

2SHB 1303 - H AMD 188

By Representative Dye

NOT CONSIDERED 04/27/2025

1 On page 2, after line 16, insert the following:

2 "NEW SECTION. **Sec. 4.** (1) The legislature finds that:

3 (a) Puget Sound, and the complex ecosystem it houses, provides a
4 unique resource of significant environmental, economic, recreational,
5 cultural, and aesthetic value to Washington;

6 (b) Salmon recovery and the restoration of Puget Sound requires a
7 collaborative approach to address each of the various threats to the
8 survival of salmon;

9 (c) The environmental impact of untreated wastewater discharges
10 from wastewater treatment plants and combined sewer overflow systems
11 is one of the many challenges facing Puget Sound; and

12 (d) Salmon need clean and uncontaminated water to thrive. The
13 pollution entering Puget Sound from untreated sewage discharges
14 includes nutrient-rich waste, which can harm sensitive ecosystems.
15 Excess nutrients can lead to eutrophication and decreased dissolved
16 oxygen in water to the detriment of aquatic species. Therefore,
17 removing nutrients from wastewater is crucial. Failure to invest in
18 nutrient removal technology harms treaty-protected rights and
19 threatens economic activity important to the economy, including
20 shellfish growing.

21 (2) Therefore, it is the intent of the legislature to levy a fee
22 on discharges of untreated sewage to Puget Sound in order to defray
23 the costs incurred by the discharge of untreated sewage and to use
24 those funds to improve wastewater treatment infrastructure to help
25 prevent salmonid mortality and hypoxic zones in Puget Sound. We must
26 ensure Washington state fulfills its treaty promises and protects
27 this keystone species that plays a critical role in the Puget Sound
28 ecosystem.

29 NEW SECTION. **Sec. 5.** A new section is added to chapter 90.48
30 RCW to read as follows:

1 (1) The department shall levy upon every discharger of untreated
2 sewage a fee of 10 cents for every gallon of discharge contaminated
3 by untreated sewage, provided that the following conditions are met:

4 (a) The source of the discharge is a municipal combined sewer
5 overflow system or a municipal wastewater treatment plant; and

6 (b) The receiving water body is Puget Sound or a water body in
7 hydrological continuity with Puget Sound.

8 (2) The fee levied pursuant to this section is separate and apart
9 from any other fee or civil penalty that may be assessed pursuant to
10 any other provision of law, court order, or consent decree.

11 (3) Funds that accrue to the state from fees levied pursuant to
12 this section must be deposited into the enhanced wastewater treatment
13 infrastructure for salmon recovery account created in section 6 of
14 this act.

15 (4)(a) The department shall adopt such rules as may be necessary
16 to implement this section.

17 (b) In addition to any other rules the department may adopt
18 pursuant to this section, the department must adopt rules that
19 address the following topics:

20 (i) The establishment of requirements, to the extent that the
21 department does not already require this information, that operators
22 of municipal wastewater treatment plants and municipal combined sewer
23 overflow systems within the Puget Sound watershed provide to the
24 department annual aggregated reports of discharges into state waters
25 of untreated sewage during the previous calendar year; and

26 (ii) The creation of a uniform method of calculating, for the
27 purpose of penalties assessed pursuant to this section, gallons of
28 untreated sewage content in discharges from combined sewer overflow
29 systems.

30 NEW SECTION. **Sec. 6.** A new section is added to chapter 90.48
31 RCW to read as follows:

32 The enhanced wastewater treatment infrastructure for salmon
33 recovery account is created in the state treasury. All receipts
34 collected from fees under section 5 of this act must be deposited
35 into the account. Moneys in the account may be spent only after
36 appropriation. Expenditures from the account may be used only to make
37 grants to municipalities for wastewater treatment infrastructure
38 projects that remove excess nutrients from discharges to Puget Sound.

1 **Sec. 7.** RCW 43.84.092 and 2024 c 210 s 4 and 2024 c 168 s 12 are
2 each reenacted and amended to read as follows:

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

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

22 (3) Except for the provisions of RCW 43.84.160, the treasury
23 income account may be utilized for the payment of purchased banking
24 services on behalf of treasury funds including, but not limited to,
25 depository, safekeeping, and disbursement functions for the state
26 treasury and affected state agencies. The treasury income account is
27 subject in all respects to chapter 43.88 RCW, but no appropriation is
28 required for payments to financial institutions. Payments shall occur
29 prior to distribution of earnings set forth in subsection (4) of this
30 section.

