SENATE BILL 5233

State of Washington 68th Legislature 2023 Regular Session

By Senator Wellman; by request of Pollution Liability Insurance Agency

AN ACT Relating to creating a state financial assurance program for petroleum underground storage tanks; amending RCW 82.23A.020; reenacting and amending RCW 70A.325.020 and 43.79A.040; adding a new chapter to Title 70A RCW; prescribing penalties; and providing sepiration dates.

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

7 NEW SECTION. Sec. 1. The purpose of this chapter is to create a state financial assurance program that adequately protects public 8 health and safety and the environment from impacts due to petroleum 9 10 underground storage tank system releases and meets the federal 11 requirements for financial assurance so that a petroleum release will 12 be appropriately addressed. The program focuses on prevention of 13 releases, responsiveness to any release, and emphasizes remediation 14 of releases in areas of risk for drinking water impacts or to 15 equitably protect human health and the environment in communities 16 that are marginalized, overburdened, and underserved. The program is 17 administered by the pollution liability insurance agency.

18 <u>NEW SECTION.</u> Sec. 2. The definitions in this section apply 19 throughout this chapter unless the context clearly requires 20 otherwise. 1

(1) "Agency" means the pollution liability insurance agency.

(2) "Annual aggregate" means the maximum amount of money the
program will pay for all of an owner's or operator's eligible costs
associated with a petroleum underground storage tank in one year.

5 (3) "Bodily injury" means actual medically documented costs and 6 medically documentable future costs of adverse health effects that 7 have resulted from exposure to a release from a petroleum underground 8 storage tank. The term does not include pain and suffering.

9 (4) "Director" means the director or designee of the state 10 pollution liability insurance agency.

11 (5) "Loss declaration form" means a request for payment from the 12 state financial assurance program filed by the owner or operator.

13 (6) "Loss reserve" means the amount set aside by the agency for 14 cost and expenses related to requests that have been made by an owner 15 or operator.

16 (7) "Occurrence" means an accident, including continuous or 17 repeated exposure to conditions, that results in a release from a 18 petroleum underground storage tank.

19 (8) "Operator" means a person in control of, or having 20 responsibility for, the daily operation of a petroleum underground 21 storage tank.

(9) "Owner" means a person who owns a petroleum undergroundstorage tank.

24 (10) "Per occurrence" means the period of time from 25 identification through remediation of a release from a petroleum 26 underground storage tank.

(11) "Petroleum" means any petroleum-based substance, including 27 crude oil or any fraction that is liquid at standard conditions of 28 temperature and pressure. "Petroleum" includes, but is not limited 29 to, petroleum and petroleum-based substances comprised of a complex 30 31 blend of hydrocarbons, such as motor fuels, jet fuels, distillate fuel oils, residual fuel oils, lubricants, petroleum solvents, used 32 oils, and heating oils. The term does not include propane, asphalt, 33 or any other petroleum product that is not liquid at standard 34 conditions of temperature and pressure. Standard conditions of 35 36 temperature and pressure are at 60 degrees Fahrenheit and 14.7 pounds 37 per square inch absolute.

(12) "Petroleum underground storage tank" means an underground
 storage tank system regulated under chapter 70A.355 RCW or subtitle I

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of the solid waste disposal act (42 U.S.C. chapter 82, subchapter IX)
 that is used for storing petroleum.

3 (13) "Petroleum underground storage tank facility" means the 4 location where the petroleum underground storage tank is located. The 5 term encompasses all real property under common ownership associated 6 with the operation of the petroleum underground storage tank.

7 (14) "Program" means the state financial assurance program8 created in this chapter.

9 (15) "Property damage" means a documented adverse physical impact 10 to structures or property as a result of a release from a petroleum 11 underground storage tank.

12 (16) "Release" has the same meaning as defined in RCW 13 70A.305.020.

14 (17) "Remedial action" has the same meaning as defined in RCW 15 70A.305.020.

