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**SUBSTITUTE HOUSE BILL 2357**

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**State of Washington**

**64th Legislature**

**2016 Regular Session**

**By** House Environment (originally sponsored by Representatives Peterson, Young, S. Hunt, Fitzgibbon, Kirby, Buys, Pollet, and Kretz; by request of Pollution Liability Insurance Agency)

READ FIRST TIME 01/29/16.

1 AN ACT Relating to the authority of the pollution liability  
2 insurance agency; amending RCW 70.148.020, 70.148.900, 70.149.900,  
3 82.23A.020, and 82.23A.902; reenacting and amending RCW 43.84.092;  
4 adding a new chapter to Title 70 RCW; creating a new section;  
5 repealing RCW 70.148.120, 70.148.130, 70.148.140, 70.148.150,  
6 70.148.160, and 70.148.170; providing an effective date; and  
7 providing expiration dates.

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

9 NEW SECTION. **Sec. 1.** The legislature intends for the pollution  
10 liability insurance agency to establish a revolving loan and grant  
11 program to assist owners and operators of petroleum underground  
12 storage tank systems to: (1) Remediate past releases; (2) upgrade,  
13 replace, or remove petroleum underground storage tank systems to  
14 prevent future releases; and (3) install new infrastructure or  
15 retrofit existing infrastructure for dispensing renewable or  
16 alternative energy.

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

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

3 (2) "Local government" means any political subdivision of the  
4 state, including a town, city, county, special purpose district, or  
5 other municipal corporation.

6 (3) "Operator" means any person in control of, or having  
7 responsibility for, the daily operation of a petroleum underground  
8 storage tank system.

9 (4) "Owner" means any person who owns a petroleum underground  
10 storage tank system.

11 (5) "Petroleum underground storage tank system" means an  
12 underground storage tank system regulated under chapter 90.76 RCW or  
13 subtitle I of the solid waste disposal act (42 U.S.C. Chapter 82,  
14 Subchapter IX) that is used for storing petroleum.

15 (6) "Release" has the same meaning as defined in RCW 70.105D.020.

16 (7) "Remedial action" has the same meaning as defined in RCW  
17 70.105D.020.

18 (8) "Underground storage tank facility" means the location where  
19 one or more underground storage tank systems are installed. A  
20 facility encompasses all contiguous real property under common  
21 ownership associated with the operation of the underground storage  
22 tank system or systems.

23 (9) "Underground storage tank system" means an underground  
24 storage tank, connected underground piping, underground ancillary  
25 equipment, and containment system, if any, and includes any  
26 aboveground ancillary equipment connected to the underground storage  
27 tank or piping, such as dispensers.

28 NEW SECTION. **Sec. 3.** (1) The agency shall establish an  
29 underground storage tank revolving loan and grant program to provide  
30 loans or grants to owners or operators to:

31 (a) Conduct remedial actions in accordance with chapter 70.105D  
32 RCW, including investigations and cleanups of any release or  
33 threatened release of a hazardous substance at or affecting an  
34 underground storage tank facility, provided that at least one of the  
35 releases or threatened releases involves petroleum;

36 (b) Upgrade, replace, or permanently close a petroleum  
37 underground storage tank system in accordance with chapter 90.76 RCW  
38 or subtitle I of the solid waste disposal act (42 U.S.C., chapter 82,  
39 subchapter IX), as applicable;

1 (c) Install new infrastructure or retrofit existing  
2 infrastructure at an underground storage tank facility for dispensing  
3 renewable or alternative energy for motor vehicles, including  
4 electric vehicle charging stations, when conducted in conjunction  
5 with either (a) or (b) of this subsection; or

6 (d) Install and subsequently remove a temporary petroleum  
7 aboveground storage tank system in compliance with applicable laws,  
8 when conducted in conjunction with either (a) or (b) of this  
9 subsection.

10 (2) The maximum amount that may be loaned or granted under this  
11 program to an owner or operator for a single underground storage tank  
12 facility is two million dollars.