31 (4) Monthly, the state treasurer shall distribute the earnings
32 credited to the treasury income account. The state treasurer shall
33 credit the general fund with all the earnings credited to the
34 treasury income account except:

35 (a) The following accounts and funds shall receive their
36 proportionate share of earnings based upon each account's and fund's
37 average daily balance for the period: The abandoned recreational
38 vehicle disposal account, the aeronautics account, the Alaskan Way
39 viaduct replacement project account, the ambulance transport fund,
40 the budget stabilization account, the capital vessel replacement

1 account, the capitol building construction account, the Central
2 Washington University capital projects account, the charitable,
3 educational, penal and reformatory institutions account, the Chehalis
4 basin account, the Chehalis basin taxable account, the clean fuels
5 credit account, the clean fuels transportation investment account,
6 the cleanup settlement account, the climate active transportation
7 account, the climate transit programs account, the Columbia river
8 basin water supply development account, the Columbia river basin
9 taxable bond water supply development account, the Columbia river
10 basin water supply revenue recovery account, the common school
11 construction fund, the community forest trust account, the connecting
12 Washington account, the county arterial preservation account, the
13 county criminal justice assistance account, the covenant
14 homeownership account, the deferred compensation administrative
15 account, the deferred compensation principal account, the department
16 of licensing services account, the department of retirement systems
17 expense account, the developmental disabilities community services
18 account, the diesel idle reduction account, the opioid abatement
19 settlement account, the drinking water assistance account, the
20 administrative subaccount of the drinking water assistance account,
21 the early learning facilities development account, the early learning
22 facilities revolving account, the Eastern Washington University
23 capital projects account, the education construction fund, the
24 education legacy trust account, the election account, the electric
25 vehicle account, the energy freedom account, the energy recovery act
26 account, the enhanced wastewater treatment infrastructure for salmon
27 recovery account, the essential rail assistance account, The
28 Evergreen State College capital projects account, the fair start for
29 kids account, the family medicine workforce development account, the
30 ferry bond retirement fund, the fish, wildlife, and conservation
31 account, the freight mobility investment account, the freight
32 mobility multimodal account, the grade crossing protective fund, the
33 higher education retirement plan supplemental benefit fund, the
34 Washington student loan account, the highway bond retirement fund,
35 the highway infrastructure account, the highway safety fund, the
36 hospital safety net assessment fund, the Interstate 5 bridge
37 replacement project account, the Interstate 405 and state route
38 number 167 express toll lanes account, the judges' retirement
39 account, the judicial retirement administrative account, the judicial
40 retirement principal account, the limited fish and wildlife account,

1 the local leasehold excise tax account, the local real estate excise
2 tax account, the local sales and use tax account, the marine
3 resources stewardship trust account, the medical aid account, the
4 money-purchase retirement savings administrative account, the money-
5 purchase retirement savings principal account, the motor vehicle
6 fund, the motorcycle safety education account, the move ahead WA
7 account, the move ahead WA flexible account, the multimodal
8 transportation account, the multiuse roadway safety account, the
9 municipal criminal justice assistance account, the oyster reserve
10 land account, the pension funding stabilization account, the
11 perpetual surveillance and maintenance account, the pilotage account,
12 the pollution liability insurance agency underground storage tank
13 revolving account, the public employees' retirement system plan 1
14 account, the public employees' retirement system combined plan 2 and
15 plan 3 account, the public facilities construction loan revolving
16 account, the public health supplemental account, the public works
17 assistance account, the Puget Sound capital construction account, the
18 Puget Sound ferry operations account, the Puget Sound Gateway
19 facility account, the Puget Sound taxpayer accountability account,
20 the real estate appraiser commission account, the recreational
21 vehicle account, the regional mobility grant program account, the
22 reserve officers' relief and pension principal fund, the resource
23 management cost account, the rural arterial trust account, the rural
24 mobility grant program account, the rural Washington loan fund, the
25 second injury fund, the sexual assault prevention and response
26 account, the site closure account, the skilled nursing facility
27 safety net trust fund, the small city pavement and sidewalk account,
28 the special category C account, the special wildlife account, the
29 state hazard mitigation revolving loan account, the state investment
30 board expense account, the state investment board commingled trust
31 fund accounts, the state patrol highway account, the state
32 reclamation revolving account, the state route number 520 civil
33 penalties account, the state route number 520 corridor account, the
34 statewide broadband account, the statewide tourism marketing account,
35 the supplemental pension account, the Tacoma Narrows toll bridge
36 account, the teachers' retirement system plan 1 account, the
37 teachers' retirement system combined plan 2 and plan 3 account, the
38 tobacco prevention and control account, the tobacco settlement
39 account, the toll facility bond retirement account, the
40 transportation 2003 account (nickel account), the transportation

