

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, operating at the direction of the board of directors.

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 from those identified in the western transmission expansion
12 coalition's west-wide transmission needs study 10-year horizon report
13 published in February 2026. The department must also consider the 20-
14 year horizon report planned to be published in 2026 when identifying
15 high priority transmission corridors. This identification must be
16 conducted in an open, transparent process by October 30, 2027. The
17 department may not finalize the identification of high priority
18 transmission corridors until the department has reviewed the western
19 transmission expansion coalition's 20-year horizon report.

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

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

26 (4) The department must provide all administrative and staff
27 support for and maintain oversight of the Washington electric
28 transmission authority created under section 5 of this act until the
29 board of directors hires an executive director as established under
30 section 4 of this act.

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

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

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

1 (b) One member appointed by the governor and confirmed by the
2 senate with experience working at a consumer-owned utility,
3 preferably with expertise in the transmission function;

4 (c) One member appointed by the governor and confirmed by the
5 senate with experience working at an investor-owned utility,
6 preferably with expertise in the transmission function;

7 (d) One member appointed by the governor and confirmed by the
8 senate with expertise in rural county land use planning and law and
9 local permitting processes;

10 (e) One member appointed by the governor and confirmed by the
11 senate with expertise in clean energy development;

12 (f) One member appointed by the governor and confirmed by the
13 senate with expertise in ratepayer protection;

14 (g) One member appointed by the governor and confirmed by the
15 senate representing electrical workers with expertise in building
16 electric transmission;

17 (h) One member appointed by the governor and confirmed by the
18 senate with expertise in financing large infrastructure projects;

19 (i) One member appointed by the governor and confirmed by the
20 senate with expertise in wildlife conservation and land use policies;
21 and

22 (j) One member appointed by the governor and confirmed by the
23 senate from a federally recognized Indian tribe, including federally
24 recognized Indian tribes whose reservation or ceded lands lie in
25 Washington state.

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

29 (4) At least one-half of the members of the board must reside
30 east of the crest of the Cascade mountains.

31 (5) No member of the board may represent a person that owns or
32 operates electric generating or transmission facilities.

33 (6) Members of the board appointed by the governor must serve
34 four-year terms. However, the governor must stagger the terms of six
35 of the initial appointees for terms of one, two, and three years. At
36 the end of the term, these members may be reappointed by the governor
37 and reconfirmed by the senate, or the governor may choose to appoint
38 a new member.

39 (7) Decisions of the board require a simple majority vote of all
40 the members on the board.

1 (8) Members of the board must elect a chair from among its
2 membership to serve for a two-year period.

3 (9) The board must meet at least quarterly.

4 (10) The department must provide administrative and staff support
5 to the board until the executive director is hired.

6 (11) Members of the board must serve without additional
7 compensation but must be reimbursed for travel expenses as provided
8 by RCW 43.03.050 and 43.03.060.

9 (12) The board of directors is considered a governing body for
10 purposes of chapter 42.30 RCW and must follow the requirements of the
11 open public meetings act, as they apply to governing bodies.

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

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

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

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

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

30 (d) Being a statewide resource for assisting with the development
31 and coordination of upgrades to existing transmission lines
32 including, but not limited to, reconductoring with advanced
33 conductors;

34 (e) Collaborating with electric utilities, independent
35 transmission developers, local jurisdictions, federally recognized
36 Indian tribes, labor unions, neighboring states, regional entities,
37 and the federal government to develop intrastate, interstate, and
38 regional transmission resources;

1 (f) Evaluating opportunities for the authority to coordinate with
2 regional wholesale markets as enabled by the respective market
3 governance framework;

4 (g) Supporting opportunities for community microgrids,
5 distributed energy resources, and energy conservation; and

6 (h) Supporting community and economic development.

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

9 (a) Protect cultural and natural resources;

10 (b) Avoid impacts to overburdened communities and vulnerable
11 populations;

12 (c) Support good jobs;

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

15 (e) Mitigate wildfire risk;

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

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

21 (4) The authority must employ an executive director, who must be
22 appointed by the board of directors created under section 4 of this
23 act. The board may fix the compensation of the executive director.
24 The executive director may employ staff sufficient to accomplish the
25 purposes of this chapter.

26 (5) The authority must update the transmission corridor
27 identification study under section 3 of this act no later than
28 October 30, 2032, and no less than every five years thereafter. The
29 authority must update the study by leveraging existing transmission
30 plans from national and regional entities, Washington utilities, and
31 existing state, regional, and national siting studies in an open and
32 transparent process.

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

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

1 (8) The authority and any eligible facilities acquired by the
2 authority are not subject to the supervision, regulation, control, or
3 jurisdiction of the Washington utilities and transportation
4 commission, provided that nothing in this chapter shall be
5 interpreted to allow an electrical company regulated under Title 80
6 RCW to include the cost of eligible facilities in its rate base
7 without the approval of the Washington utilities and transportation
8 commission.

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

17 (b) Transmission service on facilities owned by the authority
18 that are subject to a partnership agreement with the Bonneville power
19 administration, a utility serving customers in the state of
20 Washington that is not a public utility under the federal power act,
21 or a joint operating agency formed under RCW 43.52.360 may be offered
22 under the same terms as the transmission tariff of that partner
23 entity.