13 NEW SECTION. **Sec. 4.** (1) A recipient of a loan or grant may not  
14 use these funds to conduct remedial actions of a release or  
15 threatened release from a petroleum underground storage tank system  
16 requiring financial assurances under chapter 90.76 RCW or subtitle I  
17 of the solid waste disposal act (42 U.S.C., chapter 82, subchapter  
18 IX) unless the owner or operator:

19 (a) Agrees to first expend all moneys available under the  
20 required financial assurances;

21 (b) Demonstrates that all moneys available under the required  
22 financial assurances have been expended; or

23 (c) Demonstrates that a claim has been made under the required  
24 financial assurances and the claim has been rejected by the provider.

25 (2) A recipient must use a loan or grant for a project that  
26 develops and acquires assets that have a useful life of at least  
27 thirteen years.

28 NEW SECTION. **Sec. 5.** The agency shall partner and enter into a  
29 memorandum of agreement with the department of health to implement  
30 the revolving loan and grant program.

31 (1) The agency shall select loan and grant recipients and manage  
32 the work conducted under section 3(1) of this act.

33 (2) The department of health shall administer the loans and  
34 grants to qualified recipients as determined by the agency.

35 (3) The department of health may collect, from persons requesting  
36 financial assistance, loan origination fees to cover costs incurred  
37 by the department of health in operating the financial assistance  
38 program.

1 (4) The agency may use the moneys in the pollution liability  
2 insurance agency underground storage tank revolving account to fund  
3 the department of health's operating costs for the program.

4 NEW SECTION. **Sec. 6.** (1) The agency may conduct remedial  
5 actions and investigate or clean up a release or threatened release  
6 of a hazardous substance at or affecting an underground storage tank  
7 facility if the following conditions are met:

8 (a) The owner or operator received a loan or grant for the  
9 underground storage tank facility under the revolving program created  
10 in this chapter for two million dollars or less;

11 (b) The remedial actions are conducted in accordance with the  
12 rules adopted under chapter 70.105D RCW;

13 (c) The owner of real property subject to the remedial actions  
14 provides consent for the agency to:

15 (i) Recover the remedial action costs from the owner; and

16 (ii) Enter upon the real property to conduct remedial actions  
17 limited to those authorized by the owner or operator. Remedial  
18 actions must be focused on maintaining the economic vitality of the  
19 property. The agency or the agency's authorized representatives shall  
20 give reasonable notice before entering property unless an emergency  
21 prevents the notice; and

22 (d) The owner of the underground storage tank facility consents  
23 to the agency filing a lien on the underground storage tank facility  
24 to recover the agency's remedial action costs.

25 (2) The agency may conduct the remedial actions authorized under  
26 subsection (1) of this section using the moneys in the pollution  
27 liability insurance agency underground storage tank revolving  
28 account, as required under section 5 of this act. However, for any  
29 remedial action where the owner or operator has received a loan or  
30 grant, the agency may not expend more than the difference between the  
31 amount loaned or granted and two million dollars.

32 (3) The agency may request informal advice and assistance and  
33 written opinions on the sufficiency of remedial actions from the  
34 department of ecology under RCW 70.105D.030(1)(i).

35 NEW SECTION. **Sec. 7.** (1) The agency may file a lien against the  
36 underground storage tank facility if the agency incurs remedial  
37 action costs and those costs are unrecovered by the agency.

1 (a) A lien filed under this section may not exceed the remedial  
2 action costs incurred 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 underground storage tank facility on which the lien is to be filed,  
11 mortgagees, and lien holders of record.

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

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

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

22 (iii) A statement of the remedial action costs incurred by the  
23 agency.

24 (b) If the agency has reason to believe that exigent  
25 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 bankruptcy filing by the underground storage tank facility owner or  
29 the imminent transfer or sale of the real property subject to lien by  
30 the underground storage tank facility owner, or both.

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

36 (4) Unless the agency determines it is in the public interest to  
37 remove the lien, the lien continues until the liabilities for the  
38 remedial action costs have been satisfied through sale of the real  
39 property, foreclosure, or other means agreed to by the agency. Any  
40 action for foreclosure of the lien must be brought by the attorney

1 general in a civil action in the court having jurisdiction and in the  
2 manner prescribed for judicial foreclosure of a mortgage under  
3 chapter 61.24 RCW.

