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**SENATE BILL 6302**

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**State of Washington**

**68th Legislature**

**2024 Regular Session**

**By** Senators Lias, King, Boehnke, and Nobles

Read first time 01/24/24. Referred to Committee on Transportation.

1 AN ACT Relating to creating a Washington state supply chain  
2 competitiveness infrastructure program; reenacting and amending RCW  
3 43.79A.040, 43.79A.040, and 43.79A.040; adding new sections to  
4 chapter 43.31 RCW; creating a new section; providing effective dates;  
5 and providing expiration dates.

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

7 NEW SECTION. **Sec. 1.** It is the intent of the legislature that  
8 the state of Washington, being the most trade dependent state in the  
9 nation, maintain and expand its abilities to compete in the global  
10 trade market and be a national leader in trade. The legislature finds  
11 it is imperative to maintain and expand critical and strategic  
12 infrastructure for the transport and movement of the overall supply  
13 chain of goods from point of entry, to unload and load processes, and  
14 to transport via ground and maritime facilities, to warehouses,  
15 manufacturing facilities, and final destinations. Strategic  
16 infrastructure investments targeted at increased capacity for the  
17 supply chain is crucial to the state's public welfare of sending and  
18 receiving crucial supplies, goods, and services.

19 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.31  
20 RCW to read as follows:

1 The department of commerce, in collaboration with the department  
2 of transportation, Washington state public ports associations,  
3 individual ports, and other critical supply chain stakeholders, shall  
4 set priorities to ensure the successful and efficient operation of a  
5 supply chain competitiveness program to include grants and loans to  
6 public ports.

7 NEW SECTION. **Sec. 3.** A new section is added to chapter 43.31  
8 RCW to read as follows:

9 (1) The supply chain infrastructure program account is created in  
10 the custody of the state treasurer. All receipts from the  
11 legislature, proceeds of bonds when authorized by the legislature, or  
12 any other lawful source must be deposited into the account. Moneys in  
13 the account may be used only for the purposes set forth in section 4  
14 of this act. Only the department of commerce may authorize  
15 expenditures from the account. The account is subject to allotment  
16 procedures under chapter 43.88 RCW, but an appropriation is not  
17 required for expenditures.

18 (2) The department of commerce shall create a revolving loan  
19 program to fund projects for public port authorities that comply with  
20 the priorities identified through the stakeholder process in section  
21 1 of this act and the project criteria in section 4 of this act.

22 (3) The legislature intends that supply chain competitiveness  
23 grant funds will be appropriated to the department of commerce using  
24 existing transportation accounts.

25 NEW SECTION. **Sec. 4.** A new section is added to chapter 43.31  
26 RCW to read as follows:

27 In addition to the priorities identified through the stakeholder  
28 process in section 1 of this act, projects for the supply chain  
29 infrastructure program may be evaluated using the following criteria:

30 (1) Development or maintenance of transportation infrastructure  
31 that ensures the successful and efficient operation of the supply  
32 chain to and from the state's public ports;

33 (2) Economic, safety, or environmental advantages of efficient  
34 freight movement;

35 (3) Sustaining the state's international trade economy;

36 (4) Increased access to efficient and cost-effective transport to  
37 market for Washington's agricultural and industrial products;

1 (5) Model integration and cooperation within the regional,  
2 national, and international systems of freight distribution; and

3 (6) Mitigation of impacts of increased freight traffic on  
4 communities.

5 NEW SECTION. **Sec. 5.** A new section is added to chapter 43.31  
6 RCW to read as follows:

7 Supply chain infrastructure projects funded from the supply chain  
8 infrastructure program shall focus on enhancing supply chain  
9 competitiveness for public ports, and the capacity of ground and  
10 maritime transportation and facilities. The department of commerce  
11 shall govern and operate the grant and revolving loan program. Grants  
12 and loans may be used for costs incurred for public improvements  
13 including all aspects of ground, rail, and maritime to support supply  
14 chain infrastructure projects that may include, but are not limited  
15 to:

16 (1) Design; planning; acquisition, including land acquisition;  
17 site preparation, including land clearing; construction;  
18 reconstruction; rehabilitation; improvement; and installation of  
19 public improvements;

20 (2) Demolishing, relocating, maintaining, and operating property  
21 pending construction;

22 (3) Relocating utilities;

23 (4) Legal and other professional services; taxes; insurance;  
24 principal and interest costs on general indebtedness issued to  
25 finance public improvements; and any necessary reserves for general  
26 indebtedness;

27 (5) Administrative expenses and feasibility studies reasonably  
28 necessary and related to costs;

29 (6) Street, bridge, and road construction and maintenance,  
30 including:

31 (a) Highway interchange construction;

32 (b) Water and sewer system construction and improvements,  
33 including wastewater reuse facilities;

