
SUBSTITUTE SENATE BILL 5293

State of Washington

68th Legislature

2023 Regular Session

By Senate Ways & Means (originally sponsored by Senators Rolfes, Robinson, Kuderer, Nobles, and Van De Wege; by request of Office of Financial Management)

READ FIRST TIME 03/28/23.

1 AN ACT Relating to accounts; amending RCW 43.41.450, 41.06.280,
2 41.06.285, 82.25.015, 41.05.120, 28A.505.130, 70A.65.250, 43.84.092,
3 and 43.84.092; reenacting and amending RCW 43.79.567; reenacting RCW
4 43.330.365; adding new sections to chapter 43.79 RCW; adding a new
5 section to chapter 38.52 RCW; providing effective dates; providing an
6 expiration date; and declaring an emergency.

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

8 **Sec. 1.** RCW 43.41.450 and 2022 c 297 s 953 are each amended to
9 read as follows:

10 The office of financial management central service account is
11 created in the state treasury. The account is to be used by the
12 office as a revolving fund for the payment of salaries, wages, and
13 other costs required for the operation and maintenance of statewide
14 budgeting, accounting, forecasting, and functions and activities in
15 the office. All receipts from agency fees and charges for services
16 collected from public agencies must be deposited into the account.
17 The director shall fix the terms and charges to agencies based on
18 each agency's share of the office statewide cost allocation plan for
19 federal funds. Moneys in the account may be spent only after
20 appropriation. During the ((2017-2019—and)) 2021-2023 fiscal
21 ((biennia)) biennium, the account may be used as a revolving fund for

1 the payment of salaries, wages, and other costs related to policy
2 activities in the office. (~~The legislature intends to continue the~~
3 ~~use of the revolving fund for policy activities during the 2019-2021~~
4 ~~biennium.~~)

5 **Sec. 2.** RCW 41.06.280 and 2022 c 157 s 12 are each amended to
6 read as follows:

7 (1) (~~There is hereby~~) The personnel service fund is created (~~a~~
8 ~~fund within~~) in the state treasury, (~~designated as the "personnel~~
9 ~~service fund,"~~) to be used by the office of financial management as
10 a revolving fund for the payment of salaries, wages, and operations
11 required for the administration of the provisions of this chapter,
12 applicable provisions of chapter 41.04 RCW, and chapter 41.60 RCW. An
13 amount not to exceed one and one-half percent of the salaries and
14 wages for all positions (~~in the classified service~~) in each of the
15 agencies subject to this chapter, except the institutions of higher
16 education, shall be charged to the operations appropriations of each
17 agency and credited to the personnel service fund as the allotments
18 are approved pursuant to chapter 43.88 RCW. Subject to the above
19 limitations, the amount shall be charged against the allotments pro
20 rata, at a rate to be fixed by the director from time to time which,
21 together with income derived from services rendered under RCW
22 41.06.080, will provide the office of financial management with funds
23 to meet its anticipated expenditures during the allotment period,
24 including the training requirements in RCW 41.06.500 and 41.06.530.
25 (~~All revenues, net of expenditures, previously derived from services~~
26 ~~provided by the department of enterprise services under RCW 41.06.080~~
27 ~~must be transferred to the enterprise services account.~~)

28 (2) The director shall fix the terms and charges for services
29 rendered by the office of financial management pursuant to RCW
30 41.06.080, which amounts shall be credited to the personnel service
31 fund and charged against the proper fund or appropriation of the
32 recipient of such services no longer than on a (~~monthly~~) quarterly
33 basis. Payment for services so rendered under RCW 41.06.080 shall be
34 made (~~on a monthly basis~~) according to the state administrative and
35 accounting manual (SAAM) to the state treasurer and deposited in the
36 personnel service fund.

37 (3) (~~Moneys from the personnel service fund shall be disbursed~~
38 ~~by the state treasurer by warrants on vouchers duly authorized by the~~
39 ~~office of financial management.~~)

1 ~~(4))~~) The office of financial management may use the personnel
2 service fund to administer an employee transit pass program and other
3 employment benefits. The office of financial management must bill
4 state agencies for the total cost of administering the program and
5 payments received from agencies must be deposited in the personnel
6 service fund.