4 (5) The agency may not file a lien under this section against an  
5 underground storage tank facility owned by a local government.

6 NEW SECTION. **Sec. 8.** (1) The pollution liability insurance  
7 agency underground storage tank revolving account is created in the  
8 state treasury. All receipts from sources identified under subsection  
9 (2) of this section must be deposited into the account. Moneys in the  
10 account may be spent only after appropriation. Expenditures from the  
11 account may be used only for items identified under subsection (3) of  
12 this section.

13 (2) The following receipts must be deposited into the account:

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

16 (b) All moneys appropriated by the legislature to provide loans  
17 and grants under section 3 of this act;

18 (c) Any repayment of loans provided under section 3 of this act;

19 (d) All moneys appropriated by the legislature to conduct  
20 remedial actions under section 6 of this act;

21 (e) Any recovery of the costs of remedial actions conducted under  
22 section 6 of this act;

23 (f) Any grants provided by the federal government to the agency  
24 to achieve the purposes of this chapter; and

25 (g) Any other deposits made from a public or private entity to  
26 achieve the purposes of this chapter.

27 (3) Moneys in the account may be used by the agency only to carry  
28 out the purposes of this chapter including, but not limited to:

29 (a) The costs of the agency and department of health to carry out  
30 the purposes of this chapter;

31 (b) Loans and grants under section 3 of this act;

32 (c) Remedial actions under section 6 of this act; and

33 (d) State match requirements for grants provided to the agency by  
34 the federal government.

35 NEW SECTION. **Sec. 9.** By September 1st of each even-numbered  
36 year, the agency must provide the office of financial management and  
37 the appropriate legislative committees a report on the agency's  
38 activities supported by expenditures from the pollution liability

1 insurance agency underground storage tank revolving account. The  
2 report must at a minimum include:

3 (1) The amount of money the legislature appropriated from the  
4 pollution liability insurance agency underground storage tank  
5 revolving account under section 8 of this act during the last  
6 biennium;

7 (2) For the previous biennium, the total number of loans and  
8 grants, the amounts loaned or granted, sites cleaned up, petroleum  
9 underground storage tank systems upgraded, replaced, or permanently  
10 closed, and jobs preserved;

11 (3) For each loan and grant awarded during the previous biennium,  
12 the name of the recipient, the location of the underground storage  
13 tank facility, a description of the project and its status, the  
14 amount loaned, and the amount repaid;

15 (4) For each underground storage tank facility where the agency  
16 conducted remedial actions under section 6 of this act during the  
17 previous biennium, the name and location of the site, the amount of  
18 money used to conduct the remedial actions, the status of remedial  
19 actions, whether liens were filed against the underground storage  
20 tank facility under section 7 of this act, and the amount of money  
21 recovered; and

22 (5) The operating costs of the agency and department of health to  
23 carry out the purposes of this chapter during the last biennium.

24 NEW SECTION. **Sec. 10.** The agency must adopt rules under chapter  
25 34.05 RCW necessary to carry out the provisions of this chapter. To  
26 accelerate remedial actions, the agency shall enter into a memorandum  
27 of agreement with the department of health under section 5 of this  
28 act within one year of the effective date of this section. To ensure  
29 the adoption of rules will not delay the award of a loan or grant,  
30 the agency may implement the underground storage tank revolving  
31 program through interpretative guidance pending adoption of rules.

32 NEW SECTION. **Sec. 11.** Officers, employees, and authorized  
33 representatives of the agency and the department of health, and the  
34 state of Washington are immune from civil liability and no cause of  
35 action of any nature may arise from any act or omission in exercising  
36 powers and duties under this chapter.

1        NEW SECTION.     **Sec. 12.**     Nothing in this chapter limits the  
2 authority of the department of ecology under chapter 70.105D RCW.

