
HOUSE BILL 1678

State of Washington

69th Legislature

2025 Regular Session

By Representatives Dye, Klicker, Couture, Connors, Schmidt, Ley, Keaton, Barkis, Graham, and Nance

Read first time 01/28/25. Referred to Committee on Appropriations.

1 AN ACT Relating to providing funding for enhanced wastewater
2 treatment infrastructure for salmon recovery through a fee assessed
3 on municipal discharges of untreated sewage into Puget Sound;
4 reenacting and amending RCW 43.84.092 and 43.84.092; adding new
5 sections to chapter 90.48 RCW; creating a new section; prescribing
6 penalties; providing an effective date; and providing an expiration
7 date.

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

9 NEW SECTION. **Sec. 1.** (1) The legislature finds that:

10 (a) Puget Sound, and the complex ecosystem it houses, provides a
11 unique resource of significant environmental, economic, recreational,
12 cultural, and aesthetic value to Washington;

13 (b) Salmon recovery and the restoration of Puget Sound requires a
14 collaborative approach to address each of the various threats to the
15 survival of salmon;

16 (c) The environmental impact of untreated wastewater discharges
17 from wastewater treatment plants and combined sewer overflow systems
18 is one of the many challenges facing Puget Sound; and

19 (d) Salmon need clean and uncontaminated water to thrive. The
20 pollution entering Puget Sound from untreated sewage discharges
21 includes nutrient-rich waste, which can harm sensitive ecosystems.

1 Excess nutrients can lead to eutrophication and decreased dissolved
2 oxygen in water to the detriment of aquatic species. Therefore,
3 removing nutrients from wastewater is crucial. Failure to invest in
4 nutrient removal technology harms treaty-protected rights and
5 threatens economic activity important to the economy, including
6 shellfish growing.

7 (2) Therefore, it is the intent of the legislature to levy a fee
8 on discharges of untreated sewage to Puget Sound in order to defray
9 the costs incurred by the discharge of untreated sewage and to use
10 those funds to improve wastewater treatment infrastructure to help
11 prevent salmonid mortality and hypoxic zones in Puget Sound. We must
12 ensure Washington state fulfills its treaty promises and protects
13 this keystone species that plays a critical role in the Puget Sound
14 ecosystem.

15 NEW SECTION. **Sec. 2.** A new section is added to chapter 90.48
16 RCW to read as follows:

17 (1) The department shall levy upon every discharger of untreated
18 sewage a fee of 10 cents for every gallon of discharge contaminated
19 by untreated sewage, provided that the following conditions are met:

20 (a) The source of the discharge is a municipal combined sewer
21 overflow system or a municipal wastewater treatment plant; and

22 (b) The receiving water body is Puget Sound or a water body in
23 hydrological continuity with Puget Sound.

24 (2) The fee levied pursuant to this section is separate and apart
25 from any other fee or civil penalty that may be assessed pursuant to
26 any other provision of law, court order, or consent decree.

27 (3) Funds that accrue to the state from fees levied pursuant to
28 this section must be deposited into the enhanced wastewater treatment
29 infrastructure for salmon recovery account created in section 3 of
30 this act.

31 (4) (a) The department shall adopt such rules as may be necessary
32 to implement this section.

33 (b) In addition to any other rules the department may adopt
34 pursuant to this section, the department must adopt rules that
35 address the following topics:

36 (i) The establishment of requirements, to the extent that the
37 department does not already require this information, that operators
38 of municipal wastewater treatment plants and municipal combined sewer
39 overflow systems within the Puget Sound watershed provide to the

1 department annual aggregated reports of discharges into state waters
2 of untreated sewage during the previous calendar year; and

3 (ii) The creation of a uniform method of calculating, for the
4 purpose of penalties assessed pursuant to this section, gallons of
5 untreated sewage content in discharges from combined sewer overflow
6 systems.