16 (18) "Surplus reserve" means the amount set aside by the agency 17 to provide financial protection from unexpected losses.

(19) "Third-party claim" means a civil action brought or asserted 18 by an injured party against an owner or operator of a petroleum 19 underground storage tank for bodily injury or property damages 20 21 resulting from a release from a petroleum underground storage tank. 22 The following entities are not considered a third party: A petroleum underground storage tank owner or operator; the owner of the property 23 24 where the petroleum underground storage tank is located; a person to 25 whom properties are transferred in anticipation of damage due to a 26 release; employees or agents of an owner or operator; or employees or 27 agents of the property owner.

NEW SECTION. Sec. 3. (1) The agency must establish and administer a state financial assurance program for owners and operators of petroleum underground storage tanks that meets the financial responsibility requirements established under chapter 70A.355 RCW.

33 (2) To participate in the program, an owner or operator must 34 register a petroleum underground storage tank in accordance with 35 procedures established by the agency and maintain compliance with the 36 program eligibility requirements established by the agency. The 37 agency may remove from the program any owner or operator who fails to 38 maintain compliance with the program eligibility requirements.

1 (3) The agency may conduct an assessment of a registered 2 petroleum underground storage tank facility and any release from the 3 petroleum underground storage tank to determine program or cost 4 eligibility. If an owner or operator does not allow an assessment, 5 the agency may remove the owner or operator from the program or deny 6 requests for payment under the program.

7 (4) Under the program, the agency may provide an eligible owner 8 or operator of a registered petroleum underground storage tank the 9 following financial assurances:

10 (a) For releases occurring after tank registration, up to 11 \$2,000,000 per occurrence for taking remedial action and for 12 compensating third parties for bodily injury and property damage 13 caused by the release during the time the tank is registered by the 14 owner or operator; and

15 (b) For releases occurring prior to tank registration, up to 16 \$1,000,000 per occurrence for taking remedial action.

17 (5) Under the program, the agency may not expend more than 18 \$3,000,000 per state fiscal year for multiple occurrences involving a 19 single petroleum underground storage tank.

20 (6) The agency may prioritize funding for a release under the 21 program based on the following factors:

22 (a) The threats posed by the release to human health and the 23 environment;

(b) Whether the population threatened by the release may include a vulnerable population or an overburdened community as defined in RCW 70A.02.010; and

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(c) Other factors specified by the agency.

(7) Claims for remedial action costs will receive priority over payment of a third-party claim. Before funding any third-party claim resulting from a release under the program, the agency must reserve the estimated cost of any remedial actions necessary to address the release, and if funding is remaining then payment may be made on an eligible third-party claim.

(8) Funding for remedial actions and third-party claims under the
 program is limited to the reasonable and necessary eligible costs
 established by the agency.

(a) For remedial actions, the agency may establish a range of
 eligible costs or base payment of eligible costs on criteria to be
 met by persons who contract to perform remedial actions.

1 (b) The agency is not liable for any costs for remedial actions 2 or third-party claims under the program where no owner or operator 3 exists.

(9) The agency may require an agency representative to be present
during the removal of a registered petroleum underground storage
tank. If an owner or operator does not allow an agency representative
to be present during the removal or does not comply with procedures
established by the agency, the agency may deny requests for payment
of tank removal costs under the program.

10 <u>NEW SECTION.</u> Sec. 4. The agency must by rule establish a fee to 11 recover from owners and operators of registered petroleum underground 12 storage tanks the cost of administering the program. The fee may be 13 collected on an annual basis and may not exceed \$25,000 per petroleum 14 underground storage tank per year.

15 <u>NEW SECTION.</u> Sec. 5. (1) The agency may require an owner or 16 operator to return any cost overpayment made by the agency under this 17 chapter. If the cost overpayment is not returned upon request by the 18 agency:

19 (a) The agency may file a lien on the petroleum underground 20 storage tank facility or other property owned by the owner or 21 operator under section 8 of this act to recover the cost overpayment; 22 and

(b) The attorney general, at the request of the agency, may commence a civil action against the owner or operator in superior court to recover the cost overpayment and the agency's administrative and legal expenses to recover the cost overpayment.