3        NEW SECTION.     **Sec. 13.**     (1) Sections 1 through 12 of this act  
4 expire July 1, 2030.

5        (2) The expiration of sections 1 through 12 of this act does not  
6 terminate any of the following rights, obligations, authorities or  
7 any provision necessary to carry out:

8        (a) The repayment of loans due and payable to the lender or the  
9 state of Washington;

10       (b) The resolution of any cost recovery action or the initiation  
11 of any action or other collection process to recover defaulted loan  
12 moneys due to the state of Washington; and

13       (c) The resolution of any action or the initiation of any action  
14 to recover the agency's remedial actions costs under section 7 of  
15 this act.

16       (3) On July 1, 2030, the pollution liability insurance agency  
17 underground storage tank revolving account and all moneys due that  
18 account revert to, and accrue to the benefit of, the department of  
19 health.

20       NEW SECTION.     **Sec. 14.**     If any provision of this act or its  
21 application to any person or circumstance is held invalid, the  
22 remainder of the act or the application of the provision to other  
23 persons or circumstances is not affected.

24       **Sec. 15.**     RCW 70.148.020 and 2013 2nd sp.s. c 4 s 993 are each  
25 amended to read as follows:

26       (1) The pollution liability insurance program trust account is  
27 established in the custody of the state treasurer. All funds  
28 appropriated for this chapter and all premiums collected for  
29 reinsurance shall be deposited in the account. Except as provided in  
30 chapter 70.--- RCW (the new chapter created in section 22 of this  
31 act), expenditures from the account shall be used exclusively for the  
32 purposes of this chapter including payment of costs of administering  
33 the pollution liability insurance and underground storage tank  
34 community assistance programs. Expenditures for payment of  
35 administrative and operating costs of the agency are subject to the  
36 allotment procedures under chapter 43.88 RCW and may be made only



1 after appropriation by statute. No appropriation is required for  
2 other expenditures from the account.

3 (2) Each calendar quarter, the director shall report to the  
4 insurance commissioner the loss and surplus reserves required for the  
5 calendar quarter. The director shall notify the department of revenue  
6 of this amount by the fifteenth day of each calendar quarter.

7 ~~(3) ((Each calendar quarter the director shall determine the  
8 amount of reserves necessary to fund commitments made to provide  
9 financial assistance under RCW 70.148.130 to the extent that the  
10 financial assistance reserves do not jeopardize the operations and  
11 liabilities of the pollution liability insurance program. The  
12 director shall notify the department of revenue of this amount by the  
13 fifteenth day of each calendar quarter. The director may immediately  
14 establish an initial financial assistance reserve of five million  
15 dollars from available revenues. The director may not expend more  
16 than fifteen million dollars for the financial assistance program.~~

17 ~~(4) During the 2013-2015 fiscal biennium, the legislature may  
18 transfer from the pollution liability insurance program trust account  
19 to the state general fund such amounts as reflect the excess fund  
20 balance of the account.~~

21 ~~(5))~~ This section expires July 1, ~~((2020))~~ 2030.

22 **Sec. 16.** RCW 70.148.900 and 2012 1st sp.s. c 3 s 2 are each  
23 amended to read as follows:

24 This chapter expires July 1, ~~((2020))~~ 2030.

25 **Sec. 17.** RCW 70.149.900 and 2012 1st sp.s. c 3 s 3 are each  
26 amended to read as follows:

27 This chapter expires July 1, ~~((2020))~~ 2030.

28 **Sec. 18.** RCW 82.23A.020 and 2012 1st sp.s. c 3 s 5 are each  
29 amended to read as follows:

30 (1) A tax is imposed on the privilege of possession of petroleum  
31 products in this state. The rate of the tax shall be thirty one-  
32 hundredths of one percent multiplied by the wholesale value of the  
33 petroleum product. After July 1, 2021, the rate of tax is fifteen  
34 one-hundredths of one percent multiplied by the wholesale value of  
35 the petroleum product. For purposes of determining the tax imposed  
36 under this section for petroleum products introduced at the rack, the  
37 wholesale value is determined when the petroleum product is removed

1 at the rack unless the removal is to an exporter licensed under  
2 chapter (~~(82.36 or)~~) 82.38 RCW for direct delivery to a destination  
3 outside of the state. For all other cases, the wholesale value is  
4 determined upon the first nonbulk possession in the state.

