
ENGROSSED SECOND SUBSTITUTE HOUSE BILL 2009

State of Washington

54th Legislature

1995 Regular Session

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

Read first time 03/06/95.

1 AN ACT Relating to the energy office; amending RCW 43.140.040,
2 43.140.050, 70.94.537, 70.94.541, 70.94.960, 70.120.210, 70.120.220,
3 19.27.190, 19.27A.020, 19.27A.055, 28A.515.320, 39.35.030, 39.35C.050,
4 39.35C.090, 39.35C.100, 39.35C.110, 43.06.115, 43.19.675, 43.19.680,
5 43.31.621, 43.41.175, 43.99I.050, 47.06.110, 82.35.020, 82.35.080, and
6 90.03.247; reenacting and amending RCW 42.17.2401; adding new sections
7 to chapter 43.330 RCW; adding a new section to chapter 47.01 RCW;
8 adding a new section to chapter 38.52 RCW; creating new sections;
9 recodifying RCW 39.35C.100, 39.35C.110, and 43.21F.015; repealing RCW
10 43.21F.010, 43.21F.025, 43.21F.035, 43.21F.045, 43.21F.055, 43.21F.060,
11 43.21F.065, 43.21F.090, 39.35.050, 39.35.060, 39.35.900, 41.06.081,
12 39.35C.010, 39.35C.020, 39.35C.030, 39.35C.040, 39.35C.060, 39.35C.070,
13 39.35C.080, 39.35C.120, 39.35C.130, 39.35C.900, and 39.35C.901;
14 providing an effective date; providing an expiration date; and
15 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10 repealed: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 to the department by chapter . . ., Laws of 1995
28 (this act).

29 The director shall direct the closure of the financial records of
30 the state energy office.

31 **PART I**
32 **FUNCTIONS OF THE DEPARTMENT OF COMMUNITY, TRADE, AND**
33 **ECONOMIC DEVELOPMENT TO BE PERFORMED BY PRIVATE NONPROFIT CORPORATION**

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

1 (1) All powers, duties, and functions of the state energy office
2 relating to the following energy efficiency, renewable energy, and
3 energy code functions are transferred to the department of community,
4 trade, and economic development:

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

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

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

13 (i) Supply, demand, costs, use technology, projections, and
14 forecasts;

15 (ii) Comparative costs of alternative energy sources, uses, and
16 applications;

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

19 (2) The department of community, trade, and economic development
20 shall transfer the services performed under subsection (1) of this
21 section to any or all of the following successor organizations:

22 (a) A private, nonprofit corporation established through an effort
23 undertaken by the state energy office, in cooperation with other
24 agencies, organizations, and businesses within and without the state of
25 Washington;

26 (b) Any private, nonprofit corporation or corporations, including
27 trade associations, that is or are tax-exempt, nonprofit corporations
28 under section 501(c) of the federal internal revenue code, and that
29 have been involved directly or indirectly in energy conservation
30 education or assistance; and

31 (c) Any government entity duly authorized by law to perform the
32 services provided under subsection (1) of this section.

33 (3) All authority of the department of community, trade, and
34 economic development relating to the powers, duties, and functions
35 transferred under subsection (1) of this section shall cease June 30,
36 1996.

37 (4) For purposes of sections 102 and 103 of this act, "successor
38 organization" means a private, nonprofit corporation, or government

1 entity, that assumes responsibility for providing the services assigned
2 to the department under this section.

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

5 (1) To accomplish the establishment of a successor organization
6 pursuant to section 101 of this act, the department may take all
7 necessary and proper steps, including:

8 (a) Transfer any equipment, software, data base, other assets, or
9 contracts for services to the successor organization under appropriate
10 terms and conditions, including reasonable compensation deemed
11 appropriate by the department;

12 (b) Unless otherwise provided by agreement, assign any duties and
13 responsibilities to the successor organization that are related to the
14 department's responsibilities under (a) of this subsection and not
15 otherwise assigned by statute; and

16 (c) Designate one or more persons to serve in the capacity of a
17 member of the board of directors of a successor organization. The
18 state shall not be liable for either the actions of the director in
19 that capacity, nor for the actions of the successor organization.

20 (2) Any appropriations made to the state energy office for carrying
21 out the powers, functions, and duties transferred shall, on the
22 effective date of this section, be transferred and credited to the
23 department of community, trade, and economic development for use by a
24 successor organization to perform the functions transferred in section
25 101 of this act.

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

28 At the time certain department of community, trade, and economic
29 development services are transferred to a successor organization
30 pursuant to section 101 of this act:

31 (1) Any supplies, equipment, or other property, whether tangible or
32 intangible, not transferred to the successor organization shall remain
33 the property of the state of Washington and shall be administered by
34 the department;

35 (2) Any contracts or other obligations of the department not
36 transferred to the successor organization shall be the obligation of
37 the department.

1 office pertaining to the powers, functions, and duties transferred
2 shall be delivered to the custody of the department of transportation.
3 All cabinets, furniture, office equipment, motor vehicles, and other
4 tangible property employed by the state energy office in carrying out
5 the powers, functions, and duties transferred shall be made available
6 to the department of transportation. All funds, credits, or other
7 assets held in connection with the powers, functions, and duties
8 transferred shall be assigned to the department of transportation.

9 (b) Any appropriations made to the state energy office for carrying
10 out the powers, functions, and duties transferred shall, on the
11 effective date of this section, be transferred and credited to the
12 department of transportation.

13 (c) Whenever any question arises as to the transfer of any funds,
14 books, documents, records, papers, files, equipment, or other tangible
15 property used or held in the exercise of the powers and the performance
16 of the duties and functions transferred, the director of financial
17 management shall make a determination as to the proper allocation and
18 certify the same to the state agencies concerned.

19 The secretary of the department of transportation has the
20 discretion to determine the extent to which state energy office
21 employees will be hired to perform the functions transferred to the
22 department by chapter . . . , Laws of 1995 (this act).

