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**ENGROSSED SUBSTITUTE HOUSE BILL 1175**

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**State of Washington**

**68th Legislature**

**2023 Regular Session**

**By** House Appropriations (originally sponsored by Representatives Doglio, Dye, and Leavitt; by request of Pollution Liability Insurance Agency)

READ FIRST TIME 02/13/23.

1       AN ACT Relating to creating a state financial assurance program  
2 for petroleum underground storage tanks; amending RCW 82.23A.020;  
3 reenacting and amending RCW 70A.325.020 and 43.79A.040; adding a new  
4 chapter to Title 70A RCW; prescribing penalties; providing an  
5 effective date; and providing expiration dates.

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

7       NEW SECTION.   **Sec. 1.** The purpose of this chapter is to create a  
8 state financial assurance program that adequately protects public  
9 health and safety and the environment from impacts due to petroleum  
10 underground storage tank system releases and meets the federal  
11 requirements for financial assurance so that a petroleum release will  
12 be appropriately addressed. The program focuses on prevention of  
13 releases, responsiveness to any release, and emphasizes remediation  
14 of releases in areas of risk for drinking water impacts or to  
15 equitably protect human health and the environment in communities  
16 that are marginalized, overburdened, and underserved. The program is  
17 administered by the pollution liability insurance agency.

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

- 1 (1) "Agency" means the pollution liability insurance agency.
- 2 (2) "Annual aggregate" means the maximum amount of money the  
3 program will pay for all of an owner's or operator's eligible costs  
4 associated with a petroleum underground storage tank in one year.
- 5 (3) "Bodily injury" means actual medically documented costs and  
6 medically documentable future costs of adverse health effects that  
7 have resulted from exposure to a release from a petroleum underground  
8 storage tank. The term does not include pain and suffering.
- 9 (4) "Director" means the director or designee of the state  
10 pollution liability insurance agency.
- 11 (5) "Loss declaration form" means a request for payment from the  
12 state financial assurance program filed by the owner or operator.
- 13 (6) "Loss reserve" means the amount set aside by the agency for  
14 cost and expenses related to requests that have been made by an owner  
15 or operator.
- 16 (7) "Occurrence" means an accident, including continuous or  
17 repeated exposure to conditions, that results in a release from a  
18 petroleum underground storage tank.
- 19 (8) "Operator" means a person in control of, or having  
20 responsibility for, the daily operation of a petroleum underground  
21 storage tank.
- 22 (9) "Owner" means a person who owns a petroleum underground  
23 storage tank.
- 24 (10) "Per occurrence" means the period of time from  
25 identification through remediation of a release from a petroleum  
26 underground storage tank.
- 27 (11) "Petroleum" means any petroleum-based substance, including  
28 crude oil or any fraction that is liquid at standard conditions of  
29 temperature and pressure. "Petroleum" includes, but is not limited  
30 to, petroleum and petroleum-based substances comprised of a complex  
31 blend of hydrocarbons, such as motor fuels, jet fuels, distillate  
32 fuel oils, residual fuel oils, lubricants, petroleum solvents, used  
33 oils, and heating oils. The term does not include propane, asphalt,  
34 or any other petroleum product that is not liquid at standard  
35 conditions of temperature and pressure. Standard conditions of  
36 temperature and pressure are at 60 degrees Fahrenheit and 14.7 pounds  
37 per square inch absolute.
- 38 (12) "Petroleum underground storage tank" means an underground  
39 storage tank system regulated under chapter 70A.355 RCW or subtitle I

1 of the solid waste disposal act (42 U.S.C. chapter 82, subchapter IX)  
2 that is used for storing petroleum.

3 (13) "Petroleum underground storage tank facility" means the  
4 location where the petroleum underground storage tank is located. The  
5 term encompasses all real property under common ownership associated  
6 with the operation of the petroleum underground storage tank.

7 (14) "Program" means the state financial assurance program  
8 created in this chapter.

9 (15) "Property damage" means a documented adverse physical impact  
10 to structures or property as a result of a release from a petroleum  
11 underground storage tank.

12 (16) "Release" has the same meaning as defined in RCW  
13 70A.305.020.

14 (17) "Remedial action" has the same meaning as defined in RCW  
15 70A.305.020.