1 equipment fund, the JUDY transportation future funding program
2 account, the transportation improvement account, the transportation
3 improvement board bond retirement account, the transportation
4 infrastructure account, the transportation partnership account, the
5 traumatic brain injury account, the tribal opioid prevention and
6 treatment account, the University of Washington bond retirement fund,
7 the University of Washington building account, the voluntary cleanup
8 account, the volunteer firefighters' relief and pension principal
9 fund, the volunteer firefighters' and reserve officers'
10 administrative fund, the vulnerable roadway user education account,
11 the Washington judicial retirement system account, the Washington law
12 enforcement officers' and firefighters' system plan 1 retirement
13 account, the Washington law enforcement officers' and firefighters'
14 system plan 2 retirement account, the Washington public safety
15 employees' plan 2 retirement account, the Washington school
16 employees' retirement system combined plan 2 and 3 account, the
17 Washington state patrol retirement account, the Washington State
18 University building account, the Washington State University bond
19 retirement fund, the water pollution control revolving administration
20 account, the water pollution control revolving fund, the Western
21 Washington University capital projects account, the Yakima integrated
22 plan implementation account, the Yakima integrated plan
23 implementation revenue recovery account, and the Yakima integrated
24 plan implementation taxable bond account. Earnings derived from
25 investing balances of the agricultural permanent fund, the normal
26 school permanent fund, the permanent common school fund, the
27 scientific permanent fund, and the state university permanent fund
28 shall be allocated to their respective beneficiary accounts.

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

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

38 **Sec. 8.** RCW 43.84.092 and 2024 c 210 s 5 and 2024 c 168 s 13 are
39 each reenacted and amended to read as follows:

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

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

20 (3) Except for the provisions of RCW 43.84.160, the treasury
21 income account may be utilized for the payment of purchased banking
22 services on behalf of treasury funds including, but not limited to,
23 depository, safekeeping, and disbursement functions for the state
24 treasury and affected state agencies. The treasury income account is
25 subject in all respects to chapter 43.88 RCW, but no appropriation is
26 required for payments to financial institutions. Payments shall occur
27 prior to distribution of earnings set forth in subsection (4) of this
28 section.

29 (4) Monthly, the state treasurer shall distribute the earnings
30 credited to the treasury income account. The state treasurer shall
31 credit the general fund with all the earnings credited to the
32 treasury income account except:

33 (a) The following accounts and funds shall receive their
34 proportionate share of earnings based upon each account's and fund's
35 average daily balance for the period: The abandoned recreational
36 vehicle disposal account, the aeronautics account, the Alaskan Way
37 viaduct replacement project account, the budget stabilization
38 account, the capital vessel replacement account, the capitol building
39 construction account, the Central Washington University capital
40 projects account, the charitable, educational, penal and reformatory

1 institutions account, the Chehalis basin account, the Chehalis basin
2 taxable account, the clean fuels credit account, the clean fuels
3 transportation investment account, the cleanup settlement account,
4 the climate active transportation account, the climate transit
5 programs account, the Columbia river basin water supply development
6 account, the Columbia river basin taxable bond water supply
7 development account, the Columbia river basin water supply revenue
8 recovery account, the common school construction fund, the community
9 forest trust account, the connecting Washington account, the county
10 arterial preservation account, the county criminal justice assistance
11 account, the covenant homeownership account, the deferred
12 compensation administrative account, the deferred compensation
13 principal account, the department of licensing services account, the
14 department of retirement systems expense account, the developmental
15 disabilities community services account, the diesel idle reduction
16 account, the opioid abatement settlement account, the drinking water
17 assistance account, the administrative subaccount of the drinking
18 water assistance account, the early learning facilities development
19 account, the early learning facilities revolving account, the Eastern
20 Washington University capital projects account, the education
21 construction fund, the education legacy trust account, the election
22 account, the electric vehicle account, the energy freedom account,
23 the energy recovery act account, the enhanced wastewater treatment
24 infrastructure for salmon recovery account, the essential rail
25 assistance account, The Evergreen State College capital projects
26 account, the fair start for kids account, the family medicine
27 workforce development account, the ferry bond retirement fund, the
28 fish, wildlife, and conservation account, the freight mobility
29 investment account, the freight mobility multimodal account, the
30 grade crossing protective fund, the higher education retirement plan
31 supplemental benefit fund, the Washington student loan account, the
32 highway bond retirement fund, the highway infrastructure account, the
33 highway safety fund, the hospital safety net assessment fund, the
34 Interstate 5 bridge replacement project account, the Interstate 405
35 and state route number 167 express toll lanes account, the judges'
36 retirement account, the judicial retirement administrative account,
37 the judicial retirement principal account, the limited fish and
38 wildlife account, the local leasehold excise tax account, the local
39 real estate excise tax account, the local sales and use tax account,
40 the marine resources stewardship trust account, the medical aid

