
HOUSE BILL 2569

State of Washington

63rd Legislature

2014 Regular Session

By Representatives Hargrove and Pollet

Read first time 01/21/14. Referred to Committee on Environment.

1 AN ACT Relating to reducing air pollution associated with diesel
2 emissions; reenacting and amending RCW 43.84.092 and 43.84.092; adding
3 a new chapter to Title 70 RCW; providing a contingent effective date;
4 and providing a contingent expiration date.

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

6 NEW SECTION. **Sec. 1.** The legislature finds that investments in
7 diesel engine idling reduction projects cost-effectively improve public
8 health by reducing harmful diesel emissions. The legislature further
9 finds that these investments also result in long-term savings in fuel
10 and maintenance costs. It is therefore the intent of the legislature
11 to establish a stable, wholly self-sustaining account for the
12 department of ecology to use for investments in diesel idle reduction
13 projects. It is the intent of the legislature that the department of
14 ecology, in adopting rules for the issuance of grants or loans for
15 diesel idle reduction projects, should prioritize the issuance of loans
16 to private sector grant recipients and the issuance of grants to public
17 sector grant recipients, where it is financially sensible to adopt such
18 an approach.

1 NEW SECTION. **Sec. 2.** The definitions in this section apply
2 throughout this chapter unless the context clearly requires otherwise.

3 (1) "Account" means the diesel idle reduction account created in
4 section 4 of this act.

5 (2) "Department" means the department of ecology.

6 (3) "Eligible partner" means:

7 (a) A state, local, or other governmental entity that owns diesel
8 vehicles or equipment; or

9 (b) A private entity that owns diesel vehicles or equipment that
10 primarily provides or maintains a public service, is used primarily to
11 construct public roads, buildings, or infrastructure, is associated
12 with port activities, or is primarily used to achieve a public purpose.

13 NEW SECTION. **Sec. 3.** (1) The department shall use the moneys in
14 the account to provide loans with low or no interest and grants to
15 eligible partners for the purpose of reducing exposure to diesel
16 emissions and improving public health by investing in diesel idle
17 emission reduction technologies and infrastructure. The department
18 shall prioritize the allocation of grant and loan funds to eligible
19 partners based primarily on the expected return on investment that the
20 eligible partner will realize from reductions in vehicle maintenance
21 and fuel costs attributable to investments in diesel idle reduction
22 technologies. In selecting grant and loan recipients, the department
23 may also consider anticipated human health, environmental, and
24 greenhouse gas benefits from reduced exposure to harmful air emissions
25 associated with diesel idling.

26 (2) All eligible partners receiving grants under this chapter must
27 make one or some combination of the following types of financial
28 contribution to the project:

29 (a) Partially match the grant by contributing an up-front payment
30 towards the diesel idle reduction technology or project;

31 (b) Partially match the grant by remitting an up-front payment into
32 the account; or

33 (c) Commit to remit either a percentage or a specific dollar amount
34 of future fuel or maintenance cost savings associated with the
35 investment in diesel idle reduction infrastructure or technologies.

36 (3) The department shall make loans and grants such that the

1 remittances from eligible partners are of equal value over a long-term
2 planning horizon to the disbursements from the fund.

3 (4) Grant and loan moneys may be spent on diesel idle reduction
4 technology or infrastructure projects that achieve a financial return
5 on investment by the eligible partners. At least eighty percent of
6 moneys disbursed biennially to governmental entities from the account
7 must be disbursed in the form of grants and at least eighty percent of
8 the moneys disbursed to private entities biennially must be disbursed
9 in the form of loans. Grant and loan moneys may not be spent on
10 vehicles or equipment that does not spend at least one-half of its
11 operating time in Washington. Permissible diesel idle reduction
12 expenditures include, but are not limited to:

