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**THIRD SUBSTITUTE HOUSE BILL 1498**

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**State of Washington**

**66th Legislature**

**2019 Regular Session**

**By** House Appropriations (originally sponsored by Representatives Hudgins, Dye, Tharinger, Maycumber, DeBolt, Wylie, Orcutt, Chapman, Kloba, Tarleton, Frame, Appleton, Smith, Shewmake, Doglio, Paul, Reeves, Stanford, Valdez, Leavitt, Macri, and Steele; by request of Office of the Governor)

READ FIRST TIME 03/01/19.

1 AN ACT Relating to expanding affordable, resilient broadband  
2 service to enable economic development, public safety, health care,  
3 and education in Washington's communities; amending RCW 54.16.330,  
4 53.08.370, 80.36.630, 80.36.650, 80.36.660, 80.36.670, 80.36.680,  
5 80.36.690, and 80.36.700; amending 2013 2nd sp.s. c 8 ss 212 and 303  
6 (uncodified); reenacting and amending RCW 43.84.092; adding new  
7 sections to chapter 43.330 RCW; adding new sections to chapter 43.155  
8 RCW; creating new sections; repealing RCW 43.330.415, 43.330.418, and  
9 80.36.620; providing expiration dates; and declaring an emergency.

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

11 NEW SECTION. **Sec. 1.** The legislature finds that:

12 (1) Access to broadband is critical to full participation in  
13 society and the modern economy;

14 (2) Increasing broadband access to unserved areas of the state  
15 serves a fundamental governmental purpose and function and provides a  
16 public benefit to the citizens of Washington by enabling access to  
17 health care, education, and essential services, providing economic  
18 opportunities, and enhancing public health and safety;

19 (3) Achieving affordable and quality broadband access for all  
20 Washingtonians will require additional and sustained investment,

1 research, local and community participation, and partnerships between  
2 private, public, and nonprofit entities;

3 (4) The federal communications commission has adopted a national  
4 broadband plan that includes recommendations directed to federal,  
5 state, and local governments, including recommendations to:

6 (a) Design policies to ensure robust competition and maximize  
7 consumer welfare, innovation, and investment;

8 (b) Ensure efficient allocation and management of assets that the  
9 government controls or influences to encourage network upgrades and  
10 competitive entry;

11 (c) Reform current universal service mechanisms to support  
12 deployment in high-cost areas, ensuring that low-income Americans can  
13 afford broadband, and supporting efforts to boost adoption and  
14 utilization; and

15 (d) Reform laws, policies, standards, and incentives to maximize  
16 the benefits of broadband in sectors that government influences  
17 significantly, such as public education, health care, and government  
18 operations;

19 (5) Extensive investments have been made by the  
20 telecommunications industry and the public sector, as well as  
21 policies and programs adopted to provide affordable broadband  
22 services throughout the state, that will provide a foundation to  
23 build a comprehensive statewide framework for additional actions  
24 needed to advance the state's broadband goals; and

25 (6) Providing additional funding mechanisms to increase broadband  
26 access in unserved areas is in the best interest of the state. To  
27 that end, this act establishes a grant and loan program that will  
28 support the extension of broadband infrastructure to unserved areas.  
29 To ensure this program primarily serves the public interest, the  
30 legislature intends that any grant or loan provided to a private  
31 entity under this program must be conditioned on a guarantee that the  
32 asset or infrastructure to be developed will be maintained for public  
33 use for a period of at least fifteen years.

34 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.330  
35 RCW to read as follows:

36 The definitions in this section apply throughout this section and  
37 sections 3 through 6 of this act unless the context clearly requires  
38 otherwise.

1 (1) "Board" means the public works board established in RCW  
2 43.155.030.

3 (2) "Broadband" or "broadband service" means any service  
4 providing advanced telecommunications capability and internet access  
5 with transmission speeds that, at a minimum, provide twenty-five  
6 megabits per second download and three megabits per second upload.

7 (3) "Broadband infrastructure" means networks of deployed  
8 telecommunications equipment and technologies necessary to provide  
9 high-speed internet access and other advanced telecommunications  
10 services to end users.

