
SENATE BILL 5759

State of Washington

68th Legislature

2023 Regular Session

By Senators MacEwen and Nguyen

1 AN ACT Relating to establishing the development of renewable
2 energy for Washington revolving loan program and account; amending
3 RCW 43.84.092 and 43.84.092; adding new sections to chapter 43.21F
4 RCW; creating a new section; providing an effective date; and
5 providing an expiration date.

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

7 NEW SECTION. **Sec. 1.** A new section is added to chapter 43.21F
8 RCW to read as follows:

9 (1) The legislature finds that providing funding to public and
10 private entities for the purposes of the program established in this
11 section will provide a benefit to the public.

12 (2) Subject to the availability of amounts appropriated for this
13 specific purpose, the department may make loans to public and private
14 entities to develop projects that will implement Washington's stated
15 policy goals relating to the development of a prosperous clean energy
16 economy. The loans may be used to fund all or part of projects for:

17 (a) Electric vehicle or hydrogen vehicle fleets, charging, or
18 refueling stations;

19 (b) Siting evaluations and permitting for energy generation or
20 transmission projects that promote the energy reliability goals of
21 chapter 19.405 RCW;

1 (c) Installation of solar, wind, geothermal, or hydrogen
2 infrastructure to assist with supplying the underlying applicant's
3 energy needs;

4 (d) Buildout of advanced nuclear reactor technology including,
5 but not limited to, small modular reactors; and

6 (e) Promoting decarbonization of an applicant's facility.

7 (3) When soliciting and evaluating proposals, awarding contracts,
8 making loans, and monitoring projects under this section, the
9 department must conduct due diligence activities associated with the
10 use of public funds including, but not limited to, oversight of the
11 project selection process, project monitoring, and ensuring that all
12 applications, contracts, and loan agreements fully comply with all
13 applicable laws including disclosure and conflict of interest
14 statutes.

15 (4)(a) Pursuant to chapter 42.52 RCW, the ethics in public
16 service act, the department must require a project applicant to
17 identify in application materials any state of Washington employees
18 or former state employees employed by the firm or on the firm's
19 governing board during the past 24 months. Application materials must
20 identify the individual by name, the agency previously or currently
21 employing the individual, job title or position held, and separation
22 date. If it is determined by the department that a conflict of
23 interest exists, the applicant may be disqualified from further
24 consideration for award of funding.

25 (b) If the department finds, after due notice and examination,
26 that there is a violation of chapter 42.52 RCW, or any similar
27 statute involving a recipient who received funding under this section
28 performing under the terms and conditions of the loan, the department
29 in its sole discretion may cancel the loan by written notice and
30 require the recipient to repay any funds received. The department
31 must reserve its right to pursue all available remedies under law to
32 address the violation and repayment of any canceled loan.

33 (5) The requirements of this section must be specified in funding
34 agreements issued by the department.

35 (6) Payments of principal and interest on loans awarded pursuant
36 to this section must be deposited into the development of renewable
37 energy for Washington revolving loan account created in section 2 of
38 this act.

1 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.21F
2 RCW to read as follows:

3 (1) The development of renewable energy for Washington revolving
4 loan account is created in the state treasury. All receipts from:
5 Appropriations and transfers by the legislature; bond proceeds
6 authorized by the legislature; federal funds, grants, and other forms
7 of financial assistance; payment of principal and interest on loans
8 awarded pursuant to section 1 of this act; or any other lawful source
9 must be deposited into the account for uses consistent with this
10 section. Moneys in the account may be spent only after appropriation.

11 (2) Expenditures from the account may be used only for loan
12 awards made under section 1 of this act, including up to one percent
13 of the costs incurred by the department to administer section 1 of
14 this act.

15 (3) The department must maintain separate accounting for any
16 federal funds in the account.

17 **Sec. 3.** RCW 43.84.092 and 2022 c 182 s 403 are each amended to
18 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.

38 (3) Except for the provisions of RCW 43.84.160, the treasury
39 income account may be utilized for the payment of purchased banking

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

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

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

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

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

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

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

10 **Sec. 4.** RCW 43.84.092 and 2022 c 182 s 404 are each amended to
11 read as follows:

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

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

31 (3) Except for the provisions of RCW 43.84.160, the treasury
32 income account may be utilized for the payment of purchased banking
33 services on behalf of treasury funds including, but not limited to,
34 depository, safekeeping, and disbursement functions for the state
35 treasury and affected state agencies. The treasury income account is
36 subject in all respects to chapter 43.88 RCW, but no appropriation is
37 required for payments to financial institutions. Payments shall occur
38 prior to distribution of earnings set forth in subsection (4) of this
39 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 brownfield redevelopment
10 trust fund account, the budget stabilization account, the capital
11 vessel replacement account, the capitol building construction
12 account, the Central Washington University capital projects account,
13 the charitable, educational, penal and reformatory institutions
14 account, the Chehalis basin account, the Chehalis basin taxable
15 account, the cleanup settlement account, the climate active
16 transportation account, the climate transit programs account, the
17 Columbia river basin water supply development account, the Columbia
18 river basin taxable bond water supply development account, the
19 Columbia river basin water supply revenue recovery account, the
20 common school construction fund, the community forest trust account,
21 the connecting Washington account, the county arterial preservation
22 account, the county criminal justice assistance account, the deferred
23 compensation administrative account, the deferred compensation
24 principal account, the department of licensing services account, the
25 department of retirement systems expense account, development of
26 renewable energy for Washington revolving loan account, the
27 developmental disabilities community services account, the diesel
28 idle reduction account, the drinking water assistance account, the
29 administrative subaccount of the drinking water assistance account,
30 the early learning facilities development account, the early learning
31 facilities revolving account, the Eastern Washington University
32 capital projects account, the education construction fund, the
33 education legacy trust account, the election account, the electric
34 vehicle account, the energy freedom account, the energy recovery act
35 account, the essential rail assistance account, The Evergreen State
36 College capital projects account, the fair start for kids account,
37 the ferry bond retirement fund, the fish, wildlife, and conservation
38 account, the freight mobility investment account, the freight
39 mobility multimodal account, the grade crossing protective fund, the
40 public health services account, the state higher education

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

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

34 (b) Any state agency that has independent authority over accounts
35 or funds not statutorily required to be held in the state treasury
36 that deposits funds into a fund or account in the state treasury
37 pursuant to an agreement with the office of the state treasurer shall
38 receive its proportionate share of earnings based upon each account's
39 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. 5.** Section 3 of this act expires July 1,
5 2024.

6 NEW SECTION. **Sec. 6.** Section 4 of this act takes effect July 1,
7 2024.

8 NEW SECTION. **Sec. 7.** If specific funding for the purposes of
9 this act, referencing this act by bill or chapter number, is not
10 provided by June 30, 2023, in the omnibus appropriations act, this
11 act is null and void.

--- END ---