Washington  
10 state energy code for residential structures shall preempt the  
11 residential energy code of each city, town, and county in the state of  
12 Washington.

13 (b) The state energy code for residential structures does not  
14 preempt a city, town, or county's energy code for residential  
15 structures which exceeds the requirements of the state energy code and  
16 which was adopted by the city, town, or county prior to March 1, 1990.  
17 Such cities, towns, or counties may not subsequently amend their energy  
18 code for residential structures to exceed the requirements adopted  
19 prior to March 1, 1990.

20 ~~(8) ((The state building code council shall consult with the state  
21 energy office as provided in RCW 34.05.310 prior to publication of  
22 proposed rules. The state energy office shall review the proposed  
23 rules for consistency with the guidelines adopted in subsection (4) of  
24 this section. The director of the state energy office shall recommend  
25 to the state building code council any changes necessary to conform the  
26 proposed rules to the requirements of this section.~~

27 ~~(9))~~ The state building code council shall conduct a study of  
28 county and city enforcement of energy codes in the state. In  
29 conducting the study, the council shall conduct public hearings at  
30 designated council meetings to seek input from interested individuals  
31 and organizations, and to the extent possible, hold these meetings in  
32 conjunction with adopting rules under this section. The study shall  
33 include recommendations as to how code enforcement may be improved.  
34 The findings of the study shall be submitted in a report to the  
35 legislature no later than January 1, 1991.

36 ~~((10))~~ (9) If any electric utility providing electric service to  
37 customers in the state of Washington purchases at least one percent of  
38 its firm energy load from a federal agency, pursuant to section  
39 5.(b)(1) of the Pacific Northwest electric power planning and



1 conservation act (P.L. 96-501), and such utility is unable to obtain  
2 from that agency at least fifty percent of the funds for payments  
3 required by RCW 19.27A.035, the amendments to this section by chapter  
4 2, Laws of 1990 shall be null and void, and the 1986 state energy code  
5 shall be in effect, except that a city, town, or county may enforce a  
6 local energy code with more stringent energy requirements adopted prior  
7 to March 1, 1990. This subsection shall expire June 30, 1995.

8 **Sec. 403.** RCW 19.27A.055 and 1990 c 2 s 6 are each amended to read  
9 as follows:

10 There is hereby created in the state treasury the energy code  
11 training account. The (~~Washington state energy office~~) department of  
12 community, trade, and economic development shall administer  
13 expenditures from this account for the purpose of providing training  
14 for the inspection and training for the enforcement by local  
15 governments of the Washington state energy code in effect pursuant to  
16 RCW 19.27A.020. The revenues into this account shall derive from  
17 assessments by the (~~state energy office~~) department of community,  
18 trade, and economic development on all investor-owned and publicly  
19 owned gas and electric utilities in the state of Washington in  
20 proportion to the number of housing starts served by a utility in 1989,  
21 based on an amount of one hundred fifty dollars per energy code  
22 inspection or enforcement official that is within the service area of  
23 the utility. Assessments may be made between January 1, 1991, and July  
24 1, 1991. Federal funds available to qualifying utilities for code  
25 inspection retraining shall be used before obtaining funds from  
26 utilities under this section. Additional funds may be deposited in the  
27 account from federal agencies or other sources. All or a portion of  
28 the funds for the cost of local government inspection and enforcement  
29 may be accepted from federal agencies or other sources.