5 (2) Except as identified in section 21 of this act, moneys  
6 collected under this chapter shall be deposited in the pollution  
7 liability insurance program trust account under RCW 70.148.020.

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

12 (4) Within thirty days after the end of each calendar quarter the  
13 department shall determine the "quarterly balance," which shall be  
14 the cash balance in the pollution liability insurance program trust  
15 account as of the last day of that calendar quarter, after excluding  
16 the reserves determined for that quarter under RCW 70.148.020(2)  
17 (~~and (3)~~). Balance determinations by the department under this  
18 section are final and shall not be used to challenge the validity of  
19 any tax imposed under this section. For each subsequent calendar  
20 quarter, tax shall be imposed under this section during the entire  
21 calendar quarter unless:

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

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

28 **Sec. 19.** RCW 82.23A.902 and 2012 1st sp.s. c 3 s 6 are each  
29 amended to read as follows:

30 This chapter expires July 1, (~~(2020)~~) 2030, coinciding with the  
31 expiration of chapter 70.148 RCW.

32 **Sec. 20.** RCW 43.84.092 and 2015 3rd sp.s. c 44 s 107 and 2015  
33 3rd sp.s. c 12 s 3 are each reenacted and amended to read as follows:

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

37 (2) The treasury income account shall be utilized to pay or  
38 receive funds associated with federal programs as required by the

1 federal cash management improvement act of 1990. The treasury income  
2 account is subject in all respects to chapter 43.88 RCW, but no  
3 appropriation is required for refunds or allocations of interest  
4 earnings required by the cash management improvement act. Refunds of  
5 interest to the federal treasury required under the cash management  
6 improvement act fall under RCW 43.88.180 and shall not require  
7 appropriation. The office of financial management shall determine the  
8 amounts due to or from the federal government pursuant to the cash  
9 management improvement act. The office of financial management may  
10 direct transfers of funds between accounts as deemed necessary to  
11 implement the provisions of the cash management improvement act, and  
12 this subsection. Refunds or allocations shall occur prior to the  
13 distributions of earnings set forth in subsection (4) of this  
14 section.

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

24 (4) Monthly, the state treasurer shall distribute the earnings  
25 credited to the treasury income account. The state treasurer shall  
26 credit the general fund with all the earnings credited to the  
27 treasury income account except:

28 (a) The following accounts and funds shall receive their  
29 proportionate share of earnings based upon each account's and fund's  
30 average daily balance for the period: The aeronautics account, the  
31 aircraft search and rescue account, the Alaskan Way viaduct  
32 replacement project account, the brownfield redevelopment trust fund  
33 account, the budget stabilization account, the capital vessel  
34 replacement account, the capitol building construction account, the  
35 Cedar River channel construction and operation account, the Central  
36 Washington University capital projects account, the charitable,  
37 educational, penal and reformatory institutions account, the cleanup  
38 settlement account, the Columbia river basin water supply development  
39 account, the Columbia river basin taxable bond water supply  
40 development account, the Columbia river basin water supply revenue

