
SENATE BILL 6016

State of Washington

68th Legislature

2024 Regular Session

By Senators Shewmake, Dhingra, Nguyen, Nobles, Saldaña, and C. Wilson

Prefiled 01/05/24. Read first time 01/08/24. Referred to Committee on Environment, Energy & Technology.

1 AN ACT Relating to a green energy community fund to support
2 school districts and nonprofit organizations that service the
3 communities where renewable energy projects are located; amending RCW
4 28A.325.030; adding a new chapter to Title 82 RCW; and providing an
5 expiration date.

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

7 NEW SECTION. **Sec. 1.** The legislature finds that green energy
8 provides economic and environmental benefits by creating
9 opportunities for jobs, and innovation by replacing dirtier forms of
10 energy. The legislature further finds that many, but not all, of
11 these benefits occur at the regional and global levels, beyond the
12 districts where projects are located. It is the intent of the
13 legislature to establish a program to ensure those broad benefits are
14 shared with the host communities by creating pathways to invest state
15 tax revenue back into local communities. This act creates a mechanism
16 to ensure that more of the taxes from new green energy projects are
17 fed back into the districts where they are located.

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

1 (1) "Applicant" means a person applying for a tax credit under
2 this chapter.

3 (2) "Contribution" means cash contributions by a public utility.

4 (3) "Department" means the department of revenue.

5 (4) "Green energy community account" means the Washington green
6 energy community account created in section 3 of this act.

7 (5) "Person" has the meaning given in RCW 82.04.030.

8 (6) "Public utility" means a light and power business as defined
9 in RCW 82.16.010 with a renewable energy project located within the
10 boundaries of a school district.

11 (7) "Renewable energy project" means a facility constructed after
12 the effective date of this section and used by a public utility to
13 generate electricity derived either from wind power or solar power or
14 to store electrical energy.

15 NEW SECTION. **Sec. 3.** (1) The Washington green energy community
16 account is created in the custody of the state treasurer. All
17 receipts from contributions and other donations, federal funds, and
18 legislative appropriations must be deposited into the account. Moneys
19 in the account do not require an appropriation.

20 (2) On a quarterly basis, the state treasurer must distribute
21 moneys deposited into the account in the prior quarter to each school
22 district and/or nonprofit organization designated as a recipient of a
23 contribution. The department must notify the state treasurer of the
24 amount and either school districts or nonprofit organizations, or
25 both, to receive distributions under this section.

26 NEW SECTION. **Sec. 4.** (1) Application for tax credits under this
27 chapter must be submitted to the department before making a
28 contribution to the Washington green energy community account. The
29 application must be made to the department in a form and manner
30 prescribed by the department. The application must contain
31 information regarding: The proposed amount of contribution to the
32 Washington green energy community account, details of the renewable
33 energy project, the project's location, the recipient of the
34 contribution (school district or nonprofit organization), and other
35 information required by the department to determine eligibility under
36 this chapter. The department must rule on the application within 45
37 days. Applications must be approved on a first-in-time basis.

1 (2) Applications must be submitted between January 1st and July
2 1st for contributions to be made by the public utility during the
3 calendar year; however, the department may extend the application
4 deadline if a public utility does not make a contribution by the date
5 specified in section 5 of this act and forfeits all tax credits for
6 the approved application.

7 NEW SECTION. **Sec. 5.** (1) A public utility approved for credit
8 as provided under section 4 of this act must make the total approved
9 contribution to the department by October 1st of the calendar year in
10 which the application is approved. If October 1st falls upon a
11 Saturday, Sunday, or legal holiday, the payment to the department of
12 the contribution is timely if sent on the next business day.

13 (2)(a) A public utility that does not make a contribution as
14 required in subsection (1) of this section forfeits all credits for
15 the approved contribution.

16 (b) The department must make credits forfeited as provided in (a)
17 of this subsection available to new applicants.

18 (3) A public utility must send contributions to the department
19 for deposit into the Washington green energy community account. On a
20 quarterly basis, the department must notify the state treasurer
21 regarding the distribution of contributions as required under section
22 3 of this act. The recipient of a contribution from the Washington
23 green energy community account must be a school district with a
24 renewable energy project located within the boundaries of the school
25 district or a nonprofit organization that services the community
26 where the renewable energy project is located. The public utility
27 shall select the recipient of the contribution, which must be
28 specified on the application as provided in section 4 of this act.

29 NEW SECTION. **Sec. 6.** (1) Subject to the limitations in this
30 chapter, a credit is allowed against the tax imposed by chapters
31 82.04 and 82.16 RCW for approved contributions that are made by a
32 public utility to the Washington green energy community account.

33 (2) The credit allowed under this section is limited to an amount
34 equal to 75 percent of the approved contribution made by a public
35 utility to the Washington green energy community account.

36 (3) The department must keep a running total of all credits
37 approved under this chapter for each calendar year. The department
38 may not approve any credits under this section that would cause the

1 total amount of approved credits statewide to exceed \$5,000,000 in
2 any calendar year.