16 (18) "Surplus reserve" means the amount set aside by the agency  
17 to provide financial protection from unexpected losses.

18 (19) "Third-party claim" means a civil action brought or asserted  
19 by an injured party against an owner or operator of a petroleum  
20 underground storage tank for bodily injury or property damages  
21 resulting from a release from a petroleum underground storage tank.  
22 The following entities are not considered a third party: A petroleum  
23 underground storage tank owner or operator; the owner of the property  
24 where the petroleum underground storage tank is located; a person to  
25 whom properties are transferred in anticipation of damage due to a  
26 release; employees or agents of an owner or operator; or employees or  
27 agents of the property owner.

28 NEW SECTION. **Sec. 3.** (1) The agency must establish and  
29 administer a state financial assurance program for owners and  
30 operators of petroleum underground storage tanks that meets the  
31 financial responsibility requirements established under chapter  
32 70A.355 RCW.

33 (2) To participate in the program, an owner or operator must  
34 register a petroleum underground storage tank in accordance with  
35 procedures established by the agency and maintain compliance with the  
36 program eligibility requirements established by the agency. The  
37 agency may remove from the program any owner or operator who fails to  
38 maintain compliance with the program eligibility requirements.

1 (3) The agency may conduct an assessment of a registered  
2 petroleum underground storage tank facility and any release from the  
3 petroleum underground storage tank to determine program or cost  
4 eligibility. If an owner or operator does not allow an assessment,  
5 the agency may remove the owner or operator from the program or deny  
6 requests for payment under the program.

7 (4) Under the program, the agency may provide an eligible owner  
8 or operator of a registered petroleum underground storage tank the  
9 following financial assurances:

10 (a) For releases occurring after tank registration, up to  
11 \$2,000,000 per occurrence for taking remedial action and for  
12 compensating third parties for bodily injury and property damage  
13 caused by the release during the time the tank is registered by the  
14 owner or operator; and

15 (b) For releases occurring prior to tank registration, up to  
16 \$1,000,000 per occurrence for taking remedial action.

17 (5) Under the program, the agency may not expend more than  
18 \$3,000,000 per state fiscal year for multiple occurrences involving a  
19 single petroleum underground storage tank.

20 (6) The agency may prioritize funding for a release under the  
21 program based on the following factors:

22 (a) The threats posed by the release to human health and the  
23 environment;

24 (b) Whether the population threatened by the release may include  
25 a vulnerable population or an overburdened community as defined in  
26 RCW 70A.02.010; and

27 (c) Other factors specified by the agency.

28 (7) Claims for remedial action costs will receive priority over  
29 payment of a third-party claim. Before funding any third-party claim  
30 resulting from a release under the program, the agency must reserve  
31 the estimated cost of any remedial actions necessary to address the  
32 release, and if funding is remaining then payment may be made on an  
33 eligible third-party claim.

34 (8) Funding for remedial actions and third-party claims under the  
35 program is limited to the reasonable and necessary eligible costs  
36 established by the agency.

37 (a) For remedial actions, the agency may establish a range of  
38 eligible costs or base payment of eligible costs on criteria to be  
39 met by persons who contract to perform remedial actions.

1 (b) The agency is not liable for any costs for remedial actions  
2 or third-party claims under the program where no owner or operator  
3 exists.

4 (9) The agency may require an agency representative to be present  
5 during the removal of a registered petroleum underground storage  
6 tank. If an owner or operator does not allow an agency representative  
7 to be present during the removal or does not comply with procedures  
8 established by the agency, the agency may deny requests for payment  
9 of tank removal costs under the program.

10 NEW SECTION. **Sec. 4.** The agency must by rule establish a fee to  
11 recover from owners and operators of registered petroleum underground  
12 storage tanks the cost of administering the program. The fee may be  
13 collected on an annual basis and may not exceed \$25,000 per petroleum  
14 underground storage tank per year.

15 NEW SECTION. **Sec. 5.** (1) The agency may require an owner or  
16 operator to return any cost overpayment made by the agency under this  
17 chapter. If the cost overpayment is not returned upon request by the  
18 agency:

19 (a) The agency may file a lien on the petroleum underground  
20 storage tank facility or other property owned by the owner or  
21 operator under section 8 of this act to recover the cost overpayment;  
22 and

23 (b) The attorney general, at the request of the agency, may  
24 commence a civil action against the owner or operator in superior  
25 court to recover the cost overpayment and the agency's administrative  
26 and legal expenses to recover the cost overpayment.