27 (2) The agency may require an owner or operator to return any cost payment made by the agency under this chapter if the owner or 28 29 operator misrepresents or omits a fact relevant to a determination made by the agency under this chapter or if the owner or operator 30 fails to complete the remedial action that the agency determined at 31 the time of the cost payment to be necessary to adequately address 32 33 the release. If the cost payment is not returned as required by the 34 agency:

35 (a) The agency may file a lien on the petroleum underground 36 storage tank facility or other property owned by the owner or 37 operator under section 8 of this act to recover the cost payment; and

1 (b) The attorney general, at the request of the agency, may 2 commence a civil action against the owner or operator in superior 3 court to recover:

4 (i) The cost payment;

5 (ii) A civil penalty as determined by the court up to the full 6 amount of the cost payment, if the agency's repayment request is 7 based on willful actions of the owner or operator; and

8 (iii) The agency's administrative and legal expenses to recover 9 the cost payment.

If a person, with intent to defraud, submits a loss 10 (3) 11 declaration form, or issues an invoice or other demand for payment 12 under this chapter with knowledge that it is false in whole or in part, and with knowledge that it is being submitted to the agency for 13 14 cost payment, the agency may require that the person return any cost payment received based on the false loss declaration form, invoice, 15 16 or other demand for payment. If the cost payment is not returned as 17 required by the agency:

(a) The agency may file a lien on the petroleum underground
 storage tank facility or other property owned by the owner or
 operator under section 8 of this act to recover the cost payment; and

21 (b) The attorney general, at the request of the agency, may 22 commence a civil action against the person in superior court to 23 recover:

24 (i) The cost payment;

(ii) A civil penalty as determined by the court up to the full amount of the cost payment; and

(iii) The agency's administrative and legal expenses to recoverthe cost payment.

29 <u>NEW SECTION.</u> Sec. 6. (1) The agency may conduct remedial 30 actions to investigate or clean up a release from a petroleum 31 underground storage tank registered under the state financial 32 assurance program if the following conditions are met:

(a) The owner or operator has received, or is eligible toreceive, funding for remedial actions under the program; and

35 (b) The owner or operator provides consent for the agency to:

36 (i) Conduct the remedial actions; and

37 (ii) Enter upon the real property to conduct the remedial 38 actions.

1 (2) The agency may not expend more per occurrence to take 2 remedial action under this section than the financial assurance 3 limits specified in section 3 of this act.

<u>NEW SECTION.</u> Sec. 7. (1) The agency may conduct remedial actions to investigate or clean up a release from a petroleum underground storage tank, even if the petroleum underground storage tank is not registered under the state financial assurance program, if the following conditions are met:

9 (a) The release occurs in an area of risk for drinking water 10 impacts or where addressing the release is necessary to equitably 11 protect human health and the environment in communities that have 12 been marginalized, overburdened, and underserved;

(b) The owner or operator, or owner of the property where the petroleum underground storage tank is located, provides consent for the agency to:

16 (i) Conduct the remedial actions;

17 (ii) Enter upon the real property to conduct the remedial 18 actions; and

19 (iii) Recover the costs of the remedial actions from the owner or 20 operator or potentially liable persons; and

(c) The owner of the petroleum underground storage tank facility consents to the agency filing a lien on the facility under section 8 of this act to recover the agency's remedial action costs.

(2) The agency may seek recovery of any remedial action costs incurred by the agency under this section from any liable person. The agency may file a lien on the petroleum underground storage tank facility under section 8 of this act to recover the agency's remedial action costs. The attorney general, at the request of the agency, may commence a civil action against any liable person to recover the agency's remedial action costs.