30 **Sec. 404.** RCW 28A.515.320 and 1991 sp.s. c 13 s 58 are each  
31 amended to read as follows:

32 The common school construction fund is to be used exclusively for  
33 the purpose of financing the construction of facilities for the common  
34 schools. The sources of said fund shall be: (1) Those proceeds  
35 derived from sale or appropriation of timber and other crops from  
36 school and state land other than those granted for specific purposes;  
37 (2) the interest accruing on the permanent common school fund less the

1 allocations to the state treasurer's service (~~(account-[fund])~~) fund  
2 pursuant to RCW 43.08.190 and the state investment board expense  
3 account pursuant to RCW 43.33A.160 together with all rentals and other  
4 revenue derived therefrom and from land and other property devoted to  
5 the permanent common school fund; (3) all moneys received by the state  
6 from the United States under the provisions of section 191, Title 30,  
7 United States Code, Annotated, and under section 810, chapter 12, Title  
8 16, (Conservation), United States Code, Annotated, except moneys  
9 received before June 30, 2001, and when thirty megawatts of geothermal  
10 power is certified as commercially available by the receiving utilities  
11 (~~and the state energy office~~), eighty percent of such moneys, under  
12 the Geothermal Steam Act of 1970 pursuant to RCW 43.140.030; and (4)  
13 such other sources as the legislature may direct. That portion of the  
14 common school construction fund derived from interest on the permanent  
15 common school fund may be used to retire such bonds as may be  
16 authorized by law for the purpose of financing the construction of  
17 facilities for the common schools.

18 The interest accruing on the permanent common school fund less the  
19 allocations to the state treasurer's service (~~(account-[fund])~~) fund  
20 pursuant to RCW 43.08.190 and the state investment board expense  
21 account pursuant to RCW 43.33A.160 together with all rentals and other  
22 revenues accruing thereto pursuant to subsection (2) of this section  
23 prior to July 1, 1967, shall be exclusively applied to the current use  
24 of the common schools.

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

34 **Sec. 405.** RCW 39.35C.100 and 1991 c 201 s 11 are each amended to  
35 read as follows:

36 (1) The energy efficiency construction account is hereby created in  
37 the state treasury. Moneys in the account may be spent only after  
38 appropriation and only for the following purposes:

1 (a) Construction of energy efficiency projects, including project  
2 evaluation and verification of benefits, project design, project  
3 development, project construction, and project administration.

4 (b) Payment of principal and interest and other costs required  
5 under bond covenant on bonds issued for the purpose of (a) of this  
6 subsection.

7 (2) Sources for this account may include:

8 (a) General obligation and revenue bond proceeds appropriated by  
9 the legislature;

10 (b) Loan repayments under RCW 39.35C.060 sufficient to pay  
11 principal and interest obligations; and

12 (c) Funding from federal, state, and local agencies.

13 (3) The ((energy office)) department shall establish criteria for  
14 approving energy efficiency projects to be financed from moneys  
15 disbursed from this account. The criteria shall include  
16 cost-effectiveness, reliability of energy systems, and environmental  
17 costs or benefits. The ((energy office)) department shall ensure that  
18 the criteria are applied with professional standards for engineering  
19 and review.

20 **Sec. 406.** RCW 39.35C.110 and 1991 c 201 s 12 are each amended to  
21 read as follows:

22 (1) The energy efficiency services account is created in the state  
23 treasury. Moneys in the account may be spent only after appropriation.  
24 Expenditures from the account may be used only (a) for the ((energy  
25 office)) department to provide energy efficiency services to state  
26 agencies and school districts including review of life-cycle cost  
27 analyses and (b) for transfer by the legislature to the state general  
28 fund.

29 (2) All receipts from the following sources shall be deposited into  
30 the account:

31 (a) Project fees charged under this section and RCW 39.35C.020,  
32 39.35C.070, and 39.35.060;

33 (b) After payment of any principal and interest obligations, moneys  
34 from repayments of loans under RCW 39.35C.060;

35 (c) Revenue from sales of energy generated or saved at public  
36 facilities under this chapter, except those retained by state agencies  
37 and school districts under RCW 39.35C.120; and

1 (d) Payments by utilities and federal power marketing agencies  
2 under this chapter, except those retained by state agencies and school  
3 districts under RCW 39.35C.120.

4 (3) The (~~energy office~~) department may accept moneys and make  
5 deposits to the account from federal, state, or local government  
6 agencies.