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

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

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

- 1 (1) Adopt rules and operating procedures as necessary to
2 implement the authority's responsibilities in this chapter, except
3 that the authority may not adopt rules to direct cost allocation of
4 transmission resources;
- 5 (2) Utilize the services of executive departments of the state
6 upon mutually agreeable terms and conditions;
- 7 (3) After receiving approval by the board of directors, exercise
8 the power of eminent domain as outlined under the provisions of
9 chapter 8.04 RCW only for land acquisition necessary to secure
10 property or rights-of-way for new transmission corridors for public
11 use consistent with the purposes of this chapter;
- 12 (4) Enter into contracts and agreements;
- 13 (5) Solicit, receive, issue, and expend gifts, grants, and
14 donations;
- 15 (6) Apply for and accept federal loans and related assistance;
- 16 (7) (a) Enter into partnerships with public or private entities,
17 which must include a fee schedule for services provided under a
18 partnership; and
- 19 (b) When entering into partnerships on transmission projects:
- 20 (i) Assist the project proponent in following the state
21 environmental policy act process; and
- 22 (ii) Support tribal consultation by pursuing reasonable efforts
23 to facilitate government-to-government consultation regarding the
24 entities' partnership with federally recognized Indian tribes
25 affected by the partnership;
- 26 (8) Lease, purchase, accept donations of, or otherwise own, hold,
27 improve, or use any property;
- 28 (9) Sell, lease, exchange, or otherwise dispose of any property;
- 29 (10) (a) Own electric transmission equipment and systems;
- 30 (b) Ownership of transmission facilities by the authority may not
31 exceed the extent and duration necessary or useful to promote the
32 public interest. Before becoming an owner or partial owner of any
33 electric transmission facilities, the authority must develop and
34 publish a plan identifying:
- 35 (i) The public purposes of the authority's ownership;
- 36 (ii) The conditions that would make the authority's ownership no
37 longer necessary for accomplishing those public purposes;
- 38 (iii) A plan to divest the authority of ownership of the facility
39 as soon as economically prudent once those conditions occur; and

1 (iv) A consideration of the costs and benefits to Washington
2 ratepayers of the facility;

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

6 (b) Proceed to construction in the absence of selecting a
7 qualified transmission builder only as a last resort and in instances
8 where the authority identifies a pressing need for a project and
9 there is not a ready and willing qualified transmission builder,
10 subject to the authority adopting criteria in rule for such a
11 scenario before developing a project;

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

14 (b) The authority may sell a project to an electric utility
15 serving customers in the state of Washington, a joint operating
16 agency formed under RCW 43.52.360, the Bonneville power
17 administration, an independent transmission developer, or an
18 independent system operator;

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

23 (13) When facilitating transmission projects, consult with other
24 state agencies, subject matter experts, or neighboring landowners on
25 natural hazards including, but not limited to, wildfire, and
26 potential mitigation practices for such hazards including, but not
27 limited to, upgrading transmission facilities with advanced
28 transmission technologies, including reconductoring with advanced
29 conductors;

30 (14) In consultation with and after approval by the board of
31 directors, adopt criteria in rule for an initial local investment
32 commitment fee and annual local investment commitment fee for high
33 voltage projects that the authority develops, owns, or sells under
34 this chapter. Rule making will provide that the fees are distributed
35 among counties, cities, towns, and federally recognized Indian
36 tribes, including federally recognized Indian tribes whose
37 reservation or ceded lands lie in Washington state, in proportion to
38 the project's impact, and that the fees are appurtenant to the
39 project such that the assessed fees are transferred with the title if
40 the project is sold; and

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

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

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

13 (b) A contractor or independent transmission developer:

14 (i) Using qualified electrical employees; and

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

19 (2) When selecting a qualified transmission builder or operator
20 under section 6(11)(a) of this act, or when proceeding to construct a
21 project in the absence of selecting a qualified transmission builder
22 under section 6(11)(b) of this act, the authority must ensure that
23 work is performed in compliance with the applicable prevailing wage
24 provisions under chapter 39.12 RCW for the respective trade and
25 occupation job classification.

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

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

36 (2) The tribal consultation framework must:

37 (a) Identify the roles and responsibilities of state agencies
38 engaged in electric transmission planning, siting, permitting, and

1 implementation, and existing policies and any existing gaps regarding
2 tribal consultation;

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

9 (c) Provide a mechanism for legislative engagement and
10 transparency during the development and future implementation of the
11 framework; and

12 (d) Include recommendations for statutory, administrative, or
13 budgetary actions necessary to implement the framework in future
14 legislation.

15 (3) The governor's office of Indian affairs, in coordination with
16 the department of ecology and the department of commerce, must submit
17 a report to the appropriate committees of the legislature and the
18 governor by December 1, 2026, that summarizes the recommended tribal
19 consultation framework and identifies proposed statutory or
20 administrative changes.

21 NEW SECTION. **Sec. 9.** The electric transmission operating
22 account is created in the state treasury. All receipts from
23 appropriations made by the legislature, fees collected under sections
24 5 and 6 of this act, federal funds, or gifts or grants from the
25 private sector or foundations and other sources must be deposited in
26 the account. Moneys in the account may be spent only after
27 appropriation. Expenditures from the account may be used only for
28 operating cost purposes consistent with this chapter.