27 (2) The agency may require an owner or operator to return any  
28 cost payment made by the agency under this chapter if the owner or  
29 operator misrepresents or omits a fact relevant to a determination  
30 made by the agency under this chapter or if the owner or operator  
31 fails to complete the remedial action that the agency determined at  
32 the time of the cost payment to be necessary to adequately address  
33 the release. If the cost payment is not returned as required by the  
34 agency:

35 (a) The agency may file a lien on the petroleum underground  
36 storage tank facility or other property owned by the owner or  
37 operator under section 8 of this act to recover the cost payment; and

1 (b) The attorney general, at the request of the agency, may  
2 commence a civil action against the owner or operator in superior  
3 court to recover:

4 (i) The cost payment;

5 (ii) A civil penalty as determined by the court up to the full  
6 amount of the cost payment, if the agency's repayment request is  
7 based on willful actions of the owner or operator; and

8 (iii) The agency's administrative and legal expenses to recover  
9 the cost payment.

10 (3) If a person, with intent to defraud, submits a loss  
11 declaration form, or issues an invoice or other demand for payment  
12 under this chapter with knowledge that it is false in whole or in  
13 part, and with knowledge that it is being submitted to the agency for  
14 cost payment, the agency may require that the person return any cost  
15 payment received based on the false loss declaration form, invoice,  
16 or other demand for payment. If the cost payment is not returned as  
17 required by the agency:

18 (a) The agency may file a lien on the petroleum underground  
19 storage tank facility or other property owned by the owner or  
20 operator under section 8 of this act to recover the cost payment; and

21 (b) The attorney general, at the request of the agency, may  
22 commence a civil action against the person in superior court to  
23 recover:

24 (i) The cost payment;

25 (ii) A civil penalty as determined by the court up to the full  
26 amount of the cost payment; and

27 (iii) The agency's administrative and legal expenses to recover  
28 the cost payment.

29 NEW SECTION. **Sec. 6.** (1) The agency may conduct remedial  
30 actions to investigate or clean up a release from a petroleum  
31 underground storage tank registered under the state financial  
32 assurance program if the following conditions are met:

33 (a) The owner or operator has received, or is eligible to  
34 receive, funding for remedial actions under the program; and

35 (b) The owner or operator provides consent for the agency to:

36 (i) Conduct the remedial actions; and

37 (ii) Enter upon the real property to conduct the remedial  
38 actions.

1 (2) The agency may not expend more per occurrence to take  
2 remedial action under this section than the financial assurance  
3 limits specified in section 3 of this act.

4 NEW SECTION. **Sec. 7.** (1) The agency may conduct remedial  
5 actions to investigate or clean up a release from a petroleum  
6 underground storage tank, even if the petroleum underground storage  
7 tank is not registered under the state financial assurance program,  
8 if the following conditions are met:

9 (a) The release occurs in an area of risk for drinking water  
10 impacts or where addressing the release is necessary to equitably  
11 protect human health and the environment in communities that have  
12 been marginalized, overburdened, and underserved;

13 (b) The owner or operator, or owner of the property where the  
14 petroleum underground storage tank is located, provides consent for  
15 the agency to:

16 (i) Conduct the remedial actions;

17 (ii) Enter upon the real property to conduct the remedial  
18 actions; and

19 (iii) Recover the costs of the remedial actions from the owner or  
20 operator or potentially liable persons; and

21 (c) The owner of the petroleum underground storage tank facility  
22 consents to the agency filing a lien on the facility under section 8  
23 of this act to recover the agency's remedial action costs.

24 (2) The agency may seek recovery of any remedial action costs  
25 incurred by the agency under this section from any liable person. The  
26 agency may file a lien on the petroleum underground storage tank  
27 facility under section 8 of this act to recover the agency's remedial  
28 action costs. The attorney general, at the request of the agency, may  
29 commence a civil action against any liable person to recover the  
30 agency's remedial action costs.