11 (4) "Department" means the department of commerce.

12 (5) "Last mile infrastructure" means broadband infrastructure  
13 that serves as the final connection from a broadband service  
14 provider's network to the end-use customer's on-premises  
15 telecommunications equipment.

16 (6) "Local government" includes cities, towns, counties,  
17 municipal corporations, public port districts, public utility  
18 districts, quasi-municipal corporations, special purpose districts,  
19 and multiparty entities comprised of public entity members.

20 (7) "Middle mile infrastructure" means broadband infrastructure  
21 that links a broadband service provider's core network infrastructure  
22 to last mile infrastructure.

23 (8) "Office" means the governor's statewide broadband office  
24 established in section 3 of this act.

25 (9) "Tribe" means any federally recognized Indian tribe whose  
26 traditional lands and territories included parts of Washington.

27 (10) "Unserved areas" means areas of Washington in which  
28 households and businesses lack access to broadband service, as  
29 defined by the office, except that the state's definition for  
30 broadband service may not be actual speeds less than twenty-five  
31 megabits per second download and three megabits per second upload.

32 NEW SECTION. **Sec. 3.** A new section is added to chapter 43.330  
33 RCW to read as follows:

34 (1) The governor's statewide broadband office is established. The  
35 director of the office must be appointed by the governor. The office  
36 may employ staff necessary to carry out the office's duties as  
37 prescribed by this act, subject to the availability of amounts  
38 appropriated for this specific purpose.

1 (2) The purpose of the office is to encourage, foster, develop,  
2 and improve affordable, quality broadband within the state in order  
3 to:

4 (a) Drive job creation, promote innovation, improve economic  
5 vitality, and expand markets for Washington businesses;

6 (b) Serve the ongoing and growing needs of Washington's education  
7 systems, health care systems, public safety systems, industries and  
8 business, governmental operations, and citizens; and

9 (c) Improve broadband accessibility for unserved communities and  
10 populations.

11 NEW SECTION. **Sec. 4.** A new section is added to chapter 43.330  
12 RCW to read as follows:

13 (1) The office has the power and duty to:

14 (a) Serve as the central broadband planning body for the state of  
15 Washington;

16 (b) Coordinate with local governments, tribes, public and private  
17 entities, nonprofit organizations, and consumer-owned and investor-  
18 owned utilities to develop strategies and plans promoting deployment  
19 of broadband infrastructure and greater broadband access, while  
20 protecting proprietary information;

21 (c) Review existing broadband initiatives, policies, and public  
22 and private investments;

23 (d) Develop, recommend, and implement a statewide plan to  
24 encourage cost-effective broadband access and to make recommendations  
25 for increased usage, particularly in rural and other unserved areas;

26 (e) Update the state's broadband goals and definitions for  
27 broadband service in unserved areas as technology advances, except  
28 that the state's definition for broadband service may not be actual  
29 speeds less than twenty-five megabits per second download and three  
30 megabits per second upload; and

31 (f) Encourage public-private partnerships to increase deployment  
32 and adoption of broadband services and applications.

33 (2) When developing plans or strategies for broadband deployment,  
34 the office must consider:

35 (a) Partnerships between communities, tribes, nonprofit  
36 organizations, local governments, consumer-owned and investor-owned  
37 utilities, and public and private entities;

38 (b) Funding opportunities that provide for the coordination of  
39 public, private, state, and federal funds for the purposes of making

1 broadband infrastructure or broadband services available to rural and  
2 unserved areas of the state;

3 (c) Barriers to the deployment, adoption, and utilization of  
4 broadband service, including affordability of service; and

5 (d) Requiring minimum broadband service of twenty-five megabits  
6 per second download and three megabits per second upload speed, that  
7 is scalable to faster service.

8 (3) The office may assist applicants for the grant and loan  
9 program created in section 7 of this act with seeking federal funding  
10 or matching grants and other grant opportunities for deploying  
11 broadband services.

