

CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 6355

69th Legislature
2026 Regular Session

Passed by the Senate March 12, 2026
Yeas 32 Nays 17

President of the Senate

Passed by the House March 11, 2026
Yeas 66 Nays 27

**Speaker of the House of
Representatives**

Approved

Governor of the State of Washington

CERTIFICATE

I, Sarah Bannister, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 6355** as passed by the Senate and the House of Representatives on the dates hereon set forth.

Secretary

FILED

**Secretary of State
State of Washington**

SUBSTITUTE SENATE BILL 6355

AS AMENDED BY THE HOUSE

Passed Legislature - 2026 Regular Session

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, operating at the direction of the board of directors.

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) "Neighboring landowner" means a public or private landowner
17 whose property: (a) Shares a property line or other physical boundary
18 with a proposed or existing transmission corridor; or (b) includes an
19 easement or other right-of-way for a proposed or existing
20 transmission corridor that crosses a portion of the landowner's
21 property.

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

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

27 (1) The department must identify high priority transmission
28 corridors from those identified in the western transmission expansion
29 coalition's west-wide transmission needs study 10-year horizon report
30 published in February 2026. The department must also consider the 20-
31 year horizon report planned to be published in 2026 when identifying
32 high priority transmission corridors. This identification must be
33 conducted in an open, transparent process by October 30, 2027. The
34 department may not finalize the identification of high priority
35 transmission corridors until the department has reviewed the western
36 transmission expansion coalition's 20-year horizon report.

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

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

7 (4) The department must provide all administrative and staff
8 support for and maintain oversight of the Washington electric
9 transmission authority created under section 5 of this act until the
10 board of directors hires an executive director as established under
11 section 4 of this act.

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

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

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

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

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

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

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

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

31 (g) One member appointed by the governor and confirmed by the
32 senate representing electrical workers with expertise in building
33 electric transmission;

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

36 (i) One member appointed by the governor and confirmed by the
37 senate with expertise in wildlife conservation and land use policies;
38 and

1 (j) One member appointed by the governor and confirmed by the
2 senate from a federally recognized Indian tribe, including federally
3 recognized Indian tribes whose reservation or ceded lands lie in
4 Washington state.

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

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

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

12 (6) Members of the board appointed by the governor must serve
13 four-year terms. However, the governor must stagger the terms of six
14 of the initial appointees for terms of one, two, and three years. At
15 the end of the term, these members may be reappointed by the governor
16 and reconfirmed by the senate, or the governor may choose to appoint
17 a new member.

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

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

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

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

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

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

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

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

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

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

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

10 (d) Being a statewide resource for assisting with the development
11 and coordination of upgrades to existing transmission lines
12 including, but not limited to, reconductoring with advanced
13 conductors;

14 (e) Collaborating with electric utilities, independent
15 transmission developers, local jurisdictions, federally recognized
16 Indian tribes, labor unions, neighboring states, regional entities,
17 and the federal government to develop intrastate, interstate, and
18 regional transmission resources;

19 (f) Evaluating opportunities for the authority to coordinate with
20 regional wholesale markets as enabled by the respective market
21 governance framework;

22 (g) Supporting opportunities for community microgrids,
23 distributed energy resources, and energy conservation; and

24 (h) Supporting community and economic development.

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

27 (a) Protect cultural and natural resources;

28 (b) Avoid impacts to overburdened communities and vulnerable
29 populations;

30 (c) Support good jobs;

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

33 (e) Mitigate wildfire risk;

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

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

39 (4) The authority must employ an executive director, who must be
40 appointed by the board of directors created under section 4 of this

1 act. The board may fix the compensation of the executive director.
2 The executive director may employ staff sufficient to accomplish the
3 purposes of this chapter.

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

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

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

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

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

35 (b) Transmission service on facilities owned by the authority
36 that are subject to a partnership agreement with the Bonneville power
37 administration, a utility serving customers in the state of
38 Washington that is not a public utility under the federal power act,
39 or a joint operating agency formed under RCW 43.52.360 may be offered

1 under the same terms as the transmission tariff of that partner
2 entity.

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

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

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

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

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

24 (3) After receiving approval by the board of directors, exercise
25 the power of eminent domain as outlined under the provisions of
26 chapter 8.04 RCW only for land acquisition necessary to secure
27 property or rights-of-way for new transmission corridors for public
28 use consistent with the purposes of this chapter;

29 (4) Enter into contracts and agreements;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

31 (b) A contractor or independent transmission developer:

32 (i) Using qualified electrical employees; and

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

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

1 under section 6(11)(b) of this act, the authority must ensure that
2 work is performed in compliance with the applicable prevailing wage
3 provisions under chapter 39.12 RCW for the respective trade and
4 occupation job classification.

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

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

15 (2) The tribal consultation framework must:

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

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

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

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

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

1 NEW SECTION. **Sec. 9.** The electric transmission operating
2 account is created in the state treasury. All receipts from
3 appropriations made by the legislature, fees collected under sections
4 5 and 6 of this act, federal funds, or gifts or grants from the
5 private sector or foundations and other sources must be deposited in
6 the account. Moneys in the account may be spent only after
7 appropriation. Expenditures from the account may be used only for
8 operating cost purposes consistent with this chapter.

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

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

32 (2) For the purposes of this section, the following definitions
33 apply:

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

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

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

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

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

11 NEW SECTION. **Sec. 12.** (1) For electric transmission facilities
12 owned by the authority that are exempt from property tax under RCW
13 84.36.010, the authority must make payments in lieu of property taxes
14 to counties in which such facilities are located.

