
SUBSTITUTE SENATE BILL 6355

State of Washington**69th Legislature****2026 Regular Session**

By Senate Ways & Means (originally sponsored by Senators Hunt, Kauffman, Chapman, Conway, Dhingra, Pedersen, Saldaña, Shewmake, and Stanford)

READ FIRST TIME 03/02/26.

1 AN ACT Relating to creating partnerships to improve the
2 reliability and capacity of the electric transmission system,
3 including through a Washington electric transmission authority;
4 reenacting and amending RCW 43.84.092, 43.84.092, 43.84.092,
5 43.84.092, 43.84.092, and 43.84.092; adding a new section to chapter
6 43.21F RCW; adding a new section to chapter 43.31 RCW; adding a new
7 chapter to Title 43 RCW; providing effective dates; providing a
8 contingent effective date; providing expiration dates; and providing
9 contingent expiration dates.

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

11 NEW SECTION. **Sec. 1.** (1) The legislature finds that Washington
12 has committed to decarbonizing its electricity system so that it is
13 carbon neutral by 2030 and carbon free by 2045. Achieving those goals
14 includes retiring coal and gas resources, adding new generation from
15 renewable and nonemitting resources, and leveraging energy storage
16 technologies. At the same time, demand for electricity is increasing
17 significantly due to the electrification of vehicles, home heating
18 and cooling, and manufacturing, and the expansion of the information
19 services sector in Washington. There are significant federal, state,
20 and private investments in clean energy development, including wind,
21 solar, and battery storage, that support decarbonization goals and

1 supply new electrical load. However, Washington's existing
2 transmission system lacks the capacity to accommodate the growing
3 demand for clean electricity.

4 (2) The legislature also finds that extreme weather events and
5 changes to seasonal highs and lows puts new strain on the existing
6 transmission system and threatens reliability. Extreme weather events
7 and resulting conditions such as high-speed winds, floods, freezing,
8 extreme heat, and drought, which could increase the risk of wildfire,
9 can damage grid infrastructure and cause disruptions to the power
10 supply. Warmer summers and colder winters increase the need for
11 heating and cooling and thereby intensify and extend periods of peak
12 demand.

13 (3) The legislature further finds that to maintain reliability
14 and build resilience, Washington's transmission system needs to be
15 expanded and upgraded to access diverse portfolios of clean and
16 reliable energy across the region, including solar resources in the
17 southwest and wind resources across the mountain west. A more robust
18 and updated transmission system will support affordability and
19 reliability goals by enabling the efficient dispatch of least-cost
20 resources across the region.

21 (4) Therefore, it is the intent of the legislature to create the
22 Washington electric transmission authority to improve transmission
23 reliability, resilience, and affordability. The Washington electric
24 transmission authority will serve as a centralized body to achieve
25 these goals by: providing development transmission services;
26 coordinating siting and permitting; and engaging with utilities,
27 transmission developers, local jurisdictions, state agencies,
28 regional entities, the federal government, federally recognized
29 Indian tribes, and affected communities. The legislature intends for
30 the authority to achieve the following goals:

31 (a) Improve reliability and resilience, including during extreme
32 weather events;

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

34 (c) Achieve clean electricity requirements and greenhouse gas
35 emissions limits;

36 (d) Encourage advanced transmission technologies that lower
37 wildfire risks;

38 (e) Support economic growth; and

39 (f) Maintain affordable energy rates.

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

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

5 (1) "Authority" means the Washington electric transmission
6 authority.

7 (2) "Board of directors" means the authority's board of
8 directors.

9 (3) "Consumer-owned utility" has the same meaning as in RCW
10 19.405.020.

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

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

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

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

21 (1) The department must identify high priority transmission
22 corridors leveraging existing transmission plans from national and
23 regional entities and Washington utilities and existing state,
24 regional, and national siting studies, in an open, transparent
25 process by October 30, 2027.

26 (2) The department may contract with independent expert analysts
27 to identify high priority transmission corridors under subsection (1)
28 of this section.

