CERTIFICATION OF ENROLLMENT

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 2569

Chapter 74, Laws of 2014

63rd Legislature 2014 Regular Session

DIESEL EMISSIONS--AIR POLLUTION REDUCTION

EFFECTIVE DATE: 06/12/14 - Except for section 6, which is contingent.

Passed by the House March 10, 2014 CERTIFICATE Yeas 94 Nays 4 I, Barbara Baker, Chief Clerk of the House of Representatives of FRANK CHOPP the State of Washington, do hereby that the attached is certify Speaker of the House of Representatives ENGROSSED SECOND SUBSTITUTE HOUSE ${f BILL}$ 2569 as passed by the House of Representatives and the Senate on the dates hereon set forth. Passed by the Senate March 6, 2014 Yeas 49 Nays 0 BARBARA BAKER Chief Clerk BRAD OWEN President of the Senate Approved March 27, 2014, 10:13 a.m. FILED March 27, 2014

JAY INSLEE

Governor of the State of Washington

Secretary of State State of Washington

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 2569

AS AMENDED BY THE SENATE

Passed Legislature - 2014 Regular Session

State of Washington 63rd Legislature 2014 Regular Session

By House Appropriations Subcommittee on General Government & Information Technology (originally sponsored by Representatives Hargrove and Pollet)

READ FIRST TIME 02/10/14.

- 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 <u>NEW SECTION.</u> **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.
- 14 <u>NEW_SECTION.</u> **Sec. 2.** The definitions in this section apply
- 15 throughout this chapter unless the context clearly requires otherwise.
- 16 (1) "Account" means the diesel idle reduction account created in
- 17 section 4 of this act.
- 18 (2) "Department" means the department of ecology.

- 1 (3) "Loan recipient" means a state, local, or other governmental entity that owns diesel vehicles or equipment.
- NEW SECTION. Sec. 3. (1) The department shall use the moneys in 3 the account to provide loans with low or no interest to loan recipients 4 for the purpose of reducing exposure to diesel emissions and improving 5 6 public health by investing in diesel idle emission reduction 7 technologies and infrastructure. The department shall, to the extent practical, integrate communications, outreach, and other aspects of the 8 administration of loans from the account with the administration of 9 existing grant programs to reduce diesel emissions from vehicles and 10 11 equipment. In selecting loan recipients, the department shall consider anticipated human health, environmental, and greenhouse gas benefits 12 from reduced exposure to harmful air emissions associated with diesel 13 14 idling.
 - (2) The department shall make loans in such a manner that the remittances from loan recipients are of equal value over a long-term planning horizon to the disbursals from the fund.
 - (3) Loan moneys may not be spent on vehicles or equipment that spend less than one-half of their operating time in Washington. Permissible diesel idle reduction expenditures include, but are not limited to:
 - (a) Electrified parking spaces and truck stops;
 - (b) Shore connection systems and alternative maritime power;
 - (c) Shore connection systems for locomotives;
- 25 (d) Auxiliary power units and generator sets;
- (e) Fuel-operated heaters or direct-fired heaters, including enginefluid preheaters and cab air heaters;
- 28 (f) Battery powered systems, including battery powered heating and 29 air conditioning systems;
 - (g) Thermal storage systems;
 - (h) Automatic engine start-up and shutdown systems;
- (i) Projects to augment or replace diesel engines or power systems with engines or power systems that use liquefied or compressed natural gas; and
- 35 (j) Other operation or maintenance efficiencies that achieve 36 emission reduction benefits for the public.

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- NEW SECTION. Sec. 4. The diesel idle reduction account is created in the state treasury. All receipts from remittances made by loan recipients pursuant to section 3 of this act and any moneys appropriated to the account by law must be deposited in the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for the purposes of this chapter, including the costs of program administration.
- 8 Sec. 5. RCW 43.84.092 and 2013 2nd sp.s. c 23 s 24 and 2013 2nd sp.s. c 11 s 15 are each reenacted and amended to read as follows:

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- (1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.
- (2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.
- (3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.
 - (4) Monthly, the state treasurer shall distribute the earnings

credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:

The following accounts and funds shall receive their 4 (a) 5 proportionate share of earnings based upon each account's and fund's average daily balance for the period: The aeronautics account, the 6 7 aircraft search and rescue account, the Alaskan Way viaduct replacement project account, the brownfield redevelopment trust fund account, the 8 budget stabilization account, the capital vessel replacement account, 9 10 the capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University 11 12 capital projects account, the charitable, educational, penal and 13 reformatory institutions account, the cleanup settlement account, the 14 Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia 15 16 river basin water supply revenue recovery account, the common school 17 construction fund, the county arterial preservation account, the county justice assistance account, the deferred compensation 18 administrative account, the deferred compensation principal account, 19 the department of licensing services account, the department of 20 21 retirement systems expense account, the developmental disabilities community trust account, the diesel idle reduction account, the 22 drinking water assistance account, the drinking water assistance 23 24 administrative account, the drinking water assistance repayment 25 account, the Eastern Washington University capital projects account, the Interstate 405 express toll lanes operations account, the education 26 27 construction fund, the education legacy trust account, the election account, the energy freedom account, the energy recovery act account, 28 the essential rail assistance account, The Evergreen State College 29 capital projects account, the federal forest revolving account, the 30 31 ferry bond retirement fund, the freight mobility investment account, 32 the freight mobility multimodal account, the grade crossing protective fund, the public health services account, the high capacity 33 transportation account, the state higher education construction 34 account, the higher education construction account, the highway bond 35 retirement fund, the highway infrastructure account, the highway safety 36 37 fund, the high occupancy toll lanes operations account, the hospital 38 safety net assessment fund, the industrial insurance premium refund