- 13 (a) Electrified parking spaces and truck stops;
- 14 (b) Shore connection systems and alternative maritime power;
- 15 (c) Shore connection systems for locomotives;
- 16 (d) Auxiliary power units and generator sets;
- 17 (e) Fuel-operated heaters or direct-fired heaters, including engine
18 fluid preheaters and cab air heaters;
- 19 (f) Battery powered systems, including battery powered heating and
20 air conditioning systems;
- 21 (g) Thermal storage systems;
- 22 (h) Automatic engine start-up and shutdown systems;
- 23 (i) Replacement or retrofit of school buses that generate
24 substantial diesel emissions;
- 25 (j) Replacement of diesel cargo-handling equipment with electric
26 equipment or diesel-electric hybrid equipment;
- 27 (k) Replacement or retrofit of heavy duty diesel trucks that
28 generate substantial diesel emissions; and
- 29 (l) Replacement of high-emission marine vessel and locomotive
30 engines.

31 NEW SECTION. **Sec. 4.** The diesel idle reduction account is created
32 in the state treasury. All receipts from remittances made by eligible
33 partners pursuant to section 3 of this act and any moneys appropriated
34 to the account by law must be deposited in the account. Moneys in the
35 account may be spent only after appropriation. Expenditures from the
36 account may be used only for the purposes of this chapter, including
37 the costs of program administration.

1 **Sec. 5.** RCW 43.84.092 and 2013 2nd sp.s. c 23 s 24 and 2013 2nd
2 sp.s. c 11 s 15 are each reenacted and amended to read as follows:

3 (1) All earnings of investments of surplus balances in the state
4 treasury shall be deposited to the treasury income account, which
5 account is hereby established in the state treasury.

6 (2) The treasury income account shall be utilized to pay or receive
7 funds associated with federal programs as required by the federal cash
8 management improvement act of 1990. The treasury income account is
9 subject in all respects to chapter 43.88 RCW, but no appropriation is
10 required for refunds or allocations of interest earnings required by
11 the cash management improvement act. Refunds of interest to the
12 federal treasury required under the cash management improvement act
13 fall under RCW 43.88.180 and shall not require appropriation. The
14 office of financial management shall determine the amounts due to or
15 from the federal government pursuant to the cash management improvement
16 act. The office of financial management may direct transfers of funds
17 between accounts as deemed necessary to implement the provisions of the
18 cash management improvement act, and this subsection. Refunds or
19 allocations shall occur prior to the distributions of earnings set
20 forth in subsection (4) of this section.

21 (3) Except for the provisions of RCW 43.84.160, the treasury income
22 account may be utilized for the payment of purchased banking services
23 on behalf of treasury funds including, but not limited to, depository,
24 safekeeping, and disbursement functions for the state treasury and
25 affected state agencies. The treasury income account is subject in all
26 respects to chapter 43.88 RCW, but no appropriation is required for
27 payments to financial institutions. Payments shall occur prior to
28 distribution of earnings set forth in subsection (4) of this section.

29 (4) Monthly, the state treasurer shall distribute the earnings
30 credited to the treasury income account. The state treasurer shall
31 credit the general fund with all the earnings credited to the treasury
32 income account except:

33 (a) The following accounts and funds shall receive their
34 proportionate share of earnings based upon each account's and fund's
35 average daily balance for the period: The aeronautics account, the
36 aircraft search and rescue account, the Alaskan Way viaduct replacement
37 project account, the brownfield redevelopment trust fund account, the
38 budget stabilization account, the capital vessel replacement account,

