

SSB 6355 - H AMD 2625

By Representative Doglio

ADOPTED AS AMENDED 03/11/2026

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** (1) The legislature finds that Washington
4 has committed to decarbonizing its electricity system so that it is
5 carbon neutral by 2030 and carbon free by 2045. Achieving those goals
6 includes retiring coal and gas resources, adding new generation from
7 renewable and nonemitting resources, and leveraging energy storage
8 technologies. At the same time, demand for electricity is increasing
9 significantly due to the electrification of vehicles, home heating
10 and cooling, and manufacturing, and the expansion of the information
11 services sector in Washington. There are significant federal, state,
12 and private investments in clean energy development, including wind,
13 solar, and battery storage, that support decarbonization goals and
14 supply new electrical load. However, Washington's existing
15 transmission system lacks the capacity to accommodate the growing
16 demand for clean electricity.

17 (2) The legislature also finds that extreme weather events and
18 changes to seasonal highs and lows puts new strain on the existing
19 transmission system and threatens reliability. Extreme weather events
20 and resulting conditions such as high-speed winds, floods, freezing,
21 extreme heat, and drought, which could increase the risk of wildfire,
22 can damage grid infrastructure and cause disruptions to the power
23 supply. Warmer summers and colder winters increase the need for
24 heating and cooling and thereby intensify and extend periods of peak
25 demand.

26 (3) The legislature further finds that to maintain reliability
27 and build resilience, Washington's transmission system needs to be
28 expanded and upgraded to access diverse portfolios of clean and
29 reliable energy across the region, including solar resources in the
30 southwest and wind resources across the mountain west. A more robust
31 and updated transmission system will support affordability and

1 reliability goals by enabling the efficient dispatch of least-cost
2 resources across the region.

3 (4) Therefore, it is the intent of the legislature to create the
4 Washington electric transmission authority to improve transmission
5 reliability, resilience, and affordability. The Washington electric
6 transmission authority will serve as a centralized body to achieve
7 these goals by: providing development transmission services;
8 coordinating siting and permitting; and engaging with utilities,
9 transmission developers, local jurisdictions, state agencies,
10 regional entities, the federal government, federally recognized
11 Indian tribes, and affected communities. The legislature intends for
12 the authority to achieve the following goals:

13 (a) Improve reliability and resilience, including during extreme
14 weather events;

15 (b) Increase access to low-cost renewable energy;

16 (c) Achieve clean electricity requirements and greenhouse gas
17 emissions limits;

18 (d) Encourage advanced transmission technologies that lower
19 wildfire risks;

20 (e) Support economic growth; and

21 (f) Maintain affordable energy rates.

22 **PART I - WASHINGTON ELECTRIC TRANSMISSION AUTHORITY**

23 NEW SECTION. **Sec. 2.** The definitions in this section apply
24 throughout this chapter unless the context clearly requires
25 otherwise.

26 (1) "Authority" means the Washington electric transmission
27 authority.

28 (2) "Board of directors" means the authority's board of
29 directors.

30 (3) "Consumer-owned utility" has the same meaning as in RCW
31 19.405.020.

32 (4) "Department" means the department of commerce.

33 (5) "Investor-owned utility" means a company owned by investors
34 that meets the definition of "corporation" in RCW 80.04.010 and is
35 engaged in distributing electricity to more than one retail electric
36 customer in the state.

37 (6) "Neighboring landowner" means a public or private landowner
38 whose property: (a) Shares a property line or other physical boundary

1 with a proposed or existing transmission corridor; or (b) includes an
2 easement or other right-of-way for a proposed or existing
3 transmission corridor that crosses a portion of the landowner's
4 property.

5 (7) "Nonwire alternative" means any electrical grid investment
6 that is intended to defer or remove the need to construct or upgrade
7 components of a transmission system.

8 NEW SECTION. **Sec. 3.** A new section is added to chapter 43.21F
9 RCW to read as follows:

10 (1) The department must identify high priority transmission
11 corridors leveraging existing transmission plans from national and
12 regional entities and Washington utilities and existing state,
13 regional, and national siting studies, in an open, transparent
14 process by October 30, 2027.

15 (2) The department must consider the costs and benefits to
16 Washington ratepayers when identifying high priority transmission
17 corridors under subsection (1) of this section.

18 (3) The department may contract with independent expert analysts
19 to identify high priority transmission corridors under subsection (1)
20 of this section.

21 (4) The department must provide all administrative and staff
22 support for and maintain oversight of the Washington electric
23 transmission authority created under section 5 of this act until the
24 board of directors hires an executive director as established under
25 section 4 of this act.

26 NEW SECTION. **Sec. 4.** (1) A board of directors must be appointed
27 by January 1, 2027, to provide oversight and advise the authority on
28 policies that are consistent with the purposes of this chapter. The
29 board of directors must hire an executive director by June 30, 2027.

30 (2) The 10 members of the board are as follows:

31 (a) The director of the department, or the director's designee;

32 (b) One member appointed by the governor with experience working
33 at a consumer-owned utility, preferably with expertise in the
34 transmission function;

35 (c) One member appointed by the governor with experience working
36 at an investor-owned utility, preferably with expertise in the
37 transmission function;

1 (d) One member appointed by the governor with expertise in rural
2 county land use planning and law and local permitting processes;

3 (e) One member appointed by the governor with expertise in clean
4 energy development;

5 (f) One member appointed by the governor with expertise in
6 ratepayer protection;

7 (g) One member appointed by the governor representing electrical
8 workers with expertise in building electric transmission;

9 (h) One member appointed by the governor with expertise in
10 financing large infrastructure projects;

11 (i) One member appointed by the governor with expertise in
12 wildlife conservation and land use policies; and

13 (j) One member appointed by the governor from a federally
14 recognized Indian tribe, including federally recognized Indian tribes
15 whose reservation or ceded lands lie in Washington state.

16 (3) One or more members of the board appointed by the governor
17 must have expertise with the Bonneville power administration's
18 transmission service.

19 (4) No member of the board may represent a person that owns or
20 operates electric generating or transmission facilities.

21 (5) Members of the board appointed by the governor must serve
22 four-year terms. However, the governor must stagger the terms of six
23 of the initial appointees for terms of one, two, and three years. At
24 the end of the term, these members may be reappointed by the
25 governor, or the governor may choose to appoint a new member.

26 (6) Decisions of the board require a simple majority vote of all
27 the members on the board.

28 (7) Members of the board must elect a chair from among its
29 membership to serve for a two-year period.

30 (8) The board must meet at least quarterly.

31 (9) The department must provide administrative and staff support
32 to the board until the executive director is hired.

33 (10) Members of the board must serve without additional
34 compensation but must be reimbursed for travel expenses as provided
35 by RCW 43.03.050 and 43.03.060.

36 NEW SECTION. **Sec. 5.** (1) The Washington electric transmission
37 authority is hereby created as a public body. The authority is an
38 instrumentality of the state exercising essential government
39 functions related to electric transmission.

1 (2) The priority of the authority is to maintain or improve the
2 reliability of electric service to Washington customers by:

3 (a) Supporting the expeditious and efficient expansion of new
4 electric transmission capacity within the state that are prudent and
5 needed to serve Washington customers;

6 (b) Prioritizing partnerships for new electric transmission
7 projects that meet at least one of the criteria: Increase access to
8 grid connections for renewable resources and nonemitting electric
9 generation as defined in RCW 19.405.020, provide access to regional
10 wholesale markets, are located in more than one electric utility
11 service territory, or would not otherwise be built by Washington
12 electric utilities;

13 (c) Pursuing cost-effective nonwire alternatives to increase the
14 capacity of existing electrical infrastructure;

15 (d) Being a statewide resource for assisting with the development
16 and coordination of upgrades to existing transmission lines
17 including, but not limited to, reconductoring with advanced
18 conductors;

19 (e) Collaborating with electric utilities, independent
20 transmission developers, local jurisdictions, federally recognized
21 Indian tribes, labor unions, neighboring states, regional entities,
22 and the federal government to develop intrastate, interstate, and
23 regional transmission resources;

24 (f) Evaluating opportunities for the authority to coordinate with
25 regional wholesale markets as enabled by the respective market
26 governance framework;

27 (g) Supporting opportunities for community microgrids,
28 distributed energy resources, and energy conservation; and

29 (h) Supporting community and economic development.