3 (4) The total credits allowed under this chapter for a public
4 utility may not exceed \$250,000 in a calendar year.

5 (5) The credit may be claimed against tax due under chapters
6 82.04 and 82.16 RCW from a renewable energy project only in the
7 calendar year in which the credit was approved by the department and
8 the contribution was made to the Washington green energy community
9 account or in the subsequent calendar year. No refunds may be granted
10 for credits under this chapter. A public utility may not receive
11 credit against taxes due under chapters 82.04 and 82.16 RCW for the
12 same contribution.

13 (6) Credits may be earned for contributions made on or after
14 January 1, 2025, and on or before December 31, 2034. Credits earned
15 may be claimed on tax returns filed for reporting periods beginning
16 on or after January 1, 2026, and ending on or before December 31,
17 2035. No credit may be claimed on tax returns filed for reporting
18 periods beginning on or after January 1, 2036.

19 NEW SECTION. **Sec. 7.** To claim a credit under this chapter, a
20 person must electronically file with the department all returns,
21 forms, and other information the department requires in an electronic
22 format as provided or approved by the department. Any return, form,
23 or information required to be filed in an electronic format under
24 this section is not filed until received by the department in an
25 electronic format. As used in this section, "returns" has the same
26 meaning as "return" in RCW 82.32.050.

27 NEW SECTION. **Sec. 8.** Chapter 82.32 RCW applies to the
28 administration of this chapter.

29 NEW SECTION. **Sec. 9.** This chapter expires January 1, 2036.

30 NEW SECTION. **Sec. 10.** RCW 82.32.808 does not apply to this act.

31 NEW SECTION. **Sec. 11.** This chapter may be known and cited as
32 the Washington green energy community account act.

33 NEW SECTION. **Sec. 12.** Sections 1 through 11 of this act
34 constitute a new chapter in Title 82 RCW.

1 **Sec. 13.** RCW 28A.325.030 and 2000 c 157 s 2 are each amended to
2 read as follows:

3 (1) (a) There is hereby created a fund on deposit with each county
4 treasurer for each school district of the county having an associated
5 student body as defined in RCW 28A.325.020. Such fund shall be known
6 as the associated student body program fund. Rules adopted by the
7 superintendent of public instruction under RCW 28A.325.020 shall
8 require separate accounting for each associated student body's
9 transactions in the school district's associated student body program
10 fund.

11 (b) All moneys generated through the programs and activities of
12 any associated student body shall be deposited in the associated
13 student body program fund. Such funds may be invested for the sole
14 benefit of the associated student body program fund in items
15 enumerated in RCW 28A.320.320 and the county treasurer may assess a
16 fee as provided therein. Disbursements from such fund shall be under
17 the control and supervision, and with the approval, of the board of
18 directors of the school district, and shall be by warrant as provided
19 in chapter 28A.350 RCW: PROVIDED, That in no case shall such warrants
20 be issued in an amount greater than the funds on deposit with the
21 county treasurer in the associated student body program fund. To
22 facilitate the payment of obligations, an imprest bank account or
23 accounts may be created and replenished from the associated student
24 body program fund.

25 (c) The associated student body program fund shall be budgeted by
26 the associated student body, subject to approval by the board of
27 directors of the school district. All disbursements from the
28 associated student body program fund or any imprest bank account
29 established thereunder shall have the prior approval of the
30 appropriate governing body representing the associated student body.
31 Notwithstanding the provisions of RCW 43.09.210, it shall not be
32 mandatory that expenditures from the district's general fund in
33 support of associated student body programs and activities be
34 reimbursed by payments from the associated student body program fund.

35 (2) Subject to applicable school board policies, student groups
36 may conduct fund-raising activities, including but not limited to
37 soliciting donations, in their private capacities for the purpose of
38 generating nonassociated student body fund moneys. The school board
39 policy shall include provisions to ensure appropriate accountability
40 for these funds. Nonassociated student body program fund moneys

1 generated and received by students for private purposes to use for
2 scholarship, student exchange, and/or charitable purposes shall be
3 held in trust in one or more separate accounts within an associated
4 student body program fund and be disbursed for such purposes as the
5 student group conducting the fund-raising activity shall determine:
6 PROVIDED, That the school district shall either withhold an amount
7 from such moneys as will pay the district for its direct costs in
8 providing the service or otherwise be compensated for its cost for
9 such service. Nonassociated student body program fund moneys shall
10 not be deemed public moneys under section 7, Article VIII of the
11 state Constitution. Notice shall be given identifying the intended
12 use of the proceeds. The notice shall also state that the proceeds
13 are nonassociated student body funds to be held in trust by the
14 school district exclusively for the intended purpose. "Charitable
15 purpose" under this section does not include any activity related to
16 assisting a campaign for election of a person to an office or for the
17 promotion or opposition to a ballot proposition.

18 (3) A school district receiving funding under chapter 82.--- RCW
19 (the new chapter created in section 12 of this act) must deposit all
20 proceeds into a subaccount of its associated student body program
21 fund and such funds may be used for any allowable purpose of the
22 associated student body program fund.

--- END ---