31 NEW SECTION. **Sec. 8.** (1) The agency may file a lien against the  
32 petroleum underground storage tank facility where the petroleum  
33 underground storage tank is located or property owned by the owner or  
34 operator of the petroleum underground storage tank if the agency  
35 incurs remedial action costs under section 7 of this act or demands  
36 repayment of costs paid under section 5 of this act and those costs  
37 are not recovered by the agency.

1 (a) A lien filed under this section may not exceed the remedial  
2 action costs incurred or repayments demanded by the agency.

3 (b) A lien filed under this section has priority in rank over all  
4 other privileges, liens, monetary encumbrances, or other security  
5 interests affecting the real property, whenever incurred, filed, or  
6 recorded, except for local and special district property tax  
7 assessments.

8 (2) Before filing a lien under this section, the agency shall  
9 give notice of its intent to file a lien to the owner of the  
10 petroleum underground storage tank facility on which the lien is to  
11 be filed, mortgagees, and lienholders of record.

12 (a) The agency shall send the notice by certified mail to the  
13 petroleum underground storage tank facility owner and mortgagees of  
14 record at the addresses listed in the recorded documents. If the  
15 petroleum underground storage tank facility owner is unknown or if a  
16 mailed notice is returned as undeliverable, the agency shall provide  
17 notice by posting a legal notice in the newspaper of largest  
18 circulation in the county in which the site is located. The notice  
19 must provide:

20 (i) A statement of the purpose of the lien;

21 (ii) A brief description of the real property to be affected by  
22 the lien; and

23 (iii) A statement of the remedial action costs incurred or  
24 repayments demanded by the agency.

25 (b) If the agency has reason to believe that exigent  
26 circumstances require the filing of a lien prior to giving notice  
27 under this subsection, the agency may file the lien immediately.  
28 Exigent circumstances include, but are not limited to, an imminent  
29 bankruptcy filing by the petroleum underground storage tank facility  
30 owner or the imminent transfer or sale of the real property subject  
31 to lien by the petroleum underground storage tank facility owner, or  
32 both.

33 (3) A lien filed under this section is effective when a statement  
34 of lien is filed with the county auditor in the county where the  
35 petroleum underground storage tank is located. The statement of lien  
36 must include a description of the real property subject to lien and  
37 the amount of the lien.

38 (4) Unless the agency determines it is in the public interest to  
39 remove the lien, the lien continues until the liabilities for the  
40 remedial action costs incurred or repayments demanded by the agency



1 have been satisfied through sale of the real property, foreclosure,  
2 or other means agreed to by the agency. Any action for foreclosure of  
3 the lien must be brought by the attorney general in a civil action in  
4 the court having jurisdiction and in the manner prescribed for  
5 judicial foreclosure of a mortgage under chapter 61.24 RCW.

6 (5) The agency may not file a lien under this section against a  
7 petroleum underground storage tank owned by a local government.

8 NEW SECTION. **Sec. 9.** (1) The following moneys must be deposited  
9 into the pollution liability insurance program trust account created  
10 in RCW 70A.325.020:

11 (a) All moneys appropriated by the legislature to pay for the  
12 agency's operating costs to carry out the purposes of this chapter;

13 (b) All fees or contributions collected from owners or operators  
14 under section 4 of this act;

15 (c) Any recovery of remedial action costs incurred by the agency  
16 under this act; and

17 (d) Any payments recovered or civil penalties collected by the  
18 agency under section 5 of this act.

19 (2) Moneys in the pollution liability insurance program trust  
20 account created in RCW 70A.325.020 may be used by the agency to carry  
21 out the purposes of this chapter.

22 NEW SECTION. **Sec. 10.** (1) The agency must monitor the  
23 performance of the state financial assurance program and, after the  
24 end of each biennium, publish a financial report on the program  
25 showing administrative and other expenses paid from the program.

26 (2) For each calendar quarter, the agency must determine the loss  
27 and surplus reserves required for the state financial assurance  
28 program. The agency must notify the department of revenue of this  
29 amount by the 15th day of each calendar quarter.

30 NEW SECTION. **Sec. 11.** (1) The agency must adopt rules under  
31 chapter 34.05 RCW as necessary to carry out the provisions of this  
32 chapter. To accelerate remedial actions, the agency may implement the  
33 program through interpretative guidance pending adoption of rules.

