SECOND SUBSTITUTE HOUSE BILL 2569

State of Washington 63rd Legislature 2014 Regular Session

By House Appropriations Subcommittee on General Government & Information Technology (originally sponsored by Representatives Hargrove and Pollet)

READ FIRST TIME 02/10/14.

- 1 AN ACT Relating to reducing air pollution associated with diesel
- 2 emissions; reenacting and amending RCW 43.84.092 and 43.84.092; adding
- 3 a new chapter to Title 70 RCW; providing a contingent effective date;
- 4 and providing a contingent expiration date.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** The legislature finds that investments in
- 7 diesel engine idling reduction projects cost-effectively improve public
- 8 health by reducing harmful diesel emissions. The legislature further
- 9 finds that these investments also result in long-term savings in fuel
- 10 and maintenance costs. It is therefore the intent of the legislature
- 11 to establish a stable, wholly self-sustaining account for the
- 12 department of ecology to use for investments in diesel idle reduction
- 13 projects.
- 14 <u>NEW SECTION.</u> **Sec. 2.** The definitions in this section apply
- 15 throughout this chapter unless the context clearly requires otherwise.
- 16 (1) "Account" means the diesel idle reduction account created in
- 17 section 4 of this act.
- 18 (2) "Department" means the department of ecology.

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- 1 (3) "Loan recipient" means a state, local, or other governmental 2 entity that owns diesel vehicles or equipment.
- 3 NEW SECTION. Sec. 3. (1) The department shall use the moneys in the account to provide loans with low or no interest to loan recipients 4 5 for the purpose of reducing exposure to diesel emissions and improving 6 public health by investing in diesel idle emission reduction 7 technologies and infrastructure. In selecting loan recipients, the department shall consider anticipated human health, environmental, and 8 9 greenhouse gas benefits from reduced exposure to harmful air emissions 10 associated with diesel idling.
 - (2) The department shall make loans in such a manner that the remittances from loan recipients are of equal value over a long-term planning horizon to the disbursals from the fund.
 - (3) Loan moneys may not be spent on vehicles or equipment that spend less than one-half of their operating time in Washington. Permissible diesel idle reduction expenditures include, but are not limited to:
 - (a) Electrified parking spaces and truck stops;
 - (b) Shore connection systems and alternative maritime power;
 - (c) Shore connection systems for locomotives;
- 21 (d) Auxiliary power units and generator sets;
- (e) Fuel-operated heaters or direct-fired heaters, including engine fluid preheaters and cab air heaters;
- 24 (f) Battery powered systems, including battery powered heating and 25 air conditioning systems;
 - (g) Thermal storage systems;
 - (h) Automatic engine start-up and shutdown systems; and
- 28 (i) Other operation or maintenance efficiencies that achieve 29 emission reduction benefits for the public.
- NEW SECTION. Sec. 4. The diesel idle reduction account is created in the state treasury. All receipts from remittances made by loan recipients pursuant to section 3 of this act and any moneys appropriated to the account by law must be deposited in the account.
- 34 Moneys in the account may be spent only after appropriation.
- 35 Expenditures from the account may be used only for the purposes of this
- 36 chapter, including the costs of program administration.

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Sec. 5. RCW 43.84.092 and 2013 2nd sp.s. c 23 s 24 and 2013 2nd sp.s. c 11 s 15 are each reenacted and amended to read as follows:

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- (1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.
- (2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.
- (3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.
- (4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:
- (a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the Alaskan Way viaduct replacement project account, the brownfield redevelopment trust fund account, the budget stabilization account, the capital vessel replacement account,

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the capitol building construction account, the Cedar River channel 1 2 construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and 3 4 reformatory institutions account, the cleanup settlement account, the 5 Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia 6 7 river basin water supply revenue recovery account, the common school 8 construction fund, the county arterial preservation account, the county 9 justice assistance account, the deferred compensation criminal 10 administrative account, the deferred compensation principal account, the department of licensing services account, the department of 11 12 retirement systems expense account, the developmental disabilities 13 community trust account, the diesel idle reduction account, the 14 drinking water assistance account, the drinking water assistance administrative account, the drinking water assistance repayment 15 account, the Eastern Washington University capital projects account, 16 17 the Interstate 405 express toll lanes operations account, the education 18 construction fund, the education legacy trust account, the election account, the energy freedom account, the energy recovery act account, 19 the essential rail assistance account, The Evergreen State College 20 21 capital projects account, the federal forest revolving account, the 22 ferry bond retirement fund, the freight mobility investment account, 23 the freight mobility multimodal account, the grade crossing protective 24 fund, the public health services account, the high 25 transportation account, the state higher education construction 26 account, the higher education construction account, the highway bond 27 retirement fund, the highway infrastructure account, the highway safety 28 fund, the high occupancy toll lanes operations account, the hospital 29 safety net assessment fund, the industrial insurance premium refund 30 account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the 31 32 local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources 33 stewardship trust account, the medical aid account, the mobile home 34 35 park relocation fund, the motor vehicle fund, the motorcycle safety 36 education account, the multimodal transportation account, the multiuse 37 roadway safety account, the municipal criminal justice assistance account, the natural resources deposit account, the oyster reserve land 38