15 (2) Beginning in the first tax year in which improvements
16 associated with a transmission facility owned in whole or in part by
17 the authority would be subject to assessment under chapters 84.40 and
18 84.12 RCW if the facility were owned by a taxable entity, the
19 authority must annually make payments in lieu of property taxes as
20 provided in this section.

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

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

32 (c) If the authority and a county cannot agree on the amount of
33 the payment in lieu of taxes, either party may invoke binding
34 arbitration by providing written notice to the other party. The
35 authority and county must each select one arbitrator, the two of whom
36 must pick a third arbitrator. Costs of the arbitration, including
37 compensation for the arbitrators' services, must be borne equally by
38 the parties participating in the arbitration.

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

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

11 (6) The payments required under this section are intended to
12 ensure that counties and local taxing districts receive fiscal
13 benefits for hosting transmission infrastructure owned by the
14 authority.

15 **PART II - MISCELLANEOUS**

16 **Sec. 13.** RCW 43.84.092 and 2025 c 417 s 802, 2025 c 399 s 15,
17 2025 c 359 s 12, and 2025 c 299 s 21 are each reenacted and amended
18 to read as follows:

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

22 (2) The treasury income account shall be utilized to pay or
23 receive funds associated with federal programs as required by the
24 federal cash management improvement act of 1990. The treasury income
25 account is subject in all respects to chapter 43.88 RCW, but no
26 appropriation is required for refunds or allocations of interest
27 earnings required by the cash management improvement act. Refunds of
28 interest to the federal treasury required under the cash management
29 improvement act fall under RCW 43.88.180 and shall not require
30 appropriation. The office of financial management shall determine the
31 amounts due to or from the federal government pursuant to the cash
32 management improvement act. The office of financial management may
33 direct transfers of funds between accounts as deemed necessary to
34 implement the provisions of the cash management improvement act, and
35 this subsection. Refunds or allocations shall occur prior to the
36 distributions of earnings set forth in subsection (4) of this
37 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 ambulance transport fund,
19 the budget stabilization account, the capital vessel replacement
20 account, the capitol building construction account, the Central
21 Washington University capital projects account, the charitable,
22 educational, penal and reformatory institutions account, the Chehalis
23 basin account, the Chehalis basin taxable account, the clean fuels
24 credit account, the clean fuels transportation investment account,
25 the cleanup settlement account, the Columbia river basin water supply
26 development account, the Columbia river basin taxable bond water
27 supply development account, the Columbia river basin water supply
28 revenue recovery account, the common school construction fund, the
29 community forest trust account, the connecting Washington account,
30 the county arterial preservation account, the county criminal justice
31 assistance account, the covenant homeownership account, the deferred
32 compensation administrative account, the deferred compensation
33 principal account, the department of licensing services account, the
34 department of retirement systems expense account, the developmental
35 disabilities community services account, the diesel idle reduction
36 account, the opioid abatement settlement account, the drinking water
37 assistance account, the administrative subaccount of the drinking
38 water assistance account, the driver education safety improvement
39 account, the early learning facilities development account, the early
40 learning facilities revolving account, the Eastern Washington

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 scientific permanent fund, and the state university permanent fund
2 shall be allocated to their respective beneficiary accounts.

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

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

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

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

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

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

1 required for payments to financial institutions. Payments shall occur
2 prior to distribution of earnings set forth in subsection (4) of this
3 section.

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

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

1 fund, the fish, wildlife, and conservation account, the freight
2 mobility investment account, the freight mobility multimodal account,
3 the grade crossing protective fund, the higher education retirement
4 plan supplemental benefit fund, the Washington student loan account,
5 the highway bond retirement fund, the highway infrastructure account,
6 the highway safety fund, the hospital safety net assessment fund, the
7 Interstate 5 bridge replacement project account, the Interstate 405
8 and state route number 167 express toll lanes account, the judges'
9 retirement account, the judicial retirement administrative account,
10 the judicial retirement principal account, the limited fish and
11 wildlife account, the local leasehold excise tax account, the local
12 real estate excise tax account, the local sales and use tax account,
13 the marine resources stewardship trust account, the medical aid
14 account, the money-purchase retirement savings administrative
15 account, the money-purchase retirement savings principal account, the
16 motor vehicle fund, the motorcycle safety education account, the move
17 ahead WA 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. 16.** RCW 43.84.092 and 2025 c 417 s 803, 2025 c 399 s 16,
9 and 2025 c 299 s 22 are each reenacted and amended to read as
10 follows:

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

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

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

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

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

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

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

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

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

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

6 **Sec. 17.** RCW 43.84.092 and 2025 c 417 s 803, 2025 c 399 s 16,
7 2025 c 359 s 13, 2025 c 299 s 22, and 2025 c 228 s 15 are each
8 reenacted and amended to read as follows:

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

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

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

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

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

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

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

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

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

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

4 **Sec. 18.** RCW 43.84.092 and 2025 c 417 s 803, 2025 c 399 s 16,
5 2025 c 299 s 22, and 2025 c 228 s 15 are each reenacted and amended
6 to read as follows:

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

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

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

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

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

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

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

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

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

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

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

7 (3) Section 15 of this act expires the earlier of January 1,
8 2029, or when RCW 74.76.040 expires.

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

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

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

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

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

15 NEW SECTION. **Sec. 21.** Sections 1, 2, 4 through 7, and 9 through
16 12 of this act constitute a new chapter in Title 43 RCW.

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