34 (2) The department of ecology must adopt rules under chapter  
35 34.05 RCW to enable use of the program authorized under this chapter  
36 to meet the financial responsibility requirements of chapter 70A.355

1 RCW. The rules must be consistent with and no less stringent than the  
2 federal regulations.

3 NEW SECTION. **Sec. 12.** (1) A person may request a review by the  
4 director of the following agency decisions by submitting a written  
5 request, specifying the basis for the review, in accordance with  
6 procedures established by the agency:

- 7 (a) A denial of program eligibility;
- 8 (b) A denial of eligibility for payment under the program;
- 9 (c) Amount of payment allowed for remedial actions;
- 10 (d) Amount of payment allowed for a third-party claim; and
- 11 (e) An agency request for cost repayment under section 5 of this  
12 act.

13 (2) A person has 45 days after the decision to file a written  
14 request for review with the director. If the written request for  
15 review is received within 45 days, the director shall conduct an  
16 adjudicative hearing under chapter 34.05 RCW.

17 NEW SECTION. **Sec. 13.** (1) Nothing in this chapter establishes  
18 or creates any liability or responsibility on the part of the agency  
19 or the state as administrators of the program to pay any costs for  
20 remedial actions or third-party claims from any source other than the  
21 pollution liability insurance program trust account.

22 (2) The agency and the state as administrators of the program  
23 have no liability or responsibility to make payments for remedial  
24 action costs or third-party claims if the moneys in the account are  
25 insufficient.

26 (3) If the moneys in the account are insufficient to make the  
27 payments at the time the loss declaration form is filed, these  
28 requests must be paid in the order of filing at such time as moneys  
29 accrue in the account, except for releases from a petroleum  
30 underground storage tank that present an imminent threat to human  
31 health and the environment must receive first priority for receiving  
32 moneys to eliminate the imminent threat.

33 NEW SECTION. **Sec. 14.** Officers, employees, and authorized  
34 representatives of the agency and the state of Washington are immune  
35 from civil liability and no cause of action of any nature may arise  
36 from any act or omission in exercising powers and duties under this  
37 chapter.

1        NEW SECTION.    **Sec. 15.**    (1) Nothing in this chapter limits the  
2 authority of the department of ecology under chapter 70A.305 RCW.

3        (2) Nothing in this chapter affects or modifies the obligations  
4 or liability of any person under any other state or federal law.

5        (3) The agency is authorized to recover the costs of remedial  
6 actions conducted by the agency under this act, including the use of  
7 cost recovery options in the model toxics control act, chapter  
8 70A.305 RCW, or other applicable state or federal laws.

9        NEW SECTION.    **Sec. 16.**    This chapter expires July 1, 2030.

10       **Sec. 17.**    RCW 82.23A.020 and 2020 c 20 s 1484 are each amended to  
11 read as follows:

12        (1) A tax is imposed on the privilege of possession of petroleum  
13 products in this state. The rate of the tax shall be thirty one-  
14 hundredths of one percent multiplied by the wholesale value of the  
15 petroleum product. (~~(After July 1, 2021, the rate of tax is fifteen~~  
16 ~~one-hundredths of one percent multiplied by the wholesale value of~~  
17 ~~the petroleum product.)) For purposes of determining the tax imposed  
18 under this section for petroleum products introduced at the rack, the  
19 wholesale value is determined when the petroleum product is removed  
20 at the rack unless the removal is to an exporter licensed under  
21 chapter 82.38 RCW for direct delivery to a destination outside of the  
22 state. For all other cases, the wholesale value is determined upon  
23 the first nonbulk possession in the state.~~

24        (2) Except as identified in RCW 70A.345.130, moneys collected  
25 under this chapter shall be deposited in the pollution liability  
26 insurance program trust account under RCW 70A.325.020.

27        (3) Chapter 82.32 RCW applies to the tax imposed in this chapter.  
28 The tax due dates, reporting periods, and return requirements  
29 applicable to chapter 82.04 RCW apply equally to the tax imposed in  
30 this chapter.