30 (3) To the greatest extent practicable, when carrying out its
31 duties, the authority must seek to:

32 (a) Protect cultural and natural resources;

33 (b) Avoid impacts to overburdened communities and vulnerable
34 populations;

35 (c) Support good jobs;

36 (d) Maximize the use of existing rights-of-way for transmission
37 development, including on highways as defined in RCW 47.04.010;

38 (e) Mitigate wildfire risk;

1 (f) Consult in advance with all electric utilities that serve
2 retail customers in areas where a project of the authority may be
3 located; and

4 (g) Coordinate with utilities that operate electric transmission
5 facilities that would be affected by a project of the authority.

6 (4) The authority must employ an executive director, who must be
7 appointed by the board of directors created under section 4 of this
8 act. The board may fix the compensation of the executive director.
9 The executive director may employ staff sufficient to accomplish the
10 purposes of this chapter.

11 (5) The authority must update the transmission corridor
12 identification study under section 3 of this act no later than
13 October 30, 2032, and no less than every five years thereafter.

14 (6) The authority must charge and collect an application review
15 fee of \$5,000 to be submitted by each entity that applies for use of
16 services provided under a partnership with the authority.

17 (7) The authority must submit a report of its activities to the
18 governor and to the appropriate committees of the legislature by
19 December 1, 2027, and annually every July 1st thereafter. The report
20 must include operating and financial statements covering the
21 operations of the authority for the previous fiscal year.

22 (8) The authority and any eligible facilities acquired by the
23 authority are not subject to the supervision, regulation, control, or
24 jurisdiction of the Washington utilities and transportation
25 commission, provided that nothing in this chapter shall be
26 interpreted to allow an electrical company regulated under Title 80
27 RCW to include the cost of eligible facilities in its rate base
28 without the approval of the Washington utilities and transportation
29 commission.

30 (9) (a) The authority must offer transmission service on
31 facilities owned by the authority only under a transmission tariff
32 administered by an entity jurisdictional to the federal energy
33 regulatory commission as a public utility under the federal power
34 act, 16 U.S.C. Sec. 791a et seq., as it exists on the effective date
35 of this section, and subject to the same terms and conditions applied
36 to such entity by the federal energy regulatory commission, except
37 for facilities under (b) of this subsection.

38 (b) Transmission service on facilities owned by the authority
39 that are subject to a partnership agreement with the Bonneville power
40 administration, a utility serving customers in the state of

1 Washington that is not a public utility under the federal power act,
2 or a joint operating agency formed under RCW 43.52.360 may be offered
3 under the same terms as the transmission tariff of that partner
4 entity.

5 (10) The primary mode for the authority to facilitate discrete
6 transmission projects shall be through partnerships with transmission
7 developers, including consumer-owned utilities and investor-owned
8 utilities, on eligible projects in high priority transmission
9 corridors. The authority may originate projects in the absence of
10 such a partner only as a last resort and where such project does not
11 interfere with or duplicate a project actively under development by a
12 qualified transmission builder, as determined by the authority.

13 (11) The authority shall make reasonable and diligent efforts to
14 acquire property or an interest in property by negotiation prior to
15 exercising the power of eminent domain under section 6(3) of this
16 act.

17 NEW SECTION. **Sec. 6.** Without creating state debt, or lending
18 the credit of the state, so long as otherwise authorized and not
19 prohibited by law, the authority may:

20 (1) Adopt rules and operating procedures as necessary to
21 implement the authority's responsibilities in this chapter, except
22 that the authority may not adopt rules to direct cost allocation of
23 transmission resources;

24 (2) Utilize the services of executive departments of the state
25 upon mutually agreeable terms and conditions;

26 (3) Exercise the power of eminent domain as outlined under the
27 provisions of chapter 8.04 RCW only for land acquisition necessary to
28 secure property or rights-of-way for new transmission corridors for
29 public use consistent with the purposes of this chapter;

30 (4) Enter into contracts and agreements;

31 (5) Solicit, receive, issue, and expend gifts, grants, and
32 donations;

33 (6) Apply for and accept federal loans and related assistance;

34 (7) (a) Enter into partnerships with public or private entities,
35 which must include a fee schedule for services provided under a
36 partnership; and

37 (b) When entering into partnerships on transmission projects:

38 (i) Assist the project proponent in following the state
39 environmental policy act process; and

1 (ii) Support tribal consultation by pursuing reasonable efforts
2 to facilitate government-to-government consultation regarding the
3 entities' partnership with federally recognized Indian tribes
4 affected by the partnership;

5 (8) Lease, purchase, accept donations of, or otherwise own, hold,
6 improve, or use any property;

7 (9) Sell, lease, exchange, or otherwise dispose of any property;

8 (10)(a) Own electric transmission equipment and systems;

9 (b) Ownership of transmission facilities by the authority may not
10 exceed the extent and duration necessary or useful to promote the
11 public interest. Before becoming an owner or partial owner of any
12 electric transmission facilities, the authority must develop and
13 publish a plan identifying:

14 (i) The public purposes of the authority's ownership;

15 (ii) The conditions that would make the authority's ownership no
16 longer necessary for accomplishing those public purposes;

17 (iii) A plan to divest the authority of ownership of the facility
18 as soon as economically prudent once those conditions occur; and

19 (iv) A consideration of the costs and benefits to Washington
20 ratepayers of the facility;

21 (11)(a) Select a qualified transmission builder or operator, as
22 defined by the authority in rule, to build, finance, plan, acquire,
23 maintain, or operate an electric transmission project;

24 (b) Proceed to construction in the absence of selecting a
25 qualified transmission builder only as a last resort and in instances
26 where the authority identifies a pressing need for a project and
27 there is not a ready and willing qualified transmission builder,
28 subject to the authority adopting criteria in rule for such a
29 scenario before developing a project;

30 (12)(a) Sell a state-owned electric transmission project at any
31 stage of development;

32 (b) The authority may sell a project to an electric utility
33 serving customers in the state of Washington, a joint operating
34 agency formed under RCW 43.52.360, the Bonneville power
35 administration, an independent transmission developer, or an
36 independent system operator;

37 (c) Before selling a project that is not part of a partnership
38 agreement, the authority must adopt criteria in rule for developing a
39 transparent process including issuing a competitive request for
40 proposals, evaluating proposals, and selecting a project buyer;

1 (13) When facilitating transmission projects, consult with other
2 state agencies, subject matter experts, or neighboring landowners on
3 natural hazards including, but not limited to, wildfire, and
4 potential mitigation practices for such hazards including, but not
5 limited to, upgrading transmission facilities with advanced
6 transmission technologies, including reconductoring with advanced
7 conductors;

8 (14) Adopt criteria in rule for an initial local investment
9 commitment fee and annual local investment commitment fee for high
10 voltage projects that the authority develops, owns, or sells under
11 this chapter. Rule making will provide that the fees are distributed
12 among counties, cities, towns, and federally recognized Indian
13 tribes, including federally recognized Indian tribes whose
14 reservation or ceded lands lie in Washington state, in proportion to
15 the project's impact, and that the fees are appurtenant to the
16 project such that the assessed fees are transferred with the title if
17 the project is sold; and

18 (15) Coordinate with the Washington economic development finance
19 authority established under chapter 43.163 RCW to provide conduit
20 financing for eligible partners that request transmission financing.