7 **Sec. 3.** RCW 41.06.285 and 2011 1st sp.s. c 43 s 420 are each
8 amended to read as follows:

9 ~~((1) There is hereby created a))~~ The higher education personnel
10 service fund ((within)) is created in the state treasury,
11 ~~((designated as the "higher education personnel service fund,"))~~ to
12 be used by the office of financial management as a revolving fund for
13 the payment of salaries, wages, and operations required for the
14 administration of the provisions of this chapter ~~((41.06 RCW))~~ and
15 applicable provisions of chapters 41.04 and 41.60 RCW. ~~((Subject to~~
16 ~~the requirements of subsection (2) of this section, an))~~ An amount
17 not to exceed one-half of one percent of the salaries and wages for
18 all positions in the classified service shall be contributed from the
19 operations appropriations of each institution and the state board for
20 community and technical colleges and credited to the higher education
21 personnel service fund as such allotments are approved pursuant to
22 chapter 43.88 RCW. Subject to the above limitations, such amount
23 shall be charged against the allotments pro rata, at a rate to be
24 fixed by the director of financial management from time to time,
25 which will provide the office of financial management with funds to
26 meet its anticipated expenditures during the allotment period.

27 ~~((2) If employees of institutions of higher education cease to~~
28 ~~be classified under this chapter pursuant to an agreement authorized~~
29 ~~by RCW 41.56.201, each institution of higher education and the state~~
30 ~~board for community and technical colleges shall continue, for six~~
31 ~~months after the effective date of the agreement, to make~~
32 ~~contributions to the higher education personnel service fund based on~~
33 ~~employee salaries and wages that includes the employees under the~~
34 ~~agreement. At the expiration of the six-month period, the director of~~
35 ~~financial management shall make across-the-board reductions in~~
36 ~~allotments of the higher education personnel service fund for the~~
37 ~~remainder of the biennium so that the charge to the institutions of~~
38 ~~higher education and state board for community and technical colleges~~
39 ~~based on the salaries and wages of the remaining employees of~~

1 ~~institutions of higher education and related boards classified under~~
2 ~~this chapter does not increase during the biennium, unless an~~
3 ~~increase is authorized by the legislature.~~

4 ~~(3) Moneys from the higher education personnel service fund shall~~
5 ~~be disbursed by the state treasurer by warrants on vouchers duly~~
6 ~~authorized by the office of financial management.)~~

7 NEW SECTION. **Sec. 4.** A new section is added to chapter 43.79
8 RCW to read as follows:

9 (1) The GOV central service account is created in the state
10 treasury. The purpose of the account is to fund the office of equity
11 as a revolving fund for the payment of salaries, wages, and other
12 costs required for the operation and maintenance of statewide equity
13 functions, and the activities in the office of equity. All receipts
14 from agency fees and charges for services collected from public
15 agencies must be deposited into the account. Moneys in the account
16 may be spent only after appropriation.

17 (2) The director of financial management shall fix the terms and
18 charges to agencies based on each agency's share of the office of
19 equity statewide cost allocation plans for federal funds.

20 NEW SECTION. **Sec. 5.** A new section is added to chapter 43.79
21 RCW to read as follows:

22 (1) The opioid abatement settlement account is created in the
23 state treasury. All settlement receipts and moneys that are
24 designated to be used by the state of Washington to abate the opioid
25 epidemic for state use must be deposited into the account. Money in
26 the account may be spent only after appropriation. Expenditures from
27 the account may only be used for future opioid remediation as
28 provided in the applicable settlement. For purposes of this account,
29 "opioid remediation" means the care, treatment, and other programs
30 and expenditures, designed to: (a) Address the use and abuse of
31 opioid products; (b) treat or mitigate opioid use or related
32 disorders; or (c) mitigate other alleged effects of, including those
33 injured as a result of, the opioid epidemic.

34 (2) All money remaining in the state opioid settlement account
35 established under RCW 43.88.195 must be transferred to the opioid
36 abatement settlement account created in this section.

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

3 (1) The state hazard mitigation revolving loan account is created
4 in the state treasury. The purpose of the account is to allow the
5 state to use any federal funds that become available to states from
6 congress to fund a state revolving fund loan program as part of the
7 safeguarding tomorrow through ongoing risk mitigation act. Moneys in
8 the account may be spent only after appropriation. Moneys in the
9 account may only be used, consistent with federal law, to administer
10 the safeguarding tomorrow through ongoing risk mitigation act
11 program, including loans to local and tribal governments for:

12 (a) Carrying out projects designed to mitigate the impact of
13 natural hazards;

14 (b) Zoning and land use planning changes focused on low-impact
15 development and community resiliency;

16 (c) Establishing and carrying out building code enforcement for
17 the protection of the health, safety, and general welfare of the
18 building's users against disasters and natural hazards; and

19 (d) Providing technical assistance.

20 (2) Moneys may also be used for administration and oversight of
21 the safeguarding tomorrow through ongoing risk mitigation act
22 program.