1 recovery account, the common school construction fund, the community  
2 forest trust account, the connecting Washington account, the county  
3 arterial preservation account, the county criminal justice assistance  
4 account, the deferred compensation administrative account, the  
5 deferred compensation principal account, the department of licensing  
6 services account, the department of retirement systems expense  
7 account, the developmental disabilities community trust account, the  
8 diesel idle reduction account, the drinking water assistance account,  
9 the drinking water assistance administrative account, the drinking  
10 water assistance repayment account, the Eastern Washington University  
11 capital projects account, the Interstate 405 express toll lanes  
12 operations account, the education construction fund, the education  
13 legacy trust account, the election account, the electric vehicle  
14 charging infrastructure account, the energy freedom account, the  
15 energy recovery act account, the essential rail assistance account,  
16 The Evergreen State College capital projects account, the federal  
17 forest revolving account, the ferry bond retirement fund, the freight  
18 mobility investment account, the freight mobility multimodal account,  
19 the grade crossing protective fund, the public health services  
20 account, the high capacity transportation account, the state higher  
21 education construction account, the higher education construction  
22 account, the highway bond retirement fund, the highway infrastructure  
23 account, the highway safety fund, the high occupancy toll lanes  
24 operations account, the hospital safety net assessment fund, the  
25 industrial insurance premium refund account, the judges' retirement  
26 account, the judicial retirement administrative account, the judicial  
27 retirement principal account, the local leasehold excise tax account,  
28 the local real estate excise tax account, the local sales and use tax  
29 account, the marine resources stewardship trust account, the medical  
30 aid account, the mobile home park relocation fund, the motor vehicle  
31 fund, the motorcycle safety education account, the multimodal  
32 transportation account, the multiuse roadway safety account, the  
33 municipal criminal justice assistance account, the natural resources  
34 deposit account, the oyster reserve land account, the pension funding  
35 stabilization account, the perpetual surveillance and maintenance  
36 account, the pollution liability insurance agency underground storage  
37 tank revolving account, the public employees' retirement system plan  
38 1 account, the public employees' retirement system combined plan 2  
39 and plan 3 account, the public facilities construction loan revolving  
40 account beginning July 1, 2004, the public health supplemental

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

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

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

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

19 NEW SECTION. **Sec. 21.** (1) On July 1, 2016, if the cash balance  
20 amount in the pollution liability insurance program trust account  
21 exceeds seven million five hundred thousand dollars after excluding  
22 the reserves under RCW 70.148.020(2), the state treasurer shall  
23 transfer the amount exceeding seven million five hundred thousand  
24 dollars, up to a transfer of ten million dollars, from the pollution  
25 liability insurance program trust account into the pollution  
26 liability insurance agency underground storage tank revolving  
27 account.

28 (2) On July 1, 2017, and every two years thereafter at the start  
29 of each successive biennium, if the cash balance amount in the  
30 pollution liability insurance program trust account exceeds seven  
31 million five hundred thousand dollars, the state treasurer shall  
32 transfer the amount exceeding seven million five hundred thousand  
33 dollars after excluding the reserves under RCW 70.148.020(2), up to a  
34 transfer of twenty million dollars, from the pollution liability  
35 insurance program trust account into the pollution liability  
36 insurance agency underground storage tank revolving account. If  
37 twenty million dollars is not available to be transferred at the  
38 beginning of the first fiscal year of the biennium, on July 1st of  
39 the subsequent fiscal year, if the cash balance amount in the

1 pollution liability insurance program trust account exceeds seven  
2 million five hundred thousand dollars after excluding the reserves  
3 under RCW 70.148.020(2), the state treasurer shall transfer the  
4 amount exceeding seven million five hundred thousand dollars from the  
5 pollution liability insurance program trust account into the  
6 pollution liability insurance agency underground storage tank  
7 revolving account. The total amount transferred in a biennium from  
8 the pollution liability insurance program trust account into the  
9 pollution liability insurance agency underground storage tank  
10 revolving account may not exceed twenty million dollars.

11 NEW SECTION. **Sec. 22.** Sections 1 through 13, 21, and 23 of this  
12 act constitute a new chapter in Title 70 RCW.

13 NEW SECTION. **Sec. 23.** Sections 1 through 13 of this act take  
14 effect July 1, 2016.

15 NEW SECTION. **Sec. 24.** The following acts or parts of acts are  
16 each repealed:

17 (1) RCW 70.148.120 (Financial assistance for corrective actions  
18 in small communities—Intent) and 2005 c 428 s 1 & 1991 c 4 s 1;

19 (2) RCW 70.148.130 (Financial assistance—Criteria) and 2005 c 428  
20 s 2 & 1991 c 4 s 2;

21 (3) RCW 70.148.140 (Financial assistance—Private owner or  
22 operator) and 1991 c 4 s 3;

23 (4) RCW 70.148.150 (Financial assistance—Public owner or  
24 operator) and 1991 c 4 s 4;

25 (5) RCW 70.148.160 (Financial assistance—Rural hospitals) and  
26 1991 c 4 s 5; and

27 (6) RCW 70.148.170 (Certification) and 1991 c 4 s 6.

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