7 (4) Within one hundred eighty days after July 28, 1991, the  
8 (~~energy office~~) department shall adopt rules establishing criteria  
9 and procedures for setting a fee schedule, establishing working capital  
10 requirements, and receiving deposits for this account.

11 **Sec. 407.** RCW 42.17.2401 and 1993 sp.s. c 2 s 18, 1993 c 492 s  
12 488, and 1993 c 281 s 43 are each reenacted and amended to read as  
13 follows:

14 For the purposes of RCW 42.17.240, the term "executive state  
15 officer" includes:

16 (1) The chief administrative law judge, the director of  
17 agriculture, the administrator of the office of marine safety, the  
18 administrator of the Washington basic health plan, the director of the  
19 department of services for the blind, the director of the state system  
20 of community and technical colleges, the director of community, trade,  
21 and economic development, the secretary of corrections, the director of  
22 ecology, the commissioner of employment security, the chairman of the  
23 energy facility site evaluation council, (~~the director of the energy~~  
24 ~~office,~~) the secretary of the state finance committee, the director of  
25 financial management, the director of fish and wildlife, the executive  
26 secretary of the forest practices appeals board, the director of the  
27 gambling commission, the director of general administration, the  
28 secretary of health, the administrator of the Washington state health  
29 care authority, the executive secretary of the health care facilities  
30 authority, the executive secretary of the higher education facilities  
31 authority, the executive secretary of the horse racing commission, the  
32 executive secretary of the human rights commission, the executive  
33 secretary of the indeterminate sentence review board, the director of  
34 the department of information services, the director of the interagency  
35 committee for outdoor recreation, the executive director of the state  
36 investment board, the director of labor and industries, the director of  
37 licensing, the director of the lottery commission, the director of the  
38 office of minority and women's business enterprises, the director of

1 parks and recreation, the director of personnel, the executive director  
2 of the public disclosure commission, the director of retirement  
3 systems, the director of revenue, the secretary of social and health  
4 services, the chief of the Washington state patrol, the executive  
5 secretary of the board of tax appeals, (~~the director of trade and~~  
6 ~~economic development,~~) the secretary of transportation, the secretary  
7 of the utilities and transportation commission, the director of  
8 veterans affairs, the president of each of the regional and state  
9 universities and the president of The Evergreen State College, each  
10 district and each campus president of each state community college;

11 (2) Each professional staff member of the office of the governor;

12 (3) Each professional staff member of the legislature; and

13 (4) Central Washington University board of trustees, board of  
14 trustees of each community college, each member of the state board for  
15 community and technical colleges, state convention and trade center  
16 board of directors, committee for deferred compensation, Eastern  
17 Washington University board of trustees, Washington economic  
18 development finance authority, The Evergreen State College board of  
19 trustees, forest practices appeals board, forest practices board,  
20 gambling commission, Washington health care facilities authority, each  
21 member of the Washington health services commission, higher education  
22 coordinating board, higher education facilities authority, horse racing  
23 commission, state housing finance commission, human rights commission,  
24 indeterminate sentence review board, board of industrial insurance  
25 appeals, information services board, interagency committee for outdoor  
26 recreation, state investment board, liquor control board, lottery  
27 commission, marine oversight board, (~~oil and gas conservation~~  
28 ~~committee,~~) Pacific Northwest electric power and conservation planning  
29 council, parks and recreation commission, personnel appeals board,  
30 board of pilotage commissioners, pollution control hearings board,  
31 public disclosure commission, public pension commission, shorelines  
32 hearing board, public employees' benefits board, board of tax appeals,  
33 transportation commission, University of Washington board of regents,  
34 utilities and transportation commission, Washington state maritime  
35 commission, Washington personnel resources board, Washington public  
36 power supply system executive board, Washington State University board  
37 of regents, Western Washington University board of trustees, and fish  
38 and wildlife commission.