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account, the pension funding stabilization account, the perpetual 1 2 surveillance and maintenance account, the public employees' retirement system plan 1 account, the public employees' retirement system combined 3 plan 2 and plan 3 account, the public facilities construction loan 4 revolving account beginning July 1, 2004, the public health 5 supplemental account, the public works assistance account, the Puget 6 7 Sound capital construction account, the Puget Sound ferry operations 8 account, the real estate appraiser commission account, the recreational 9 vehicle account, the regional mobility grant program account, the 10 resource management cost account, the rural arterial trust account, the rural mobility grant program account, the rural Washington loan fund, 11 12 the site closure account, the skilled nursing facility safety net trust fund, the small city pavement and sidewalk account, the special 13 14 category C account, the special wildlife account, the state employees' insurance account, the state employees' insurance reserve account, the 15 state investment board expense account, the state investment board 16 17 commingled trust fund accounts, the state patrol highway account, the 18 state route number 520 civil penalties account, the state route number 19 520 corridor account, the state wildlife account, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' 20 21 retirement system plan 1 account, the teachers' retirement system 22 combined plan 2 and plan 3 account, the tobacco prevention and control 23 account, the tobacco settlement account, the toll facility bond 24 retirement account, the transportation 2003 account (nickel account), the transportation equipment fund, the transportation fund, the 25 26 transportation improvement account, the transportation improvement 27 board bond retirement account, the transportation infrastructure account, the transportation partnership account, the traumatic brain 28 29 injury account, the tuition recovery trust fund, the University of 30 Washington bond retirement fund, the University of Washington building account, the volunteer firefighters' and reserve officers' relief and 31 32 pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the Washington judicial retirement 33 system account, the Washington law officers' 34 enforcement 35 firefighters' system plan 1 retirement account, the Washington law 36 enforcement officers' and firefighters' system plan 2 retirement 37 account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined 38

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- plan 2 and 3 account, the Washington state economic development 1 2 commission account, the Washington state health insurance pool account, 3 the Washington state patrol retirement account, the Washington State 4 University building account, the Washington State University bond retirement fund, the water pollution control revolving administration 5 account, the water pollution control revolving fund, the Western 6 7 Washington University capital projects account, the Yakima integrated 8 plan implementation account, the Yakima integrated plan implementation 9 revenue recovery account, and the Yakima integrated plan implementation 10 taxable bond account. Earnings derived from investing balances of the 11 agricultural permanent fund, the normal school permanent fund, the 12 permanent common school fund, the scientific permanent fund, the state 13 university permanent fund, and the state reclamation revolving account 14 shall be allocated to their respective beneficiary accounts.
 - (b) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the state treasury that deposits funds into a fund or account in the state treasury 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.
- 21 (5) In conformance with Article II, section 37 of the state 22 Constitution, no treasury accounts or funds shall be allocated earnings 23 without the specific affirmative directive of this section.
 - Sec. 6. RCW 43.84.092 and 2013 2nd sp.s. c 23 s 25 and 2013 2nd sp.s. c 11 s 16 are each reenacted and amended to read as follows:
 - (1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.
 - (2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or

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

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- (3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.
- (4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:
- The following accounts and funds shall receive their (a) proportionate share of earnings based upon each account's and fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the Alaskan Way viaduct replacement project account, the brownfield redevelopment trust fund account, the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the cleanup settlement account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the Columbia river crossing project account, the common school construction fund, the county arterial preservation account, the county criminal justice assistance account, the deferred compensation administrative account, the deferred compensation principal account, the department licensing services account, the department of retirement systems expense account, the developmental disabilities community trust account, the diesel idle reduction account, the drinking water