1 the capitol building construction account, the Cedar River channel
2 construction and operation account, the Central Washington University
3 capital projects account, the charitable, educational, penal and
4 reformatory institutions account, the cleanup settlement account, the
5 Columbia river basin water supply development account, the Columbia
6 river basin taxable bond water supply development account, the Columbia
7 river basin water supply revenue recovery account, the common school
8 construction fund, the county arterial preservation account, the county
9 criminal justice assistance account, the deferred compensation
10 administrative account, the deferred compensation principal account,
11 the department of licensing services account, the department of
12 retirement systems expense account, the developmental disabilities
13 community trust account, the diesel idle reduction account, the
14 drinking water assistance account, the drinking water assistance
15 administrative account, the drinking water assistance repayment
16 account, the Eastern Washington University capital projects account,
17 the Interstate 405 express toll lanes operations account, the education
18 construction fund, the education legacy trust account, the election
19 account, the energy freedom account, the energy recovery act account,
20 the essential rail assistance account, The Evergreen State College
21 capital projects account, the federal forest revolving account, the
22 ferry bond retirement fund, the freight mobility investment account,
23 the freight mobility multimodal account, the grade crossing protective
24 fund, the public health services account, the high capacity
25 transportation account, the state higher education construction
26 account, the higher education construction account, the highway bond
27 retirement fund, the highway infrastructure account, the highway safety
28 fund, the high occupancy toll lanes operations account, the hospital
29 safety net assessment fund, the industrial insurance premium refund
30 account, the judges' retirement account, the judicial retirement
31 administrative account, the judicial retirement principal account, the
32 local leasehold excise tax account, the local real estate excise tax
33 account, the local sales and use tax account, the marine resources
34 stewardship trust account, the medical aid account, the mobile home
35 park relocation fund, the motor vehicle fund, the motorcycle safety
36 education account, the multimodal transportation account, the multiuse
37 roadway safety account, the municipal criminal justice assistance
38 account, the natural resources deposit account, the oyster reserve land

1 account, the pension funding stabilization account, the perpetual
2 surveillance and maintenance account, the public employees' retirement
3 system plan 1 account, the public employees' retirement system combined
4 plan 2 and plan 3 account, the public facilities construction loan
5 revolving account beginning July 1, 2004, the public health
6 supplemental account, the public works assistance account, the Puget
7 Sound capital construction account, the Puget Sound ferry operations
8 account, the real estate appraiser commission account, the recreational
9 vehicle account, the regional mobility grant program account, the
10 resource management cost account, the rural arterial trust account, the
11 rural mobility grant program account, the rural Washington loan fund,
12 the site closure account, the skilled nursing facility safety net trust
13 fund, the small city pavement and sidewalk account, the special
14 category C account, the special wildlife account, the state employees'
15 insurance account, the state employees' insurance reserve account, the
16 state investment board expense account, the state investment board
17 commingled trust fund accounts, the state patrol highway account, the
18 state route number 520 civil penalties account, the state route number
19 520 corridor account, the state wildlife account, the supplemental
20 pension account, the Tacoma Narrows toll bridge account, the teachers'
21 retirement system plan 1 account, the teachers' retirement system
22 combined plan 2 and plan 3 account, the tobacco prevention and control
23 account, the tobacco settlement account, the toll facility bond
24 retirement account, the transportation 2003 account (nickel account),
25 the transportation equipment fund, the transportation fund, the
26 transportation improvement account, the transportation improvement
27 board bond retirement account, the transportation infrastructure
28 account, the transportation partnership account, the traumatic brain
29 injury account, the tuition recovery trust fund, the University of
30 Washington bond retirement fund, the University of Washington building
31 account, the volunteer firefighters' and reserve officers' relief and
32 pension principal fund, the volunteer firefighters' and reserve
33 officers' administrative fund, the Washington judicial retirement
34 system account, the Washington law enforcement officers' and
35 firefighters' system plan 1 retirement account, the Washington law
36 enforcement officers' and firefighters' system plan 2 retirement
37 account, the Washington public safety employees' plan 2 retirement
38 account, the Washington school employees' retirement system combined

1 plan 2 and 3 account, the Washington state economic development
2 commission account, the Washington state health insurance pool account,
3 the Washington state patrol retirement account, the Washington State
4 University building account, the Washington State University bond
5 retirement fund, the water pollution control revolving administration
6 account, the water pollution control revolving fund, the Western
7 Washington University capital projects account, the Yakima integrated
8 plan implementation account, the Yakima integrated plan implementation
9 revenue recovery account, and the Yakima integrated plan implementation
10 taxable bond account. Earnings derived from investing balances of the
11 agricultural permanent fund, the normal school permanent fund, the
12 permanent common school fund, the scientific permanent fund, the state
13 university permanent fund, and the state reclamation revolving account
14 shall be allocated to their respective beneficiary accounts.