<u>NEW SECTION.</u> Sec. 8. (1) The agency may file a lien against the petroleum underground storage tank facility where the petroleum underground storage tank is located or property owned by the owner or operator of the petroleum underground storage tank if the agency incurs remedial action costs under section 7 of this act or demands repayment of costs paid under section 5 of this act and those costs are not recovered by the agency.

(a) A lien filed under this section may not exceed the remedial
 action costs incurred or repayments demanded by the agency.

3 (b) A lien filed under this section has priority in rank over all 4 other privileges, liens, monetary encumbrances, or other security 5 interests affecting the real property, whenever incurred, filed, or 6 recorded, except for local and special district property tax 7 assessments.

8 (2) Before filing a lien under this section, the agency shall 9 give notice of its intent to file a lien to the owner of the 10 petroleum underground storage tank facility on which the lien is to 11 be filed, mortgagees, and lienholders of record.

12 (a) The agency shall send the notice by certified mail to the petroleum underground storage tank facility owner and mortgagees of 13 record at the addresses listed in the recorded documents. If the 14 petroleum underground storage tank facility owner is unknown or if a 15 16 mailed notice is returned as undeliverable, the agency shall provide 17 notice by posting a legal notice in the newspaper of largest 18 circulation in the county in which the site is located. The notice must provide: 19

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(i) A statement of the purpose of the lien;

21 (ii) A brief description of the real property to be affected by 22 the lien; and

23 (iii) A statement of the remedial action costs incurred or 24 repayments demanded by the agency.

25 (b) If the agency has reason to believe that exigent circumstances require the filing of a lien prior to giving notice 26 under this subsection, the agency may file the lien immediately. 27 Exigent circumstances include, but are not limited to, an imminent 28 29 bankruptcy filing by the petroleum underground storage tank facility owner or the imminent transfer or sale of the real property subject 30 31 to lien by the petroleum underground storage tank facility owner, or 32 both.

(3) A lien filed under this section is effective when a statement of lien is filed with the county auditor in the county where the petroleum underground storage tank is located. The statement of lien must include a description of the real property subject to lien and the amount of the lien.

38 (4) Unless the agency determines it is in the public interest to 39 remove the lien, the lien continues until the liabilities for the 40 remedial action costs incurred or repayments demanded by the agency

have been satisfied through sale of the real property, foreclosure, or other means agreed to by the agency. Any action for foreclosure of the lien must be brought by the attorney general in a civil action in the court having jurisdiction and in the manner prescribed for judicial foreclosure of a mortgage under chapter 61.24 RCW.

6 (5) The agency may not file a lien under this section against a 7 petroleum underground storage tank owned by a local government.

8 <u>NEW SECTION.</u> Sec. 9. (1) The following moneys must be deposited 9 into the pollution liability insurance program trust account created 10 in RCW 70A.325.020:

(a) All moneys appropriated by the legislature to pay for theagency's operating costs to carry out the purposes of this chapter;

13 (b) All fees or contributions collected from owners or operators 14 under section 4 of this act;

15 (c) Any recovery of remedial action costs incurred by the agency 16 under section 7 of this act; and

17 (d) Any payments recovered or civil penalties collected by the 18 agency under section 5 of this act.

19 (2) Moneys in the pollution liability insurance program trust 20 account created in RCW 70A.325.020 may be used by the agency to carry 21 out the purposes of this chapter.

22 <u>NEW SECTION.</u> Sec. 10. (1) The agency must monitor the 23 performance of the state financial assurance program and, after the 24 end of each biennium, publish a financial report on the program 25 showing administrative and other expenses paid from the program.

(2) For each calendar quarter, the agency must determine the loss
and surplus reserves required for the state financial assurance
program. The agency must notify the department of revenue of this
amount by the 15th day of each calendar quarter.

30 <u>NEW SECTION.</u> Sec. 11. (1) The agency must adopt rules under 31 chapter 34.05 RCW as necessary to carry out the provisions of this 32 chapter. To accelerate remedial actions, the agency may implement the 33 program through interpretative guidance pending adoption of rules.