12 (4) The office may take all appropriate steps to seek and apply  
13 for federal funds for which the office is eligible, other grants, and  
14 accept donations, and must deposit these funds in the statewide  
15 broadband account created in section 8 of this act.

16 (5) In carrying out its purpose, the office may collaborate with  
17 the utilities and transportation commission, the office of the chief  
18 information officer, the department of commerce, the community  
19 economic revitalization board, the public works board, the state  
20 librarian, and all other relevant state agencies.

21 NEW SECTION. **Sec. 5.** A new section is added to chapter 43.330  
22 RCW to read as follows:

23 It is a goal of the state of Washington that:

24 (1) By 2024, all Washington businesses and residences have access  
25 to high-speed broadband that provides minimum download speeds of at  
26 least twenty-five megabits per second and minimum upload speeds of at  
27 least three megabits per second;

28 (2) By 2026, all Washington communities have access to at least  
29 one gigabit per second symmetrical broadband service at anchor  
30 institutions like schools, hospitals, libraries, and government  
31 buildings; and

32 (3) By 2028, all Washington businesses and residences have access  
33 to at least one provider of broadband with download speeds of at  
34 least one hundred fifty megabits per second and upload speeds of at  
35 least one hundred fifty megabits per second.

36 NEW SECTION. **Sec. 6.** A new section is added to chapter 43.330  
37 RCW to read as follows:

1 (1) Beginning January 1, 2021, and biennially thereafter, the  
2 office shall report to the legislative committees with jurisdiction  
3 over broadband policy and finance on the office's activities during  
4 the previous two years.

5 (2) The report must, at a minimum, contain:

6 (a) An analysis of the current availability and use of broadband,  
7 including average broadband speeds, within the state;

8 (b) Information gathered from schools, libraries, hospitals, and  
9 public safety facilities across the state, determining the actual  
10 speed and capacity of broadband currently in use and the need, if  
11 any, for increases in speed and capacity to meet current or  
12 anticipated needs;

13 (c) An overview of incumbent broadband infrastructure within the  
14 state;

15 (d) A summary of the office's activities in coordinating  
16 broadband infrastructure development with the public works board,  
17 including a summary of funds awarded under section 7 of this act;

18 (e) Suggested policies, incentives, and legislation designed to  
19 accelerate the achievement of the goals under section 5 of this act;  
20 and

21 (f) Any proposed legislative and policy initiatives.

22 NEW SECTION. **Sec. 7.** A new section is added to chapter 43.155  
23 RCW to read as follows:

24 (1) The board shall establish a competitive grant and loan  
25 program to award funding to eligible applicants in order to promote  
26 the expansion of access to broadband service in unserved areas of the  
27 state.

28 (2)(a) Grants and loans may be awarded under this section to  
29 assist in funding acquisition, installation, and construction of  
30 middle mile and last mile infrastructure that supports broadband  
31 services and to assist in funding strategic planning for deploying  
32 broadband service in unserved areas.

33 (b) The board may choose to fund all or part of an application  
34 for funding, provided that the application meets the requirements of  
35 subsection (9) of this section.

36 (3) Eligible applicants for grants and loans awarded under this  
37 section include:

38 (a) Local governments;

39 (b) Tribes;

1 (c) Nonprofit organizations;

2 (d) Cooperative associations;

3 (e) Multiparty entities comprised of public entity members;

4 (f) Limited liability corporations organized for the purpose of  
5 expanding broadband access; and

6 (g) Incorporated businesses or partnerships.

7 (4) (a) The board shall develop administrative procedures  
8 governing the application and award process. The board shall act as  
9 fiscal agent for the program and is responsible for receiving and  
10 reviewing applications and awarding funds under this section.

11 (b) At least sixty days prior to the first day applications may  
12 be submitted each fiscal year, the board must publish on its web site  
13 the specific criteria and any quantitative weighting scheme or  
14 scoring system that the board will use to evaluate or rank  
15 applications and award funding.

16 (c) The board may maintain separate accounting in the statewide  
17 broadband account created in section 8 of this act as the board deems  
18 necessary to carry out the purposes of this section.