15 (b) Any state agency that has independent authority over accounts
16 or funds not statutorily required to be held in the state treasury that
17 deposits funds into a fund or account in the state treasury pursuant to
18 an agreement with the office of the state treasurer shall receive its
19 proportionate share of earnings based upon each account's or fund's
20 average daily balance for the period.

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

24 **Sec. 6.** RCW 43.84.092 and 2013 2nd sp.s. c 23 s 25 and 2013 2nd
25 sp.s. c 11 s 16 are each reenacted and amended to read as follows:

26 (1) All earnings of investments of surplus balances in the state
27 treasury shall be deposited to the treasury income account, which
28 account is hereby established in the state treasury.

29 (2) The treasury income account shall be utilized to pay or receive
30 funds associated with federal programs as required by the federal cash
31 management improvement act of 1990. The treasury income account is
32 subject in all respects to chapter 43.88 RCW, but no appropriation is
33 required for refunds or allocations of interest earnings required by
34 the cash management improvement act. Refunds of interest to the
35 federal treasury required under the cash management improvement act
36 fall under RCW 43.88.180 and shall not require appropriation. The
37 office of financial management shall determine the amounts due to or

1 from the federal government pursuant to the cash management improvement
2 act. The office of financial management may direct transfers of funds
3 between accounts as deemed necessary to implement the provisions of the
4 cash management improvement act, and this subsection. Refunds or
5 allocations shall occur prior to the distributions of earnings set
6 forth in subsection (4) of this section.

7 (3) Except for the provisions of RCW 43.84.160, the treasury income
8 account may be utilized for the payment of purchased banking services
9 on behalf of treasury funds including, but not limited to, depository,
10 safekeeping, and disbursement functions for the state treasury and
11 affected state agencies. The treasury income account is subject in all
12 respects to chapter 43.88 RCW, but no appropriation is required for
13 payments to financial institutions. Payments shall occur prior to
14 distribution of earnings set forth in subsection (4) of this section.

15 (4) Monthly, the state treasurer shall distribute the earnings
16 credited to the treasury income account. The state treasurer shall
17 credit the general fund with all the earnings credited to the treasury
18 income account except:

19 (a) The following accounts and funds shall receive their
20 proportionate share of earnings based upon each account's and fund's
21 average daily balance for the period: The aeronautics account, the
22 aircraft search and rescue account, the Alaskan Way viaduct replacement
23 project account, the brownfield redevelopment trust fund account, the
24 budget stabilization account, the capital vessel replacement account,
25 the capitol building construction account, the Cedar River channel
26 construction and operation account, the Central Washington University
27 capital projects account, the charitable, educational, penal and
28 reformatory institutions account, the cleanup settlement account, the
29 Columbia river basin water supply development account, the Columbia
30 river basin taxable bond water supply development account, the Columbia
31 river basin water supply revenue recovery account, the Columbia river
32 crossing project account, the common school construction fund, the
33 county arterial preservation account, the county criminal justice
34 assistance account, the deferred compensation administrative account,
35 the deferred compensation principal account, the department of
36 licensing services account, the department of retirement systems
37 expense account, the developmental disabilities community trust
38 account, the diesel idle reduction account, the drinking water