21 NEW SECTION. **Sec. 7.** (1) The authority must, when selecting a
22 qualified transmission builder or operator under section 6(11)(a) of
23 this act, undertaking conduit financing through the Washington
24 economic development finance authority while the authority is in
25 partnership with the transmission builder or operator, or proceeding
26 to construct a project in the absence of selecting a qualified
27 transmission builder under section 6(11)(b) of this act, ensure that
28 all construction and maintenance work is performed by either:

29 (a) An electric utility, using qualified electrical employees; or

30 (b) A contractor or independent transmission developer:

31 (i) Using qualified electrical employees; and

32 (ii) Using apprentices enrolled in an apprenticeship program
33 registered with the Washington state apprenticeship and training
34 council established under chapter 49.04 RCW, with a completion rate
35 of at least 25 percent over the prior eight years.

36 (2) When selecting a qualified transmission builder or operator
37 under section 6(11)(a) of this act, or when proceeding to construct a
38 project in the absence of selecting a qualified transmission builder
39 under section 6(11)(b) of this act, the authority must ensure that

1 work is performed in compliance with the applicable prevailing wage
2 provisions under chapter 39.12 RCW for the respective trade and
3 occupation job classification.

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

6 (1) The department of commerce must contract with the governor's
7 office of Indian affairs to, in coordination with the department of
8 ecology and the department of commerce, convene federally recognized
9 Indian tribes whose traditional lands and territories include parts
10 of Washington state to develop a recommended tribal consultation
11 framework applicable to statewide electric transmission planning and
12 implementation including, but not limited to, activities associated
13 with sections 3 through 7 of this act.

14 (2) The tribal consultation framework must:

15 (a) Identify the roles and responsibilities of state agencies
16 engaged in electric transmission planning, siting, permitting, and
17 implementation, and existing policies and any existing gaps regarding
18 tribal consultation;

19 (b) Establish standards for early, meaningful, and ongoing
20 government-to-government consultation with federally recognized
21 Indian tribes consistent with the 1989 centennial accord and
22 applicable state and federal law as it relates to the activities
23 conducted by the Washington electric transmission authority
24 established in section 5 of this act;

25 (c) Provide a mechanism for legislative engagement and
26 transparency during the development and future implementation of the
27 framework; and

28 (d) Include recommendations for statutory, administrative, or
29 budgetary actions necessary to implement the framework in future
30 legislation.

31 (3) The governor's office of Indian affairs, in coordination with
32 the department of ecology and the department of commerce, must submit
33 a report to the appropriate committees of the legislature and the
34 governor by December 1, 2026, that summarizes the recommended tribal
35 consultation framework and identifies proposed statutory or
36 administrative changes.

37 NEW SECTION. **Sec. 9.** The electric transmission operating
38 account is created in the state treasury. All receipts from

1 appropriations made by the legislature, fees collected under sections
2 5 and 6 of this act, federal funds, or gifts or grants from the
3 private sector or foundations and other sources must be deposited in
4 the account. Moneys in the account may be spent only after
5 appropriation. Expenditures from the account may be used only for
6 operating cost purposes consistent with this chapter.

7 NEW SECTION. **Sec. 10.** The electric transmission capital account
8 is created in the state treasury. All moneys received for the
9 acquisition, sale, management, and administration of the authority's
10 duties under this chapter for electric transmission projects
11 including, but not limited to, proceeds from the sale of land and/or
12 improvements, fees collected for services provided to transmission
13 developers, interest earned on investments in the account, and all
14 other revenue related to electric transmission projects created or
15 acquired pursuant to this chapter must be deposited into the account.
16 The account is authorized to receive fund transfers and
17 appropriations from the general fund, as well as gifts, grants, and
18 endowments from public or private sources as may be made from time to
19 time. Moneys in the account may be spent only after appropriation.
20 Expenditures from the account may be used by the executive director
21 of the authority, or the executive director's designee, to reimburse
22 management costs incurred by the authority on electric transmission
23 projects, for the acquisition of interests in land or other real
24 property to be managed as electric transmission projects, and for all
25 other nonoperating cost purposes consistent with this chapter.

26 NEW SECTION. **Sec. 11.** (1) Information obtained by the authority
27 that is critical energy infrastructure information or proprietary
28 technical or business information shall be confidential and not
29 subject to inspection or disclosure pursuant to chapter 42.56 RCW.

30 (2) For the purposes of this section, the following definitions
31 apply:

32 (a) "Critical energy infrastructure" means existing and proposed
33 systems and assets, whether physical or virtual, the incapacity or
34 destruction of which would negatively affect security, economic
35 security, public health or safety, or any combination of these
36 matters.

1 (b) "Critical energy infrastructure information" means specific
2 engineering, vulnerability, or detailed design information about
3 proposed or existing critical energy infrastructure that:

4 (i) Relates details about the production, generation,
5 transportation, transmission, or distribution of energy;

6 (ii) Could be useful to a person in planning an attack on
7 critical energy infrastructure; and

8 (iii) Does not simply give the general location of or relay
9 publicly available information about the critical energy
10 infrastructure.

11 PART II - MISCELLANEOUS

12 **Sec. 12.** RCW 43.84.092 and 2025 c 417 s 802, 2025 c 399 s 15,
13 2025 c 359 s 12, and 2025 c 299 s 21 are each reenacted and amended
14 to read as follows:

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

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

34 (3) Except for the provisions of RCW 43.84.160, the treasury
35 income account may be utilized for the payment of purchased banking
36 services on behalf of treasury funds including, but not limited to,
37 depository, safekeeping, and disbursement functions for the state
38 treasury and affected state agencies. The treasury income account is

1 subject in all respects to chapter 43.88 RCW, but no appropriation is
2 required for payments to financial institutions. Payments shall occur
3 prior to distribution of earnings set forth in subsection (4) of this
4 section.

5 (4) Monthly, the state treasurer shall distribute the earnings
6 credited to the treasury income account. The state treasurer shall
7 credit the general fund with all the earnings credited to the
8 treasury income account except:

9 (a) The following accounts and funds shall receive their
10 proportionate share of earnings based upon each account's and fund's
11 average daily balance for the period: The abandoned recreational
12 vehicle disposal account, the aeronautics account, the Alaskan Way
13 viaduct replacement project account, the ambulance transport fund,
14 the budget stabilization account, the capital vessel replacement
15 account, the capitol building construction account, the Central
16 Washington University capital projects account, the charitable,
17 educational, penal and reformatory institutions account, the Chehalis
18 basin account, the Chehalis basin taxable account, the clean fuels
19 credit account, the clean fuels transportation investment account,
20 the cleanup settlement account, the Columbia river basin water supply
21 development account, the Columbia river basin taxable bond water
22 supply development account, the Columbia river basin water supply
23 revenue recovery account, the common school construction fund, the
24 community forest trust account, the connecting Washington account,
25 the county arterial preservation account, the county criminal justice
26 assistance account, the covenant homeownership account, the deferred
27 compensation administrative account, the deferred compensation
28 principal account, the department of licensing services account, the
29 department of retirement systems expense account, the developmental
30 disabilities community services account, the diesel idle reduction
31 account, the opioid abatement settlement account, the drinking water
32 assistance account, the administrative subaccount of the drinking
33 water assistance account, the driver education safety improvement
34 account, the early learning facilities development account, the early
35 learning facilities revolving account, the Eastern Washington
36 University capital projects account, the education legacy trust
37 account, the election account, the electric transmission capital
38 account, the electric vehicle account, the energy freedom account,
39 the energy recovery act account, the essential rail assistance
40 account, The Evergreen State College capital projects account, the