1       **Sec. 408.** RCW 43.06.115 and 1993 c 421 s 2 are each amended to  
2 read as follows:

3       (1) The governor may, by executive order, after consultation with  
4 or notification of the executive-legislative committee on economic  
5 development created by chapter . . . (Senate Bill No. 5300), Laws of  
6 1993, declare a community to be a "military impacted area." A  
7 "military impacted area" means a community or communities, as  
8 identified in the executive order, that experience serious social and  
9 economic hardships because of a change in defense spending by the  
10 federal government in that community or communities.

11       (2) If the governor executes an order under subsection (1) of this  
12 section, the governor shall establish a response team to coordinate  
13 state efforts to assist the military impacted community. The response  
14 team may include, but not be limited to, one member from each of the  
15 following agencies: (a) The department of community, trade, and  
16 economic development; (b) ~~((the department of trade and economic~~  
17 ~~development;—(e)))~~ the department of social and health services;  
18 ~~((+d))~~ (c) the employment security department; ~~((+e))~~ (d) the state  
19 board for community and technical colleges; ~~((+f))~~ (e) the higher  
20 education coordinating board; ~~((+g))~~ and (f) the department of  
21 transportation~~((; and (h) the Washington energy office))~~. The governor  
22 may appoint a response team coordinator. The governor shall seek to  
23 actively involve the impacted community or communities in planning and  
24 implementing a response to the crisis. The governor may seek input or  
25 assistance from the community diversification advisory committee, and  
26 the governor may establish task forces in the community or communities  
27 to assist in the coordination and delivery of services to the local  
28 community. The state and community response shall consider economic  
29 development, human service, and training needs of the community or  
30 communities impacted.

31       (3) The governor shall report at the beginning of the next  
32 legislative session to the legislature and the executive-legislative  
33 committee on economic development created by chapter . . . (Senate Bill  
34 No. 5300), Laws of 1993, as to the designation of a military impacted  
35 area. The report shall include recommendations regarding whether a  
36 military impacted area should become eligible for (a) funding provided  
37 by the community economic revitalization board, public facilities  
38 construction loan revolving account, Washington state development loan  
39 fund, basic health plan, the public works assistance account,

1 department of community, trade, and economic development, employment  
2 security department, and department of transportation; (b) training for  
3 dislocated defense workers; or (c) services for dislocated defense  
4 workers.

5 **Sec. 409.** RCW 43.19.675 and 1982 c 48 s 2 are each amended to read  
6 as follows:

7 The director of general administration(~~(, in cooperation with the~~  
8 ~~director of the state energy office,~~)) shall conduct, by contract or  
9 other arrangement, an energy audit for each state-owned facility. All  
10 energy audits shall be coordinated with and complement other  
11 governmental energy audit programs. The energy audit for each state-  
12 owned facility located on the capitol campus shall be completed no  
13 later than July 1, 1981, and the results and findings of each energy  
14 audit shall be compiled and transmitted to the governor and the  
15 legislature no later than October 1, 1981. For every other state-owned  
16 facility, the energy consumption surveys shall be completed no later  
17 than October 1, 1982, and the walk-through surveys shall be completed  
18 no later than July 1, 1983.

19 **Sec. 410.** RCW 43.19.680 and 1986 c 325 s 2 are each amended to  
20 read as follows:

21 (1) Upon completion of each walk-through survey required by RCW  
22 43.19.675, the director of general administration or the agency  
23 responsible for the facility if other than the department of general  
24 administration shall implement energy conservation maintenance and  
25 operation procedures that may be identified for any state-owned  
26 facility. These procedures shall be implemented as soon as possible  
27 but not later than twelve months after the walk-through survey.

28 (2) By December 31, 1981, for the capitol campus the director of  
29 general administration(~~(, in cooperation with the director of the state~~  
30 ~~energy office,~~)) shall prepare and transmit to the governor and the  
31 legislature an implementation plan.