23 (3) Moneys from federal receipts from the safeguarding tomorrow
24 through ongoing risk mitigation act grant, appropriations from the
25 state legislature, transfers from other state funds or accounts, all
26 repayments of moneys borrowed from the account, all interest payments
27 made by borrowers from the account or otherwise earned on the
28 account, or any other lawful source may be deposited into the
29 account. All interest earned on moneys deposited in the account,
30 including repayments, shall remain in the account and may be used for
31 any eligible purpose.

32 (4) The department may adopt such rules as are necessary under
33 RCW 38.52.050 to administer the account.

34 **Sec. 7.** RCW 43.79.567 and 2022 c 297 s 947 are each reenacted
35 and amended to read as follows:

36 (1) The community reinvestment account is created in the state
37 treasury. Revenues to the account shall consist of appropriations and
38 transfers by the legislature and all other moneys directed for

1 deposit into the account. Moneys in the account may be spent only
2 after appropriation.

3 (2) Expenditures from the account may be used by the department
4 of commerce for:

5 (a) Economic development, which includes addressing wealth
6 disparities to promote asset building such as home ownership and
7 expanding access to financial resources including, but not limited
8 to, grants and loans for small businesses and entrepreneurs,
9 financial literacy training, and other small business training and
10 support activities;

11 (b) Civil and criminal legal assistance to provide postconviction
12 relief and case assistance, including the expungement of criminal
13 records and vacation of criminal convictions;

14 (c) Community-based violence intervention and prevention
15 services, which may include after-school programs focused on
16 providing education and mentorship to youths; ~~((and))~~

17 (d) Reentry services to facilitate successful transitions for
18 persons formerly incarcerated in an adult correctional facility or
19 juvenile residential facility in Washington; and

20 (e) Agricultural and economic support and services available to
21 historically marginalized communities.

22 (3) The distribution of the grants under this section must be
23 done in collaboration with ~~((the governor's office of Indian affairs~~
24 ~~and))~~ "by and for community organizations" as defined by the
25 department of commerce and the office of equity.

26 **Sec. 8.** RCW 43.330.365 and 2022 c 297 s 948 are each reenacted
27 to read as follows:

28 The electric vehicle incentive account is created in the state
29 treasury. Revenues to the account shall consist of appropriations and
30 transfers by the legislature and all other moneys directed for
31 deposit into the account. Moneys in the account may only be spent
32 after appropriation. Expenditures from the account may be used for
33 programs and incentives that promote the purchase or conversion to
34 alternative fuel vehicles to further state climate goals under RCW
35 70A.45.020 and environmental justice goals under 70A.02 RCW,
36 including but not limited to:

37 (1) Income-qualified grant programs to retire vehicles and
38 replace them with alternative fuel vehicles;

1 (2) Programs to provide grants for the installation of electric
2 vehicle infrastructure to support electric vehicle adoption; and

3 (3) Programs to conduct research and public outreach regarding
4 adoption of alternative fuel vehicles.

5 **Sec. 9.** RCW 82.25.015 and 2019 c 445 s 103 are each amended to
6 read as follows:

7 The foundational public health services account is created in the
8 state treasury. Half of all of the moneys collected from the tax
9 imposed on vapor products under RCW 66.44.010 must be deposited into
10 the account. Moneys in the account may be spent only after
11 appropriation. Moneys in the account are to be used (~~for the~~
12 ~~following purposes:~~

13 ~~(1) To)) to fund foundational health services. ((In the 2019-2021~~
14 ~~biennium, at least twelve million dollars of the funds deposited into~~
15 ~~the account must be appropriated for this purpose. Beginning in the~~
16 ~~2021-2023 biennium, fifty percent of the funds deposited into the~~
17 ~~account, but not less than twelve million dollars each biennium, are~~
18 ~~to be used for this purpose;~~

19 ~~(2) To fund tobacco, vapor product, and nicotine control and~~
20 ~~prevention, and other substance use prevention and education.~~
21 ~~Beginning in the 2021-2023 biennium, seventeen percent of the funds~~
22 ~~deposited into the account are to be used for this purpose;~~

23 ~~(3) To support increased access and training of public health~~
24 ~~professionals at public health programs at accredited public~~
25 ~~institutions of higher education in Washington. Beginning in the~~
26 ~~2021-2023 biennium, five percent of the funds deposited into the~~
27 ~~account are to be used for this purpose;~~

28 ~~(4) To fund enforcement by the state liquor and cannabis board of~~
29 ~~the provisions of this chapter to prevent sales of vapor products to~~
30 ~~minors and related provisions for control of marketing and product~~
31 ~~safety, provided that no more than eight percent of the funds~~
32 ~~deposited into the account may be appropriated for these enforcement~~
33 ~~purposes.))~~