1 fair start for kids account, the family medicine workforce
2 development account, the ferry bond retirement fund, the fish,
3 wildlife, and conservation account, the freight mobility investment
4 account, the freight mobility multimodal account, the grade crossing
5 protective fund, the higher education retirement plan supplemental
6 benefit fund, the Washington student loan account, the highway bond
7 retirement fund, the highway infrastructure account, the highway
8 safety fund, the hospital safety net assessment fund, the Interstate
9 5 bridge replacement project account, the Interstate 405 and state
10 route number 167 express toll lanes account, the judges' retirement
11 account, the judicial retirement administrative account, the judicial
12 retirement principal account, the limited fish and wildlife account,
13 the local leasehold excise tax account, the local real estate excise
14 tax account, the local sales and use tax account, the marine
15 resources stewardship trust account, the medical aid account, the
16 money-purchase retirement savings administrative account, the money-
17 purchase retirement savings principal account, the motor vehicle
18 fund, the motorcycle safety education account, the move ahead WA
19 account, the move ahead WA flexible account, the multimodal
20 transportation account, the multiuse roadway safety account, the
21 municipal criminal justice assistance account, the oyster reserve
22 land account, the pension funding stabilization account, the
23 perpetual surveillance and maintenance account, the pilotage account,
24 the pollution liability insurance agency underground storage tank
25 revolving account, the medicaid access program account, the public
26 employees' retirement system plan 1 account, the public employees'
27 retirement system combined plan 2 and plan 3 account, the public
28 facilities construction loan revolving account, the public health
29 supplemental account, the public works assistance account, the Puget
30 Sound capital construction account, the Puget Sound ferry operations
31 account, the Puget Sound Gateway facility account, the Puget Sound
32 taxpayer accountability account, the real estate appraiser commission
33 account, the recreational vehicle account, the regional mobility
34 grant program account, the reserve officers' relief and pension
35 principal fund, the resource management cost account, the rural
36 arterial trust account, the rural mobility grant program account, the
37 rural Washington loan fund, the second injury fund, the sexual
38 assault prevention and response account, the site closure account,
39 the skilled nursing facility safety net trust fund, the small city
40 pavement and sidewalk account, the special category C account, the

1 special wildlife account, the state hazard mitigation revolving loan
2 account, the state investment board expense account, the state
3 investment board commingled trust fund accounts, the state patrol
4 highway account, the state reclamation revolving account, the state
5 route number 520 civil penalties account, the state route number 520
6 corridor account, the statewide broadband account, the statewide
7 tourism marketing account, the supplemental pension account, the
8 Tacoma Narrows toll bridge account, the teachers' retirement system
9 plan 1 account, the teachers' retirement system combined plan 2 and
10 plan 3 account, the tobacco prevention and control account, the
11 tobacco settlement account, the toll facility bond retirement
12 account, the transportation 2003 account (nickel account), the
13 transportation equipment fund, the JUDY transportation future funding
14 program account, the transportation improvement account, the
15 transportation improvement board bond retirement account, the
16 transportation infrastructure account, the transportation partnership
17 account, the traumatic brain injury account, the tribal opioid
18 prevention and treatment account, the University of Washington bond
19 retirement fund, the University of Washington building account, the
20 voluntary cleanup account, the volunteer firefighters' relief and
21 pension principal fund, the volunteer firefighters' and reserve
22 officers' administrative fund, the vulnerable roadway user education
23 account, the Washington judicial retirement system account, the
24 Washington law enforcement officers' and firefighters' system plan 1
25 retirement account, the Washington law enforcement officers' and
26 firefighters' system plan 2 retirement account, the Washington public
27 safety employees' plan 2 retirement account, the Washington school
28 employees' retirement system combined plan 2 and 3 account, the
29 Washington state patrol retirement account, the Washington State
30 University building account, the Washington State University bond
31 retirement fund, the water pollution control revolving administration
32 account, the water pollution control revolving fund, the Western
33 Washington University capital projects account, the Yakima integrated
34 plan implementation account, the Yakima integrated plan
35 implementation revenue recovery account, and the Yakima integrated
36 plan implementation taxable bond account. Earnings derived from
37 investing balances of the agricultural permanent fund, the normal
38 school permanent fund, the permanent common school fund, the
39 scientific permanent fund, and the state university permanent fund
40 shall be allocated to their respective beneficiary accounts.

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

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

10 **Sec. 13.** RCW 43.84.092 and 2025 c 417 s 802, 2025 c 399 s 15,
11 and 2025 c 299 s 21 are each reenacted and amended to read as
12 follows:

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

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

32 (3) Except for the provisions of RCW 43.84.160, the treasury
33 income account may be utilized for the payment of purchased banking
34 services on behalf of treasury funds including, but not limited to,
35 depository, safekeeping, and disbursement functions for the state
36 treasury and affected state agencies. The treasury income account is
37 subject in all respects to chapter 43.88 RCW, but no appropriation is
38 required for payments to financial institutions. Payments shall occur

1 prior to distribution of earnings set forth in subsection (4) of this
2 section.

3 (4) Monthly, the state treasurer shall distribute the earnings
4 credited to the treasury income account. The state treasurer shall
5 credit the general fund with all the earnings credited to the
6 treasury income account except:

7 (a) The following accounts and funds shall receive their
8 proportionate share of earnings based upon each account's and fund's
9 average daily balance for the period: The abandoned recreational
10 vehicle disposal account, the aeronautics account, the Alaskan Way
11 viaduct replacement project account, the ambulance transport fund,
12 the budget stabilization account, the capital vessel replacement
13 account, the capitol building construction account, the Central
14 Washington University capital projects account, the charitable,
15 educational, penal and reformatory institutions account, the Chehalis
16 basin account, the Chehalis basin taxable account, the clean fuels
17 credit account, the clean fuels transportation investment account,
18 the cleanup settlement account, the Columbia river basin water supply
19 development account, the Columbia river basin taxable bond water
20 supply development account, the Columbia river basin water supply
21 revenue recovery account, the common school construction fund, the
22 community forest trust account, the connecting Washington account,
23 the county arterial preservation account, the county criminal justice
24 assistance account, the covenant homeownership account, the deferred
25 compensation administrative account, the deferred compensation
26 principal account, the department of licensing services account, the
27 department of retirement systems expense account, the developmental
28 disabilities community services account, the diesel idle reduction
29 account, the opioid abatement settlement account, the drinking water
30 assistance account, the administrative subaccount of the drinking
31 water assistance account, the driver education safety improvement
32 account, the early learning facilities development account, the early
33 learning facilities revolving account, the Eastern Washington
34 University capital projects account, the education legacy trust
35 account, the election account, the electric transmission capital
36 account, the electric vehicle account, the energy freedom account,
37 the energy recovery act account, the essential rail assistance
38 account, The Evergreen State College capital projects account, the
39 fair start for kids account, the family medicine workforce
40 development account, the ferry bond retirement fund, the fish,

1 wildlife, and conservation account, the freight mobility investment
2 account, the freight mobility multimodal account, the grade crossing
3 protective fund, the higher education retirement plan supplemental
4 benefit fund, the Washington student loan account, the highway bond
5 retirement fund, the highway infrastructure account, the highway
6 safety fund, the hospital safety net assessment fund, the Interstate
7 5 bridge replacement project account, the Interstate 405 and state
8 route number 167 express toll lanes account, the judges' retirement
9 account, the judicial retirement administrative account, the judicial
10 retirement principal account, the limited fish and wildlife account,
11 the local leasehold excise tax account, the local real estate excise
12 tax account, the local sales and use tax account, the marine
13 resources stewardship trust account, the medical aid account, the
14 money-purchase retirement savings administrative account, the money-
15 purchase retirement savings principal account, the motor vehicle
16 fund, the motorcycle safety education account, the move ahead WA
17 account, the move ahead WA flexible account, the multimodal
18 transportation account, the multiuse roadway safety account, the
19 municipal criminal justice assistance account, the oyster reserve
20 land account, the pension funding stabilization account, the
21 perpetual surveillance and maintenance account, the pilotage account,
22 the pollution liability insurance agency underground storage tank
23 revolving account, the public employees' retirement system plan 1
24 account, the public employees' retirement system combined plan 2 and
25 plan 3 account, the public facilities construction loan revolving
26 account, the public health supplemental account, the public works
27 assistance account, the Puget Sound capital construction account, the
28 Puget Sound ferry operations account, the Puget Sound Gateway
29 facility account, the Puget Sound taxpayer accountability account,
30 the real estate appraiser commission account, the recreational
31 vehicle account, the regional mobility grant program account, the
32 reserve officers' relief and pension principal fund, the resource
33 management cost account, the rural arterial trust account, the rural
34 mobility grant program account, the rural Washington loan fund, the
35 second injury fund, the sexual assault prevention and response
36 account, the site closure account, the skilled nursing facility
37 safety net trust fund, the small city pavement and sidewalk account,
38 the special category C account, the special wildlife account, the
39 state hazard mitigation revolving loan account, the state investment
40 board expense account, the state investment board commingled trust