34 (c) Sidewalks, traffic controls, and streetlights;

35 (d) Parking, terminal, and dock facilities; and

36 (e) Stormwater and drainage management systems;

37 (7) Rail infrastructure to acquire, rebuild, rehabilitate, or  
38 improve rail lines;

1 (8) Purchasing or rehabilitating railroad equipment necessary to  
2 maintain essential rail service;

3 (9) Constructing railroad improvements to mitigate port access or  
4 mainline congestion;

5 (10) Construction of loading facilities to increase business on  
6 light density lines or to mitigate the impacts of abandonment;

7 (11) Preserving rail corridors for future rail purposes by  
8 purchase of rights-of-way;

9 (12) Purchasing, rights-of-way, which may include tracks,  
10 bridges, and associated elements; and

11 (13) Wharves, piers, bulkheads, dredging, shoreline armoring,  
12 acquisition, decks, dikes, breakwaters, cargo transport equipment,  
13 cranes, and cargo loaders.

14 NEW SECTION. **Sec. 6.** A new section is added to chapter 43.31  
15 RCW to read as follows:

16 Public ports are those authorized under chapter 53.04 RCW.

17 **Sec. 7.** RCW 43.79A.040 and 2023 c 389 s 8, 2023 c 387 s 2, 2023  
18 c 380 s 6, 2023 c 170 s 19, and 2023 c 12 s 2 are each reenacted and  
19 amended to read as follows:

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

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

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

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

1 (b) The following accounts and funds must receive their  
2 proportionate share of earnings based upon each account's or fund's  
3 average daily balance for the period: The 24/7 sobriety account, the  
4 Washington promise scholarship account, the Gina Grant Bull memorial  
5 legislative page scholarship account, the Rosa Franklin legislative  
6 internship program scholarship account, the Washington advanced  
7 college tuition payment program account, the Washington college  
8 savings program account, the accessible communities account, the  
9 Washington achieving a better life experience program account, the  
10 Washington career and college pathways innovation challenge program  
11 account, the community and technical college innovation account, the  
12 agricultural local fund, the American Indian scholarship endowment  
13 fund, the behavioral health loan repayment program account, the Billy  
14 Frank Jr. national statutory hall collection fund, the foster care  
15 scholarship endowment fund, the foster care endowed scholarship trust  
16 fund, the contract harvesting revolving account, the Washington state  
17 combined fund drive account, the commemorative works account, the  
18 county 911 excise tax account, the county road administration board  
19 emergency loan account, the toll collection account, the  
20 developmental disabilities endowment trust fund, the energy account,  
21 the energy facility site evaluation council account, the fair fund,  
22 the family and medical leave insurance account, the fish and wildlife  
23 federal lands revolving account, the natural resources federal lands  
24 revolving account, the food animal veterinarian conditional  
25 scholarship account, the forest health revolving account, the fruit  
26 and vegetable inspection account, the educator conditional  
27 scholarship account, the game farm alternative account, the GET ready  
28 for math and science scholarship account, the Washington global  
29 health technologies and product development account, the grain  
30 inspection revolving fund, the Washington history day account, the  
31 industrial insurance rainy day fund, the juvenile accountability  
32 incentive account, the law enforcement officers' and firefighters'  
33 plan 2 expense fund, the local tourism promotion account, the low-  
34 income home rehabilitation account, the medication for people living  
35 with HIV rebate revenue account, the multiagency permitting team  
36 account, the northeast Washington wolf-livestock management account,  
37 the pollution liability insurance program trust account, the produce  
38 railcar pool account, the public use general aviation airport loan  
39 revolving account, the regional transportation investment district  
40 account, the rural rehabilitation account, the Washington sexual

1 assault kit account, the stadium and exhibition center account, the  
2 youth athletic facility account, the self-insurance revolving fund,  
3 the children's trust fund, the Washington horse racing commission  
4 Washington bred owners' bonus fund and breeder awards account, the  
5 Washington horse racing commission class C purse fund account, the  
6 individual development account program account, the Washington horse  
7 racing commission operating account, the life sciences discovery  
8 fund, the Washington state library-archives building account, the  
9 reduced cigarette ignition propensity account, the center for deaf  
10 and hard of hearing youth account, the school for the blind account,  
11 the Millersylvania park trust fund, the public employees' and  
12 retirees' insurance reserve fund, the school employees' benefits  
13 board insurance reserve fund, the public employees' and retirees'  
14 insurance account, the school employees' insurance account, the long-  
15 term services and supports trust account, the radiation perpetual  
16 maintenance fund, the Indian health improvement reinvestment account,  
17 the department of licensing tuition recovery trust fund, the student  
18 achievement council tuition recovery trust fund, the tuition recovery  
19 trust fund, the industrial insurance premium refund account, the  
20 mobile home park relocation fund, the natural resources deposit fund,  
21 the Washington state health insurance pool account, the federal  
22 forest revolving account, the supply chain infrastructure program  
23 account, and the library operations account.