7 NEW SECTION. **Sec. 3.** A new section is added to chapter 90.48
8 RCW to read as follows:

9 The enhanced wastewater treatment infrastructure for salmon
10 recovery account is created in the state treasury. All receipts
11 collected from fees under section 2 of this act must be deposited
12 into the account. Moneys in the account may be spent only after
13 appropriation. Expenditures from the account may be used only to make
14 grants to municipalities for wastewater treatment infrastructure
15 projects that remove excess nutrients from discharges to Puget Sound.

16 **Sec. 4.** RCW 43.84.092 and 2024 c 210 s 4 and 2024 c 168 s 12 are
17 each reenacted and amended to read as follows:

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

21 (2) The treasury income account shall be utilized to pay or
22 receive funds associated with federal programs as required by the
23 federal cash management improvement act of 1990. The treasury income
24 account is subject in all respects to chapter 43.88 RCW, but no
25 appropriation is required for refunds or allocations of interest
26 earnings required by the cash management improvement act. Refunds of
27 interest to the federal treasury required under the cash management
28 improvement act fall under RCW 43.88.180 and shall not require
29 appropriation. The office of financial management shall determine the
30 amounts due to or from the federal government pursuant to the cash
31 management improvement act. The office of financial management may
32 direct transfers of funds between accounts as deemed necessary to
33 implement the provisions of the cash management improvement act, and
34 this subsection. Refunds or allocations shall occur prior to the
35 distributions of earnings set forth in subsection (4) of this
36 section.

37 (3) Except for the provisions of RCW 43.84.160, the treasury
38 income account may be utilized for the payment of purchased banking

1 services on behalf of treasury funds including, but not limited to,
2 depository, safekeeping, and disbursement functions for the state
3 treasury and affected state agencies. The treasury income account is
4 subject in all respects to chapter 43.88 RCW, but no appropriation is
5 required for payments to financial institutions. Payments shall occur
6 prior to distribution of earnings set forth in subsection (4) of this
7 section.

8 (4) Monthly, the state treasurer shall distribute the earnings
9 credited to the treasury income account. The state treasurer shall
10 credit the general fund with all the earnings credited to the
11 treasury income account except:

12 (a) The following accounts and funds shall receive their
13 proportionate share of earnings based upon each account's and fund's
14 average daily balance for the period: The abandoned recreational
15 vehicle disposal account, the aeronautics account, the Alaskan Way
16 viaduct replacement project account, the ambulance transport fund,
17 the budget stabilization account, the capital vessel replacement
18 account, the capitol building construction account, the Central
19 Washington University capital projects account, the charitable,
20 educational, penal and reformatory institutions account, the Chehalis
21 basin account, the Chehalis basin taxable account, the clean fuels
22 credit account, the clean fuels transportation investment account,
23 the cleanup settlement account, the climate active transportation
24 account, the climate transit programs account, the Columbia river
25 basin water supply development account, the Columbia river basin
26 taxable bond water supply development account, the Columbia river
27 basin water supply revenue recovery account, the common school
28 construction fund, the community forest trust account, the connecting
29 Washington account, the county arterial preservation account, the
30 county criminal justice assistance account, the covenant
31 homeownership account, the deferred compensation administrative
32 account, the deferred compensation principal account, the department
33 of licensing services account, the department of retirement systems
34 expense account, the developmental disabilities community services
35 account, the diesel idle reduction account, the opioid abatement
36 settlement account, the drinking water assistance account, the
37 administrative subaccount of the drinking water assistance account,
38 the early learning facilities development account, the early learning
39 facilities revolving account, the Eastern Washington University
40 capital projects account, the education construction fund, the