19 (d) The board must provide a method for the allocation of loans,  
20 grants, provision of technical assistance, and interest rates under  
21 this section.

22 (5) An applicant for a grant or loan under this section must  
23 provide the following information on the application:

24 (a) The location of the project;

25 (b) Evidence regarding the unserved nature of the community in  
26 which the project is to be located;

27 (c) Evidence that proposed infrastructure will be capable of  
28 scaling to greater download and upload speeds;

29 (d) The number of households passed that will gain access to  
30 broadband service as a result of the project or whose broadband  
31 service will be upgraded as a result of the project;

32 (e) The estimated cost of retail services to end users  
33 facilitated by a project;

34 (f) The proposed actual download and upload speeds experienced by  
35 end users;

36 (g) Evidence of significant community institutions that will  
37 benefit from the proposed project;

38 (h) Anticipated economic, educational, health care, or public  
39 safety benefits created by the project;

40 (i) Evidence of community support for the project;

1 (j) If available, a description of the applicant's user adoption  
2 assistance program and efforts to promote the use of newly available  
3 broadband services created by the project;

4 (k) The estimated total cost of the project;

5 (l) Other sources of funding for the project that will supplement  
6 any grant or loan award;

7 (m) A demonstration of the project's long-term sustainability,  
8 including the applicant's financial soundness, organizational  
9 capacity, and technical expertise;

10 (n) A strategic plan to maintain long-term operation of the  
11 infrastructure;

12 (o) Evidence that no later than six weeks before submission of  
13 the application, the applicant contacted, in writing, all entities  
14 providing broadband service near the proposed project area to ask  
15 each broadband service provider's plan to upgrade broadband service  
16 in the project area to speeds that meet or exceed the state's  
17 definition for broadband service as defined in section 2 of this act,  
18 within the time frame specified in the proposed grant or loan  
19 activities;

20 (p) If applicable, the broadband service providers' written  
21 responses to the inquiry made under (o) of this subsection; and

22 (q) Any additional information requested by the board.

23 (6)(a) Within thirty days of the close of the grant and loan  
24 application process, the board shall publish on its web site the  
25 proposed geographic broadband service area and the proposed broadband  
26 speeds for each application submitted.

27 (b) Any existing broadband service provider near the proposed  
28 project area may, within thirty days of publication of the  
29 information under (a) of this subsection, submit in writing to the  
30 board an objection to an application. An objection must contain  
31 information demonstrating that:

32 (i) The project would result in overbuild, meaning that the  
33 objecting provider currently provides, or has begun construction to  
34 provide, broadband service to end users in the proposed project area  
35 at speeds equal to or greater than the state speed goals contained in  
36 section 5 of this act; or

37 (ii) The objecting provider commits to complete construction of  
38 broadband infrastructure and provide broadband service to end users  
39 in the proposed project area at speeds equal to or greater than the  
40 state speed goals contained in section 5 of this act, no later than



1 twenty-four months after the date awards are made under this section  
2 for the grant and loan cycle under which the application was  
3 submitted.

4 (c) Objections submitted to the board under this subsection must  
5 be certified by affidavit.

6 (d) The board may evaluate the information submitted under this  
7 section by the objecting provider and must consider it in making a  
8 determination on the application objected to. The board may request  
9 clarification or additional information. The board may choose to not  
10 fund a project if the board determines that the objecting provider's  
11 commitment to provide broadband service that meets the requirements  
12 of (b) of this subsection in the proposed project area is credible.  
13 In assessing the commitment, the board may consider whether the  
14 objecting provider has or will provide a bond, letter of credit, or  
15 other indicia of financial commitment guaranteeing the project's  
16 completion.

17 (e) If the board denies funding to an applicant as a result of a  
18 broadband service provider's objection made under this section, and  
19 the broadband service provider does not fulfill its commitment to  
20 provide broadband service in the project area, then for the following  
21 two grant and loan cycles, the board is prohibited from denying  
22 funding to an applicant on the basis of a challenge by the same  
23 broadband service provider, unless the board determines that the  
24 broadband service provider's failure to fulfill the provider's  
25 commitment was the result of factors beyond the broadband service  
26 provider's control. The board is not prohibited from denying funding  
27 to an applicant for reasons other than an objection by the same  
28 broadband service provider.