1 fund accounts, the state patrol highway account, the state
2 reclamation revolving account, the state route number 520 civil
3 penalties account, the state route number 520 corridor account, the
4 statewide broadband account, the statewide tourism marketing account,
5 the supplemental pension account, the Tacoma Narrows toll bridge
6 account, the teachers' retirement system plan 1 account, the
7 teachers' retirement system combined plan 2 and plan 3 account, the
8 tobacco prevention and control account, the tobacco settlement
9 account, the toll facility bond retirement account, the
10 transportation 2003 account (nickel account), the transportation
11 equipment fund, the JUDY transportation future funding program
12 account, the transportation improvement account, the transportation
13 improvement board bond retirement account, the transportation
14 infrastructure account, the transportation partnership account, the
15 traumatic brain injury account, the tribal opioid prevention and
16 treatment account, the University of Washington bond retirement fund,
17 the University of Washington building account, the voluntary cleanup
18 account, the volunteer firefighters' relief and pension principal
19 fund, the volunteer firefighters' and reserve officers'
20 administrative fund, the vulnerable roadway user education account,
21 the Washington judicial retirement system account, the Washington law
22 enforcement officers' and firefighters' system plan 1 retirement
23 account, the Washington law enforcement officers' and firefighters'
24 system plan 2 retirement account, the Washington public safety
25 employees' plan 2 retirement account, the Washington school
26 employees' retirement system combined plan 2 and 3 account, the
27 Washington state patrol retirement account, the Washington State
28 University building account, the Washington State University bond
29 retirement fund, the water pollution control revolving administration
30 account, the water pollution control revolving fund, the Western
31 Washington University capital projects account, the Yakima integrated
32 plan implementation account, the Yakima integrated plan
33 implementation revenue recovery account, and the Yakima integrated
34 plan implementation taxable bond account. Earnings derived from
35 investing balances of the agricultural permanent fund, the normal
36 school permanent fund, the permanent common school fund, the
37 scientific permanent fund, and the state university permanent fund
38 shall be allocated to their respective beneficiary accounts.

39 (b) Any state agency that has independent authority over accounts
40 or funds not statutorily required to be held in the state treasury

1 that deposits funds into a fund or account in the state treasury
2 pursuant to an agreement with the office of the state treasurer shall
3 receive its proportionate share of earnings based upon each account's
4 or fund's average daily balance for the period.

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

8 **Sec. 14.** RCW 43.84.092 and 2025 c 417 s 803, 2025 c 399 s 16,
9 2025 c 359 s 13, and 2025 c 299 s 22 are each reenacted and amended
10 to read as follows:

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

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

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

1 (4) Monthly, the state treasurer shall distribute the earnings
2 credited to the treasury income account. The state treasurer shall
3 credit the general fund with all the earnings credited to the
4 treasury income account except:

5 (a) The following accounts and funds shall receive their
6 proportionate share of earnings based upon each account's and fund's
7 average daily balance for the period: The abandoned recreational
8 vehicle disposal account, the aeronautics account, the Alaskan Way
9 viaduct replacement project account, the budget stabilization
10 account, the capital vessel replacement account, the capitol building
11 construction account, the Central Washington University capital
12 projects account, the charitable, educational, penal and reformatory
13 institutions account, the Chehalis basin account, the Chehalis basin
14 taxable account, the clean fuels credit account, the clean fuels
15 transportation investment account, the cleanup settlement account,
16 the Columbia river basin water supply development account, the
17 Columbia river basin taxable bond water supply development account,
18 the Columbia river basin water supply revenue recovery account, the
19 common school construction fund, the community forest trust account,
20 the connecting Washington account, the county arterial preservation
21 account, the county criminal justice assistance account, the covenant
22 homeownership account, the deferred compensation administrative
23 account, the deferred compensation principal account, the department
24 of licensing services account, the department of retirement systems
25 expense account, the developmental disabilities community services
26 account, the diesel idle reduction account, the opioid abatement
27 settlement account, the drinking water assistance account, the
28 administrative subaccount of the drinking water assistance account,
29 the driver education safety improvement account, the early learning
30 facilities development account, the early learning facilities
31 revolving account, the Eastern Washington University capital projects
32 account, the education legacy trust account, the election account,
33 the electric transmission capital account, the electric vehicle
34 account, the energy freedom account, the energy recovery act account,
35 the essential rail assistance account, The Evergreen State College
36 capital projects account, the fair start for kids account, the family
37 medicine workforce development account, the ferry bond retirement
38 fund, the fish, wildlife, and conservation account, the freight
39 mobility investment account, the freight mobility multimodal account,
40 the grade crossing protective fund, the higher education retirement

1 plan supplemental benefit fund, the Washington student loan account,
2 the highway bond retirement fund, the highway infrastructure account,
3 the highway safety fund, the hospital safety net assessment fund, the
4 Interstate 5 bridge replacement project account, the Interstate 405
5 and state route number 167 express toll lanes account, the judges'
6 retirement account, the judicial retirement administrative account,
7 the judicial retirement principal account, the limited fish and
8 wildlife account, the local leasehold excise tax account, the local
9 real estate excise tax account, the local sales and use tax account,
10 the marine resources stewardship trust account, the medical aid
11 account, the money-purchase retirement savings administrative
12 account, the money-purchase retirement savings principal account, the
13 motor vehicle fund, the motorcycle safety education account, the move
14 ahead WA account, the move ahead WA flexible account, the multimodal
15 transportation account, the multiuse roadway safety account, the
16 municipal criminal justice assistance account, the oyster reserve
17 land account, the pension funding stabilization account, the
18 perpetual surveillance and maintenance account, the pilotage account,
19 the pollution liability insurance agency underground storage tank
20 revolving account, the medicaid access program account, the public
21 employees' retirement system plan 1 account, the public employees'
22 retirement system combined plan 2 and plan 3 account, the public
23 facilities construction loan revolving account, the public health
24 supplemental account, the public works assistance account, the Puget
25 Sound capital construction account, the Puget Sound ferry operations
26 account, the Puget Sound Gateway facility account, the Puget Sound
27 taxpayer accountability account, the real estate appraiser commission
28 account, the recreational vehicle account, the regional mobility
29 grant program account, the reserve officers' relief and pension
30 principal fund, the resource management cost account, the rural
31 arterial trust account, the rural mobility grant program account, the
32 rural Washington loan fund, the second injury fund, the sexual
33 assault prevention and response account, the site closure account,
34 the skilled nursing facility safety net trust fund, the small city
35 pavement and sidewalk account, the special category C account, the
36 special wildlife account, the state hazard mitigation revolving loan
37 account, the state investment board expense account, the state
38 investment board commingled trust fund accounts, the state patrol
39 highway account, the state reclamation revolving account, the state
40 route number 520 civil penalties account, the state route number 520