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

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

1 (2) The 10 members of the board are as follows:
2 (a) The director of the department, or the director's designee;
3 (b) One member appointed by the governor with experience working
4 at a consumer-owned utility, preferably with expertise in the
5 transmission function;
6 (c) One member appointed by the governor with experience working
7 at an investor-owned utility, preferably with expertise in the
8 transmission function;
9 (d) One member appointed by the governor with expertise in land
10 use planning and law and local permitting processes;
11 (e) One member appointed by the governor with expertise in clean
12 energy development;
13 (f) One member appointed by the governor with expertise in
14 ratepayer protection;
15 (g) One member appointed by the governor representing electrical
16 workers with expertise in building electric transmission;
17 (h) One member appointed by the governor with expertise in
18 financing large infrastructure projects;
19 (i) One member appointed by the governor with expertise in
20 wildlife conservation and land use policies; and
21 (j) One member appointed by the governor from a federally
22 recognized Indian tribe, including federally recognized Indian tribes
23 whose reservation or ceded lands lie in Washington state.
24 (3) One or more members of the board appointed by the governor
25 must have expertise with the Bonneville power administration's
26 transmission service.
27 (4) When facilitating particular transmission projects, the board
28 may consult with other state agencies or subject matter experts on
29 natural hazards including, but not limited to, wildfire, and
30 potential mitigation practices for such hazards including, but not
31 limited to, upgrading transmission facilities with advanced
32 transmission technologies.
33 (5) No member of the board may represent a person that owns or
34 operates electric generating or transmission facilities.
35 (6) Members of the board appointed by the governor must serve
36 four-year terms. However, the governor must stagger the terms of six
37 of the initial appointees for terms of one, two, and three years. At
38 the end of the term, these members may be reappointed by the
39 governor, or the governor may choose to appoint a new member.

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

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

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

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

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

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

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

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

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

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

29 (d) Being a statewide resource for assisting with the development
30 and coordination of upgrades to existing transmission lines;

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

36 (f) Evaluating opportunities for the authority to coordinate with
37 regional wholesale markets as enabled by the respective market
38 governance framework;

1 (g) Supporting opportunities for community microgrids,
2 distributed energy resources, and energy conservation; and

3 (h) Supporting community and economic development.

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

6 (a) Protect cultural and natural resources;

7 (b) Avoid impacts to overburdened communities and vulnerable
8 populations;

9 (c) Support good jobs;

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

12 (e) Mitigate wildfire risk;

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

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

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

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

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

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

34 (8) The authority and any eligible facilities acquired by the
35 authority are not subject to the supervision, regulation, control, or
36 jurisdiction of the Washington utilities and transportation
37 commission, provided that nothing in this chapter shall be
38 interpreted to allow an electrical company regulated under Title 80
39 RCW to include the cost of eligible facilities in its rate base

1 without the approval of the Washington utilities and transportation
2 commission.

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

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

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

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

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

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

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

1 (3) Exercise the power of eminent domain as outlined under the
2 provisions of chapter 8.04 RCW only for land acquisition necessary to
3 secure property or rights-of-way for new transmission corridors for
4 public use consistent with the purposes of this chapter;
5 (4) Enter into contracts and agreements;
6 (5) Solicit, receive, issue, and expend gifts, grants, and
7 donations;
8 (6) Apply for and accept federal loans and related assistance;
9 (7) (a) Enter into partnerships with public or private entities,
10 which must include a fee schedule for services provided under a
11 partnership; and
12 (b) When entering into partnerships on transmission projects:
13 (i) Assist the project proponent in following the state
14 environmental policy act process; and
15 (ii) Support tribal consultation by pursuing reasonable efforts
16 to facilitate government-to-government consultation regarding the
17 entities' partnership with federally recognized Indian tribes
18 affected by the partnership;
19 (8) Lease, purchase, accept donations of, or otherwise own, hold,
20 improve, or use any property;
21 (9) Sell, lease, exchange, or otherwise dispose of any property;
22 (10) (a) Own electric transmission equipment and systems;
23 (b) Ownership of transmission facilities by the authority may not
24 exceed the extent and duration necessary or useful to promote the
25 public interest. Before becoming an owner or partial owner of any
26 electric transmission facilities, the authority must develop and
27 publish a plan identifying:
28 (i) The public purposes of the authority's ownership;
29 (ii) The conditions that would make the authority's ownership no
30 longer necessary for accomplishing those public purposes; and
31 (iii) A plan to divest the authority of ownership of the facility
32 as soon as economically prudent once those conditions occur;
33 (11) (a) Select a qualified transmission builder or operator, as
34 defined by the authority in rule, to build, finance, plan, acquire,
35 maintain, or operate an electric transmission project;
36 (b) Proceed to construction in the absence of selecting a
37 qualified transmission builder only as a last resort and in instances
38 where the authority identifies a pressing need for a project and
39 there is not a ready and willing qualified transmission builder,