32 (3) By December 31, 1983, for all other state-owned facilities, the  
33 director of general administration (~~(in cooperation with the director~~  
34 ~~of the state energy office)~~) shall prepare and transmit to the governor  
35 and the legislature the results of the energy consumption and walk-  
36 through surveys and a schedule for the conduct of technical assistance  
37 studies. This submission shall contain the energy conservation

1 measures planned for installation during the ensuing biennium.  
2 Priority considerations for scheduling technical assistance studies  
3 shall include but not be limited to a facility's energy efficiency,  
4 responsible agency participation, comparative cost and type of fuels,  
5 possibility of outside funding, logistical considerations such as  
6 possible need to vacate the facility for installation of energy  
7 conservation measures, coordination with other planned facility  
8 modifications, and the total cost of a facility modification, including  
9 other work which would have to be done as a result of installing energy  
10 conservation measures. Energy conservation measure acquisitions and  
11 installations shall be scheduled to be twenty-five percent complete by  
12 June 30, 1985, or at the end of the capital budget biennium which  
13 includes that date, whichever is later, fifty-five percent complete by  
14 June 30, 1989, or at the end of the capital budget biennium which  
15 includes that date, whichever is later, eighty-five percent complete by  
16 June 30, 1993, or at the end of the capital budget biennium which  
17 includes that date, whichever is later, and fully complete by June 30,  
18 1995, or at the end of the capital budget biennium which includes that  
19 date, whichever is later. Each state agency shall implement energy  
20 conservation measures with a payback period of twenty-four months or  
21 less that have a positive cash flow in the same biennium.

22 For each biennium until all measures are installed, the director of  
23 general administration shall report to the governor and legislature  
24 installation progress, measures planned for installation during the  
25 ensuing biennium, and changes, if any, to the technical assistance  
26 study schedule. This report shall be submitted by December 31, 1984,  
27 or at the end of the following year whichever immediately precedes the  
28 capital budget adoption, and every two years thereafter until all  
29 measures are installed.

30 (4) The director of general administration shall adopt rules to  
31 facilitate private investment in energy conservation measures for  
32 state-owned buildings consistent with state law.

33 **Sec. 411.** RCW 43.31.621 and 1994 c 264 s 18 are each amended to  
34 read as follows:

35 (1) There is established the agency timber task force. The task  
36 force shall be chaired by the timber recovery coordinator. It shall be  
37 the responsibility of the coordinator that all directives of chapter  
38 314, Laws of 1991 are carried out expeditiously by the agencies



1 represented in the task force. The task force shall consist of the  
2 directors, or representatives of the directors, of the following  
3 agencies: The department of community, trade, and economic  
4 development, employment security department, department of social and  
5 health services, state board for community and technical colleges,  
6 state work force training and education coordinating board, or its  
7 replacement entity, department of natural resources, department of  
8 transportation, (~~state energy office,~~) department of fish and  
9 wildlife, University of Washington center for international trade in  
10 forest products, and department of ecology. The task force may consult  
11 and enlist the assistance of the following: The higher education  
12 coordinating board, University of Washington college of forest  
13 resources, Washington State University school of forestry, Northwest  
14 policy center, state superintendent of public instruction, the  
15 Evergreen partnership, Washington association of counties, and rural  
16 development council.

17 (2) This section shall expire June 30, 1995.

18 **Sec. 412.** RCW 43.41.175 and 1986 c 325 s 4 are each amended to  
19 read as follows:

20 The (~~state energy office~~) department of general administration  
21 shall provide the office of financial management with energy  
22 consumption data necessary to implement RCW 43.41.170. Facilities or  
23 the agencies responsible for them shall report accurate monthly energy  
24 consumption and cost figures for all fuels to the (~~state energy~~  
25 ~~office~~) department of general administration quarterly, including any  
26 changes in total space served or facility operations.