23 (3) All rules and all pending business before the state energy
24 office pertaining to the powers, functions, and duties transferred
25 shall be continued and acted upon by the department of transportation.
26 All existing contracts and obligations shall remain in full force and
27 shall be performed by the department of transportation.

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

31 (5) If apportionments of budgeted funds are required because of the
32 transfers directed by this section, the director of financial
33 management shall certify the apportionments to the agencies affected,
34 the state auditor, and the state treasurer. Each of these shall make
35 the appropriate transfer and adjustments in funds and appropriation
36 accounts and equipment records in accordance with the certification.

37 **Sec. 202.** RCW 70.94.537 and 1991 c 202 s 15 are each amended to
38 read as follows:

1 (1) A (~~((twenty-three))~~) twenty-two member state commute trip
2 reduction task force shall be established as follows:

3 (~~(a) ((The director of the state energy office or the director's~~
4 ~~designee who shall serve as chair;~~

5 (~~(b))~~) The secretary of the department of transportation or the
6 secretary's designee who shall serve as chair;

7 (~~((e))~~) ((b)) The director of the department of ecology or the
8 director's designee;

9 (~~((d))~~) ((c)) The director of the department of community, trade, and
10 economic development or the director's designee;

11 (~~((e))~~) ((d)) The director of the department of general
12 administration or the director's designee;

13 (~~((f))~~) ((e)) Three representatives from counties appointed by the
14 governor from a list of at least six recommended by the Washington
15 state association of counties;

16 (~~((g))~~) ((f)) Three representatives from cities and towns appointed
17 by the governor from a list of at least six recommended by the
18 association of Washington cities;

19 (~~((h))~~) ((g)) Three representatives from transit agencies appointed
20 by the governor from a list of at least six recommended by the
21 Washington state transit association;

22 (~~((i))~~) ((h)) Six representatives of employers at or owners of major
23 worksites in Washington appointed by the governor from a list of at
24 least twelve recommended by the association of Washington business; and

25 (~~((j))~~) ((i)) Three citizens appointed by the governor.

26 Members of the commute trip reduction task force shall serve
27 without compensation but shall be reimbursed for travel expenses as
28 provided in RCW 43.03.050 and 43.03.060. Members appointed by the
29 governor shall be compensated in accordance with RCW 43.03.220. The
30 task force has all powers necessary to carry out its duties as
31 prescribed by this chapter. The task force shall be dissolved on July
32 1, 2000.

33 (2) (~~((By March 1, 1992, the commute trip reduction task force shall~~
34 ~~establish guidelines for commute trip reduction plans. The guidelines~~
35 ~~are intended to ensure consistency in commute trip reduction plans and~~
36 ~~goals among jurisdictions while fairly taking into account differences~~
37 ~~in employment and housing density, employer size, existing and~~
38 ~~anticipated levels of transit service, special employer circumstances,~~

1 and other factors the task force determines to be relevant. The
2 guidelines shall include:

3 (a) Criteria for establishing commute trip reduction zones;

4 (b) Methods and information requirements for determining base year
5 values of the proportion of single-occupant vehicle commute trips and
6 the commute trip vehicle miles traveled per employee and progress
7 toward meeting commute trip reduction plan goals;

8 (c) Model commute trip reduction ordinances;

9 (d) Methods for assuring consistency in the treatment of employers
10 who have worksites subject to the requirements of this chapter in more
11 than one jurisdiction;

12 (e) An appeals process by which major employers, who as a result of
13 special characteristics of their business or its locations would be
14 unable to meet the requirements of a commute trip reduction plan, may
15 obtain a waiver or modification of those requirements and criteria for
16 determining eligibility for waiver or modification;

17 (f) Methods to ensure that employers shall receive full credit for
18 the results of transportation demand management efforts and commute
19 trip reduction programs which have been implemented by major employers
20 prior to the base year;

21 (g) Alternative commute trip reduction goals for major employers
22 which cannot meet the goals of this chapter because of the unique
23 nature of their business; and

24 (h) Alternative commute trip reduction goals for major employers
25 whose worksites change and who contribute substantially to traffic
26 congestion in a trip reduction zone.

27 (3) The task force shall assess the commute trip reduction options
28 available to employers other than major employers and make
29 recommendations to the legislature by October 1, 1992. The
30 recommendations shall include the minimum size of employer who shall be
31 required to implement trip reduction programs and the appropriate
32 methods those employers can use to accomplish trip reduction goals.

33 (4)) The task force ((shall)) may review progress toward
34 implementing commute trip reduction plans and programs and the costs
35 and benefits of commute trip reduction plans and programs and ((shall))
36 may make recommendations to the legislature by December 1, 1995, and
37 December 1, 1999. In assessing the costs and benefits, the task force
38 shall consider the costs of not having implemented commute trip
39 reduction plans and programs. The task force shall examine other

1 transportation demand management programs nationally and incorporate
2 its findings into its recommendations to the legislature. The
3 recommendations shall address the need for continuation, modification,
4 or termination or any or all requirements of this chapter. The
5 recommendations made December 1, 1995, shall include recommendations
6 regarding extension of the requirements of this chapter to employers
7 with fifty or more full-time employees at a single worksite who begin
8 their regular work day between 6:00 a.m. and 9:00 a.m. on weekdays for
9 more than twelve continuous months.

10 **Sec. 203.** RCW 70.94.541 and 1991 c 202 s 16 are each amended to
11 read as follows:

12 (1) A technical assistance team shall be established under the
13 direction of the (~~state energy office~~) department of transportation
14 and include a representative(~~s~~) of the department(~~s of~~
15 ~~transportation and~~) of ecology. The team shall provide staff support
16 to the commute trip reduction task force in carrying out the
17 requirements of RCW 70.94.537 and to the department of general
18 administration in carrying out the requirements of RCW 70.94.551.