34 **Sec. 10.** RCW 41.05.120 and 2018 c 260 s 25 are each amended to
35 read as follows:

36 (1) The public employees' and retirees' insurance account is
37 hereby established in the custody of the state treasurer, to be used
38 by the director for the deposit of contributions, the remittance paid

1 by school districts and educational service districts under RCW
2 28A.400.410, reserves, dividends, and refunds, for payment of
3 premiums and claims for employee and retiree insurance benefit
4 contracts and subsidy amounts provided under RCW 41.05.085, and
5 transfers from the flexible spending administrative account as
6 authorized in RCW 41.05.123. Moneys from the account shall be
7 disbursed by the state treasurer by warrants on vouchers duly
8 authorized by the director. Moneys from the account may be
9 transferred to the flexible spending administrative account to
10 provide reserves and start-up costs for the operation of the flexible
11 spending administrative account program.

12 (2) The state treasurer and the state investment board may invest
13 moneys in the public employees' and retirees' insurance account. All
14 such investments shall be in accordance with RCW 43.84.080 or
15 43.84.150, whichever is applicable. The director shall determine
16 whether the state treasurer or the state investment board or both
17 shall invest moneys in the public employees' and retirees' insurance
18 account.

19 (3) The school employees' insurance account is hereby established
20 in the custody of the state treasurer, to be used by the director for
21 the deposit of contributions, reserves, dividends, and refunds, for
22 payment of premiums and claims for school employee insurance benefit
23 contracts, and for transfers from the school employees' benefits
24 board flexible spending and dependent care administrative account as
25 authorized in this subsection. Moneys from the account shall be
26 disbursed by the state treasurer by warrants on vouchers duly
27 authorized by the director. Moneys from the account may be
28 transferred to the school employees' benefits board flexible spending
29 and dependent care administrative account to provide reserves and
30 start-up costs for the operation of the school employees' benefits
31 board flexible spending arrangement and dependent care assistance
32 program.

33 (4) The state treasurer and the state investment board may invest
34 moneys in the school employees' insurance account. These investments
35 must be in accordance with RCW 43.84.080 or 43.84.150, whichever is
36 applicable. The director shall determine whether the state treasurer
37 or the state investment board or both shall invest moneys in the
38 school employees' insurance account.

1 (5) Moneys may be transferred between the public employees' and
2 retirees' insurance account and the school employees' insurance
3 account for short-term cash management and cash balance purposes.

4 **Sec. 11.** RCW 28A.505.130 and 1983 c 59 s 9 are each amended to
5 read as follows:

6 For each fund contained in the school district budget the
7 estimated expenditures for the budgeted fiscal year must not be
8 greater than the total of the estimated revenues for the budgeted
9 fiscal year, the estimated fund balance at the beginning of the
10 budgeted fiscal year less the estimated reserve fund balance at the
11 end of the budgeted fiscal year, and the projected revenue from
12 receivables collectible on future years as approved by the
13 superintendent of public instruction for inclusion in the budget.

14 The proceeds of any interfund loan must not be used to balance
15 the budget of the borrowing fund, except in fiscal year 2024 when
16 such loans may be used to address budget destabilization in the
17 aftermath of the COVID-19 pandemic. Interfund loans in fiscal year
18 2024 may be for a duration of two years.

19 **Sec. 12.** RCW 70A.65.250 and 2022 c 253 s 2 are each amended to
20 read as follows:

21 (1)(a) The climate investment account is created in the state
22 treasury. Except as otherwise provided in chapter 316, Laws of 2021,
23 all receipts from the auction of allowances authorized in this
24 chapter must be deposited into the account. Moneys in the account may
25 be spent only after appropriation.

26 (b) Projects or activities funded from the account must meet high
27 labor standards, including family sustaining wages, providing
28 benefits including health care and employer-contributed retirement
29 plans, career development opportunities, and maximize access to
30 economic benefits from such projects for local workers and diverse
31 businesses. Each contracting entity's proposal must be reviewed for
32 equity and opportunity improvement efforts, including: (i) Employer
33 paid sick leave programs; (ii) pay practices in relation to living
34 wage indicators such as the federal poverty level; (iii) efforts to
35 evaluate pay equity based on gender identity, race, and other
36 protected status under Washington law; (iv) facilitating career
37 development opportunities, such as apprenticeship programs,
38 internships, job-shadowing, and on-the-job training; and (v)

1 employment assistance and employment barriers for justice affected
2 individuals.