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

- Washington bond retirement fund, the University of Washington building 1 2 account, the volunteer firefighters' and reserve officers' relief and pension principal fund, the volunteer firefighters' and reserve 3 officers' administrative fund, the Washington judicial retirement 4 5 system account, the Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law 6 enforcement officers' and firefighters' system plan 2 retirement 7 account, the Washington public safety employees' plan 2 retirement 8 account, the Washington school employees' retirement system combined 9 10 plan 2 and 3 account, the Washington state economic development commission account, the Washington state health insurance pool account, 11 12 the Washington state patrol retirement account, the Washington State 13 University building account, the Washington State University bond retirement fund, the water pollution control revolving administration 14 account, the water pollution control revolving fund, the Western 15 Washington University capital projects account, the Yakima integrated 16 17 plan implementation account, the Yakima integrated plan implementation revenue recovery account, and the Yakima integrated plan implementation 18 taxable bond account. Earnings derived from investing balances of the 19 agricultural permanent fund, the normal school permanent fund, the 20 21 permanent common school fund, the scientific permanent fund, the state 22 university permanent fund, and the state reclamation revolving account shall be allocated to their respective beneficiary accounts. 23 24
 - (b) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the state treasury that deposits funds into a fund or account in the state treasury pursuant to an agreement with the office of the state treasurer shall receive its proportionate share of earnings based upon each account's or fund's average daily balance for the period.
- 30 (5) In conformance with Article II, section 37 of the state 31 Constitution, no treasury accounts or funds shall be allocated earnings 32 without the specific affirmative directive of this section.
 - Sec. 6. RCW 43.84.092 and 2013 2nd sp.s. c 23 s 25 and 2013 2nd sp.s. c 11 s 16 are each reenacted and amended to read as follows:
- 35 (1) All earnings of investments of surplus balances in the state 36 treasury shall be deposited to the treasury income account, which 37 account is hereby established in the state treasury.

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

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- (3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.
- (4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:
- (a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the Alaskan Way viaduct replacement project account, the brownfield redevelopment trust fund account, the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the cleanup settlement account, the Columbia river basin water supply development account, the Columbia

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

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

- 1 retirement fund, the water pollution control revolving administration
- 2 account, the water pollution control revolving fund, the Western
- 3 Washington University capital projects account, the Yakima integrated
- 4 plan implementation account, the Yakima integrated plan implementation
- 5 revenue recovery account, and the Yakima integrated plan implementation
- 6 taxable bond account. Earnings derived from investing balances of the
- 7 agricultural permanent fund, the normal school permanent fund, the
- 8 permanent common school fund, the scientific permanent fund, the state
- 9 university permanent fund, and the state reclamation revolving account
- 10 shall be allocated to their respective beneficiary accounts.
- 11 (b) Any state agency that has independent authority over accounts
- 12 or funds not statutorily required to be held in the state treasury that
- 13 deposits funds into a fund or account in the state treasury pursuant to
- 14 an agreement with the office of the state treasurer shall receive its
- 15 proportionate share of earnings based upon each account's or fund's
- 16 average daily balance for the period.
- 17 (5) In conformance with Article II, section 37 of the state
- 18 Constitution, no treasury accounts or funds shall be allocated earnings
- 19 without the specific affirmative directive of this section.
- 20 <u>NEW SECTION.</u> **Sec. 7.** The department may adopt rules necessary to
- 21 implement this chapter only after the legislature appropriates moneys
- 22 to the account created in section 4 of this act.
- NEW SECTION. Sec. 8. Sections 1 through 4 and 7 of this act
- 24 constitute a new chapter in Title 70 RCW.
- 25 <u>NEW SECTION.</u> **Sec. 9.** Section 5 of this act expires on the date
- 26 the requirements set out in section 7, chapter 36, Laws of 2012 are
- 27 met.
- 28 NEW SECTION. Sec. 10. Section 6 of this act takes effect on the
- 29 date the requirements set out in section 7, chapter 36, Laws of 2012
- 30 are met.

Passed by the House March 10, 2014.

Passed by the Senate March 6, 2014.

Approved by the Governor March 27, 2014.

Filed in Office of Secretary of State March 27, 2014.