34 (2) The department of ecology must adopt rules under chapter
 35 34.05 RCW to enable use of the program authorized under this chapter
 36 to meet the financial responsibility requirements of chapter 70A.355

RCW. The rules must be consistent with and no less stringent than the
 federal regulations.

3 <u>NEW SECTION.</u> Sec. 12. (1) A person may request a review by the 4 director of the following agency decisions by submitting a written 5 request, specifying the basis for the review, in accordance with 6 procedures established by the agency:

(b) A denial of eligibility for payment under the program;

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(a) A denial of program eligibility;

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(c) Amount of payment allowed for remedial actions;

10 (d) Amount of payment allowed for a third-party claim; and

11 (e) An agency request for cost repayment under section 5 of this 12 act.

13 (2) A person has 45 days after the decision to file a written 14 request for review with the director. If the written request for 15 review is received within 45 days, the director shall conduct an 16 adjudicative hearing under chapter 34.05 RCW.

17 <u>NEW SECTION.</u> Sec. 13. (1) Nothing in this chapter establishes 18 or creates any liability or responsibility on the part of the agency 19 or the state as administrators of the program to pay any costs for 20 remedial actions or third-party claims from any source other than the 21 pollution liability insurance program trust account.

(2) The agency and the state as administrators of the program have no liability or responsibility to make payments for remedial action costs or third-party claims if the moneys in the account are insufficient.

(3) If the moneys in the account are insufficient to make the payments at the time the loss declaration form is filed, these requests must be paid in the order of filing at such time as moneys accrue in the account, except for releases from a petroleum underground storage tank that present an imminent threat to human health and the environment must receive first priority for receiving moneys to eliminate the imminent threat.

33 <u>NEW SECTION.</u> Sec. 14. Officers, employees, and authorized 34 representatives of the agency and the state of Washington are immune 35 from civil liability and no cause of action of any nature may arise 36 from any act or omission in exercising powers and duties under this 37 chapter. 1NEW SECTION.Sec. 15. (1) Nothing in this chapter limits the2authority of the department of ecology under chapter 70A.305 RCW.

3 (2) Nothing in this chapter affects or modifies the obligations 4 or liability of any person under any other state or federal law.

5 <u>NEW SECTION.</u> Sec. 16. This chapter expires July 1, 2030.

6 Sec. 17. RCW 82.23A.020 and 2020 c 20 s 1484 are each amended to 7 read as follows:

(1) A tax is imposed on the privilege of possession of petroleum 8 9 products in this state. The rate of the tax shall be thirty one-10 hundredths of one percent multiplied by the wholesale value of the petroleum product. ((After July 1, 2021, the rate of tax is fifteen 11 12 one-hundredths of one percent multiplied by the wholesale value of the petroleum product.)) For purposes of determining the tax imposed 13 14 under this section for petroleum products introduced at the rack, the 15 wholesale value is determined when the petroleum product is removed 16 at the rack unless the removal is to an exporter licensed under 17 chapter 82.38 RCW for direct delivery to a destination outside of the state. For all other cases, the wholesale value is determined upon 18 the first nonbulk possession in the state. 19

(2) Except as identified in RCW 70A.345.130, moneys collected
 under this chapter shall be deposited in the pollution liability
 insurance program trust account under RCW 70A.325.020.

(3) Chapter 82.32 RCW applies to the tax imposed in this chapter.
The tax due dates, reporting periods, and return requirements
applicable to chapter 82.04 RCW apply equally to the tax imposed in
this chapter.