1 corridor account, the statewide broadband account, the statewide
2 tourism marketing account, the supplemental pension account, the
3 Tacoma Narrows toll bridge account, the teachers' retirement system
4 plan 1 account, the teachers' retirement system combined plan 2 and
5 plan 3 account, the tobacco prevention and control account, the
6 tobacco settlement account, the toll facility bond retirement
7 account, the transportation 2003 account (nickel account), the
8 transportation equipment fund, the JUDY transportation future funding
9 program account, the transportation improvement account, the
10 transportation improvement board bond retirement account, the
11 transportation infrastructure account, the transportation partnership
12 account, the traumatic brain injury account, the tribal opioid
13 prevention and treatment account, the University of Washington bond
14 retirement fund, the University of Washington building account, the
15 voluntary cleanup account, the volunteer firefighters' relief and
16 pension principal fund, the volunteer firefighters' and reserve
17 officers' administrative fund, the vulnerable roadway user education
18 account, the Washington judicial retirement system account, the
19 Washington law enforcement officers' and firefighters' system plan 1
20 retirement account, the Washington law enforcement officers' and
21 firefighters' system plan 2 retirement account, the Washington public
22 safety employees' plan 2 retirement account, the Washington school
23 employees' retirement system combined plan 2 and 3 account, the
24 Washington state patrol retirement account, the Washington State
25 University building account, the Washington State University bond
26 retirement fund, the water pollution control revolving administration
27 account, the water pollution control revolving fund, the Western
28 Washington University capital projects account, the Yakima integrated
29 plan implementation account, the Yakima integrated plan
30 implementation revenue recovery account, and the Yakima integrated
31 plan implementation taxable bond account. Earnings derived from
32 investing balances of the agricultural permanent fund, the normal
33 school permanent fund, the permanent common school fund, the
34 scientific permanent fund, and the state university permanent fund
35 shall be allocated to their respective beneficiary accounts.

36 (b) Any state agency that has independent authority over accounts
37 or funds not statutorily required to be held in the state treasury
38 that deposits funds into a fund or account in the state treasury
39 pursuant to an agreement with the office of the state treasurer shall

1 receive its proportionate share of earnings based upon each account's
2 or fund's average daily balance for the period.

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

6 **Sec. 15.** RCW 43.84.092 and 2025 c 417 s 803, 2025 c 399 s 16,
7 and 2025 c 299 s 22 are each reenacted and amended to read as
8 follows:

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

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

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

37 (4) Monthly, the state treasurer shall distribute the earnings
38 credited to the treasury income account. The state treasurer shall

1 credit the general fund with all the earnings credited to the
2 treasury income account except:

3 (a) The following accounts and funds shall receive their
4 proportionate share of earnings based upon each account's and fund's
5 average daily balance for the period: The abandoned recreational
6 vehicle disposal account, the aeronautics account, the Alaskan Way
7 viaduct replacement project account, the budget stabilization
8 account, the capital vessel replacement account, the capitol building
9 construction account, the Central Washington University capital
10 projects account, the charitable, educational, penal and reformatory
11 institutions account, the Chehalis basin account, the Chehalis basin
12 taxable account, the clean fuels credit account, the clean fuels
13 transportation investment account, the cleanup settlement account,
14 the Columbia river basin water supply development account, the
15 Columbia river basin taxable bond water supply development account,
16 the Columbia river basin water supply revenue recovery account, the
17 common school construction fund, the community forest trust account,
18 the connecting Washington account, the county arterial preservation
19 account, the county criminal justice assistance account, the covenant
20 homeownership account, the deferred compensation administrative
21 account, the deferred compensation principal account, the department
22 of licensing services account, the department of retirement systems
23 expense account, the developmental disabilities community services
24 account, the diesel idle reduction account, the opioid abatement
25 settlement account, the drinking water assistance account, the
26 administrative subaccount of the drinking water assistance account,
27 the driver education safety improvement account, the early learning
28 facilities development account, the early learning facilities
29 revolving account, the Eastern Washington University capital projects
30 account, the education legacy trust account, the election account,
31 the electric transmission capital account, the electric vehicle
32 account, the energy freedom account, the energy recovery act account,
33 the essential rail assistance account, The Evergreen State College
34 capital projects account, the fair start for kids account, the family
35 medicine workforce development account, the ferry bond retirement
36 fund, the fish, wildlife, and conservation account, the freight
37 mobility investment account, the freight mobility multimodal account,
38 the grade crossing protective fund, the higher education retirement
39 plan supplemental benefit fund, the Washington student loan account,
40 the highway bond retirement fund, the highway infrastructure account,

1 the highway safety fund, the hospital safety net assessment fund, the
2 Interstate 5 bridge replacement project account, the Interstate 405
3 and state route number 167 express toll lanes account, the judges'
4 retirement account, the judicial retirement administrative account,
5 the judicial retirement principal account, the limited fish and
6 wildlife account, the local leasehold excise tax account, the local
7 real estate excise tax account, the local sales and use tax account,
8 the marine resources stewardship trust account, the medical aid
9 account, the money-purchase retirement savings administrative
10 account, the money-purchase retirement savings principal account, the
11 motor vehicle fund, the motorcycle safety education account, the move
12 ahead WA account, the move ahead WA flexible account, the multimodal
13 transportation account, the multiuse roadway safety account, the
14 municipal criminal justice assistance account, the oyster reserve
15 land account, the pension funding stabilization account, the
16 perpetual surveillance and maintenance account, the pilotage account,
17 the pollution liability insurance agency underground storage tank
18 revolving account, the public employees' retirement system plan 1
19 account, the public employees' retirement system combined plan 2 and
20 plan 3 account, the public facilities construction loan revolving
21 account, the public health supplemental account, the public works
22 assistance account, the Puget Sound capital construction account, the
23 Puget Sound ferry operations account, the Puget Sound Gateway
24 facility account, the Puget Sound taxpayer accountability account,
25 the real estate appraiser commission account, the recreational
26 vehicle account, the regional mobility grant program account, the
27 reserve officers' relief and pension principal fund, the resource
28 management cost account, the rural arterial trust account, the rural
29 mobility grant program account, the rural Washington loan fund, the
30 second injury fund, the sexual assault prevention and response
31 account, the site closure account, the skilled nursing facility
32 safety net trust fund, the small city pavement and sidewalk account,
33 the special category C account, the special wildlife account, the
34 state hazard mitigation revolving loan account, the state investment
35 board expense account, the state investment board commingled trust
36 fund accounts, the state patrol highway account, the state
37 reclamation revolving account, the state route number 520 civil
38 penalties account, the state route number 520 corridor account, the
39 statewide broadband account, the statewide tourism marketing account,
40 the supplemental pension account, the Tacoma Narrows toll bridge

1 account, the teachers' retirement system plan 1 account, the
2 teachers' retirement system combined plan 2 and plan 3 account, the
3 tobacco prevention and control account, the tobacco settlement
4 account, the toll facility bond retirement account, the
5 transportation 2003 account (nickel account), the transportation
6 equipment fund, the JUDY transportation future funding program
7 account, the transportation improvement account, the transportation
8 improvement board bond retirement account, the transportation
9 infrastructure account, the transportation partnership account, the
10 traumatic brain injury account, the tribal opioid prevention and
11 treatment account, the University of Washington bond retirement fund,
12 the University of Washington building account, the voluntary cleanup
13 account, the volunteer firefighters' relief and pension principal
14 fund, the volunteer firefighters' and reserve officers'
15 administrative fund, the vulnerable roadway user education account,
16 the Washington judicial retirement system account, the Washington law
17 enforcement officers' and firefighters' system plan 1 retirement
18 account, the Washington law enforcement officers' and firefighters'
19 system plan 2 retirement account, the Washington public safety
20 employees' plan 2 retirement account, the Washington school
21 employees' retirement system combined plan 2 and 3 account, the
22 Washington state patrol retirement account, the Washington State
23 University building account, the Washington State University bond
24 retirement fund, the water pollution control revolving administration
25 account, the water pollution control revolving fund, the Western
26 Washington University capital projects account, the Yakima integrated
27 plan implementation account, the Yakima integrated plan
28 implementation revenue recovery account, and the Yakima integrated
29 plan implementation taxable bond account. Earnings derived from
30 investing balances of the agricultural permanent fund, the normal
31 school permanent fund, the permanent common school fund, the
32 scientific permanent fund, and the state university permanent fund
33 shall be allocated to their respective beneficiary accounts.