1 education legacy trust account, the election account, the electric
2 vehicle account, the energy freedom account, the energy recovery act
3 account, the enhanced wastewater treatment infrastructure for salmon
4 recovery account, the essential rail assistance account, The
5 Evergreen State College capital projects account, the fair start for
6 kids account, the family medicine workforce development account, the
7 ferry bond retirement fund, the fish, wildlife, and conservation
8 account, the freight mobility investment account, the freight
9 mobility multimodal account, the grade crossing protective fund, the
10 higher education retirement plan supplemental benefit fund, the
11 Washington student loan account, the highway bond retirement fund,
12 the highway infrastructure account, the highway safety fund, the
13 hospital safety net assessment fund, the Interstate 5 bridge
14 replacement project account, the Interstate 405 and state route
15 number 167 express toll lanes account, the judges' retirement
16 account, the judicial retirement administrative account, the judicial
17 retirement principal account, the limited fish and wildlife account,
18 the local leasehold excise tax account, the local real estate excise
19 tax account, the local sales and use tax account, the marine
20 resources stewardship trust account, the medical aid account, the
21 money-purchase retirement savings administrative account, the money-
22 purchase retirement savings principal account, the motor vehicle
23 fund, the motorcycle safety education account, the move ahead WA
24 account, the move ahead WA flexible account, the multimodal
25 transportation account, the multiuse roadway safety account, the
26 municipal criminal justice assistance account, the oyster reserve
27 land account, the pension funding stabilization account, the
28 perpetual surveillance and maintenance account, the pilotage account,
29 the pollution liability insurance agency underground storage tank
30 revolving account, the public employees' retirement system plan 1
31 account, the public employees' retirement system combined plan 2 and
32 plan 3 account, the public facilities construction loan revolving
33 account, the public health supplemental account, the public works
34 assistance account, the Puget Sound capital construction account, the
35 Puget Sound ferry operations account, the Puget Sound Gateway
36 facility account, the Puget Sound taxpayer accountability account,
37 the real estate appraiser commission account, the recreational
38 vehicle account, the regional mobility grant program account, the
39 reserve officers' relief and pension principal fund, the resource
40 management cost account, the rural arterial trust account, the rural

1 mobility grant program account, the rural Washington loan fund, the
2 second injury fund, the sexual assault prevention and response
3 account, the site closure account, the skilled nursing facility
4 safety net trust fund, the small city pavement and sidewalk account,
5 the special category C account, the special wildlife account, the
6 state hazard mitigation revolving loan account, the state investment
7 board expense account, the state investment board commingled trust
8 fund accounts, the state patrol highway account, the state
9 reclamation revolving account, the state route number 520 civil
10 penalties account, the state route number 520 corridor account, the
11 statewide broadband account, the statewide tourism marketing account,
12 the supplemental pension account, the Tacoma Narrows toll bridge
13 account, the teachers' retirement system plan 1 account, the
14 teachers' retirement system combined plan 2 and plan 3 account, the
15 tobacco prevention and control account, the tobacco settlement
16 account, the toll facility bond retirement account, the
17 transportation 2003 account (nickel account), the transportation
18 equipment fund, the JUDY transportation future funding program
19 account, the transportation improvement account, the transportation
20 improvement board bond retirement account, the transportation
21 infrastructure account, the transportation partnership account, the
22 traumatic brain injury account, the tribal opioid prevention and
23 treatment account, the University of Washington bond retirement fund,
24 the University of Washington building account, the voluntary cleanup
25 account, the volunteer firefighters' relief and pension principal
26 fund, the volunteer firefighters' and reserve officers'
27 administrative fund, the vulnerable roadway user education account,
28 the Washington judicial retirement system account, the Washington law
29 enforcement officers' and firefighters' system plan 1 retirement
30 account, the Washington law enforcement officers' and firefighters'
31 system plan 2 retirement account, the Washington public safety
32 employees' plan 2 retirement account, the Washington school
33 employees' retirement system combined plan 2 and 3 account, the
34 Washington state patrol retirement account, the Washington State
35 University building account, the Washington State University bond
36 retirement fund, the water pollution control revolving administration
37 account, the water pollution control revolving fund, the Western
38 Washington University capital projects account, the Yakima integrated
39 plan implementation account, the Yakima integrated plan
40 implementation revenue recovery account, and the Yakima integrated

1 plan implementation taxable bond account. Earnings derived from
2 investing balances of the agricultural permanent fund, the normal
3 school permanent fund, the permanent common school fund, the
4 scientific permanent fund, and the state university permanent fund
5 shall be allocated to their respective beneficiary accounts.