29 (f) An applicant or broadband service provider that objected to  
30 the application may request a debriefing conference regarding the  
31 board's decision on the application. Requests for debriefing must be  
32 coordinated by the office and must be submitted in writing in  
33 accordance with procedures specified by the office.

34 (g) Confidential business and financial information submitted by  
35 an objecting provider under this subsection is exempt from disclosure  
36 under chapter 42.56 RCW.

37 (7) (a) In evaluating applications and awarding funds, the board  
38 shall give priority to applications that are constructed in areas  
39 identified as unserved.

1 (b) In evaluating applications and awarding funds, the board may  
2 give priority to applications that:

3 (i) Provide assistance to public-private partnerships deploying  
4 broadband infrastructure from areas currently served with broadband  
5 service to areas currently lacking access to broadband services;

6 (ii) Demonstrate project readiness to proceed;

7 (iii) Construct infrastructure that is open access, meaning that  
8 during the useful life of the infrastructure, service providers may  
9 use network services and facilities at rates, terms, and conditions  
10 that are not discriminatory or preferential between providers, and  
11 employing accountable interconnection arrangements published and  
12 available publicly;

13 (iv) Are submitted by tribal governments whose reservations are  
14 in rural and remote areas where reliable and efficient broadband  
15 services are unavailable to many or most residents;

16 (v) Bring broadband service to tribal lands, particularly to  
17 rural and remote tribal lands or areas servicing rural and remote  
18 tribal entities;

19 (vi) Are submitted by tribal governments in rural and remote  
20 areas that have spent significant amounts of tribal funds to address  
21 the problem but cannot provide necessary broadband services without  
22 either additional state support, additional federal support, or both;

23 (vii) Serve economically distressed areas of the state as the  
24 term "distressed area" is defined in RCW 43.168.020;

25 (viii) Offer new or substantially upgraded broadband service to  
26 important community anchor institutions including, but not limited  
27 to, libraries, educational institutions, public safety facilities,  
28 and health care facilities;

29 (ix) Facilitate the use of telemedicine and electronic health  
30 records, especially in deliverance of behavioral health services and  
31 services to veterans;

32 (x) Provide technical support and train residents, businesses,  
33 and institutions in the community served by the project to utilize  
34 broadband service;

35 (xi) Include a component to actively promote the adoption of  
36 newly available broadband services in the community;

37 (xii) Provide evidence of strong support for the project from  
38 citizens, government, businesses, and community institutions;

39 (xiii) Provide access to broadband service to a greater number of  
40 unserved households and businesses, including farms;

1 (xiv) Utilize equipment and technology demonstrating greater  
2 longevity of service;

3 (xv) Seek the lowest amount of state investment per new location  
4 served and leverage greater amounts of funding for the project from  
5 other private and public sources;

6 (xvi) Include evidence of a customer service plan;

7 (xvii) Consider leveraging existing broadband infrastructure and  
8 other unique solutions;

9 (xviii) Benefit public safety and fire preparedness; or

10 (xix) Demonstrate other priorities as the board may prescribe by  
11 rule.

12 (c) The board shall endeavor to award funds under this section to  
13 qualified applicants in all regions of the state.

14 (d) The board shall consider affordability and quality of service  
15 to end users in making a determination on any application.

16 (e) The board may develop additional rules for eligibility,  
17 project applications, the associated objection process, and funding  
18 priority, as provided under this subsection and subsections (3), (5),  
19 and (6) of this section.

20 (f) The board may adopt rules for a voluntary nonbinding  
21 mediation between incumbent providers and applicants to the grant and  
22 loan program created in this section.

23 (8) To ensure a grant or loan to a private entity under this  
24 section primarily serves the public interest and benefits the public,  
25 any such grant or loan must be conditioned on a guarantee that the  
26 asset or infrastructure to be developed will be maintained for public  
27 use for a period of at least fifteen years.