29 NEW SECTION. **Sec. 10.** The electric transmission capital account
30 is created in the state treasury. All moneys received for the
31 acquisition, sale, management, and administration of the authority's
32 duties under this chapter for electric transmission projects
33 including, but not limited to, proceeds from the sale of land and/or
34 improvements, fees collected for services provided to transmission
35 developers, interest earned on investments in the account, and all
36 other revenue related to electric transmission projects created or
37 acquired pursuant to this chapter must be deposited into the account.
38 The account is authorized to receive fund transfers and

1 appropriations from the general fund, as well as gifts, grants, and
2 endowments from public or private sources as may be made from time to
3 time. Moneys in the account may be spent only after appropriation.
4 Expenditures from the account may be used by the executive director
5 of the authority, or the executive director's designee, to reimburse
6 management costs incurred by the authority on electric transmission
7 projects, for the acquisition of interests in land or other real
8 property to be managed as electric transmission projects, and for all
9 other nonoperating cost purposes consistent with this chapter.

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

14 (2) For the purposes of this section, the following definitions
15 apply:

16 (a) "Critical energy infrastructure" means existing and proposed
17 systems and assets, whether physical or virtual, the incapacity or
18 destruction of which would negatively affect security, economic
19 security, public health or safety, or any combination of these
20 matters.

21 (b) "Critical energy infrastructure information" means specific
22 engineering, vulnerability, or detailed design information about
23 proposed or existing critical energy infrastructure that:

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

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

28 (iii) Does not simply give the general location of or relay
29 publicly available information about the critical energy
30 infrastructure.

31 NEW SECTION. **Sec. 12.** (1) For electric transmission facilities
32 owned by the authority that are exempt from property tax under RCW
33 84.36.010, the authority must make payments in lieu of property taxes
34 to counties in which such facilities are located.

35 (2) Beginning in the first tax year in which improvements
36 associated with a transmission facility owned in whole or in part by
37 the authority would be subject to assessment under chapters 84.40 and
38 84.12 RCW if the facility were owned by a taxable entity, the

1 authority must annually make payments in lieu of property taxes as
2 provided in this section.

3 (3) (a) The amount of the payment must be determined jointly and
4 in good faith negotiation between the authority, in consultation with
5 the project partner, lessee, or operator of the transmission
6 facility, and the county in which the facility is located.

7 (b) The amount agreed upon may not exceed the property tax amount
8 that would be owed on the facility if it were owned by a taxable
9 entity as calculated by the county assessor. The authority must
10 provide information necessary for the county assessor to make the
11 required valuation under this subsection. The authority must provide
12 payment to the county treasurer on at least an annual basis in a
13 manner agreed upon between the authority and county.

14 (c) If the authority and a county cannot agree on the amount of
15 the payment in lieu of taxes, either party may invoke binding
16 arbitration by providing written notice to the other party. The
17 authority and county must each select one arbitrator, the two of whom
18 must pick a third arbitrator. Costs of the arbitration, including
19 compensation for the arbitrators' services, must be borne equally by
20 the parties participating in the arbitration.

21 (4) Payments made under this section must be distributed by the
22 county treasurer in the same manner as property tax revenues
23 collected under Title 84 RCW and must be allocated among all taxing
24 districts within the county in proportion to their respective levy
25 rates.

26 (5) Payments required under this section must be collected by the
27 authority from a lessee, project partner, or operator of the
28 applicable facility on a schedule set forth in a lease or project
29 agreement, and such collected funds shall be considered the only
30 funds available to the authority to make the required payments.

31 (6) The payments required under this section are intended to
32 ensure that counties and local taxing districts receive fiscal
33 benefits for hosting transmission infrastructure owned by the
34 authority.

35 **PART II - MISCELLANEOUS**

36 **Sec. 13.** RCW 43.84.092 and 2025 c 417 s 802, 2025 c 399 s 15,
37 2025 c 359 s 12, and 2025 c 299 s 21 are each reenacted and amended
38 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 ambulance transport fund,
38 the budget stabilization account, the capital vessel replacement
39 account, the capitol building construction account, the Central
40 Washington University capital projects account, the charitable,

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

31 **Sec. 15.** RCW 43.84.092 and 2025 c 417 s 803, 2025 c 399 s 16,
32 2025 c 359 s 13, and 2025 c 299 s 22 are each reenacted and amended
33 to read as follows:

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

37 (2) The treasury income account shall be utilized to pay or
38 receive funds associated with federal programs as required by the
39 federal cash management improvement act of 1990. The treasury income

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

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

23 (4) Monthly, the state treasurer shall distribute the earnings
24 credited to the treasury income account. The state treasurer shall
25 credit the general fund with all the earnings credited to the
26 treasury income account except:

27 (a) The following accounts and funds shall receive their
28 proportionate share of earnings based upon each account's and fund's
29 average daily balance for the period: The abandoned recreational
30 vehicle disposal account, the aeronautics account, the Alaskan Way
31 viaduct replacement project account, the budget stabilization
32 account, the capital vessel replacement account, the capitol building
33 construction account, the Central Washington University capital
34 projects account, the charitable, educational, penal and reformatory
35 institutions account, the Chehalis basin account, the Chehalis basin
36 taxable account, the clean fuels credit account, the clean fuels
37 transportation investment account, the cleanup settlement account,
38 the Columbia river basin water supply development account, the
39 Columbia river basin taxable bond water supply development account,
40 the Columbia river basin water supply revenue recovery account, the