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

31 (d) Any state agency that has independent authority over accounts  
32 or funds not statutorily required to be held in the custody of the  
33 state treasurer that deposits funds into a fund or account in the  
34 custody of the state treasurer pursuant to an agreement with the  
35 office of the state treasurer shall receive its proportionate share  
36 of earnings based upon each account's or fund's average daily balance  
37 for the period.

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

1       **Sec. 8.** RCW 43.79A.040 and 2023 c 389 s 8, 2023 c 387 s 2, 2023  
2 c 380 s 6, 2023 c 213 s 9, 2023 c 170 s 19, and 2023 c 12 s 2 are  
3 each reenacted and amended to read as follows:

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5 invested, and reinvested by the state treasurer in accordance with  
6 RCW 43.84.080 in the same manner and to the same extent as if the  
7 money were in the state treasury, and may be commingled with moneys  
8 in the state treasury for cash management and cash balance purposes.

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

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

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

23       (b) The following accounts and funds must receive their  
24 proportionate share of earnings based upon each account's or fund's  
25 average daily balance for the period: The 24/7 sobriety account, the  
26 Washington promise scholarship account, the Gina Grant Bull memorial  
27 legislative page scholarship account, the Rosa Franklin legislative  
28 internship program scholarship account, the Washington advanced  
29 college tuition payment program account, the Washington college  
30 savings program account, the accessible communities account, the  
31 Washington achieving a better life experience program account, the  
32 Washington career and college pathways innovation challenge program  
33 account, the community and technical college innovation account, the  
34 agricultural local fund, the American Indian scholarship endowment  
35 fund, the behavioral health loan repayment program account, the Billy  
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37 scholarship endowment fund, the foster care endowed scholarship trust  
38 fund, the contract harvesting revolving account, the Washington state  
39 combined fund drive account, the commemorative works account, the  
40 county 911 excise tax account, the county road administration board

1 emergency loan account, the toll collection account, the  
2 developmental disabilities endowment trust fund, the energy account,  
3 the energy facility site evaluation council account, the fair fund,  
4 the family and medical leave insurance account, the fish and wildlife  
5 federal lands revolving account, the natural resources federal lands  
6 revolving account, the food animal veterinarian conditional  
7 scholarship account, the forest health revolving account, the fruit  
8 and vegetable inspection account, the educator conditional  
9 scholarship account, the game farm alternative account, the GET ready  
10 for math and science scholarship account, the Washington global  
11 health technologies and product development account, the grain  
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18 multiagency permitting team account, the northeast Washington wolf-  
19 livestock management account, the pollution liability insurance  
20 program trust account, the produce railcar pool account, the public  
21 use general aviation airport loan revolving account, the regional  
22 transportation investment district account, the rural rehabilitation  
23 account, the Washington sexual assault kit account, the stadium and  
24 exhibition center account, the youth athletic facility account, the  
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26 Washington horse racing commission Washington bred owners' bonus fund  
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33 account, the school for the blind account, the Millersylvania park  
34 trust fund, the public employees' and retirees' insurance reserve  
35 fund, the school employees' benefits board insurance reserve fund,  
36 the public employees' and retirees' insurance account, the school  
37 employees' insurance account, the long-term services and supports  
38 trust account, the radiation perpetual maintenance fund, the Indian  
39 health improvement reinvestment account, the department of licensing  
40 tuition recovery trust fund, the student achievement council tuition



1 recovery trust fund, the tuition recovery trust fund, the industrial  
2 insurance premium refund account, the mobile home park relocation  
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7 (c) The following accounts and funds must receive 80 percent of  
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24 **Sec. 9.** RCW 43.79A.040 and 2023 c 389 s 8, 2023 c 387 s 2, 2023  
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18 insurance reserve fund, the school employees' benefits board  
19 insurance reserve fund, the public employees' and retirees' insurance  
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37 (d) Any state agency that has independent authority over accounts  
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40 custody of the state treasurer pursuant to an agreement with the

1 office of the state treasurer shall receive its proportionate share  
2 of earnings based upon each account's or fund's average daily balance  
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4 (5) In conformance with Article II, section 37 of the state  
5 Constitution, no trust accounts or funds shall be allocated earnings  
6 without the specific affirmative directive of this section.

7 NEW SECTION. **Sec. 10.** (1) Section 7 of this act expires July 1,  
8 2024.

9 (2) Section 8 of this act expires July 1, 2030.

10 NEW SECTION. **Sec. 11.** (1) Section 8 of this act takes effect  
11 July 1, 2024.

12 (2) Section 9 of this act takes effect July 1, 2030.

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