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

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

15 **Sec. 5.** RCW 43.84.092 and 2024 c 210 s 5 and 2024 c 168 s 13 are
16 each reenacted and amended to read as follows:

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

20 (2) The treasury income account shall be utilized to pay or
21 receive funds associated with federal programs as required by the
22 federal cash management improvement act of 1990. The treasury income
23 account is subject in all respects to chapter 43.88 RCW, but no
24 appropriation is required for refunds or allocations of interest
25 earnings required by the cash management improvement act. Refunds of
26 interest to the federal treasury required under the cash management
27 improvement act fall under RCW 43.88.180 and shall not require
28 appropriation. The office of financial management shall determine the
29 amounts due to or from the federal government pursuant to the cash
30 management improvement act. The office of financial management may
31 direct transfers of funds between accounts as deemed necessary to
32 implement the provisions of the cash management improvement act, and
33 this subsection. Refunds or allocations shall occur prior to the
34 distributions of earnings set forth in subsection (4) of this
35 section.

36 (3) Except for the provisions of RCW 43.84.160, the treasury
37 income account may be utilized for the payment of purchased banking
38 services on behalf of treasury funds including, but not limited to,
39 depository, safekeeping, and disbursement functions for the state

1 treasury and affected state agencies. The treasury income account is
2 subject in all respects to chapter 43.88 RCW, but no appropriation is
3 required for payments to financial institutions. Payments shall occur
4 prior to distribution of earnings set forth in subsection (4) of this
5 section.

6 (4) Monthly, the state treasurer shall distribute the earnings
7 credited to the treasury income account. The state treasurer shall
8 credit the general fund with all the earnings credited to the
9 treasury income account except:

10 (a) The following accounts and funds shall receive their
11 proportionate share of earnings based upon each account's and fund's
12 average daily balance for the period: The abandoned recreational
13 vehicle disposal account, the aeronautics account, the Alaskan Way
14 viaduct replacement project account, the budget stabilization
15 account, the capital vessel replacement account, the capitol building
16 construction account, the Central Washington University capital
17 projects account, the charitable, educational, penal and reformatory
18 institutions account, the Chehalis basin account, the Chehalis basin
19 taxable account, the clean fuels credit account, the clean fuels
20 transportation investment account, the cleanup settlement account,
21 the climate active transportation account, the climate transit
22 programs account, the Columbia river basin water supply development
23 account, the Columbia river basin taxable bond water supply
24 development account, the Columbia river basin water supply revenue
25 recovery account, the common school construction fund, the community
26 forest trust account, the connecting Washington account, the county
27 arterial preservation account, the county criminal justice assistance
28 account, the covenant homeownership account, the deferred
29 compensation administrative account, the deferred compensation
30 principal account, the department of licensing services account, the
31 department of retirement systems expense account, the developmental
32 disabilities community services account, the diesel idle reduction
33 account, the opioid abatement settlement account, the drinking water
34 assistance account, the administrative subaccount of the drinking
35 water assistance account, the early learning facilities development
36 account, the early learning facilities revolving account, the Eastern
37 Washington University capital projects account, the education
38 construction fund, the education legacy trust account, the election
39 account, the electric vehicle account, the energy freedom account,
40 the energy recovery act account, the enhanced wastewater treatment