27 **Sec. 413.** RCW 43.99I.050 and 1991 sp.s. c 31 s 5 are each amended  
28 to read as follows:

29 In addition to any other charges authorized by law and to assist in  
30 the reimbursement of principal and interest payments on bonds issued  
31 for the purposes of RCW 43.99I.020 (3) and (4), the director of the  
32 (~~energy office~~) department of community, trade, and economic  
33 development shall cause to be accumulated in the energy efficiency  
34 construction account, from project revenues, loan repayments, and other  
35 moneys legally available for such purposes, amounts adequate to make  
36 payments of principal of and interest coming due on general obligation  
37 bonds issued for the purposes of RCW 43.99I.020 (3) and (4). As needed

1 during each fiscal year, the director shall cause amounts so  
2 accumulated to be deposited into the general fund of the state  
3 treasury. If the director is unable to accumulate and transfer the  
4 full amount necessary for such payments of principal of and interest  
5 coming due on the bonds, any shortfall shall be credited to an account  
6 receivable from the (~~energy office~~) department of community, trade,  
7 and economic development to the state treasury.

8 **Sec. 414.** RCW 47.06.110 and 1993 c 446 s 11 are each amended to  
9 read as follows:

10 The state-interest component of the state-wide multimodal  
11 transportation plan shall include a state public transportation plan  
12 that:

13 (1) Articulates the state vision of an interest in public  
14 transportation and provides quantifiable objectives, including benefits  
15 indicators;

16 (2) Identifies the goals for public transit and the roles of  
17 federal, state, regional, and local entities in achieving those goals;

18 (3) Recommends mechanisms for coordinating state, regional, and  
19 local planning for public transportation;

20 (4) Recommends mechanisms for coordinating public transportation  
21 with other transportation services and modes;

22 (5) Recommends criteria, consistent with the goals identified in  
23 subsection (2) of this section and with RCW 82.44.180 (2) and (3), for  
24 existing federal authorizations administered by the department to  
25 transit agencies; and

26 (6) Recommends a state-wide public transportation facilities and  
27 equipment management system as required by federal law.

28 In developing the state public transportation plan, the department  
29 shall involve local jurisdictions, public and private providers of  
30 transportation services, nonmotorized interests, and state agencies  
31 with an interest in public transportation, including but not limited to  
32 the departments of community, trade, and economic development, social  
33 and health services, and ecology, (~~the state energy office,~~) the  
34 office of the superintendent of public instruction, the office of the  
35 governor, and the office of financial management.

36 The department shall submit an initial report to the legislative  
37 transportation committee by December 1, 1993, and shall provide annual  
38 reports summarizing the plan's progress each year thereafter.

1       **Sec. 415.** RCW 82.35.020 and 1979 ex.s. c 191 s 2 are each amended  
2 to read as follows:

3       As used in this chapter, the following terms have the meanings  
4 indicated unless the context clearly requires otherwise.

5       (1) "Cogeneration" means the sequential generation of electrical or  
6 mechanical power and useful heat from the same primary energy source or  
7 fuel.

8       (2) "Cogeneration facility" means any machinery, equipment,  
9 structure, process, or property, or any part thereof, installed or  
10 acquired for the primary purpose of cogeneration by a person or  
11 corporation other than an electric utility.

12       (3) "Certificate" means a cogeneration tax credit certificate  
13 granted by the department.

14       (4) "Cost" means only the cost of a cogeneration facility which is  
15 in addition to the cost that the applicant otherwise would incur to  
16 meet the applicant's demands for useful heat. "Cost" does not include  
17 expenditures which are offset by cost savings, including but not  
18 limited to savings resulting from early retirement of existing  
19 equipment.

20       (5) "Department" means the department of revenue.

21       (6) "Electric utility" means any person, corporation, or  
22 governmental subdivision authorized and operating under the  
23 Constitution and laws of the state of Washington which is primarily  
24 engaged in the generation or sale of electric energy.

25       (~~(7) "Office" means the state energy office.~~)

26       **Sec. 416.** RCW 82.35.080 and 1979 ex.s. c 191 s 8 are each amended  
27 to read as follows:

28       (1) Except as provided in subsection (2) of this section, the  
29 department shall revoke any certificate issued under this chapter if it  
30 finds that any of the following have occurred with respect to the  
31 certificate:

32       (a) The certificate was obtained by fraud or deliberate  
33 misrepresentation;

34       (b) The certificate was obtained through the use of inaccurate data  
35 but without any intention to commit fraud or misrepresentation;

1 (c) The facility was constructed or operated in violation of any  
2 provision of this chapter or provision imposed by the department as a  
3 condition of certification; or

4 (d) The cogeneration facility is no longer capable of being  
5 operated for the primary purpose of cogeneration.