1 common school construction fund, the community forest trust account,
2 the connecting Washington account, the county arterial preservation
3 account, the county criminal justice assistance account, the covenant
4 homeownership account, the deferred compensation administrative
5 account, the deferred compensation principal account, the department
6 of licensing services account, the department of retirement systems
7 expense account, the developmental disabilities community services
8 account, the diesel idle reduction account, the opioid abatement
9 settlement account, the drinking water assistance account, the
10 administrative subaccount of the drinking water assistance account,
11 the driver education safety improvement account, the early learning
12 facilities development account, the early learning facilities
13 revolving account, the Eastern Washington University capital projects
14 account, the education legacy trust account, the election account,
15 the electric transmission capital account, the electric vehicle
16 account, the energy freedom account, the energy recovery act account,
17 the essential rail assistance account, The Evergreen State College
18 capital projects account, the fair start for kids account, the family
19 medicine workforce development account, the ferry bond retirement
20 fund, the fish, wildlife, and conservation account, the freight
21 mobility investment account, the freight mobility multimodal account,
22 the grade crossing protective fund, the higher education retirement
23 plan supplemental benefit fund, the Washington student loan account,
24 the highway bond retirement fund, the highway infrastructure account,
25 the highway safety fund, the hospital safety net assessment fund, the
26 Interstate 5 bridge replacement project account, the Interstate 405
27 and state route number 167 express toll lanes account, the judges'
28 retirement account, the judicial retirement administrative account,
29 the judicial retirement principal account, the limited fish and
30 wildlife account, the local leasehold excise tax account, the local
31 real estate excise tax account, the local sales and use tax account,
32 the marine resources stewardship trust account, the medical aid
33 account, the money-purchase retirement savings administrative
34 account, the money-purchase retirement savings principal account, the
35 motor vehicle fund, the motorcycle safety education account, the move
36 ahead WA account, the move ahead WA flexible account, the multimodal
37 transportation account, the multiuse roadway safety account, the
38 municipal criminal justice assistance account, the oyster reserve
39 land account, the pension funding stabilization account, the
40 perpetual surveillance and maintenance account, the pilotage account,

1 the pollution liability insurance agency underground storage tank
2 revolving account, the medicaid access program account, the public
3 employees' retirement system plan 1 account, the public employees'
4 retirement system combined plan 2 and plan 3 account, the public
5 facilities construction loan revolving account, the public health
6 supplemental account, the public works assistance account, the Puget
7 Sound capital construction account, the Puget Sound ferry operations
8 account, the Puget Sound Gateway facility account, the Puget Sound
9 taxpayer accountability account, the real estate appraiser commission
10 account, the recreational vehicle account, the regional mobility
11 grant program account, the reserve officers' relief and pension
12 principal fund, the resource management cost account, the rural
13 arterial trust account, the rural mobility grant program account, the
14 rural Washington loan fund, the second injury fund, the sexual
15 assault prevention and response account, the site closure account,
16 the skilled nursing facility safety net trust fund, the small city
17 pavement and sidewalk account, the special category C account, the
18 special wildlife account, the state hazard mitigation revolving loan
19 account, the state investment board expense account, the state
20 investment board commingled trust fund accounts, the state patrol
21 highway account, the state reclamation revolving account, the state
22 route number 520 civil penalties account, the state route number 520
23 corridor account, the statewide broadband account, the statewide
24 tourism marketing account, the supplemental pension account, the
25 Tacoma Narrows toll bridge account, the teachers' retirement system
26 plan 1 account, the teachers' retirement system combined plan 2 and
27 plan 3 account, the tobacco prevention and control account, the
28 tobacco settlement account, the toll facility bond retirement
29 account, the transportation 2003 account (nickel account), the
30 transportation equipment fund, the JUDY transportation future funding
31 program account, the transportation improvement account, the
32 transportation improvement board bond retirement account, the
33 transportation infrastructure account, the transportation partnership
34 account, the traumatic brain injury account, the tribal opioid
35 prevention and treatment account, the University of Washington bond
36 retirement fund, the University of Washington building account, the
37 voluntary cleanup account, the volunteer firefighters' relief and
38 pension principal fund, the volunteer firefighters' and reserve
39 officers' administrative fund, the vulnerable roadway user education
40 account, the Washington judicial retirement system account, the

1 Washington law enforcement officers' and firefighters' system plan 1
2 retirement account, the Washington law enforcement officers' and
3 firefighters' system plan 2 retirement account, the Washington public
4 safety employees' plan 2 retirement account, the Washington school
5 employees' retirement system combined plan 2 and 3 account, the
6 Washington state patrol retirement account, the Washington State
7 University building account, the Washington State University bond
8 retirement fund, the water pollution control revolving administration
9 account, the water pollution control revolving fund, the Western
10 Washington University capital projects account, the Yakima integrated
11 plan implementation account, the Yakima integrated plan
12 implementation revenue recovery account, and the Yakima integrated
13 plan implementation taxable bond account. Earnings derived from
14 investing balances of the agricultural permanent fund, the normal
15 school permanent fund, the permanent common school fund, the
16 scientific permanent fund, and the state university permanent fund
17 shall be allocated to their respective beneficiary accounts.