1 subject to the authority adopting criteria in rule for such a
2 scenario before developing a project;

3 (12) Sell a state-owned electric transmission project at any
4 stage of development.

5 (a) The authority may sell a project to an electric utility
6 serving customers in the state of Washington, a joint operating
7 agency formed under RCW 43.52.360, the Bonneville power
8 administration, an independent transmission developer, or an
9 independent system operator.

10 (b) Before selling a project that is not part of a partnership
11 agreement, the authority must adopt criteria in rule for developing a
12 transparent process including issuing a competitive request for
13 proposals, evaluating proposals, and selecting a project buyer;

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

24 (14) Coordinate with the Washington economic development finance
25 authority established under chapter 43.163 RCW to provide conduit
26 financing for eligible partners that request transmission financing.

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

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

36 (b) A contractor or independent transmission developer:

37 (i) Using qualified electrical employees; and

38 (ii) Using apprentices enrolled in an apprenticeship program
39 registered with the United States department of labor or the

1 Washington state apprenticeship council established under chapter
2 49.04 RCW, with a completion rate of at least 25 percent.

3 (2) When selecting a qualified transmission builder or operator
4 under section 6(11)(a) of this act, or when proceeding to construct a
5 project in the absence of selecting a qualified transmission builder
6 under section 6(11)(b) of this act, the authority must ensure that
7 work is performed in compliance with the applicable prevailing wage
8 provisions under chapter 39.12 RCW for the respective job
9 classification.

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

12 (1) A tribal clean energy partnership work group is established
13 within the department of commerce. The work group must:

14 (a) Develop and evaluate pathways for tribal participation in
15 clean energy facility and related infrastructure development that
16 will advance economic development opportunities, while safeguarding
17 tribal reserved rights and supporting voluntary collaboration with
18 utilities and project developers;

19 (b) Identify opportunities for joint ownership and coinvestment
20 between federally recognized Indian tribes, utilities, and private
21 sector developers to develop clean energy generation, transmission,
22 storage, and related infrastructure in order to create more
23 equitable, efficient, and ecologically sustainable energy projects;

24 (c) Conduct research on barriers and opportunities related to
25 tribal access to financing, federal programs, tax incentives, and
26 other capital instruments that support tribal investment, ownership,
27 and economic participation, for the purpose of developing clean
28 energy facilities and infrastructure;

29 (d) Recommend approaches to expand the clean energy workforce and
30 related contracting and supply chain opportunities to include members
31 of federally recognized Indian tribes;

32 (e) Develop model tribal consultation processes, contracts,
33 defined mitigation options, incentives, and community investment
34 agreements related to clean energy development and the siting and
35 permitting of energy facilities with the voluntary support of tribal
36 partners.

37 (2) The department of commerce must appoint at least eight and no
38 more than 12 members to the work group selected for their subject
39 matter experience as follows:

1 (a) Between four and six representatives of electric utilities,
2 including investor-owned utilities and consumer-owned utilities, and
3 industrial manufacturers or project developers;

4 (b) Two individuals with expertise in economic development
5 related to clean energy facilities and infrastructure;

6 (c) Two individuals with expertise in tribal cultural resources
7 or tribal governance; and

8 (d) No more than two ad hoc members selected by the department of
9 commerce.