19 (2) The team shall provide technical assistance to counties,
20 cities, and towns, the department of general administration, other
21 state agencies, and other employers in developing and implementing
22 commute trip reduction plans and programs. The technical assistance
23 shall include: (a) Guidance in determining base and subsequent year
24 values of single-occupant vehicle commuting proportion and commute trip
25 reduction vehicle miles traveled to be used in determining progress in
26 attaining plan goals; (b) developing model plans and programs
27 appropriate to different situations; and (c) providing consistent
28 training and informational materials for the implementation of commute
29 trip reduction programs. Model plans and programs, training and
30 informational materials shall be developed in cooperation with
31 representatives of local governments, transit agencies, and employers.

32 (3) In carrying out this section the (~~state energy office and~~)
33 department of transportation may contract with state-wide associations
34 representing cities, towns, and counties to assist cities, towns, and
35 counties in implementing commute trip reduction plans and programs.

36 **Sec. 204.** RCW 70.94.960 and 1991 c 199 s 218 are each amended to
37 read as follows:

1 The department may disburse matching grants from funds provided by
2 the legislature from the air pollution control account, created in RCW
3 70.94.015, to units of local government to partially offset the
4 additional cost of purchasing "clean fuel" and/or operating "clean-fuel
5 vehicles" provided that such vehicles are used for public transit.
6 Publicly owned school buses are considered public transit for the
7 purposes of this section. The department may also disburse grants to
8 vocational-technical institutes for the purpose of establishing
9 programs to certify clean-fuel vehicle mechanics. The department may
10 also distribute grants to the (~~state energy office~~) department of
11 transportation for the purpose of furthering the establishment of clean
12 fuel refueling infrastructure.

13 **Sec. 205.** RCW 70.120.210 and 1991 c 199 s 212 are each amended to
14 read as follows:

15 By July 1, 1992, the department shall develop, in cooperation with
16 the departments of general administration and transportation(~~, and the~~
17 ~~state energy office~~), aggressive clean-fuel performance and clean-fuel
18 vehicle emissions specifications including clean-fuel vehicle
19 conversion equipment. To the extent possible, such specifications
20 shall be equivalent for all fuel types. In developing such
21 specifications the department shall consider the requirements of the
22 clean air act and the findings of the environmental protection agency,
23 other states, the American petroleum institute, the gas research
24 institute, and the motor vehicles manufacturers association.

25 **Sec. 206.** RCW 70.120.220 and 1991 c 199 s 215 are each amended to
26 read as follows:

27 The department, in cooperation with the departments of general
28 administration and transportation, and the utilities and transportation
29 commission(~~, and the state energy office,~~) shall biennially prepare
30 a report to the legislature starting July 1, 1992, on:

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

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

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

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

3 **PART III**

4 **FUNCTIONS OF THE DEPARTMENT OF COMMUNITY, TRADE,**
5 **AND ECONOMIC DEVELOPMENT RELATING TO ENERGY EMERGENCIES**

6 NEW SECTION. **Sec. 301.** A new section is added to chapter 38.52
7 RCW to read as follows:

8 (1) All powers, duties, and functions of the state energy office
9 pertaining to state coordination and regulation of energy emergencies
10 are transferred to the department of community, trade, and economic
11 development. All references to the director or the state energy office
12 in the Revised Code of Washington shall be construed to mean the
13 director or the department of community, trade, and economic
14 development when referring to the functions transferred in this
15 section.

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

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

32 (c) Whenever any question arises as to the transfer of any
33 personnel, funds, books, documents, records, papers, files, equipment,
34 or other tangible property used or held in the exercise of the powers
35 and the performance of the duties and functions transferred, the
36 director of financial management shall make a determination as to the
37 proper allocation and certify the same to the state agencies concerned.

1 (3) All rules and all pending business before the state energy
2 office pertaining to the powers, functions, and duties transferred
3 shall be continued and acted upon by the department of community,
4 trade, and economic development. All existing contracts and
5 obligations shall remain in full force and shall be performed by the
6 department community, trade, and economic development.

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

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

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

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

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

32 The department shall prepare and update contingency plans for
33 implementation in the event of energy shortages or emergencies. The
34 plans shall conform to chapter 43.21G RCW and shall include procedures
35 for determining when these shortages or emergencies exist, the state
36 officers and agencies to participate in the determination, and actions
37 to be taken by various agencies and officers of state government in
38 order to reduce hardship and maintain the general welfare during these

1 emergencies. The department shall coordinate the activities undertaken
2 pursuant to this subsection with other persons. The components of
3 plans that require legislation for their implementation shall be
4 presented to the legislature in the form of proposed legislation at the
5 earliest practicable date. The department shall report to the governor
6 and the legislature on probable, imminent, and existing energy
7 shortages, and shall administer energy allocation and curtailment
8 programs in accordance with chapter 43.21G RCW.

9 NEW SECTION. **Sec. 303.** A new section is added to chapter 43.330
10 RCW to read as follows:

11 To supplement contingency plans prepared under section 302 of this
12 act, the department shall be the repository of the petroleum data base,
13 as maintained by the state energy office before the effective date of
14 section 2 of this act. This data base shall be updated and revised
15 pursuant to expressed legislative appropriation.

16 **PART IV**

17 **TECHNICAL CORRECTIONS**

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

20 (1)(a) Not later than January 1, 1991, the state building code
21 council(~~(, in consultation with the state energy office,)~~) shall
22 establish interim requirements for the maintenance of indoor air
23 quality in newly constructed residential buildings. In establishing
24 the interim requirements, the council shall take into consideration
25 differences in heating fuels and heating system types. These
26 requirements shall be in effect July 1, 1991, through June 30, 1993.

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

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

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

11 (iii) Effective installed ventilation capacity means the capability
12 to deliver the specified ventilation rates for the actual design of the
13 ventilation system. Natural ventilation and infiltration shall not be
14 considered acceptable substitutes for mechanical ventilation.