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

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

27 **Sec. 16.** RCW 43.84.092 and 2025 c 417 s 803, 2025 c 399 s 16,
28 and 2025 c 299 s 22 are each reenacted and amended to read as
29 follows:

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

33 (2) The treasury income account shall be utilized to pay or
34 receive funds associated with federal programs as required by the
35 federal cash management improvement act of 1990. The treasury income
36 account is subject in all respects to chapter 43.88 RCW, but no
37 appropriation is required for refunds or allocations of interest
38 earnings required by the cash management improvement act. Refunds of
39 interest to the federal treasury required under the cash management

1 improvement act fall under RCW 43.88.180 and shall not require
2 appropriation. The office of financial management shall determine the
3 amounts due to or from the federal government pursuant to the cash
4 management improvement act. The office of financial management may
5 direct transfers of funds between accounts as deemed necessary to
6 implement the provisions of the cash management improvement act, and
7 this subsection. Refunds or allocations shall occur prior to the
8 distributions of earnings set forth in subsection (4) of this
9 section.

10 (3) Except for the provisions of RCW 43.84.160, the treasury
11 income account may be utilized for the payment of purchased banking
12 services on behalf of treasury funds including, but not limited to,
13 depository, safekeeping, and disbursement functions for the state
14 treasury and affected state agencies. The treasury income account is
15 subject in all respects to chapter 43.88 RCW, but no appropriation is
16 required for payments to financial institutions. Payments shall occur
17 prior to distribution of earnings set forth in subsection (4) of this
18 section.

19 (4) Monthly, the state treasurer shall distribute the earnings
20 credited to the treasury income account. The state treasurer shall
21 credit the general fund with all the earnings credited to the
22 treasury income account except:

23 (a) The following accounts and funds shall receive their
24 proportionate share of earnings based upon each account's and fund's
25 average daily balance for the period: The abandoned recreational
26 vehicle disposal account, the aeronautics account, the Alaskan Way
27 viaduct replacement project account, the budget stabilization
28 account, the capital vessel replacement account, the capitol building
29 construction account, the Central Washington University capital
30 projects account, the charitable, educational, penal and reformatory
31 institutions account, the Chehalis basin account, the Chehalis basin
32 taxable account, the clean fuels credit account, the clean fuels
33 transportation investment account, the cleanup settlement account,
34 the Columbia river basin water supply development account, the
35 Columbia river basin taxable bond water supply development account,
36 the Columbia river basin water supply revenue recovery account, the
37 common school construction fund, the community forest trust account,
38 the connecting Washington account, the county arterial preservation
39 account, the county criminal justice assistance account, the covenant
40 homeownership account, the deferred compensation administrative

1 account, the deferred compensation principal account, the department
2 of licensing services account, the department of retirement systems
3 expense account, the developmental disabilities community services
4 account, the diesel idle reduction account, the opioid abatement
5 settlement account, the drinking water assistance account, the
6 administrative subaccount of the drinking water assistance account,
7 the driver education safety improvement account, the early learning
8 facilities development account, the early learning facilities
9 revolving account, the Eastern Washington University capital projects
10 account, the education legacy trust account, the election account,
11 the electric transmission capital account, the electric vehicle
12 account, the energy freedom account, the energy recovery act account,
13 the essential rail assistance account, The Evergreen State College
14 capital projects account, the fair start for kids account, the family
15 medicine workforce development account, the ferry bond retirement
16 fund, the fish, wildlife, and conservation account, the freight
17 mobility investment account, the freight mobility multimodal account,
18 the grade crossing protective fund, the higher education retirement
19 plan supplemental benefit fund, the Washington student loan account,
20 the highway bond retirement fund, the highway infrastructure account,
21 the highway safety fund, the hospital safety net assessment fund, the
22 Interstate 5 bridge replacement project account, the Interstate 405
23 and state route number 167 express toll lanes account, the judges'
24 retirement account, the judicial retirement administrative account,
25 the judicial retirement principal account, the limited fish and
26 wildlife account, the local leasehold excise tax account, the local
27 real estate excise tax account, the local sales and use tax account,
28 the marine resources stewardship trust account, the medical aid
29 account, the money-purchase retirement savings administrative
30 account, the money-purchase retirement savings principal account, the
31 motor vehicle fund, the motorcycle safety education account, the move
32 ahead WA account, the move ahead WA flexible account, the multimodal
33 transportation account, the multiuse roadway safety account, the
34 municipal criminal justice assistance account, the oyster reserve
35 land account, the pension funding stabilization account, the
36 perpetual surveillance and maintenance account, the pilotage account,
37 the pollution liability insurance agency underground storage tank
38 revolving account, the public employees' retirement system plan 1
39 account, the public employees' retirement system combined plan 2 and
40 plan 3 account, the public facilities construction loan revolving