10 (3) The department must notify each federally recognized Indian
11 tribe in Washington and each federally recognized Indian tribe with
12 treaty ceded lands in Washington about the work group and invite a
13 tribal council representative or their designee to participate in the
14 work group, based on the voluntary interest of tribal governments.

15 (4) The department of commerce may reimburse work group members
16 for travel expenses as provided in RCW 43.03.050 and 43.03.060.

17 (5) The work group must hold at least one public meeting before
18 June 1, 2028.

19 (6) The department of commerce may convene a clean energy
20 advisory committee to provide feedback on strategies and
21 recommendations developed by the work group.

22 (7) The department of commerce may appoint members to the
23 advisory committee from among the following:

24 (a) Clean energy facility and transmission developers;

25 (b) Labor union representatives;

26 (c) Individuals with expertise in clean energy facility and
27 infrastructure financing or capital markets; and

28 (d) Environmental advocacy organizations.

29 (8) By April 1, 2027, the work group must submit an interim
30 report to the appropriate legislative committees that documents its
31 findings to date.

32 (9) By December 1, 2027, the work group must submit a report to
33 the appropriate committees of the legislature that:

34 (a) Identifies barriers to tribal participation in clean energy
35 facility and infrastructure development;

36 (b) Makes recommendations for statutory or regulatory changes
37 that would facilitate tribal participation in the development and
38 ownership of clean energy facilities and infrastructure;

39 (c) Provides partnership, ownership, and investment frameworks
40 for tribal clean energy development;

1 (d) Identifies opportunities for clean energy pilot or
2 demonstration projects that support voluntary, mutually beneficial
3 energy partnerships between federally recognized Indian tribes and
4 energy sector participants operating in Washington state; and

5 (e) Identifies specific work group recommendations that would
6 benefit from future state funding.

7 (10) By December 1, 2027, the work group must submit a report to
8 the office of equity pursuant to RCW 43.18A.030.

9 (11) This section expires June 1, 2028.

10 NEW SECTION. **Sec. 9.** The electric transmission operating
11 account is created in the state treasury. All receipts from
12 appropriations made by the legislature, fees collected under sections
13 5 and 6 of this act, federal funds, or gifts or grants from the
14 private sector or foundations and other sources must be deposited in
15 the account. Moneys in the account may be spent only after
16 appropriation. Expenditures from the account may be used only for
17 operating cost purposes consistent with this chapter.

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

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

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

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

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

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

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

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

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

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

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

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

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

1 this subsection. Refunds or allocations shall occur prior to the
2 distributions of earnings set forth in subsection (4) of this
3 section.

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

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

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

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

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

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

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

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

18 **Sec. 14.** RCW 43.84.092 and 2025 c 417 s 803, 2025 c 399 s 16,
19 2025 c 359 s 13, and 2025 c 299 s 22 are each reenacted and amended
20 to read as follows:

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

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

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

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

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

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

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

1 investing balances of the agricultural permanent fund, the normal
2 school permanent fund, the permanent common school fund, the
3 scientific permanent fund, and the state university permanent fund
4 shall be allocated to their respective beneficiary accounts.

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

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

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

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

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

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

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

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

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

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

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

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

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

10 **Sec. 16.** RCW 43.84.092 and 2025 c 417 s 803, 2025 c 399 s 16,
11 2025 c 359 s 13, 2025 c 299 s 22, and 2025 c 228 s 15 are each
12 reenacted and amended to read as follows:

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

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

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

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

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

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

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

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

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

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

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

8 **Sec. 17.** RCW 43.84.092 and 2025 c 417 s 803, 2025 c 399 s 16,
9 2025 c 299 s 22, and 2025 c 228 s 15 are each reenacted and amended
10 to read as follows:

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

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

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

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

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

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

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

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

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

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

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

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

9 (3) Section 14 of this act expires the earlier of January 1,
10 2029, or when RCW 74.76.040 expires.

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

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

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

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

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

17 NEW SECTION. **Sec. 20.** Sections 1, 2, 4 through 7, and 9 through
18 11 of this act constitute a new chapter in Title 43 RCW.

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