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

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

31 (2) No later than January 1, 1993, the state building code
32 council(~~(, in consultation with the state energy office,)~~) shall
33 establish final requirements for the maintenance of indoor air quality
34 in newly constructed residences to be in effect beginning July 1, 1993.
35 For new electrically space heated residential buildings, these
36 requirements shall maintain indoor air quality equivalent to that
37 provided by the mechanical ventilation and indoor air pollutant source
38 control requirements included in the February 7, 1989, Bonneville power
39 administration record of decision for the environmental impact

1 statement on new energy efficient homes programs (DOE/EIS-0127F) built
2 with electric space heating. In residential units other than single
3 family, zero lot line, duplexes, and attached housing units in planned
4 unit developments, ventilation requirements may be satisfied by the
5 installation of two exhaust fans with a combined effective installed
6 ventilation capacity of two hundred cubic feet per minute. For new
7 residential buildings that are space heated with other than electric
8 space heating systems, the standards shall be designed to result in
9 indoor air quality equivalent to that achieved with the ventilation and
10 source control standards for electric space heated homes. In
11 establishing the final requirements, the council shall take into
12 consideration differences in heating fuels and heating system types.

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

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

18 (2) The council shall follow the legislature's standards set forth
19 in this section to promulgate rules to be known as the Washington state
20 energy code. The Washington state energy code shall be designed to
21 require new buildings to meet a certain level of energy efficiency, but
22 allow flexibility in building design, construction, and heating
23 equipment efficiencies within that framework. The Washington state
24 energy code shall be designed to allow space heating equipment
25 efficiency to offset or substitute for building envelope thermal
26 performance.

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

32 (4) The Washington state energy code for residential buildings
33 shall require:

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

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

4 (ii) In zone 1, walls insulated to a level of R-19 (R value
5 includes insulation only), or constructed with two by four members,
6 R-13 insulation batts, R-3.2 insulated sheathing, and other normal
7 assembly components; in zone 2 walls insulated to a level of R-24 (R
8 value includes insulation only), or constructed with two by six
9 members, R-22 insulation batts, R-3.2 insulated sheathing, and other
10 normal construction assembly components; for the purpose of determining
11 equivalent thermal performance, the wall U-value shall be 0.058 in zone
12 1 and 0.044 in zone 2;

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

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

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

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

21 (vii) In zone 1 the glazing area may be up to twenty-one percent of
22 floor area and in zone 2 the glazing area may be up to seventeen
23 percent of floor area where consideration of the thermal resistance
24 values for other building components and solar heat gains through the
25 glazing result in thermal performance equivalent to that achieved with
26 thermal resistance values for other components determined in accordance
27 with the equivalent thermal performance criteria of (a) of this
28 subsection and glazing area equal to fifteen percent of the floor area.
29 Throughout the state for the purposes of determining equivalent thermal
30 performance, the maximum glazing area shall be fifteen percent of the
31 floor area; and

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

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

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

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

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

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

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

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

19 (vii) Double glazed windows with values not more than U-0.65 in
20 zone 1 and U-0.60 in zone 2. The state building code council(~~(, in~~
21 ~~consultation with the state energy office,)~~) shall review these U-
22 values, and, if economically justified for consumers, shall amend the
23 Washington state energy code to improve the U-values by December 1,
24 1993. The amendment shall not take effect until July 1, 1994; and

25 (viii) In zone 1, the maximum glazing area shall be twenty-one
26 percent of the floor area. In zone 2 the maximum glazing area shall be
27 seventeen percent of the floor area. Throughout the state for the
28 purposes of determining equivalent thermal performance, the maximum
29 glazing area shall be fifteen percent of the floor area.

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

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

38 (5) U-values for glazing shall be determined using the area
39 weighted average of all glazing in the building. U-values for vertical

1 glazing shall be determined, certified, and labeled in accordance with
2 the appropriate national fenestration rating council (NFRC) standard,
3 as determined and adopted by the state building code council.
4 Certification of U-values shall be conducted by a certified,
5 independent agency licensed by the NFRC. The state building code
6 council may develop and adopt alternative methods of determining,
7 certifying, and labeling U-values for vertical glazing that may be used
8 by fenestration manufacturers if determined to be appropriate by the
9 council. The state building code council shall review and consider the
10 adoption of the NFRC standards for determining, certifying, and
11 labeling U-values for doors and skylights when developed and published
12 by the NFRC. The state building code council may develop and adopt
13 appropriate alternative methods for determining, certifying, and
14 labeling U-values for doors and skylights. U-values for doors and
15 skylights determined, certified, and labeled in accordance with the
16 appropriate NFRC standard shall be acceptable for compliance with the
17 state energy code. Sealed insulation glass, where used, shall conform
18 to, or be in the process of being tested for, ASTM E-774-81 class A or
19 better.

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

22 (7)(a) Except as provided in (b) of this subsection, the Washington
23 state energy code for residential structures shall preempt the
24 residential energy code of each city, town, and county in the state of
25 Washington.

26 (b) The state energy code for residential structures does not
27 preempt a city, town, or county's energy code for residential
28 structures which exceeds the requirements of the state energy code and
29 which was adopted by the city, town, or county prior to March 1, 1990.
30 Such cities, towns, or counties may not subsequently amend their energy
31 code for residential structures to exceed the requirements adopted
32 prior to March 1, 1990.

33 ~~(8) ((The state building code council shall consult with the state
34 energy office as provided in RCW 34.05.310 prior to publication of
35 proposed rules. The state energy office shall review the proposed
36 rules for consistency with the guidelines adopted in subsection (4) of
37 this section. The director of the state energy office shall recommend
38 to the state building code council any changes necessary to conform the
39 proposed rules to the requirements of this section.~~

1 (9)) The state building code council shall conduct a study of
2 county and city enforcement of energy codes in the state. In
3 conducting the study, the council shall conduct public hearings at
4 designated council meetings to seek input from interested individuals
5 and organizations, and to the extent possible, hold these meetings in
6 conjunction with adopting rules under this section. The study shall
7 include recommendations as to how code enforcement may be improved.
8 The findings of the study shall be submitted in a report to the
9 legislature no later than January 1, 1991.