1 account, the money-purchase retirement savings administrative
2 account, the money-purchase retirement savings principal account, the
3 motor vehicle fund, the motorcycle safety education account, the move
4 ahead WA account, the move ahead WA flexible account, the multimodal
5 transportation account, the multiuse roadway safety account, the
6 municipal criminal justice assistance account, the oyster reserve
7 land account, the pension funding stabilization account, the
8 perpetual surveillance and maintenance account, the pilotage account,
9 the pollution liability insurance agency underground storage tank
10 revolving account, the public employees' retirement system plan 1
11 account, the public employees' retirement system combined plan 2 and
12 plan 3 account, the public facilities construction loan revolving
13 account, the public health supplemental account, the public works
14 assistance account, the Puget Sound capital construction account, the
15 Puget Sound ferry operations account, the Puget Sound Gateway
16 facility account, the Puget Sound taxpayer accountability account,
17 the real estate appraiser commission account, the recreational
18 vehicle account, the regional mobility grant program account, the
19 reserve officers' relief and pension principal fund, the resource
20 management cost account, the rural arterial trust account, the rural
21 mobility grant program account, the rural Washington loan fund, the
22 second injury fund, the sexual assault prevention and response
23 account, the site closure account, the skilled nursing facility
24 safety net trust fund, the small city pavement and sidewalk account,
25 the special category C account, the special wildlife account, the
26 state hazard mitigation revolving loan account, the state investment
27 board expense account, the state investment board commingled trust
28 fund accounts, the state patrol highway account, the state
29 reclamation revolving account, the state route number 520 civil
30 penalties account, the state route number 520 corridor account, the
31 statewide broadband account, the statewide tourism marketing account,
32 the supplemental pension account, the Tacoma Narrows toll bridge
33 account, the teachers' retirement system plan 1 account, the
34 teachers' retirement system combined plan 2 and plan 3 account, the
35 tobacco prevention and control account, the tobacco settlement
36 account, the toll facility bond retirement account, the
37 transportation 2003 account (nickel account), the transportation
38 equipment fund, the JUDY transportation future funding program
39 account, the transportation improvement account, the transportation
40 improvement board bond retirement account, the transportation

1 infrastructure account, the transportation partnership account, the
2 traumatic brain injury account, the tribal opioid prevention and
3 treatment account, the University of Washington bond retirement fund,
4 the University of Washington building account, the voluntary cleanup
5 account, the volunteer firefighters' relief and pension principal
6 fund, the volunteer firefighters' and reserve officers'
7 administrative fund, the vulnerable roadway user education account,
8 the Washington judicial retirement system account, the Washington law
9 enforcement officers' and firefighters' system plan 1 retirement
10 account, the Washington law enforcement officers' and firefighters'
11 system plan 2 retirement account, the Washington public safety
12 employees' plan 2 retirement account, the Washington school
13 employees' retirement system combined plan 2 and 3 account, the
14 Washington state patrol retirement account, the Washington State
15 University building account, the Washington State University bond
16 retirement fund, the water pollution control revolving administration
17 account, the water pollution control revolving fund, the Western
18 Washington University capital projects account, the Yakima integrated
19 plan implementation account, the Yakima integrated plan
20 implementation revenue recovery account, and the Yakima integrated
21 plan implementation taxable bond account. Earnings derived from
22 investing balances of the agricultural permanent fund, the normal
23 school permanent fund, the permanent common school fund, the
24 scientific permanent fund, and the state university permanent fund
25 shall be allocated to their respective beneficiary accounts.

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

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

35 NEW SECTION. **Sec. 9.** Section 7 of this act expires July 1,
36 2028.

1 NEW SECTION. **Sec. 10.** Section 8 of this act takes effect July
2 1, 2028."

3 Renumber the remaining section consecutively, correct any
4 internal references accordingly, and correct the title.

EFFECT: Requires the Department of Ecology to levy a fee of 10 cents per gallon on discharges of untreated sewage from municipal wastewater treatment plants or combined sewer overflow systems into Puget Sound and connected waters. Creates an enhanced wastewater treatment infrastructure for salmon recovery account to make grants to municipalities for wastewater treatment infrastructure projects that remove excess nutrients from discharges to Puget Sound.

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