31        (4) Within (~~thirty~~) 30 days after the end of each calendar  
32 quarter the department shall determine the "quarterly balance," which  
33 shall be the cash balance in the pollution liability insurance  
34 program trust account as of the last day of that calendar quarter,  
35 after excluding the reserves determined for that quarter under RCW  
36 70A.325.020(2) and chapter 70A.--- RCW (the new chapter created in  
37 section 22 of this act). Balance determinations by the department  
38 under this section are final and shall not be used to challenge the

1 validity of any tax imposed under this section. For each subsequent  
2 calendar quarter, tax shall be imposed under this section during the  
3 entire calendar quarter unless:

4 (a) Tax was imposed under this section during the immediately  
5 preceding calendar quarter, and the most recent quarterly balance is  
6 more than (~~fifteen million dollars~~) \$30,000,000; or

7 (b) Tax was not imposed under this section during the immediately  
8 preceding calendar quarter, and the most recent quarterly balance is  
9 more than (~~seven million five hundred thousand dollars~~)  
10 \$15,000,000.

11 **Sec. 18.** RCW 70A.325.020 and 2020 c 156 s 4 and 2020 c 20 s 1383  
12 are each reenacted and amended to read as follows:

13 (1) The pollution liability insurance program trust account is  
14 established in the custody of the state treasurer. (~~All funds~~  
15 ~~appropriated for this chapter and all premiums collected for~~  
16 ~~reinsurance shall be deposited in the account. Except as provided in~~  
17 ~~chapter 70A.345 RCW, expenditures from the account shall be used~~  
18 ~~exclusively for the purposes of this chapter including payment of~~  
19 ~~costs of administering the pollution liability insurance program and~~  
20 ~~emergency program.~~)

21 (a) The following moneys must be deposited in the account:

22 (i) All moneys specified in RCW 82.23A.020 for deposit into the  
23 account;

24 (ii) All moneys appropriated to carry out the purposes of this  
25 chapter and all premiums collected for reinsurance under this  
26 chapter; and

27 (iii) All moneys specified in section 9 of this act.

28 (b) Except as provided in chapter 70A.345 RCW, expenditures from  
29 the account must be used exclusively for:

30 (i) The purposes of this chapter, including payment of costs of  
31 administering the pollution liability insurance program and emergency  
32 program; and

33 (ii) The purposes of chapter 70A.--- RCW (the new chapter created  
34 in section 22 of this act), including, but not limited to,  
35 establishing and administering the state financial assurance program  
36 for petroleum underground storage tanks authorized by chapter 70A.---  
37 RCW (the new chapter created in section 22 of this act).

38 (c) Expenditures for payment of administrative and operating  
39 costs of the agency are subject to the allotment procedures under

1 chapter 43.88 RCW and may be made only after appropriation by  
2 statute. No appropriation is required for other expenditures from the  
3 account.

4 (2) Each calendar quarter, the director shall report to the  
5 insurance commissioner the loss and surplus reserves required for the  
6 calendar quarter. The director shall notify the department of revenue  
7 of this amount by the ((fifteenth)) 15th day of each calendar  
8 quarter.

9 ~~((3) During the 2019-2021 fiscal biennium, the legislature may  
10 make appropriations from the pollution liability insurance program  
11 trust account for the leaking tank model remedies activity.))~~

12 **Sec. 19.** RCW 43.79A.040 and 2022 c 244 s 3, 2022 c 206 s 8, 2022  
13 c 183 s 16, and 2022 c 162 s 6 are each reenacted and amended to read  
14 as follows:

15 (1) Money in the treasurer's trust fund may be deposited,  
16 invested, and reinvested by the state treasurer in accordance with  
17 RCW 43.84.080 in the same manner and to the same extent as if the  
18 money were in the state treasury, and may be commingled with moneys  
19 in the state treasury for cash management and cash balance purposes.

20 (2) All income received from investment of the treasurer's trust  
21 fund must be set aside in an account in the treasury trust fund to be  
22 known as the investment income account.

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

31 (4)(a) Monthly, the state treasurer must distribute the earnings  
32 credited to the investment income account to the state general fund  
33 except under (b), (c), and (d) of this subsection.