28 (9) (a) No funds awarded under this section may fund more than  
29 fifty percent of the total cost of the project, except as provided in  
30 (b) of this subsection.

31 (b) The board may choose to fund up to ninety percent of the  
32 total cost of a project in financially distressed counties.

33 (c) Funds awarded to a single project under this section must not  
34 exceed two million dollars.

35 (10) Prior to awarding funds under this section, the board must  
36 consult with the Washington utilities and transportation commission.  
37 The commission must provide to the board an assessment of the  
38 economic and technical feasibility of a proposed application. The  
39 board must consider the commission's assessment as part of its  
40 evaluation of a proposed application.

1 (11) The board shall have such rights of recovery in the event of  
2 default in payment or other breach of financing agreement as may be  
3 provided in the agreement or otherwise by law.

4 (12) The community economic revitalization board shall facilitate  
5 the timely transmission of information and documents from its  
6 broadband program to the board in order to effectuate an orderly  
7 transition.

8 (13) The definitions in section 2 of this act apply throughout  
9 this section unless the context clearly requires otherwise.

10 NEW SECTION. **Sec. 8.** A new section is added to chapter 43.155  
11 RCW to read as follows:

12 (1) The statewide broadband account is created in the state  
13 treasury. Moneys received from appropriations by the legislature, the  
14 proceeds of bond sales when authorized by the legislature, repayment  
15 of loans, or any other lawful source must be deposited into the  
16 account for uses consistent with this section. Moneys in the account  
17 may be spent only after appropriation.

18 (2) Expenditures from the account may be used only:

19 (a) For grant and loan awards made under section 7 of this act,  
20 including costs incurred by the board to administer section 7 of this  
21 act;

22 (b) To contract for data acquisition, a statewide broadband  
23 demand assessment, or gap analysis;

24 (c) To supplement revenues raised by bonds sold by local  
25 governments for broadband structure development; or

26 (d) To provide for state match requirements under federal law.

27 (3) The board must maintain separate accounting for any federal  
28 funds in the account.

29 (4) The definitions in section 2 of this act apply throughout  
30 this section unless the context clearly requires otherwise.

31 **Sec. 9.** RCW 54.16.330 and 2004 c 158 s 1 are each amended to  
32 read as follows:

33 (1) (a) A public utility district in existence on June 8, 2000,  
34 may construct, purchase, acquire, develop, finance, lease, license,  
35 handle, provide, add to, contract for, interconnect, alter, improve,  
36 repair, operate, and maintain any telecommunications facilities  
37 within or without the district's limits for the following purposes:

1       ~~((a))~~ (i) For the district's internal telecommunications needs;  
2       ~~((and~~  
3       ~~(b))~~ (ii) For the provision of wholesale telecommunications  
4 services within the district and by contract with another public  
5 utility district.

6       (b) Except as provided in subsection (8) of this section, nothing  
7 in this ~~((subsection))~~ section shall be construed to authorize public  
8 utility districts to provide telecommunications services to end  
9 users.

10       (2) A public utility district providing wholesale or retail  
11 telecommunications services shall ensure that rates, terms, and  
12 conditions for such services are not unduly or unreasonably  
13 discriminatory or preferential. Rates, terms, and conditions are  
14 discriminatory or preferential when a public utility district  
15 offering rates, terms, and conditions to an entity for wholesale or  
16 retail telecommunications services does not offer substantially  
17 similar rates, terms, and conditions to all other entities seeking  
18 substantially similar services.

19       (3) A public utility district providing wholesale or retail  
20 telecommunications services shall not be required to, but may,  
21 establish a separate utility system or function for such purpose. In  
22 either case, a public utility district providing wholesale or retail  
23 telecommunications services shall separately account for any revenues  
24 and expenditures for those services according to standards  
25 established by the state auditor pursuant to its authority in chapter  
26 43.09 RCW and consistent with the provisions of this title. Any  
27 revenues received from the provision of wholesale or retail  
28 telecommunications services must be dedicated to costs incurred to  
29 build and maintain any telecommunications facilities constructed,  
30 installed, or acquired to provide such services, including payments  
31 on debt issued to finance such services, until such time as any bonds  
32 or other financing instruments executed after June 8, 2000, and used  
33 to finance such telecommunications facilities are discharged or  
34 retired.