10 (~~(10)~~) (9) If any electric utility providing electric service to
11 customers in the state of Washington purchases at least one percent of
12 its firm energy load from a federal agency, pursuant to section
13 5.(b)(1) of the Pacific Northwest electric power planning and
14 conservation act (P.L. 96-501), and such utility is unable to obtain
15 from that agency at least fifty percent of the funds for payments
16 required by RCW 19.27A.035, the amendments to this section by chapter
17 2, Laws of 1990 shall be null and void, and the 1986 state energy code
18 shall be in effect, except that a city, town, or county may enforce a
19 local energy code with more stringent energy requirements adopted prior
20 to March 1, 1990. This subsection shall expire June 30, 1995.

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

23 There is hereby created in the state treasury the energy code
24 training account. The (~~Washington state energy office~~) department of
25 community, trade, and economic development shall administer
26 expenditures from this account for the purpose of providing training
27 for the inspection and training for the enforcement by local
28 governments of the Washington state energy code in effect pursuant to
29 RCW 19.27A.020. The revenues into this account shall derive from
30 assessments by the (~~state energy office~~) department of community,
31 trade, and economic development on all investor-owned and publicly
32 owned gas and electric utilities in the state of Washington in
33 proportion to the number of housing starts served by a utility in 1989,
34 based on an amount of one hundred fifty dollars per energy code
35 inspection or enforcement official that is within the service area of
36 the utility. Assessments may be made between January 1, 1991, and July
37 1, 1991. Federal funds available to qualifying utilities for code
38 inspection retraining shall be used before obtaining funds from

1 utilities under this section. Additional funds may be deposited in the
2 account from federal agencies or other sources. All or a portion of
3 the funds for the cost of local government inspection and enforcement
4 may be accepted from federal agencies or other sources.

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

7 The common school construction fund is to be used exclusively for
8 the purpose of financing the construction of facilities for the common
9 schools. The sources of said fund shall be: (1) Those proceeds
10 derived from sale or appropriation of timber and other crops from
11 school and state land other than those granted for specific purposes;
12 (2) the interest accruing on the permanent common school fund less the
13 allocations to the state treasurer's service (~~((account-[fund]))~~) fund
14 pursuant to RCW 43.08.190 and the state investment board expense
15 account pursuant to RCW 43.33A.160 together with all rentals and other
16 revenue derived therefrom and from land and other property devoted to
17 the permanent common school fund; (3) all moneys received by the state
18 from the United States under the provisions of section 191, Title 30,
19 United States Code, Annotated, and under section 810, chapter 12, Title
20 16, (Conservation), United States Code, Annotated, except moneys
21 received before June 30, 2001, and when thirty megawatts of geothermal
22 power is certified as commercially available by the receiving utilities
23 (~~((and the state energy office))~~), eighty percent of such moneys, under
24 the Geothermal Steam Act of 1970 pursuant to RCW 43.140.030; and (4)
25 such other sources as the legislature may direct. That portion of the
26 common school construction fund derived from interest on the permanent
27 common school fund may be used to retire such bonds as may be
28 authorized by law for the purpose of financing the construction of
29 facilities for the common schools.

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

37 To the extent that the moneys in the common school construction
38 fund are in excess of the amount necessary to allow fulfillment of the

1 purpose of said fund, the excess shall be available for deposit to the
2 credit of the permanent common school fund or available for the current
3 use of the common schools, as the legislature may direct. Any money
4 from the common school construction fund which is made available for
5 the current use of the common schools shall be restored to the fund by
6 appropriation, including interest income foregone, before the end of
7 the next fiscal biennium following such use.

8 **Sec. 405.** RCW 39.35.030 and 1994 c 242 s 1 are each amended to
9 read as follows:

10 For the purposes of this chapter the following words and phrases
11 shall have the following meanings unless the context clearly requires
12 otherwise:

13 (1) "Public agency" means every state office, officer, board,
14 commission, committee, bureau, department, and all political
15 subdivisions of the state.

16 (2) (~~"Office" means the Washington state energy office.~~

17 ~~(3))~~ "Major facility" means any publicly owned or leased building
18 having twenty-five thousand square feet or more of usable floor space.

19 (~~(4))~~ (3) "Initial cost" means the moneys required for the
20 capital construction or renovation of a major facility.

21 (~~(5))~~ (4) "Renovation" means additions, alterations, or repairs
22 within any twelve-month period which exceed fifty percent of the value
23 of a major facility and which will affect any energy system.

24 (~~(6))~~ (5) "Economic life" means the projected or anticipated
25 useful life of a major facility as expressed by a term of years.

26 (~~(7))~~ (6) "Life-cycle cost" means the initial cost and cost of
27 operation of a major facility over its economic life. This shall be
28 calculated as the initial cost plus the operation, maintenance, and
29 energy costs over its economic life, reflecting anticipated increases
30 in these costs discounted to present value at the current rate for
31 borrowing public funds, as determined by the office of financial
32 management. The energy cost projections used shall be those provided
33 by (~~the state energy office. The office shall update these~~
34 ~~projections at least every two years)) a professional energy consultant
35 on an as-needed basis.~~

36 (~~(8))~~ (7) "Life-cycle cost analysis" includes, but is not limited
37 to, the following elements:

1 (a) The coordination and positioning of a major facility on its
2 physical site;

3 (b) The amount and type of fenestration employed in a major
4 facility;

5 (c) The amount of insulation incorporated into the design of a
6 major facility;

7 (d) The variable occupancy and operating conditions of a major
8 facility; and

9 (e) An energy-consumption analysis of a major facility.

10 ~~((+9))~~ (8) "Energy systems" means all utilities, including, but
11 not limited to, heating, air-conditioning, ventilating, lighting, and
12 the supplying of domestic hot water.