1 account, the public health supplemental account, the public works
2 assistance account, the Puget Sound capital construction account, the
3 Puget Sound ferry operations account, the Puget Sound Gateway
4 facility account, the Puget Sound taxpayer accountability account,
5 the real estate appraiser commission account, the recreational
6 vehicle account, the regional mobility grant program account, the
7 reserve officers' relief and pension principal fund, the resource
8 management cost account, the rural arterial trust account, the rural
9 mobility grant program account, the rural Washington loan fund, the
10 second injury fund, the sexual assault prevention and response
11 account, the site closure account, the skilled nursing facility
12 safety net trust fund, the small city pavement and sidewalk account,
13 the special category C account, the special wildlife account, the
14 state hazard mitigation revolving loan account, the state investment
15 board expense account, the state investment board commingled trust
16 fund accounts, the state patrol highway account, the state
17 reclamation revolving account, the state route number 520 civil
18 penalties account, the state route number 520 corridor account, the
19 statewide broadband account, the statewide tourism marketing account,
20 the supplemental pension account, the Tacoma Narrows toll bridge
21 account, the teachers' retirement system plan 1 account, the
22 teachers' retirement system combined plan 2 and plan 3 account, the
23 tobacco prevention and control account, the tobacco settlement
24 account, the toll facility bond retirement account, the
25 transportation 2003 account (nickel account), the transportation
26 equipment fund, the JUDY transportation future funding program
27 account, the transportation improvement account, the transportation
28 improvement board bond retirement account, the transportation
29 infrastructure account, the transportation partnership account, the
30 traumatic brain injury account, the tribal opioid prevention and
31 treatment account, the University of Washington bond retirement fund,
32 the University of Washington building account, the voluntary cleanup
33 account, the volunteer firefighters' relief and pension principal
34 fund, the volunteer firefighters' and reserve officers'
35 administrative fund, the vulnerable roadway user education account,
36 the Washington judicial retirement system account, the Washington law
37 enforcement officers' and firefighters' system plan 1 retirement
38 account, the Washington law enforcement officers' and firefighters'
39 system plan 2 retirement account, the Washington public safety
40 employees' plan 2 retirement account, the Washington school

1 employees' retirement system combined plan 2 and 3 account, the
2 Washington state patrol retirement account, the Washington State
3 University building account, the Washington State University bond
4 retirement fund, the water pollution control revolving administration
5 account, the water pollution control revolving fund, the Western
6 Washington University capital projects account, the Yakima integrated
7 plan implementation account, the Yakima integrated plan
8 implementation revenue recovery account, and the Yakima integrated
9 plan implementation taxable bond account. Earnings derived from
10 investing balances of the agricultural permanent fund, the normal
11 school permanent fund, the permanent common school fund, the
12 scientific permanent fund, and the state university permanent fund
13 shall be allocated to their respective beneficiary accounts.

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

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

23 **Sec. 17.** RCW 43.84.092 and 2025 c 417 s 803, 2025 c 399 s 16,
24 2025 c 359 s 13, 2025 c 299 s 22, and 2025 c 228 s 15 are each
25 reenacted and amended to read as follows:

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

29 (2) The treasury income account shall be utilized to pay or
30 receive funds associated with federal programs as required by the
31 federal cash management improvement act of 1990. The treasury income
32 account is subject in all respects to chapter 43.88 RCW, but no
33 appropriation is required for refunds or allocations of interest
34 earnings required by the cash management improvement act. Refunds of
35 interest to the federal treasury required under the cash management
36 improvement act fall under RCW 43.88.180 and shall not require
37 appropriation. The office of financial management shall determine the
38 amounts due to or from the federal government pursuant to the cash
39 management improvement act. The office of financial management may

1 direct transfers of funds between accounts as deemed necessary to
2 implement the provisions of the cash management improvement act, and
3 this subsection. Refunds or allocations shall occur prior to the
4 distributions of earnings set forth in subsection (4) of this
5 section.

6 (3) Except for the provisions of RCW 43.84.160, the treasury
7 income account may be utilized for the payment of purchased banking
8 services on behalf of treasury funds including, but not limited to,
9 depository, safekeeping, and disbursement functions for the state
10 treasury and affected state agencies. The treasury income account is
11 subject in all respects to chapter 43.88 RCW, but no appropriation is
12 required for payments to financial institutions. Payments shall occur
13 prior to distribution of earnings set forth in subsection (4) of this
14 section.

15 (4) Monthly, the state treasurer shall distribute the earnings
16 credited to the treasury income account. The state treasurer shall
17 credit the general fund with all the earnings credited to the
18 treasury income account except:

19 (a) The following accounts and funds shall receive their
20 proportionate share of earnings based upon each account's and fund's
21 average daily balance for the period: The abandoned recreational
22 vehicle disposal account, the aeronautics account, the Alaskan Way
23 viaduct replacement project account, the budget stabilization
24 account, the capital vessel replacement account, the capitol building
25 construction account, the Central Washington University capital
26 projects account, the charitable, educational, penal and reformatory
27 institutions account, the Chehalis basin account, the Chehalis basin
28 taxable account, the clean fuels credit account, the clean fuels
29 transportation investment account, the cleanup settlement account,
30 the Columbia river basin water supply development account, the
31 Columbia river basin taxable bond water supply development account,
32 the Columbia river basin water supply revenue recovery account, the
33 common school construction fund, the community forest trust account,
34 the connecting Washington account, the county arterial preservation
35 account, the county criminal justice assistance account, the covenant
36 homeownership account, the deferred compensation administrative
37 account, the deferred compensation principal account, the department
38 of licensing services account, the department of retirement systems
39 expense account, the developmental disabilities community services
40 account, the diesel idle reduction account, the opioid abatement