1 infrastructure for salmon recovery account, the essential rail
2 assistance account, The Evergreen State College capital projects
3 account, the fair start for kids account, the family medicine
4 workforce development account, the ferry bond retirement fund, the
5 fish, wildlife, and conservation account, the freight mobility
6 investment account, the freight mobility multimodal account, the
7 grade crossing protective fund, the higher education retirement plan
8 supplemental benefit fund, the Washington student loan account, the
9 highway bond retirement fund, the highway infrastructure account, the
10 highway safety fund, the hospital safety net assessment fund, the
11 Interstate 5 bridge replacement project account, the Interstate 405
12 and state route number 167 express toll lanes account, the judges'
13 retirement account, the judicial retirement administrative account,
14 the judicial retirement principal account, the limited fish and
15 wildlife account, the local leasehold excise tax account, the local
16 real estate excise tax account, the local sales and use tax account,
17 the marine resources stewardship trust account, the medical aid
18 account, the money-purchase retirement savings administrative
19 account, the money-purchase retirement savings principal account, the
20 motor vehicle fund, the motorcycle safety education account, the move
21 ahead WA account, the move ahead WA flexible account, the multimodal
22 transportation account, the multiuse roadway safety account, the
23 municipal criminal justice assistance account, the oyster reserve
24 land account, the pension funding stabilization account, the
25 perpetual surveillance and maintenance account, the pilotage account,
26 the pollution liability insurance agency underground storage tank
27 revolving 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, the public health supplemental account, the public works
31 assistance account, the Puget Sound capital construction account, the
32 Puget Sound ferry operations account, the Puget Sound Gateway
33 facility account, the Puget Sound taxpayer accountability account,
34 the real estate appraiser commission account, the recreational
35 vehicle account, the regional mobility grant program account, the
36 reserve officers' relief and pension principal fund, the resource
37 management cost account, the rural arterial trust account, the rural
38 mobility grant program account, the rural Washington loan fund, the
39 second injury fund, the sexual assault prevention and response
40 account, the site closure account, the skilled nursing facility

1 safety net trust fund, the small city pavement and sidewalk account,
2 the special category C account, the special wildlife account, the
3 state hazard mitigation revolving loan account, the state investment
4 board expense account, the state investment board commingled trust
5 fund accounts, the state patrol highway account, the state
6 reclamation revolving account, the state route number 520 civil
7 penalties account, the state route number 520 corridor account, the
8 statewide broadband account, the statewide tourism marketing account,
9 the supplemental pension account, the Tacoma Narrows toll bridge
10 account, the teachers' retirement system plan 1 account, the
11 teachers' retirement system combined plan 2 and plan 3 account, the
12 tobacco prevention and control account, the tobacco settlement
13 account, the toll facility bond retirement account, the
14 transportation 2003 account (nickel account), the transportation
15 equipment fund, the JUDY transportation future funding program
16 account, the transportation improvement account, the transportation
17 improvement board bond retirement account, the transportation
18 infrastructure account, the transportation partnership account, the
19 traumatic brain injury account, the tribal opioid prevention and
20 treatment account, the University of Washington bond retirement fund,
21 the University of Washington building account, the voluntary cleanup
22 account, the volunteer firefighters' relief and pension principal
23 fund, the volunteer firefighters' and reserve officers'
24 administrative fund, the vulnerable roadway user education account,
25 the Washington judicial retirement system account, the Washington law
26 enforcement officers' and firefighters' system plan 1 retirement
27 account, the Washington law enforcement officers' and firefighters'
28 system plan 2 retirement account, the Washington public safety
29 employees' plan 2 retirement account, the Washington school
30 employees' retirement system combined plan 2 and 3 account, the
31 Washington state patrol retirement account, the Washington State
32 University building account, the Washington State University bond
33 retirement fund, the water pollution control revolving administration
34 account, the water pollution control revolving fund, the Western
35 Washington University capital projects account, the Yakima integrated
36 plan implementation account, the Yakima integrated plan
37 implementation revenue recovery account, and the Yakima integrated
38 plan implementation taxable bond account. Earnings derived from
39 investing balances of the agricultural permanent fund, the normal
40 school permanent fund, the permanent common school fund, the

1 scientific permanent fund, and the state university permanent fund
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
5 that deposits funds into a fund or account in the state treasury
6 pursuant to an agreement with the office of the state treasurer shall
7 receive its proportionate share of earnings based upon each account's
8 or fund's 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
11 earnings without the specific affirmative directive of this section.

12 NEW SECTION. **Sec. 6.** Section 4 of this act expires July 1,
13 2028.

14 NEW SECTION. **Sec. 7.** Section 5 of this act takes effect July 1,
15 2028.

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