13 ~~((+10))~~ (9) "Energy-consumption analysis" means the evaluation of
14 all energy systems and components by demand and type of energy
15 including the internal energy load imposed on a major facility by its
16 occupants, equipment, and components, and the external energy load
17 imposed on a major facility by the climatic conditions of its location.
18 An energy-consumption analysis of the operation of energy systems of a
19 major facility shall include, but not be limited to, the following
20 elements:

21 (a) The comparison of three or more system alternatives, at least
22 one of which shall include renewable energy systems;

23 (b) The simulation of each system over the entire range of
24 operation of such facility for a year's operating period; and

25 (c) The evaluation of the energy consumption of component equipment
26 in each system considering the operation of such components at other
27 than full or rated outputs.

28 The energy-consumption analysis shall be prepared by a professional
29 engineer or licensed architect who may use computers or such other
30 methods as are capable of producing predictable results.

31 ~~((+11))~~ (10) "Renewable energy systems" means methods of facility
32 design and construction and types of equipment for the utilization of
33 renewable energy sources including, but not limited to, hydroelectric
34 power, active or passive solar space heating or cooling, domestic solar
35 water heating, windmills, waste heat, biomass and/or refuse-derived
36 fuels, photovoltaic devices, and geothermal energy.

37 ~~((+12))~~ "Cogeneration" means the sequential generation of two or
38 more forms of energy from a common fuel or energy source. Where these
39 forms are electricity and thermal energy, then the operating and

1 efficiency standards established by 18 C.F.R. Sec. 292.205 and the
2 definitions established by 18 C.F.R. 292.202 (c) through (m) as of July
3 28, 1991, shall apply.)

4 (13) "Selected buildings" means educational, office, residential
5 care, and correctional facilities that are designed to comply with the
6 design standards analyzed and recommended by the office.

7 (14) "Design standards" means the heating, air-conditioning,
8 ventilating, and renewable resource systems identified, analyzed, and
9 recommended by the office as providing an efficient energy system or
10 systems based on the economic life of the selected buildings.

11 **Sec. 406.** RCW 39.35C.050 and 1991 c 201 s 6 are each amended to
12 read as follows:

13 In addition to any other authorities conferred by law:

14 (1) (~~The energy office, with the consent of the state agency or~~
15 ~~school district responsible for a facility,~~) A state or regional
16 university acting independently(~~(7)~~) and any other state agency acting
17 through the department of general administration or as otherwise
18 authorized by law, may:

19 (a) Develop and finance conservation at public facilities in
20 accordance with express provisions of this chapter;

21 (b) Contract for energy services, including performance-based
22 contracts; and

23 (c) Contract to sell energy savings from a conservation project at
24 public facilities to local utilities or the Bonneville power
25 administration.

26 (2) A state or regional university acting independently, and any
27 other state agency acting through the department of general
28 administration or as otherwise authorized by law, may undertake
29 procurements for third-party development of conservation at its
30 facilities.

31 (3) A school district may:

32 (a) Develop and finance conservation at school district facilities;

33 (b) Contract for energy services, including performance-based
34 contracts at school district facilities; and

35 (c) Contract to sell energy savings from energy conservation
36 projects at school district facilities to local utilities or the
37 Bonneville power administration directly or to local utilities or the
38 Bonneville power administration through third parties.

1 (~~(4) In exercising the authority granted by subsections (1), (2),~~
2 ~~and (3) of this section, a school district or state agency must comply~~
3 ~~with the provisions of RCW 39.35C.040.)~~)

4 **Sec. 407.** RCW 39.35C.090 and 1991 c 201 s 10 are each amended to
5 read as follows:

6 In addition to any other authorities conferred by law:

7 (1) (~~(The energy office, with the consent of the state agency~~
8 ~~responsible for a facility,)) A state or regional university acting
9 independently, and any other state agency acting through the department
10 of general administration or as otherwise authorized by law, may:~~

11 (a) Contract to sell electric energy generated at state facilities
12 to a utility; and

13 (b) Contract to sell thermal energy produced at state facilities to
14 a utility.

15 (2) A state or regional university acting independently(~~(, and any~~
16 ~~other state agency acting through the department of general~~
17 ~~administration or as otherwise authorized by law,)) may:~~

18 (a) Acquire, install, permit, construct, own, operate, and maintain
19 cogeneration and facility heating and cooling measures or equipment, or
20 both, at its facilities;

21 (b) Lease state property for the installation and operation of
22 cogeneration and facility heating and cooling equipment at its
23 facilities;

24 (c) Contract to purchase all or part of the electric or thermal
25 output of cogeneration plants at its facilities;

26 (d) Contract to purchase or otherwise acquire fuel or other energy
27 sources needed to operate cogeneration plants at its facilities; and

28 (e) Undertake procurements for third-party development of
29 cogeneration projects at its facilities, with successful bidders to be
30 selected based on the responsible bid, including nonprice elements
31 listed in RCW 43.19.1911, that offers the greatest net achievable
32 benefits to the state and its agencies.

33 (~~(3) After July 28, 1991, a state agency shall consult with the~~
34 ~~energy office prior to exercising any authority granted by this~~
35 ~~section.~~)

36 (4) ~~In exercising the authority granted by subsections (1) and (2)~~
37 ~~of this section, a state agency must comply with the provisions of RCW~~
38 ~~39.35C.080.)~~)

1 **Sec. 408.** RCW 39.35C.100 and 1991 c 201 s 11 are each amended to
2 read as follows:

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

6 (a) Construction of energy efficiency projects, including project
7 evaluation and verification of benefits, project design, project
8 development, project construction, and project administration.