35       (4) When a public utility district provides wholesale or retail  
36 telecommunications services, all telecommunications services rendered  
37 to the district for the district's internal telecommunications needs  
38 shall be allocated or charged at its true and full value. A public  
39 utility district may not charge its nontelecommunications operations  
40 rates that are preferential or discriminatory compared to those it

1 charges entities purchasing wholesale or retail telecommunications  
2 services.

3 (5) If a person or entity receiving retail telecommunications  
4 services from a public utility district under this section has a  
5 complaint regarding the reasonableness of the rates, terms,  
6 conditions, or services provided, the person or entity may file a  
7 complaint with the district commission.

8 (6) A public utility district shall not exercise powers of  
9 eminent domain to acquire telecommunications facilities or  
10 contractual rights held by any other person or entity to  
11 telecommunications facilities.

12 ~~((+6))~~ (7) Except as otherwise specifically provided, a public  
13 utility district may exercise any of the powers granted to it under  
14 this title and other applicable laws in carrying out the powers  
15 authorized under this section. Nothing in chapter 81, Laws of 2000  
16 limits any existing authority of a public utility district under this  
17 title.

18 (8) (a) If an internet service provider operating on  
19 telecommunications facilities of a public utility district that  
20 provides wholesale telecommunications services but does not provide  
21 retail telecommunications services, ceases to provide access to the  
22 internet to its end-use customers, and no other retail service  
23 providers are willing to provide service, the public utility district  
24 may provide retail telecommunications services to the end-use  
25 customers of the defunct internet service provider in order for end-  
26 use customers to maintain access to the internet until a replacement  
27 internet service provider is, or providers are, in operation.

28 (b) Within thirty days of an internet service provider ceasing to  
29 provide access to the internet, the public utility district must  
30 initiate a process to find a replacement internet service provider or  
31 providers to resume providing access to the internet using  
32 telecommunications facilities of a public utility district.

33 (c) For a maximum period of five months, following initiation of  
34 the process begun in (b) of this section, or, if earlier than five  
35 months, until a replacement internet service provider is, or  
36 providers are, in operation, the district commission may establish a  
37 rate for providing access to the internet and charge customers to  
38 cover expenses necessary to provide access to the internet.

1       **Sec. 10.** RCW 53.08.370 and 2018 c 169 s 2 are each amended to  
2 read as follows:

3       (1) A port district in existence on June 8, 2000, may construct,  
4 purchase, acquire, develop, finance, lease, license, handle, provide,  
5 add to, contract for, interconnect, alter, improve, repair, operate,  
6 and maintain any telecommunications facilities within or without the  
7 district's limits for the following purposes:

8       (a) For the district's own use; and

9       (b) For the provision of wholesale telecommunications services  
10 within or without the district's limits. Nothing in this subsection  
11 shall be construed to authorize port districts to provide  
12 telecommunications services to end users.

13       (2) Except as provided in subsection (9) of this section, a port  
14 district providing wholesale telecommunications services under this  
15 section shall ensure that rates, terms, and conditions for such  
16 services are not unduly or unreasonably discriminatory or  
17 preferential. Rates, terms, and conditions are discriminatory or  
18 preferential when a port district offering such rates, terms, and  
19 conditions to an entity for wholesale telecommunications services  
20 does not offer substantially similar rates, terms, and conditions to  
21 all other entities seeking substantially similar services.

22       (3) When a port district establishes a separate utility function  
23 for the provision of wholesale telecommunications services, it shall  
24 account for any and all revenues and expenditures related to its  
25 wholesale telecommunications facilities and services separately from  
26 revenues and expenditures related to its internal telecommunications  
27 operations. Any revenues received from the provision of wholesale  
28 telecommunications services must be dedicated to the utility function  
29 that includes the provision of wholesale telecommunications services  
30 for costs incurred to build and maintain the telecommunications  
31 facilities until such time as any bonds or other financing  
32 instruments executed after June 8, 2000, and used to finance the  
33 telecommunications facilities are discharged or retired.