1 assistance account, the drinking water assistance administrative
2 account, the drinking water assistance repayment account, the Eastern
3 Washington University capital projects account, the Interstate 405
4 express toll lanes operations account, the education construction fund,
5 the education legacy trust account, the election account, the energy
6 freedom account, the energy recovery act account, the essential rail
7 assistance account, The Evergreen State College capital projects
8 account, the federal forest revolving account, the ferry bond
9 retirement fund, the freight mobility investment account, the freight
10 mobility multimodal account, the grade crossing protective fund, the
11 public health services account, the high capacity transportation
12 account, the state higher education construction account, the higher
13 education construction account, the highway bond retirement fund, the
14 highway infrastructure account, the highway safety fund, the high
15 occupancy toll lanes operations account, the hospital safety net
16 assessment fund, the industrial insurance premium refund account, the
17 judges' retirement account, the judicial retirement administrative
18 account, the judicial retirement principal account, the local leasehold
19 excise tax account, the local real estate excise tax account, the local
20 sales and use tax account, the marine resources stewardship trust
21 account, the medical aid account, the mobile home park relocation fund,
22 the motor vehicle fund, the motorcycle safety education account, the
23 multimodal transportation account, the multiuse roadway safety account,
24 the municipal criminal justice assistance account, the natural
25 resources deposit account, the oyster reserve land account, the pension
26 funding stabilization account, the perpetual surveillance and
27 maintenance account, the public employees' retirement system plan 1
28 account, the public employees' retirement system combined plan 2 and
29 plan 3 account, the public facilities construction loan revolving
30 account beginning July 1, 2004, the public health supplemental account,
31 the public works assistance account, the Puget Sound capital
32 construction account, the Puget Sound ferry operations account, the
33 real estate appraiser commission account, the recreational vehicle
34 account, the regional mobility grant program account, the resource
35 management cost account, the rural arterial trust account, the rural
36 mobility grant program account, the rural Washington loan fund, the
37 site closure account, the skilled nursing facility safety net trust
38 fund, the small city pavement and sidewalk account, the special

1 category C account, the special wildlife account, the state employees'
2 insurance account, the state employees' insurance reserve account, the
3 state investment board expense account, the state investment board
4 commingled trust fund accounts, the state patrol highway account, the
5 state route number 520 civil penalties account, the state route number
6 520 corridor account, the state wildlife account, the supplemental
7 pension account, the Tacoma Narrows toll bridge account, the teachers'
8 retirement system plan 1 account, the teachers' retirement system
9 combined plan 2 and plan 3 account, the tobacco prevention and control
10 account, the tobacco settlement account, the toll facility bond
11 retirement account, the transportation 2003 account (nickel account),
12 the transportation equipment fund, the transportation fund, the
13 transportation improvement account, the transportation improvement
14 board bond retirement account, the transportation infrastructure
15 account, the transportation partnership account, the traumatic brain
16 injury account, the tuition recovery trust fund, the University of
17 Washington bond retirement fund, the University of Washington building
18 account, the volunteer firefighters' and reserve officers' relief and
19 pension principal fund, the volunteer firefighters' and reserve
20 officers' administrative fund, the Washington judicial retirement
21 system account, the Washington law enforcement officers' and
22 firefighters' system plan 1 retirement account, the Washington law
23 enforcement officers' and firefighters' system plan 2 retirement
24 account, the Washington public safety employees' plan 2 retirement
25 account, the Washington school employees' retirement system combined
26 plan 2 and 3 account, the Washington state economic development
27 commission account, the Washington state health insurance pool account,
28 the Washington state patrol retirement account, the Washington State
29 University building account, the Washington State University bond
30 retirement fund, the water pollution control revolving administration
31 account, the water pollution control revolving fund, the Western
32 Washington University capital projects account, the Yakima integrated
33 plan implementation account, the Yakima integrated plan implementation
34 revenue recovery account, and the Yakima integrated plan implementation
35 taxable bond account. Earnings derived from investing balances of the
36 agricultural permanent fund, the normal school permanent fund, the
37 permanent common school fund, the scientific permanent fund, the state

1 university permanent fund, and the state reclamation revolving account
2 shall be allocated to their respective beneficiary accounts.

3 (b) Any state agency that has independent authority over accounts
4 or funds not statutorily required to be held in the state treasury that
5 deposits funds into a fund or account in the state treasury pursuant to
6 an agreement with the office of the state treasurer shall receive its
7 proportionate share of earnings based upon each account's or fund's
8 average daily balance for the period.

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

12 NEW SECTION. **Sec. 7.** The department may adopt rules necessary to
13 implement this chapter.

14 NEW SECTION. **Sec. 8.** Sections 1 through 4 and 7 of this act
15 constitute a new chapter in Title 70 RCW.

16 NEW SECTION. **Sec. 9.** Section 5 of this act expires on the date
17 the requirements set out in section 7, chapter 36, Laws of 2012 are
18 met.

19 NEW SECTION. **Sec. 10.** Section 6 of this act takes effect on the
20 date the requirements set out in section 7, chapter 36, Laws of 2012
21 are met.

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