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

12 (2) Sources for this account may include:

13 (a) General obligation and revenue bond proceeds appropriated by
14 the legislature;

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

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

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

25 **Sec. 409.** RCW 39.35C.110 and 1991 c 201 s 12 are each amended to
26 read as follows:

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

34 (2) All receipts from the following sources shall be deposited into
35 the account:

36 (a) Project fees charged under this section and RCW 39.35C.020,
37 39.35C.070, and 39.35.060;

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

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

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

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

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

16 **Sec. 410.** RCW 42.17.2401 and 1993 sp.s. c 2 s 18, 1993 c 492 s
17 488, and 1993 c 281 s 43 are each reenacted and amended to read as
18 follows:

19 For the purposes of RCW 42.17.240, the term "executive state
20 officer" includes:

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

1 the department of information services, the director of the interagency
2 committee for outdoor recreation, the executive director of the state
3 investment board, the director of labor and industries, the director of
4 licensing, the director of the lottery commission, the director of the
5 office of minority and women's business enterprises, the director of
6 parks and recreation, the director of personnel, the executive director
7 of the public disclosure commission, the director of retirement
8 systems, the director of revenue, the secretary of social and health
9 services, the chief of the Washington state patrol, the executive
10 secretary of the board of tax appeals, (~~the director of trade and~~
11 ~~economic development,~~) the secretary of transportation, the secretary
12 of the utilities and transportation commission, the director of
13 veterans affairs, the president of each of the regional and state
14 universities and the president of The Evergreen State College, each
15 district and each campus president of each state community college;

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

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

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

1 commission, Washington personnel resources board, Washington public
2 power supply system executive board, Washington State University board
3 of regents, Western Washington University board of trustees, and fish
4 and wildlife commission.

5 **Sec. 411.** RCW 43.06.115 and 1993 c 421 s 2 are each amended to
6 read as follows:

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

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

35 (3) The governor shall report at the beginning of the next
36 legislative session to the legislature and the executive-legislative
37 committee on economic development created by chapter . . . (Senate Bill
38 No. 5300), Laws of 1993, as to the designation of a military impacted

1 area. The report shall include recommendations regarding whether a
2 military impacted area should become eligible for (a) funding provided
3 by the community economic revitalization board, public facilities
4 construction loan revolving account, Washington state development loan
5 fund, basic health plan, the public works assistance account,
6 department of community, trade, and economic development, employment
7 security department, and department of transportation; (b) training for
8 dislocated defense workers; or (c) services for dislocated defense
9 workers.

10 **Sec. 412.** RCW 43.19.675 and 1982 c 48 s 2 are each amended to read
11 as follows:

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

24 **Sec. 413.** RCW 43.19.680 and 1986 c 325 s 2 are each amended to
25 read as follows:

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

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

1 (3) By December 31, 1983, for all other state-owned facilities, the
2 director of general administration (~~in cooperation with the director~~
3 ~~of the state energy office~~) shall prepare and transmit to the governor
4 and the legislature the results of the energy consumption and walk-
5 through surveys and a schedule for the conduct of technical assistance
6 studies. This submission shall contain the energy conservation
7 measures planned for installation during the ensuing biennium.
8 Priority considerations for scheduling technical assistance studies
9 shall include but not be limited to a facility's energy efficiency,
10 responsible agency participation, comparative cost and type of fuels,
11 possibility of outside funding, logistical considerations such as
12 possible need to vacate the facility for installation of energy
13 conservation measures, coordination with other planned facility
14 modifications, and the total cost of a facility modification, including
15 other work which would have to be done as a result of installing energy
16 conservation measures. Energy conservation measure acquisitions and
17 installations shall be scheduled to be twenty-five percent complete by
18 June 30, 1985, or at the end of the capital budget biennium which
19 includes that date, whichever is later, fifty-five percent complete by
20 June 30, 1989, or at the end of the capital budget biennium which
21 includes that date, whichever is later, eighty-five percent complete by
22 June 30, 1993, or at the end of the capital budget biennium which
23 includes that date, whichever is later, and fully complete by June 30,
24 1995, or at the end of the capital budget biennium which includes that
25 date, whichever is later. Each state agency shall implement energy
26 conservation measures with a payback period of twenty-four months or
27 less that have a positive cash flow in the same biennium.

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

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

1 **Sec. 414.** RCW 43.31.621 and 1994 c 264 s 18 are each amended to
2 read as follows:

3 (1) There is established the agency timber task force. The task
4 force shall be chaired by the timber recovery coordinator. It shall be
5 the responsibility of the coordinator that all directives of chapter
6 314, Laws of 1991 are carried out expeditiously by the agencies
7 represented in the task force. The task force shall consist of the
8 directors, or representatives of the directors, of the following
9 agencies: The department of community, trade, and economic
10 development, employment security department, department of social and
11 health services, state board for community and technical colleges,
12 state work force training and education coordinating board, or its
13 replacement entity, department of natural resources, department of
14 transportation, (~~state energy office,~~) department of fish and
15 wildlife, University of Washington center for international trade in
16 forest products, and department of ecology. The task force may consult
17 and enlist the assistance of the following: The higher education
18 coordinating board, University of Washington college of forest
19 resources, Washington State University school of forestry, Northwest
20 policy center, state superintendent of public instruction, the
21 Evergreen partnership, Washington association of counties, and rural
22 development council.

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

24 **Sec. 415.** RCW 43.41.175 and 1986 c 325 s 4 are each amended to
25 read as follows:

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

33 **Sec. 416.** RCW 43.99I.050 and 1991 sp.s. c 31 s 5 are each amended
34 to read as follows:

35 In addition to any other charges authorized by law and to assist in
36 the reimbursement of principal and interest payments on bonds issued
37 for the purposes of RCW 43.99I.020 (3) and (4), the director of the

1 ((~~energy office~~)) department of community, trade, and economic
2 development shall cause to be accumulated in the energy efficiency
3 construction account, from project revenues, loan repayments, and other
4 moneys legally available for such purposes, amounts adequate to make
5 payments of principal of and interest coming due on general obligation
6 bonds issued for the purposes of RCW 43.99I.020 (3) and (4). As needed
7 during each fiscal year, the director shall cause amounts so
8 accumulated to be deposited into the general fund of the state
9 treasury. If the director is unable to accumulate and transfer the
10 full amount necessary for such payments of principal of and interest
11 coming due on the bonds, any shortfall shall be credited to an account
12 receivable from the ((~~energy office~~)) department of community, trade,
13 and economic development to the state treasury.