6 (2) If the department finds that there are few inaccuracies under  
7 subsection (1)(b) of this section and that cumulatively they are  
8 insignificant in terms of the cost or operation of the facility or that  
9 the inaccurate data is not attributable to carelessness or negligence  
10 and its inclusion was reasonable under the circumstances, then the  
11 department may provide for the continuance of the certificate and  
12 whatever modification it considers in the public interest.

13 (3) Any person, firm, corporation, or organization that obtains a  
14 certificate revoked under this section shall be liable for the total  
15 amount of money saved by claiming the credits and exemptions provided  
16 under this chapter and RCW 84.36.485. The total amount of the credits  
17 shall be collected as delinquent business and occupation taxes, and the  
18 total of the exemptions shall be collected and distributed as  
19 delinquent property taxes. Interest shall accrue on the amounts of the  
20 credits and exemptions from the date the taxes were otherwise due.

21 ~~((4) The office shall provide technical assistance to the  
22 department in carrying out its responsibilities under this section.))~~

23 **Sec. 417.** RCW 90.03.247 and 1994 c 264 s 82 are each amended to  
24 read as follows:

25 Whenever an application for a permit to make beneficial use of  
26 public waters is approved relating to a stream or other water body for  
27 which minimum flows or levels have been adopted and are in effect at  
28 the time of approval, the permit shall be conditioned to protect the  
29 levels or flows. No agency may establish minimum flows and levels or  
30 similar water flow or level restrictions for any stream or lake of the  
31 state other than the department of ecology whose authority to establish  
32 is exclusive, as provided in chapter 90.03 RCW and RCW 90.22.010 and  
33 90.54.040. The provisions of other statutes, including but not limited  
34 to RCW 75.20.100 and chapter 43.21C RCW, may not be interpreted in a  
35 manner that is inconsistent with this section. In establishing such  
36 minimum flows, levels, or similar restrictions, the department shall,  
37 during all stages of development by the department of ecology of  
38 minimum flow proposals, consult with, and carefully consider the

1 recommendations of, the department of fish and wildlife, (~~the state~~  
2 ~~energy office,~~) the department of agriculture, and representatives of  
3 the affected Indian tribes. Nothing herein shall preclude the  
4 department of fish and wildlife(~~(, the energy office,~~) or the  
5 department of agriculture from presenting its views on minimum flow  
6 needs at any public hearing or to any person or agency, and the  
7 department of fish and wildlife(~~(, the energy office,~~) and the  
8 department of agriculture are each empowered to participate in  
9 proceedings of the federal energy regulatory commission and other  
10 agencies to present its views on minimum flow needs.

11 NEW SECTION. **Sec. 418.** The following acts or parts of acts are  
12 each repealed:

- 13 (1) RCW 39.35.010 and 1982 c 159 s 1 & 1975 1st ex.s. c 177 s 1;
- 14 (2) RCW 39.35.020 and 1982 c 159 s 2 & 1975 1st ex.s. c 177 s 2;
- 15 (3) RCW 39.35.030 and 1994 c 242 s 1, 1991 c 201 s 14, 1982 c 159  
16 s 3, & 1975 1st ex.s. c 177 s 3;
- 17 (4) RCW 39.35.040 and 1994 c 242 s 2, 1982 c 159 s 4, & 1975 1st  
18 ex.s. c 177 s 4;
- 19 (5) RCW 39.35.050 and 1994 c 242 s 3 & 1991 c 201 s 15;
- 20 (6) RCW 39.35.060 and 1991 c 201 s 16;
- 21 (7) RCW 39.35.900 and 1975 1st ex.s. c 177 s 5; and
- 22 (8) RCW 41.06.081 and 1981 c 295 s 10.