1 settlement account, the drinking water assistance account, the
2 administrative subaccount of the drinking water assistance account,
3 the driver education safety improvement account, the early learning
4 facilities development account, the early learning facilities
5 revolving account, the Eastern Washington University capital projects
6 account, the education legacy trust account, the election account,
7 the electric transmission capital account, the electric vehicle
8 account, the energy freedom account, the energy recovery act account,
9 the essential rail assistance account, The Evergreen State College
10 capital projects account, the fair start for kids account, the family
11 medicine workforce development account, the ferry bond retirement
12 fund, the fish, wildlife, and conservation account, the freight
13 mobility investment account, the freight mobility multimodal account,
14 the grade crossing protective fund, the higher education retirement
15 plan supplemental benefit fund, the Washington student loan account,
16 the highway bond retirement fund, the highway infrastructure account,
17 the highway safety fund, the hospital safety net assessment fund, the
18 intelligent speed assistance device revolving account, the Interstate
19 5 bridge replacement project account, the Interstate 405 and state
20 route number 167 express toll lanes account, the judges' retirement
21 account, the judicial retirement administrative account, the judicial
22 retirement principal account, the limited fish and wildlife account,
23 the local leasehold excise tax account, the local real estate excise
24 tax account, the local sales and use tax account, the marine
25 resources stewardship trust account, the medical aid account, the
26 money-purchase retirement savings administrative account, the money-
27 purchase retirement savings principal account, the motor vehicle
28 fund, the motorcycle safety education account, the move ahead WA
29 account, the move ahead WA flexible account, the multimodal
30 transportation account, the multiuse roadway safety account, the
31 municipal criminal justice assistance account, the oyster reserve
32 land account, the pension funding stabilization account, the
33 perpetual surveillance and maintenance account, the pilotage account,
34 the pollution liability insurance agency underground storage tank
35 revolving account, the medicaid access program account, the public
36 employees' retirement system plan 1 account, the public employees'
37 retirement system combined plan 2 and plan 3 account, the public
38 facilities construction loan revolving account, the public health
39 supplemental account, the public works assistance account, the Puget
40 Sound capital construction account, the Puget Sound ferry operations

1 account, the Puget Sound Gateway facility account, the Puget Sound
2 taxpayer accountability account, the real estate appraiser commission
3 account, the recreational vehicle account, the regional mobility
4 grant program account, the reserve officers' relief and pension
5 principal fund, the resource management cost account, the rural
6 arterial trust account, the rural mobility grant program account, the
7 rural Washington loan fund, the second injury fund, the sexual
8 assault prevention and response account, the site closure account,
9 the skilled nursing facility safety net trust fund, the small city
10 pavement and sidewalk account, the special category C account, the
11 special wildlife account, the state hazard mitigation revolving loan
12 account, the state investment board expense account, the state
13 investment board commingled trust fund accounts, the state patrol
14 highway account, the state reclamation revolving account, the state
15 route number 520 civil penalties account, the state route number 520
16 corridor account, the statewide broadband account, the statewide
17 tourism marketing account, the supplemental pension account, the
18 Tacoma Narrows toll bridge account, the teachers' retirement system
19 plan 1 account, the teachers' retirement system combined plan 2 and
20 plan 3 account, the tobacco prevention and control account, the
21 tobacco settlement account, the toll facility bond retirement
22 account, the transportation 2003 account (nickel account), the
23 transportation equipment fund, the JUDY transportation future funding
24 program account, the transportation improvement account, the
25 transportation improvement board bond retirement account, the
26 transportation infrastructure account, the transportation partnership
27 account, the traumatic brain injury account, the tribal opioid
28 prevention and treatment account, the University of Washington bond
29 retirement fund, the University of Washington building account, the
30 voluntary cleanup account, the volunteer firefighters' relief and
31 pension principal fund, the volunteer firefighters' and reserve
32 officers' administrative fund, the vulnerable roadway user education
33 account, the Washington judicial retirement system account, the
34 Washington law enforcement officers' and firefighters' system plan 1
35 retirement account, the Washington law enforcement officers' and
36 firefighters' system plan 2 retirement account, the Washington public
37 safety employees' plan 2 retirement account, the Washington school
38 employees' retirement system combined plan 2 and 3 account, the
39 Washington state patrol retirement account, the Washington State
40 University building account, the Washington State University bond

1 retirement fund, the water pollution control revolving administration
2 account, the water pollution control revolving fund, the Western
3 Washington University capital projects account, the Yakima integrated
4 plan implementation account, the Yakima integrated plan
5 implementation revenue recovery account, and the Yakima integrated
6 plan implementation taxable bond account. Earnings derived from
7 investing balances of the agricultural permanent fund, the normal
8 school permanent fund, the permanent common school fund, the
9 scientific permanent fund, and the state university permanent fund
10 shall be allocated to their respective beneficiary accounts.

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

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

20 **Sec. 18.** RCW 43.84.092 and 2025 c 417 s 803, 2025 c 399 s 16,
21 2025 c 299 s 22, and 2025 c 228 s 15 are each reenacted and amended
22 to read as follows:

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

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

1 distributions of earnings set forth in subsection (4) of this
2 section.