14 **Sec. 417.** RCW 47.06.110 and 1993 c 446 s 11 are each amended to
15 read as follows:

16 The state-interest component of the state-wide multimodal
17 transportation plan shall include a state public transportation plan
18 that:

19 (1) Articulates the state vision of an interest in public
20 transportation and provides quantifiable objectives, including benefits
21 indicators;

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

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

26 (4) Recommends mechanisms for coordinating public transportation
27 with other transportation services and modes;

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

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

34 In developing the state public transportation plan, the department
35 shall involve local jurisdictions, public and private providers of
36 transportation services, nonmotorized interests, and state agencies
37 with an interest in public transportation, including but not limited to
38 the departments of community, trade, and economic development, social

1 and health services, and ecology, (~~the state energy office,~~) the
2 office of the superintendent of public instruction, the office of the
3 governor, and the office of financial management.

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

7 **Sec. 418.** RCW 82.35.020 and 1979 ex.s. c 191 s 2 are each amended
8 to read as follows:

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

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

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

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

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

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

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

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

32 **Sec. 419.** RCW 82.35.080 and 1979 ex.s. c 191 s 8 are each amended
33 to read as follows:

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

1 (a) The certificate was obtained by fraud or deliberate
2 misrepresentation;

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

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

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

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

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

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

27 **Sec. 420.** RCW 90.03.247 and 1994 c 264 s 82 are each amended to
28 read as follows:

29 Whenever an application for a permit to make beneficial use of
30 public waters is approved relating to a stream or other water body for
31 which minimum flows or levels have been adopted and are in effect at
32 the time of approval, the permit shall be conditioned to protect the
33 levels or flows. No agency may establish minimum flows and levels or
34 similar water flow or level restrictions for any stream or lake of the
35 state other than the department of ecology whose authority to establish
36 is exclusive, as provided in chapter 90.03 RCW and RCW 90.22.010 and
37 90.54.040. The provisions of other statutes, including but not limited
38 to RCW 75.20.100 and chapter 43.21C RCW, may not be interpreted in a

1 manner that is inconsistent with this section. In establishing such
2 minimum flows, levels, or similar restrictions, the department shall,
3 during all stages of development by the department of ecology of
4 minimum flow proposals, consult with, and carefully consider the
5 recommendations of, the department of fish and wildlife, (~~the state~~
6 ~~energy office,~~) the department of agriculture, and representatives of
7 the affected Indian tribes. Nothing herein shall preclude the
8 department of fish and wildlife(~~(, the energy office,~~) or the
9 department of agriculture from presenting its views on minimum flow
10 needs at any public hearing or to any person or agency, and the
11 department of fish and wildlife(~~(, the energy office,~~) and the
12 department of agriculture are each empowered to participate in
13 proceedings of the federal energy regulatory commission and other
14 agencies to present its views on minimum flow needs.

15 NEW SECTION. **Sec. 421.** A new section is added to chapter 43.330
16 RCW to read as follows:

17 The department shall provide assistance, space, and other support
18 as may be necessary for the activities of the state's two
19 representatives to the Pacific Northwest electric power and
20 conservation planning council. To the extent consistent with federal
21 law, the department shall request that Washington's councilmembers
22 request the administrator of the Bonneville power administration to
23 reimburse the state for the expenses associated with the support as
24 provided in the Pacific Northwest electric power planning and
25 conservation act (P.L. 96-501).

26 NEW SECTION. **Sec. 422.** The following acts or parts of acts are
27 each repealed:

- 28 (1) RCW 39.35.050 and 1994 c 242 s 3 & 1991 c 201 s 15;
29 (2) RCW 39.35.060 and 1991 c 201 s 16;
30 (3) RCW 39.35.900 and 1975 1st ex.s. c 177 s 5; and
31 (4) RCW 41.06.081 and 1981 c 295 s 10.

32 **PART V**

33 **ELIMINATION OF COGENERATION PROJECTS**

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

- 1 (1) RCW 39.35C.010 and 1991 c 201 s 2;
- 2 (2) RCW 39.35C.020 and 1991 c 201 s 3;
- 3 (3) RCW 39.35C.030 and 1991 c 201 s 4;
- 4 (4) RCW 39.35C.040 and 1991 c 201 s 5;
- 5 (5) RCW 39.35C.060 and 1991 c 201 s 7;
- 6 (6) RCW 39.35C.070 and 1991 c 201 s 8;
- 7 (7) RCW 39.35C.080 and 1991 c 201 s 9;
- 8 (8) RCW 39.35C.120 and 1991 c 201 s 13;
- 9 (9) RCW 39.35C.130 and 1991 c 201 s 17;
- 10 (10) RCW 39.35C.900 and 1991 c 201 s 22; and
- 11 (11) RCW 39.35C.901 and 1991 c 201 s 24.

12 **PART VI**
13 **MISCELLANEOUS**

14 NEW SECTION. **Sec. 601.** RCW 39.35C.100 and 39.35C.110 as amended
15 by this act and RCW 43.21F.015 are each recodified as new sections in
16 chapter 43.330 RCW.

17 NEW SECTION. **Sec. 602.** Part headings used in this act do not
18 constitute any part of the law.

19 NEW SECTION. **Sec. 603.** Section 3 of this act shall expire
20 December 31, 1996.

21 NEW SECTION. **Sec. 604.** This act is necessary for the immediate
22 preservation of the public peace, health, or safety, or support of the
23 state government and its existing public institutions, and shall take
24 effect July 1, 1995.

25 NEW SECTION. **Sec. 605.** If any provision of this act or its
26 application to any person or circumstance is held invalid, the
27 remainder of the act or the application of the provision to other
28 persons or circumstances is not affected.

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