3 (2) Moneys in the account may be used only for projects and
4 programs that achieve the purposes of the greenhouse gas emissions
5 cap and invest program established under this chapter and for tribal
6 capacity grants under RCW 70A.65.305. Moneys in the account as
7 described in this subsection must first be appropriated for the
8 administration of the requirements of this chapter, in an amount not
9 to exceed five percent of the total receipt of funds from allowance
10 auction proceeds under this chapter. Beginning July 1, (~~2024~~) 2023,
11 and annually thereafter, the state treasurer shall distribute funds
12 in the account that exceed the amounts appropriated for the purposes
13 of this subsection (2) as follows:

14 (a) Seventy-five percent of the moneys to the climate commitment
15 account created in RCW 70A.65.260; and

16 (b) Twenty-five percent of the moneys to the natural climate
17 solutions account created in RCW 70A.65.270.

18 (3) The allocations specified in subsection (2)(a) and (b) of
19 this section must be reviewed by the legislature on a biennial basis
20 based on the changing needs of the state in meeting its clean economy
21 and greenhouse gas reduction goals in a timely, economically
22 advantageous, and equitable manner.

23 **Sec. 13.** RCW 43.84.092 and 2022 c 182 s 403 are each amended to
24 read as follows:

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

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

1 implement the provisions of the cash management improvement act, and
2 this subsection. Refunds or allocations shall occur prior to the
3 distributions of earnings set forth in subsection (4) of this
4 section.

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

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

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

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

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

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

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

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

17 **Sec. 14.** RCW 43.84.092 and 2022 c 182 s 404 are each amended to
18 read as follows:

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

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

38 (3) Except for the provisions of RCW 43.84.160, the treasury
39 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 brownfield redevelopment
17 trust fund account, the budget stabilization account, the capital
18 vessel replacement account, the capitol building construction
19 account, the Central Washington University capital projects account,
20 the charitable, educational, penal and reformatory institutions
21 account, the Chehalis basin account, the Chehalis basin taxable
22 account, the cleanup settlement account, the climate active
23 transportation account, the climate transit programs account, the
24 Columbia river basin water supply development account, the Columbia
25 river basin taxable bond water supply development account, the
26 Columbia river basin water supply revenue recovery account, the
27 common school construction fund, the community forest trust account,
28 the connecting Washington account, the county arterial preservation
29 account, the county criminal justice assistance account, the deferred
30 compensation administrative account, the deferred compensation
31 principal account, the department of licensing services account, the
32 department of retirement systems expense account, the developmental
33 disabilities community services account, the diesel idle reduction
34 account, the opioid abatement settlement account, the drinking water
35 assistance account, the administrative subaccount of the drinking
36 water assistance account, the early learning facilities development
37 account, the early learning facilities revolving account, the Eastern
38 Washington University capital projects account, the education
39 construction fund, the education legacy trust account, the election
40 account, the electric vehicle account, the energy freedom account,

1 the energy recovery act account, the essential rail assistance
2 account, The Evergreen State College capital projects account, the
3 fair start for kids account, the ferry bond retirement fund, the
4 fish, wildlife, and conservation account, the freight mobility
5 investment account, the freight mobility multimodal account, the
6 grade crossing protective fund, the public health services account,
7 the state higher education construction account, the higher education
8 construction account, the higher education retirement plan
9 supplemental benefit fund, the highway bond retirement fund, the
10 highway infrastructure account, the highway safety fund, the hospital
11 safety net assessment fund, the Interstate 405 and state route number
12 167 express toll lanes account, the judges' retirement account, the
13 judicial retirement administrative account, the judicial retirement
14 principal account, the limited fish and wildlife account, the local
15 leasehold excise tax account, the local real estate excise tax
16 account, the local sales and use tax account, the marine resources
17 stewardship trust account, the medical aid account, the money-
18 purchase retirement savings administrative account, the money-
19 purchase retirement savings principal account, the motor vehicle
20 fund, the motorcycle safety education account, the move ahead WA
21 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 resource management cost account, the rural arterial trust account,
37 the rural mobility grant program account, the rural Washington loan
38 fund, the sexual assault prevention and response account, the site
39 closure account, the skilled nursing facility safety net trust fund,
40 the small city pavement and sidewalk account, the special category C

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

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

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

10 NEW SECTION. **Sec. 15.** Except for section 14 of this act, this
11 act is necessary for the immediate preservation of the public peace,
12 health, or safety, or support of the state government and its
13 existing public institutions, and takes effect July 1, 2023.

14 NEW SECTION. **Sec. 16.** Section 13 of this act expires July 1,
15 2024.

16 NEW SECTION. **Sec. 17.** Section 14 of this act takes effect July
17 1, 2024.

--- END ---