23 **PART V**  
24 **ELIMINATION OF COGENERATION PROJECTS**

25 NEW SECTION. **Sec. 501.** The following acts or parts of acts are  
26 each repealed:

- 27 (1) RCW 39.35C.010 and 1991 c 201 s 2;
- 28 (2) RCW 39.35C.020 and 1991 c 201 s 3;
- 29 (3) RCW 39.35C.030 and 1991 c 201 s 4;
- 30 (4) RCW 39.35C.040 and 1991 c 201 s 5;
- 31 (5) RCW 39.35C.050 and 1991 c 201 s 6;
- 32 (6) RCW 39.35C.060 and 1991 c 201 s 7;
- 33 (7) RCW 39.35C.070 and 1991 c 201 s 8;
- 34 (8) RCW 39.35C.080 and 1991 c 201 s 9;
- 35 (9) RCW 39.35C.090 and 1991 c 201 s 10;
- 36 (10) RCW 39.35C.120 and 1991 c 201 s 13;

- 1 (11) RCW 39.35C.130 and 1991 c 201 s 17;  
2 (12) RCW 39.35C.900 and 1991 c 201 s 22; and  
3 (13) RCW 39.35C.901 and 1991 c 201 s 24.

4 **PART VI**  
5 **APPROPRIATIONS**

6 NEW SECTION. **Sec. 601.** For the biennium ending June 30, 1997, the  
7 following amounts, or as much thereof as may be necessary, are  
8 appropriated to the department of community trade and economic  
9 development for the following purposes:

10 Renewable energy functions:

11 General Fund - State Appropriation	\$ 92,000
12 General Fund - Federal Appropriation	\$1,044,000
13 General Fund - Private/Local Appropriation	\$ 615,000
14 Geothermal Account - Federal Appropriation	\$ 42,000

15 Energy efficiency functions:

16 General Fund - State Appropriation	\$ 268,000
17 General Fund - Federal Appropriation	\$7,011,000
18 General Fund - Private/Local Appropriation	\$ 755,000
19 Industrial Insurance Premium Refund Account	
20 Appropriation	\$ 4,000

21 Energy codes functions:

22 General Fund - State Appropriation	\$ 13,000
23 General Fund - Federal Appropriation	\$4,003,000
24 General Fund - Private/Local Appropriation	\$ 450,000
25 Building Code Council Account Appropriation	\$ 20,000

26 Energy emergency functions:

27 General Fund - State Appropriation	\$ 3,000
28 General Fund - Federal Appropriation	\$ 4,000

29 Energy efficient transportation functions:

30 General Fund - State Appropriation	\$ 30,000
31 General Fund - Federal Appropriation	\$ 247,000
32 General Fund - Private/Local Appropriation	\$ 547,000
33 Air Pollution Control Account Appropriation	\$6,359,000

34 Other functions:

1 Energy Efficiency Services Account - State Appropriation \$ 987,000

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3

**PART VII**  
**MISCELLANEOUS**

4 NEW SECTION. **Sec. 701.** RCW 39.35C.100 and 39.35C.110 as amended  
5 by this act and RCW 43.21F.015 are each recodified as new sections in  
6 chapter 43.330 RCW.

7 NEW SECTION. **Sec. 702.** Part headings used in this act do not  
8 constitute any part of the law.

9 NEW SECTION. **Sec. 703.** Section 3 of this act shall expire  
10 December 31, 1996.

11 NEW SECTION. **Sec. 704.** This act is necessary for the immediate  
12 preservation of the public peace, health, or safety, or support of the  
13 state government and its existing public institutions, and shall take  
14 effect July 1, 1995.

15 NEW SECTION. **Sec. 705.** If any provision of this act or its  
16 application to any person or circumstance is held invalid, the  
17 remainder of the act or the application of the provision to other  
18 persons or circumstances is not affected.

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