
HOUSE BILL 1594

State of Washington

69th Legislature

2025 Regular Session

By Representative Caldier

Read first time 01/24/25. Referred to Committee on Appropriations.

1 AN ACT Relating to addressing increased school transportation and
2 operating costs due to the climate commitment act; amending RCW
3 70A.65.260; adding a new section to chapter 70A.65 RCW; adding a new
4 section to chapter 28A.160 RCW; adding a new section to chapter
5 28A.150 RCW; and providing an effective date.

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

7 **Sec. 1.** RCW 70A.65.260 and 2023 c 475 s 939 are each amended to
8 read as follows:

9 (1) The climate commitment account is created in the state
10 treasury. The account must receive moneys distributed to the account
11 from the climate investment account created in RCW 70A.65.250. Moneys
12 in the account may be spent only after appropriation. Projects,
13 activities, and programs eligible for funding from the account must
14 be physically located in Washington state and include, but are not
15 limited to, the following:

16 (a) Implementing the working families' tax credit in RCW
17 82.08.0206;

18 (b) Supplementing the growth management planning and
19 environmental review fund established in RCW 36.70A.490 for the
20 purpose of making grants or loans to local governments for the
21 purposes set forth in RCW 43.21C.240, 43.21C.031, 36.70A.500, and

1 36.70A.600, for costs associated with RCW 36.70A.610, and to cover
2 costs associated with the adoption of optional elements of
3 comprehensive plans consistent with RCW 43.21C.420;

4 (c) Programs, activities, or projects that reduce and mitigate
5 impacts from greenhouse gases and copollutants in overburdened
6 communities, including strengthening the air quality monitoring
7 network to measure, track, and better understand air pollution levels
8 and trends and to inform the analysis, monitoring, and pollution
9 reduction measures required in RCW 70A.65.020;

10 (d) Programs, activities, or projects that deploy renewable
11 energy resources, such as solar and wind power, and projects to
12 deploy distributed generation, energy storage, demand-side
13 technologies and strategies, and other grid modernization projects;

14 (e) Programs, activities, or projects that increase the energy
15 efficiency or reduce greenhouse gas emissions of industrial
16 facilities including, but not limited to, proposals to implement
17 combined heat and power, district energy, or on-site renewables, such
18 as solar and wind power, to upgrade the energy efficiency of existing
19 equipment, to reduce process emissions, and to switch to less
20 emissions intensive fuel sources;

21 (f) Programs, activities, or projects that achieve energy
22 efficiency or emissions reductions in the agricultural sector
23 including:

24 (i) Fertilizer management;

25 (ii) Soil management;

26 (iii) Bioenergy;

27 (iv) Biofuels;

28 (v) Grants, rebates, and other financial incentives for
29 agricultural harvesting equipment, heavy duty trucks, agricultural
30 pump engines, tractors, and other equipment used in agricultural
31 operations;

32 (vi) Grants, loans, or any financial incentives to food
33 processors to implement projects that reduce greenhouse gas
34 emissions;

35 (vii) Renewable energy projects;

36 (viii) Farmworker housing weatherization programs;

37 (ix) Dairy digester research and development;

38 (x) Alternative manure management; and

39 (xi) Eligible fund uses under RCW 89.08.615;

1 (g) Programs, activities, or projects that increase energy
2 efficiency in new and existing buildings, or that promote low carbon
3 architecture, including use of newly emerging alternative building
4 materials that result in a lower carbon footprint in the built
5 environment over the life cycle of the building and component
6 building materials;

7 (h) Programs, activities, or projects that promote the
8 electrification and decarbonization of new and existing buildings,
9 including residential, commercial, and industrial buildings;

10 (i) Programs, activities, or projects that improve energy
11 efficiency, including district energy, and investments in market
12 transformation of high efficiency electric appliances and equipment
13 for space and water heating;

14 (j) Clean energy transition and assistance programs, activities,
15 or projects that assist affected workers or people with lower incomes
16 during the transition to a clean energy economy, or grow and expand
17 clean manufacturing capacity in communities across Washington state
18 including, but not limited to:

19 (i) Programs, activities, or projects that directly improve
20 energy affordability and reduce the energy burden of people with
21 lower incomes, as well as the higher transportation fuel burden of
22 rural residents, such as bill assistance, energy efficiency, and
23 weatherization programs;

24 (ii) Community renewable energy projects that allow qualifying
25 participants to own or receive the benefits of those projects at
26 reduced or no cost;