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assistance account, the drinking water assistance administrative 1 account, the drinking water assistance repayment account, the Eastern 2 3 Washington University capital projects account, the Interstate 405 4 express toll lanes operations account, the education construction fund, the education legacy trust account, the election account, the energy 5 freedom account, the energy recovery act account, the essential rail 6 7 assistance account, The Evergreen State College capital projects 8 account, the federal forest revolving account, the ferry bond 9 retirement fund, the freight mobility investment account, the freight 10 mobility multimodal account, the grade crossing protective fund, the public health services account, the high capacity transportation 11 12 account, the state higher education construction account, the higher 13 education construction account, the highway bond retirement fund, the 14 highway infrastructure account, the highway safety fund, the high occupancy toll lanes operations account, the hospital safety net 15 assessment fund, the industrial insurance premium refund account, the 16 17 judges' retirement account, the judicial retirement administrative 18 account, the judicial retirement principal account, the local leasehold 19 excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources stewardship trust 20 21 account, the medical aid account, the mobile home park relocation fund, 22 the motor vehicle fund, the motorcycle safety education account, the 23 multimodal transportation account, the multiuse roadway safety account, 24 municipal criminal justice assistance account, the natural 25 resources deposit account, the oyster reserve land account, the pension 26 stabilization account, the perpetual surveillance and funding 27 maintenance 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 beginning July 1, 2004, the public health supplemental account, public works assistance account, the Puget Sound capital 31 32 construction account, the Puget Sound ferry operations account, the real estate appraiser commission account, the recreational vehicle 33 34 account, the regional mobility grant program account, the resource 35 management cost account, the rural arterial trust account, the rural 36 mobility grant program account, the rural Washington loan fund, the 37 site closure account, the skilled nursing facility safety net trust fund, the small city pavement and sidewalk account, the special 38

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category C account, the special wildlife account, the state employees' 1 2 insurance account, the state employees' insurance reserve account, the state investment board expense account, the state investment board 3 4 commingled trust fund accounts, the state patrol highway account, the state route number 520 civil penalties account, the state route number 5 6 520 corridor account, the state wildlife account, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' 7 8 retirement system plan 1 account, the teachers' retirement system 9 combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the toll facility bond 10 11 retirement account, the transportation 2003 account (nickel account), 12 the transportation equipment fund, the transportation fund, the 13 transportation improvement account, the transportation improvement 14 board bond retirement account, the transportation infrastructure 15 account, the transportation partnership account, the traumatic brain injury account, the tuition recovery trust fund, the University of 16 Washington bond retirement fund, the University of Washington building 17 account, the volunteer firefighters' and reserve officers' relief and 18 19 pension principal fund, the volunteer firefighters' and reserve 20 officers' administrative fund, the Washington judicial retirement 21 system account, the Washington law enforcement officers' 22 firefighters' system plan 1 retirement account, the Washington law 23 enforcement officers' and firefighters' system plan 2 retirement 24 account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined 25 26 plan 2 and 3 account, the Washington state economic development 27 commission account, the Washington state health insurance pool account, the Washington state patrol retirement account, the Washington State 28 29 University building account, the Washington State University bond 30 retirement fund, the water pollution control revolving administration account, the water pollution control revolving fund, the Western 31 Washington University capital projects account, the Yakima integrated 32 33 plan implementation account, the Yakima integrated plan implementation revenue recovery account, and the Yakima integrated plan implementation 34 35 taxable bond account. Earnings derived from investing balances of the 36 agricultural permanent fund, the normal school permanent fund, the 37 permanent common school fund, the scientific permanent fund, the state

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- university permanent fund, and the state reclamation revolving account shall be allocated to their respective beneficiary accounts.
 - (b) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the state treasury that deposits funds into a fund or account in the state treasury 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.
- 9 (5) In conformance with Article II, section 37 of the state 10 Constitution, no treasury accounts or funds shall be allocated earnings 11 without the specific affirmative directive of this section.
- NEW SECTION. Sec. 7. The department may adopt rules necessary to implement this chapter.
- NEW SECTION. Sec. 8. Sections 1 through 4 and 7 of this act constitute a new chapter in Title 70 RCW.
- NEW SECTION. Sec. 9. Section 5 of this act expires on the date the requirements set out in section 7, chapter 36, Laws of 2012 are met.
- NEW SECTION. Sec. 10. Section 6 of this act takes effect on the date the requirements set out in section 7, chapter 36, Laws of 2012 are met.

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