27 (4) Within ((thirty)) 30 days after the end of each calendar quarter the department shall determine the "quarterly balance," which 28 29 shall be the cash balance in the pollution liability insurance 30 program trust account as of the last day of that calendar quarter, 31 after excluding the reserves determined for that quarter under RCW 70A.325.020(2) and chapter 70A.--- RCW (the new chapter created in 32 section 21 of this act). Balance determinations by the department 33 34 under this section are final and shall not be used to challenge the validity of any tax imposed under this section. For each subsequent 35 36 calendar quarter, tax shall be imposed under this section during the 37 entire calendar quarter unless:

(a) Tax was imposed under this section during the immediately
 preceding calendar quarter, and the most recent quarterly balance is
 more than ((fifteen million dollars)) \$30,000,000; or

(b) Tax was not imposed under this section during the immediately
preceding calendar quarter, and the most recent quarterly balance is
more than ((seven million five hundred thousand dollars))
\$15,000,000.

8 Sec. 18. RCW 70A.325.020 and 2020 c 156 s 4 and 2020 c 20 s 1383 9 are each reenacted and amended to read as follows:

10 (1) The pollution liability insurance program trust account is 11 established in the custody of the state treasurer. ((All funds appropriated for this chapter and all premiums collected for 12 reinsurance shall be deposited in the account. Except as provided in 13 chapter 70A.345 RCW, expenditures from the account shall be used 14 15 exclusively for the purposes of this chapter including payment of 16 costs of administering the pollution liability insurance program and 17 emergency program.))

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(a) The following moneys must be deposited in the account:

19 (i) All moneys specified in RCW 82.23A.020 for deposit into the 20 account;

21 (ii) All moneys appropriated to carry out the purposes of this 22 chapter and all premiums collected for reinsurance under this 23 chapter; and

(iii) All moneys specified in section 9 of this act.

25 (b) Except as provided in chapter 70A.345 RCW, expenditures from 26 the account must be used exclusively for:

27 (i) The purposes of this chapter, including payment of costs of 28 administering the pollution liability insurance program and emergency 29 program; and

30 <u>(ii) The purposes of chapter 70A.--- RCW (the new chapter created</u> 31 <u>in section 21 of this act), including, but not limited to,</u> 32 <u>establishing and administering the state financial assurance program</u> 33 <u>for petroleum underground storage tanks authorized by chapter 70A.---</u> 34 <u>RCW (the new chapter created in section 21 of this act).</u>

35 <u>(c)</u> Expenditures for payment of administrative and operating 36 costs of the agency are subject to the allotment procedures under 37 chapter 43.88 RCW and may be made only after appropriation by 38 statute. No appropriation is required for other expenditures from the 39 account. 1 (2) Each calendar quarter, the director shall report to the 2 insurance commissioner the loss and surplus reserves required for the 3 calendar quarter. The director shall notify the department of revenue 4 of this amount by the ((fifteenth)) 15th day of each calendar 5 quarter.

6 (((3) During the 2019-2021 fiscal biennium, the legislature may 7 make appropriations from the pollution liability insurance program 8 trust account for the leaking tank model remedies activity.))

9 Sec. 19. RCW 43.79A.040 and 2022 c 244 s 3, 2022 c 206 s 8, 2022 10 c 183 s 16, and 2022 c 162 s 6 are each reenacted and amended to read 11 as follows:

12 (1) Money in the treasurer's trust fund may be deposited, 13 invested, and reinvested by the state treasurer in accordance with 14 RCW 43.84.080 in the same manner and to the same extent as if the 15 money were in the state treasury, and may be commingled with moneys 16 in the state treasury for cash management and cash balance purposes.

17 (2) All income received from investment of the treasurer's trust 18 fund must be set aside in an account in the treasury trust fund to be 19 known as the investment income account.

20 (3) The investment income account may be utilized for the payment of purchased banking services on behalf of treasurer's trust funds 21 22 including, but not limited to, depository, safekeeping, and disbursement functions for the state treasurer or affected state 23 24 agencies. The investment income account is subject in all respects to 25 chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments must occur prior to distribution of 26 27 earnings set forth in subsection (4) of this section.

(4) (a) Monthly, the state treasurer must distribute the earnings
credited to the investment income account to the state general fund
except under (b), (c), and (d) of this subsection.