27 (iii) Programs, activities, or other worker-support projects for
28 bargaining unit and nonsupervisory fossil fuel workers who are
29 affected by the transition away from fossil fuels to a clean energy
30 economy. Worker support may include, but is not limited to: (A) Full
31 wage replacement, health benefits, and pension contributions for
32 every worker within five years of retirement; (B) full wage
33 replacement, health benefits, and pension contributions for every
34 worker with at least one year of service for each year of service up
35 to five years of service; (C) wage insurance for up to five years for
36 workers reemployed who have more than five years of service; (D) up
37 to two years of retraining costs, including tuition and related
38 costs, based on in-state community and technical college costs; (E)
39 peer counseling services during transition; (F) employment placement

1 services, prioritizing employment in the clean energy sector; and (G)
2 relocation expenses;

3 (iv) Direct investment in workforce development, via technical
4 education, community college, institutions of higher education,
5 apprenticeships, and other programs including, but not limited to:

6 (A) Initiatives to develop a forest health workforce established
7 under RCW 76.04.521; and

8 (B) Initiatives to develop new education programs, emerging
9 fields, or jobs pertaining to the clean energy economy;

10 (v) Transportation, municipal service delivery, and technology
11 investments that increase a community's capacity for clean
12 manufacturing, with an emphasis on communities in greatest need of
13 job creation and economic development and potential for commute
14 reduction;

15 (k) Programs, activities, or projects that reduce emissions from
16 landfills and waste-to-energy facilities through diversion of organic
17 materials, methane capture or conversion strategies, installation of
18 gas collection devices and gas control systems, monitoring and
19 reporting of methane emissions, or other means, prioritizing funding
20 needed for any activities by local governments to comply with chapter
21 70A.540 RCW;

22 (l) Carbon dioxide removal projects, programs, and activities;
23 ((and))

24 (m) Activities to support efforts to mitigate and adapt to the
25 effects of climate change affecting Indian tribes, including capital
26 investments in support of the relocation of Indian tribes located in
27 areas at heightened risk due to anticipated sea level rise, flooding,
28 or other disturbances caused by climate change. The legislature
29 intends to dedicate at least \$50,000,000 per biennium from the
30 account for purposes of this subsection; and

31 (n) Programs to offset increased pupil transportation costs and
32 utility costs experienced by schools due to the Washington climate
33 commitment act, as codified in this chapter.

34 (2) Moneys in the account may not be used for projects or
35 activities that would violate tribal treaty rights or result in
36 significant long-term damage to critical habitat or ecological
37 functions. Investments from this account must result in long-term
38 environmental benefits and increased resilience to the impacts of
39 climate change.

1 (3) During the 2023-2025 fiscal biennium, the legislature may
2 appropriate moneys from the climate commitment account for activities
3 related to environmental justice, including implementation of chapter
4 314, Laws of 2021.

5 NEW SECTION. **Sec. 2.** A new section is added to chapter 70A.65
6 RCW to read as follows:

7 (1) By September 1, 2026, and annually thereafter, the department
8 of commerce, in consultation with the utilities and transportation
9 commission, must calculate a school utilities impact percentage for
10 each school district. The department of commerce must report the
11 school utility impact percentage for each school district to the
12 office of the superintendent of public instruction to calculate
13 allocations under section 4 of this act.

14 (2) For purposes of this section, "school utility impact
15 percentage" means the impact of the cap and invest program created by
16 the climate commitment act on utility costs for each school district,
17 excluding costs otherwise mitigated by the allocation of no-cost
18 allowances under this chapter, as a percentage increase above
19 estimated utilities costs without the compliance activities required
20 under the climate commitment act's cap and invest program.

21 NEW SECTION. **Sec. 3.** A new section is added to chapter 28A.160
22 RCW to read as follows:

23 In addition to the student transportation allocation provided
24 under RCW 28A.160.180, the superintendent of public instruction must
25 allocate an amount to each school district equal to its student
26 transportation allocation multiplied by 0.01166 to offset increased
27 fuel costs due to the Washington climate commitment act. Allocations
28 from this section must come from the climate commitment account
29 established under RCW 70A.65.260 and are not part of the state's
30 program of basic education.

31 NEW SECTION. **Sec. 4.** A new section is added to chapter 28A.150
32 RCW to read as follows:

33 In addition to allocations provided under RCW 28A.150.260(8) for
34 materials, supplies, and operating costs, the superintendent of
35 public instruction must allocate to each school district an amount
36 equal to half of the allocation for utilities and insurance under RCW
37 28A.150.260(8) multiplied by the district's school utility impact

1 percentage provided under section 2 of this act. Allocations from
2 this section must come from the climate commitment account
3 established under RCW 70A.65.260 and are not part of the state's
4 program of basic education.

5 NEW SECTION. **Sec. 5.** Sections 3 and 4 of this act take effect
6 September 1, 2026.

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