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

12 (4) Monthly, the state treasurer shall distribute the earnings
13 credited to the treasury income account. The state treasurer shall
14 credit the general fund with all the earnings credited to the
15 treasury income account except:

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

1 facilities development account, the early learning facilities
2 revolving account, the Eastern Washington University capital projects
3 account, the education legacy trust account, the election account,
4 the electric transmission capital account, the electric vehicle
5 account, the energy freedom account, the energy recovery act account,
6 the essential rail assistance account, The Evergreen State College
7 capital projects account, the fair start for kids account, the family
8 medicine workforce development account, the ferry bond retirement
9 fund, the fish, wildlife, and conservation account, the freight
10 mobility investment account, the freight mobility multimodal account,
11 the grade crossing protective fund, the higher education retirement
12 plan supplemental benefit fund, the Washington student loan account,
13 the highway bond retirement fund, the highway infrastructure account,
14 the highway safety fund, the hospital safety net assessment fund, the
15 intelligent speed assistance device revolving account, the Interstate
16 5 bridge replacement project account, the Interstate 405 and state
17 route number 167 express toll lanes account, the judges' retirement
18 account, the judicial retirement administrative account, the judicial
19 retirement principal account, the limited fish and wildlife account,
20 the local leasehold excise tax account, the local real estate excise
21 tax account, the local sales and use tax account, the marine
22 resources stewardship trust account, the medical aid account, the
23 money-purchase retirement savings administrative account, the money-
24 purchase retirement savings principal account, the motor vehicle
25 fund, the motorcycle safety education account, the move ahead WA
26 account, the move ahead WA flexible account, the multimodal
27 transportation account, the multiuse roadway safety account, the
28 municipal criminal justice assistance account, the oyster reserve
29 land account, the pension funding stabilization account, the
30 perpetual surveillance and maintenance account, the pilotage account,
31 the pollution liability insurance agency underground storage tank
32 revolving account, the public employees' retirement system plan 1
33 account, the public employees' retirement system combined plan 2 and
34 plan 3 account, the public facilities construction loan revolving
35 account, the public health supplemental account, the public works
36 assistance account, the Puget Sound capital construction account, the
37 Puget Sound ferry operations account, the Puget Sound Gateway
38 facility account, the Puget Sound taxpayer accountability account,
39 the real estate appraiser commission account, the recreational
40 vehicle account, the regional mobility grant program account, the

1 reserve officers' relief and pension principal fund, the resource
2 management cost account, the rural arterial trust account, the rural
3 mobility grant program account, the rural Washington loan fund, the
4 second injury fund, the sexual assault prevention and response
5 account, the site closure account, the skilled nursing facility
6 safety net trust fund, the small city pavement and sidewalk account,
7 the special category C account, the special wildlife account, the
8 state hazard mitigation revolving loan account, the state investment
9 board expense account, the state investment board commingled trust
10 fund accounts, the state patrol highway account, the state
11 reclamation revolving account, the state route number 520 civil
12 penalties account, the state route number 520 corridor account, the
13 statewide broadband account, the statewide tourism marketing account,
14 the supplemental pension account, the Tacoma Narrows toll bridge
15 account, the teachers' retirement system plan 1 account, the
16 teachers' retirement system combined plan 2 and plan 3 account, the
17 tobacco prevention and control account, the tobacco settlement
18 account, the toll facility bond retirement account, the
19 transportation 2003 account (nickel account), the transportation
20 equipment fund, the JUDY transportation future funding program
21 account, the transportation improvement account, the transportation
22 improvement board bond retirement account, the transportation
23 infrastructure account, the transportation partnership account, the
24 traumatic brain injury account, the tribal opioid prevention and
25 treatment account, the University of Washington bond retirement fund,
26 the University of Washington building account, the voluntary cleanup
27 account, the volunteer firefighters' relief and pension principal
28 fund, the volunteer firefighters' and reserve officers'
29 administrative fund, the vulnerable roadway user education account,
30 the Washington judicial retirement system account, the Washington law
31 enforcement officers' and firefighters' system plan 1 retirement
32 account, the Washington law enforcement officers' and firefighters'
33 system plan 2 retirement account, the Washington public safety
34 employees' plan 2 retirement account, the Washington school
35 employees' retirement system combined plan 2 and 3 account, the
36 Washington state patrol retirement account, the Washington State
37 University building account, the Washington State University bond
38 retirement fund, the water pollution control revolving administration
39 account, the water pollution control revolving fund, the Western
40 Washington University capital projects account, the Yakima integrated

1 plan implementation account, the Yakima integrated plan
2 implementation revenue recovery account, and the Yakima integrated
3 plan implementation taxable bond account. Earnings derived from
4 investing balances of the agricultural permanent fund, the normal
5 school permanent fund, the permanent common school fund, the
6 scientific permanent fund, and the state university permanent fund
7 shall be allocated to their respective beneficiary accounts.

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

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

17 NEW SECTION. **Sec. 19.** (1) Section 13 of this act expires the
18 earlier of July 1, 2028, or when RCW 74.76.040 expires.

19 (2) Section 14 of this act expires July 1, 2028.

20 (3) Section 15 of this act expires the earlier of January 1,
21 2029, or when RCW 74.76.040 expires.

22 (4) Section 16 of this act expires January 1, 2029.

23 (5) Section 17 of this act expires when RCW 74.76.040 expires.

24 NEW SECTION. **Sec. 20.** (1) Section 14 of this act takes effect
25 when RCW 74.76.040 expires.

26 (2) Sections 15 and 16 of this act take effect July 1, 2028.

27 (3) Sections 17 and 18 of this act take effect January 1, 2029.

28 NEW SECTION. **Sec. 21.** Sections 1, 2, 4 through 7, and 9 through
29 12 of this act constitute a new chapter in Title 43 RCW."

30 Correct the title.

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