31 The following accounts and funds must receive their (b) proportionate share of earnings based upon each account's or fund's 32 average daily balance for the period: The 24/7 sobriety account, the 33 Washington promise scholarship account, the Gina Grant Bull memorial 34 legislative page scholarship account, the Rosa Franklin legislative 35 internship program scholarship account, the Washington advanced 36 college tuition payment program account, the Washington college 37 38 savings program account, the accessible communities account, the 39 Washington achieving a better life experience program account, the

1 Washington career and college pathways innovation challenge program account, the community and technical college innovation account, the 2 3 agricultural local fund, the American Indian scholarship endowment fund, the behavioral health loan repayment program account, the 4 foster care scholarship endowment fund, the foster care endowed 5 6 scholarship trust fund, the contract harvesting revolving account, the Washington state combined fund drive account, the commemorative 7 works account, the county enhanced 911 excise tax account, the county 8 road administration board emergency loan account, the toll collection 9 account, the developmental disabilities endowment trust fund, the 10 11 energy account, the energy facility site evaluation council account, 12 the fair fund, the family and medical leave insurance account, the fish and wildlife federal lands revolving account, the natural 13 14 resources federal lands revolving account, the food animal 15 veterinarian conditional scholarship account, the forest health 16 revolving account, the fruit and vegetable inspection account, the 17 educator conditional scholarship account, the game farm alternative account, the GET ready for math and science scholarship account, the 18 19 Washington global health technologies and product development account, the grain inspection revolving fund, the Washington history 20 day account, the industrial insurance rainy day fund, the juvenile 21 22 accountability incentive account, the law enforcement officers' and 23 firefighters' plan 2 expense fund, the local tourism promotion account, the low-income home rehabilitation revolving loan program 24 25 account, the multiagency permitting team account, the northeast Washington wolf-livestock management account, the pollution liability 26 insurance program trust account, the produce railcar pool account, 27 28 the public use general aviation airport loan revolving account, the 29 regional transportation investment district account, the rural rehabilitation account, the Washington sexual assault kit account, 30 31 the stadium and exhibition center account, the youth athletic 32 facility account, the self-insurance revolving fund, the children's 33 trust fund, the Washington horse racing commission Washington bred owners' bonus fund and breeder awards account, the Washington horse 34 racing commission class C purse fund account, the 35 individual development account program account, the Washington horse racing 36 commission operating account, the life sciences discovery fund, the 37 Washington state library-archives building account, the reduced 38 39 cigarette ignition propensity account, the center for deaf and hard 40 of hearing youth account, the school for the blind account, the

1 Millersylvania park trust fund, the public employees' and retirees' insurance reserve fund, the school employees' benefits board 2 insurance reserve fund, the public employees' and retirees' insurance 3 account, the school employees' insurance account, the long-term 4 services and supports trust account, the radiation perpetual 5 6 maintenance fund, the Indian health improvement reinvestment account, 7 the department of licensing tuition recovery trust fund, the student achievement council tuition recovery trust fund, the tuition recovery 8 trust fund, the Washington student loan account, the industrial 9 insurance premium refund account, the mobile home park relocation 10 11 fund, the natural resources deposit fund, the Washington state health 12 insurance pool account, the federal forest revolving account, and the library operations account. 13

14 (c) The following accounts and funds must receive 80 percent of 15 their proportionate share of earnings based upon each account's or 16 fund's average daily balance for the period: The advance right-of-way 17 revolving fund, the advanced environmental mitigation revolving 18 account, the federal narcotics asset forfeitures account, the high 19 occupancy vehicle account, the local rail service assistance account, 20 and the miscellaneous transportation programs account.

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

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

31 <u>NEW SECTION.</u> Sec. 20. Section 19 of this act expires July 1, 32 2030.

33 <u>NEW SECTION.</u> Sec. 21. Sections 1 through 16 of this act 34 constitute a new chapter in Title 70A RCW.

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