34 (b) The following accounts and funds must receive their  
35 proportionate share of earnings based upon each account's or fund's  
36 average daily balance for the period: The 24/7 sobriety account, the  
37 Washington promise scholarship account, the Gina Grant Bull memorial  
38 legislative page scholarship account, the Rosa Franklin legislative  
39 internship program scholarship account, the Washington advanced

1 college tuition payment program account, the Washington college  
2 savings program account, the accessible communities account, the  
3 Washington achieving a better life experience program account, the  
4 Washington career and college pathways innovation challenge program  
5 account, the community and technical college innovation account, the  
6 agricultural local fund, the American Indian scholarship endowment  
7 fund, the behavioral health loan repayment program account, the  
8 foster care scholarship endowment fund, the foster care endowed  
9 scholarship trust fund, the contract harvesting revolving account,  
10 the Washington state combined fund drive account, the commemorative  
11 works account, the county enhanced 911 excise tax account, the county  
12 road administration board emergency loan account, the toll collection  
13 account, the developmental disabilities endowment trust fund, the  
14 energy account, the energy facility site evaluation council account,  
15 the fair fund, the family and medical leave insurance account, the  
16 fish and wildlife federal lands revolving account, the natural  
17 resources federal lands revolving account, the food animal  
18 veterinarian conditional scholarship account, the forest health  
19 revolving account, the fruit and vegetable inspection account, the  
20 educator conditional scholarship account, the game farm alternative  
21 account, the GET ready for math and science scholarship account, the  
22 Washington global health technologies and product development  
23 account, the grain inspection revolving fund, the Washington history  
24 day account, the industrial insurance rainy day fund, the juvenile  
25 accountability incentive account, the law enforcement officers' and  
26 firefighters' plan 2 expense fund, the local tourism promotion  
27 account, the low-income home rehabilitation revolving loan program  
28 account, the multiagency permitting team account, the northeast  
29 Washington wolf-livestock management account, the pollution liability  
30 insurance program trust account, the produce railcar pool account,  
31 the public use general aviation airport loan revolving account, the  
32 regional transportation investment district account, the rural  
33 rehabilitation account, the Washington sexual assault kit account,  
34 the stadium and exhibition center account, the youth athletic  
35 facility account, the self-insurance revolving fund, the children's  
36 trust fund, the Washington horse racing commission Washington bred  
37 owners' bonus fund and breeder awards account, the Washington horse  
38 racing commission class C purse fund account, the individual  
39 development account program account, the Washington horse racing  
40 commission operating account, the life sciences discovery fund, the

1 Washington state library-archives building account, the reduced  
2 cigarette ignition propensity account, the center for deaf and hard  
3 of hearing youth account, the school for the blind account, the  
4 Millersylvania park trust fund, the public employees' and retirees'  
5 insurance reserve fund, the school employees' benefits board  
6 insurance reserve fund, the public employees' and retirees' insurance  
7 account, the school employees' insurance account, the long-term  
8 services and supports trust account, the radiation perpetual  
9 maintenance fund, the Indian health improvement reinvestment account,  
10 the department of licensing tuition recovery trust fund, the student  
11 achievement council tuition recovery trust fund, the tuition recovery  
12 trust fund, the Washington student loan account, the industrial  
13 insurance premium refund account, the mobile home park relocation  
14 fund, the natural resources deposit fund, the Washington state health  
15 insurance pool account, the federal forest revolving account, and the  
16 library operations account.

17 (c) The following accounts and funds must receive 80 percent of  
18 their proportionate share of earnings based upon each account's or  
19 fund's average daily balance for the period: The advance right-of-way  
20 revolving fund, the advanced environmental mitigation revolving  
21 account, the federal narcotics asset forfeitures account, the high  
22 occupancy vehicle account, the local rail service assistance account,  
23 and the miscellaneous transportation programs account.

24 (d) Any state agency that has independent authority over accounts  
25 or funds not statutorily required to be held in the custody of the  
26 state treasurer that deposits funds into a fund or account in the  
27 custody of the state treasurer pursuant to an agreement with the  
28 office of the state treasurer shall receive its proportionate share  
29 of earnings based upon each account's or fund's average daily balance  
30 for the period.

31 (5) In conformance with Article II, section 37 of the state  
32 Constitution, no trust accounts or funds shall be allocated earnings  
33 without the specific affirmative directive of this section.

34 NEW SECTION. **Sec. 20.** Section 17 of this act takes effect  
35 October 1, 2023.

36 NEW SECTION. **Sec. 21.** Section 19 of this act expires July 1,  
37 2030.

1        NEW SECTION.    **Sec. 22.**    Sections 1 through 16 of this act  
2    constitute a new chapter in Title 70A RCW.

--- **END** ---