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

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

4 **Sec. 16.** RCW 43.84.092 and 2025 c 417 s 803, 2025 c 399 s 16,
5 2025 c 359 s 13, 2025 c 299 s 22, and 2025 c 228 s 15 are each
6 reenacted and amended to read as follows:

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

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

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

35 (4) Monthly, the state treasurer shall distribute the earnings
36 credited to the treasury income account. The state treasurer shall
37 credit the general fund with all the earnings credited to the
38 treasury income account except:

1 (a) The following accounts and funds shall receive their
2 proportionate share of earnings based upon each account's and fund's
3 average daily balance for the period: The abandoned recreational
4 vehicle disposal account, the aeronautics account, the Alaskan Way
5 viaduct replacement project account, the budget stabilization
6 account, the capital vessel replacement account, the capitol building
7 construction account, the Central Washington University capital
8 projects account, the charitable, educational, penal and reformatory
9 institutions account, the Chehalis basin account, the Chehalis basin
10 taxable account, the clean fuels credit account, the clean fuels
11 transportation investment account, the cleanup settlement account,
12 the Columbia river basin water supply development account, the
13 Columbia river basin taxable bond water supply development account,
14 the Columbia river basin water supply revenue recovery account, the
15 common school construction fund, the community forest trust account,
16 the connecting Washington account, the county arterial preservation
17 account, the county criminal justice assistance account, the covenant
18 homeownership account, the deferred compensation administrative
19 account, the deferred compensation principal account, the department
20 of licensing services account, the department of retirement systems
21 expense account, the developmental disabilities community services
22 account, the diesel idle reduction account, the opioid abatement
23 settlement account, the drinking water assistance account, the
24 administrative subaccount of the drinking water assistance account,
25 the driver education safety improvement account, the early learning
26 facilities development account, the early learning facilities
27 revolving account, the Eastern Washington University capital projects
28 account, the education legacy trust account, the election account,
29 the electric transmission capital account, the electric vehicle
30 account, the energy freedom account, the energy recovery act account,
31 the essential rail assistance account, The Evergreen State College
32 capital projects account, the fair start for kids account, the family
33 medicine workforce development account, the ferry bond retirement
34 fund, the fish, wildlife, and conservation account, the freight
35 mobility investment account, the freight mobility multimodal account,
36 the grade crossing protective fund, the higher education retirement
37 plan supplemental benefit fund, the Washington student loan account,
38 the highway bond retirement fund, the highway infrastructure account,
39 the highway safety fund, the hospital safety net assessment fund, the
40 intelligent speed assistance device revolving account, the Interstate

1 5 bridge replacement project account, the Interstate 405 and state
2 route number 167 express toll lanes account, the judges' retirement
3 account, the judicial retirement administrative account, the judicial
4 retirement principal account, the limited fish and wildlife account,
5 the local leasehold excise tax account, the local real estate excise
6 tax account, the local sales and use tax account, the marine
7 resources stewardship trust account, the medical aid account, the
8 money-purchase retirement savings administrative account, the money-
9 purchase retirement savings principal account, the motor vehicle
10 fund, the motorcycle safety education account, the move ahead WA
11 account, the move ahead WA flexible account, the multimodal
12 transportation account, the multiuse roadway safety account, the
13 municipal criminal justice assistance account, the oyster reserve
14 land account, the pension funding stabilization account, the
15 perpetual surveillance and maintenance account, the pilotage account,
16 the pollution liability insurance agency underground storage tank
17 revolving account, the medicaid access program account, the public
18 employees' retirement system plan 1 account, the public employees'
19 retirement system combined plan 2 and plan 3 account, the public
20 facilities construction loan revolving account, the public health
21 supplemental account, the public works assistance account, the Puget
22 Sound capital construction account, the Puget Sound ferry operations
23 account, the Puget Sound Gateway facility account, the Puget Sound
24 taxpayer accountability account, the real estate appraiser commission
25 account, the recreational vehicle account, the regional mobility
26 grant program account, the reserve officers' relief and pension
27 principal fund, the resource management cost account, the rural
28 arterial trust account, the rural mobility grant program account, the
29 rural Washington loan fund, the second injury fund, the sexual
30 assault prevention and response account, the site closure account,
31 the skilled nursing facility safety net trust fund, the small city
32 pavement and sidewalk account, the special category C account, the
33 special wildlife account, the state hazard mitigation revolving loan
34 account, the state investment board expense account, the state
35 investment board commingled trust fund accounts, the state patrol
36 highway account, the state reclamation revolving account, the state
37 route number 520 civil penalties account, the state route number 520
38 corridor account, the statewide broadband account, the statewide
39 tourism marketing account, the supplemental pension account, the
40 Tacoma Narrows toll bridge account, the teachers' retirement system

1 plan 1 account, the teachers' retirement system combined plan 2 and
2 plan 3 account, the tobacco prevention and control account, the
3 tobacco settlement account, the toll facility bond retirement
4 account, the transportation 2003 account (nickel account), the
5 transportation equipment fund, the JUDY transportation future funding
6 program account, the transportation improvement account, the
7 transportation improvement board bond retirement account, the
8 transportation infrastructure account, the transportation partnership
9 account, the traumatic brain injury account, the tribal opioid
10 prevention and treatment account, the University of Washington bond
11 retirement fund, the University of Washington building account, the
12 voluntary cleanup account, the volunteer firefighters' relief and
13 pension principal fund, the volunteer firefighters' and reserve
14 officers' administrative fund, the vulnerable roadway user education
15 account, the Washington judicial retirement system account, the
16 Washington law enforcement officers' and firefighters' system plan 1
17 retirement account, the Washington law enforcement officers' and
18 firefighters' system plan 2 retirement account, the Washington public
19 safety employees' plan 2 retirement account, the Washington school
20 employees' retirement system combined plan 2 and 3 account, the
21 Washington state patrol retirement account, the Washington State
22 University building account, the Washington State University bond
23 retirement fund, the water pollution control revolving administration
24 account, the water pollution control revolving fund, the Western
25 Washington University capital projects account, the Yakima integrated
26 plan implementation account, the Yakima integrated plan
27 implementation revenue recovery account, and the Yakima integrated
28 plan implementation taxable bond account. Earnings derived from
29 investing balances of the agricultural permanent fund, the normal
30 school permanent fund, the permanent common school fund, the
31 scientific permanent fund, and the state university permanent fund
32 shall be allocated to their respective beneficiary accounts.

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

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

4 **Sec. 17.** RCW 43.84.092 and 2025 c 417 s 803, 2025 c 399 s 16,
5 2025 c 299 s 22, and 2025 c 228 s 15 are each reenacted and amended
6 to read as follows:

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

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

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

35 (4) Monthly, the state treasurer shall distribute the earnings
36 credited to the treasury income account. The state treasurer shall
37 credit the general fund with all the earnings credited to the
38 treasury income account except:

1 (a) The following accounts and funds shall receive their
2 proportionate share of earnings based upon each account's and fund's
3 average daily balance for the period: The abandoned recreational
4 vehicle disposal account, the aeronautics account, the Alaskan Way
5 viaduct replacement project account, the budget stabilization
6 account, the capital vessel replacement account, the capitol building
7 construction account, the Central Washington University capital
8 projects account, the charitable, educational, penal and reformatory
9 institutions account, the Chehalis basin account, the Chehalis basin
10 taxable account, the clean fuels credit account, the clean fuels
11 transportation investment account, the cleanup settlement account,
12 the Columbia river basin water supply development account, the
13 Columbia river basin taxable bond water supply development account,
14 the Columbia river basin water supply revenue recovery account, the
15 common school construction fund, the community forest trust account,
16 the connecting Washington account, the county arterial preservation
17 account, the county criminal justice assistance account, the covenant
18 homeownership account, the deferred compensation administrative
19 account, the deferred compensation principal account, the department
20 of licensing services account, the department of retirement systems
21 expense account, the developmental disabilities community services
22 account, the diesel idle reduction account, the opioid abatement
23 settlement account, the drinking water assistance account, the
24 administrative subaccount of the drinking water assistance account,
25 the driver education safety improvement account, the early learning
26 facilities development account, the early learning facilities
27 revolving account, the Eastern Washington University capital projects
28 account, the education legacy trust account, the election account,
29 the electric transmission capital account, the electric vehicle
30 account, the energy freedom account, the energy recovery act account,
31 the essential rail assistance account, The Evergreen State College
32 capital projects account, the fair start for kids account, the family
33 medicine workforce development account, the ferry bond retirement
34 fund, the fish, wildlife, and conservation account, the freight
35 mobility investment account, the freight mobility multimodal account,
36 the grade crossing protective fund, the higher education retirement
37 plan supplemental benefit fund, the Washington student loan account,
38 the highway bond retirement fund, the highway infrastructure account,
39 the highway safety fund, the hospital safety net assessment fund, the
40 intelligent speed assistance device revolving account, the Interstate

1 5 bridge replacement project account, the Interstate 405 and state
2 route number 167 express toll lanes account, the judges' retirement
3 account, the judicial retirement administrative account, the judicial
4 retirement principal account, the limited fish and wildlife account,
5 the local leasehold excise tax account, the local real estate excise
6 tax account, the local sales and use tax account, the marine
7 resources stewardship trust account, the medical aid account, the
8 money-purchase retirement savings administrative account, the money-
9 purchase retirement savings principal account, the motor vehicle
10 fund, the motorcycle safety education account, the move ahead WA
11 account, the move ahead WA flexible account, the multimodal
12 transportation account, the multiuse roadway safety account, the
13 municipal criminal justice assistance account, the oyster reserve
14 land account, the pension funding stabilization account, the
15 perpetual surveillance and maintenance account, the pilotage account,
16 the pollution liability insurance agency underground storage tank
17 revolving account, the public employees' retirement system plan 1
18 account, the public employees' retirement system combined plan 2 and
19 plan 3 account, the public facilities construction loan revolving
20 account, the public health supplemental account, the public works
21 assistance account, the Puget Sound capital construction account, the
22 Puget Sound ferry operations account, the Puget Sound Gateway
23 facility account, the Puget Sound taxpayer accountability account,
24 the real estate appraiser commission account, the recreational
25 vehicle account, the regional mobility grant program account, the
26 reserve officers' relief and pension principal fund, the resource
27 management cost account, the rural arterial trust account, the rural
28 mobility grant program account, the rural Washington loan fund, the
29 second injury fund, the sexual assault prevention and response
30 account, the site closure account, the skilled nursing facility
31 safety net trust fund, the small city pavement and sidewalk account,
32 the special category C account, the special wildlife account, the
33 state hazard mitigation revolving loan account, the state investment
34 board expense account, the state investment board commingled trust
35 fund accounts, the state patrol highway account, the state
36 reclamation revolving account, the state route number 520 civil
37 penalties account, the state route number 520 corridor account, the
38 statewide broadband account, the statewide tourism marketing account,
39 the supplemental pension account, the Tacoma Narrows toll bridge
40 account, the teachers' retirement system plan 1 account, the

1 teachers' retirement system combined plan 2 and plan 3 account, the
2 tobacco prevention and control account, the tobacco settlement
3 account, the toll facility bond retirement account, the
4 transportation 2003 account (nickel account), the transportation
5 equipment fund, the JUDY transportation future funding program
6 account, the transportation improvement account, the transportation
7 improvement board bond retirement account, the transportation
8 infrastructure account, the transportation partnership account, the
9 traumatic brain injury account, the tribal opioid prevention and
10 treatment account, the University of Washington bond retirement fund,
11 the University of Washington building account, the voluntary cleanup
12 account, the volunteer firefighters' relief and pension principal
13 fund, the volunteer firefighters' and reserve officers'
14 administrative fund, the vulnerable roadway user education account,
15 the Washington judicial retirement system account, the Washington law
16 enforcement officers' and firefighters' system plan 1 retirement
17 account, the Washington law enforcement officers' and firefighters'
18 system plan 2 retirement account, the Washington public safety
19 employees' plan 2 retirement account, the Washington school
20 employees' retirement system combined plan 2 and 3 account, the
21 Washington state patrol retirement account, the Washington State
22 University building account, the Washington State University bond
23 retirement fund, the water pollution control revolving administration
24 account, the water pollution control revolving fund, the Western
25 Washington University capital projects account, the Yakima integrated
26 plan implementation account, the Yakima integrated plan
27 implementation revenue recovery account, and the Yakima integrated
28 plan implementation taxable bond account. Earnings derived from
29 investing balances of the agricultural permanent fund, the normal
30 school permanent fund, the permanent common school fund, the
31 scientific permanent fund, and the state university permanent fund
32 shall be allocated to their respective beneficiary accounts.

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

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

4 NEW SECTION. **Sec. 18.** (1) Section 12 of this act expires the
5 earlier of July 1, 2028, or when RCW 74.76.040 expires.

6 (2) Section 13 of this act expires July 1, 2028.

7 (3) Section 14 of this act expires the earlier of January 1,
8 2029, or when RCW 74.76.040 expires.

9 (4) Section 15 of this act expires January 1, 2029.

10 (5) Section 16 of this act expires when RCW 74.76.040 expires.

11 NEW SECTION. **Sec. 19.** (1) Section 13 of this act takes effect
12 when RCW 74.76.040 expires.

13 (2) Sections 14 and 15 of this act take effect July 1, 2028.

14 (3) Sections 16 and 17 of this act take effect January 1, 2029.

15 NEW SECTION. **Sec. 20.** Sections 1, 2, 4 through 7, and 9 through
16 11 of this act constitute a new chapter in Title 43 RCW."

17 Correct the title.

EFFECT: • Requires the Department of Commerce (Commerce) to consider the costs and benefits to Washington ratepayers when conducting its identification of high priority transmission corridors.

• Requires the Washington Electric Transmission Authority (Transmission Authority) to consider the costs and benefits to Washington ratepayers of a facility as part of what the Transmission Authority must include in its published plan before it can become an owner or partial owner of any electric transmission facility.

• Specifies that for the Transmission Authority's priority to be a statewide resource for assisting with the development and coordination of upgrades to existing transmission lines, this includes, but is not limited to, reconductoring with advanced conductors.

• Adds that the Transmission Authority may specifically consult on reconductoring with advanced conductors as a potential mitigation practice for natural hazards with state agencies, subject matter experts, and neighboring landowners when facilitating transmission projects.

• Modifies the labor requirements for the Transmission Authority by: Removing reference to the United States Department of Labor; correcting the name of the Washington State Apprenticeship and Training Council; specifying that the respective job classification is the respective trade and occupation job classification; and requiring that the minimum 25 percent completion rate for the apprentices enrolled in an apprenticeship program must be a minimum 25 percent completion rate over the prior 8 years.

- Removes the establishment of a tribal clean energy partnership work group and the related authority for Commerce to convene a clean energy advisory committee to provide feedback on the work group's recommendations.

- Adds a requirement for Commerce to contract with the Governor's Office of Indian Affairs (GOIA) to, in coordination with the Departments of Ecology and Commerce, convene federally recognized Indian tribes to develop a tribal consultation framework for statewide electric transmission planning and implementation. Specifies what must be included in the new tribal consultation framework and requires GOIA to submit a report to the legislature and governor by December 1, 2026.

- Removes the requirement that the local investment commitment fees be deposited into the electric transmission capital account and maintains that the fees must be deposited into the electric transmission operating account.

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