34       (4) When a port district establishes a separate utility function  
35 for the provision of wholesale telecommunications services, all  
36 telecommunications services rendered by the separate function to the  
37 district for the district's internal telecommunications needs shall  
38 be charged at its true and full value. A port district may not charge  
39 its nontelecommunications operations rates that are preferential or

1 discriminatory compared to those it charges entities purchasing  
2 wholesale telecommunications services.

3 (5) A port district shall not exercise powers of eminent domain  
4 to acquire telecommunications facilities or contractual rights held  
5 by any other person or entity to telecommunications facilities.

6 (6) Except as otherwise specifically provided, a port district  
7 may exercise any of the powers granted to it under this title and  
8 other applicable laws in carrying out the powers authorized under  
9 this section. Nothing in chapter 81, Laws of 2000 limits any existing  
10 authority of a port district under this title.

11 (7) A port district that has not exercised the authorities  
12 provided in this section prior to June 7, 2018, must develop a  
13 business case plan before exercising the authorities provided in this  
14 section. The port district must procure an independent qualified  
15 consultant to review the business case plan, including the use of  
16 public funds in the provision of wholesale telecommunications  
17 services. Any recommendations or adjustments to the business case  
18 plan made during third-party review must be received and either  
19 rejected or accepted by the port commission in an open meeting.

20 (8) A port district with telecommunications facilities for use in  
21 the provision of wholesale telecommunications in accordance with  
22 subsection (1)(b) of this section may be subject to local leasehold  
23 excise taxes under RCW 82.29A.040.

24 (9)(a) A port district under this section may select a  
25 telecommunications company to operate all or a portion of the port  
26 district's telecommunications facilities.

27 (b) For the purposes of this section "telecommunications company"  
28 means any for-profit entity owned by investors that sells  
29 telecommunications services to end users.

30 (c) Nothing in this subsection (9) is intended to limit or  
31 otherwise restrict any other authority provided by law.

32 **Sec. 11.** RCW 80.36.630 and 2013 2nd sp.s. c 8 s 202 are each  
33 amended to read as follows:

34 (1) The definitions in this section apply throughout this section  
35 and RCW 80.36.650 through 80.36.690 and 80.36.610 unless the context  
36 clearly requires otherwise.

37 (a) "Basic residential service" means those services set out in  
38 47 C.F.R. Sec. 54.101(a) (2011), as it existed on the effective date



1 of this section, and mandatory extended area service approved by the  
2 commission.

3 (b) "Basic telecommunications services" means the following  
4 services:

5 (i) Single-party service;

6 (ii) Voice grade access to the public switched network;

7 (iii) Support for local usage;

8 (iv) Dual tone multifrequency signaling (touch-tone);

9 (v) Access to emergency services (911);

10 (vi) Access to operator services;

11 (vii) Access to interexchange services;

12 (viii) Access to directory assistance; and

13 (ix) Toll limitation services.

14 (c) "Broadband service" means any service providing advanced  
15 telecommunications capability, including internet access and access  
16 to high quality voice, data, graphics, or video.

17 (d) "Communications provider" means a provider of communications  
18 services that assigns a working telephone number to a final consumer  
19 for intrastate wireline or wireless communications services or  
20 interconnected voice over internet protocol service, and includes  
21 local exchange carriers.

22 (~~(d)~~) (e) "Communications services" includes telecommunications  
23 services and information services and any combination thereof.

24 (~~(e)~~) (f) "Incumbent local exchange carrier" has the same  
25 meaning as set forth in 47 U.S.C. Sec. 251(h).

26 (~~(f)~~) (g) "Incumbent public network" means the network  
27 established by incumbent local exchange carriers for the delivery of  
28 communications services to customers that is used by communications  
29 providers for origination or termination of communications services  
30 by or to customers.

31 (~~(g)~~) (h) "Interconnected voice over internet protocol service"  
32 means an interconnected voice over internet protocol service that:

33 (~~(a)~~—~~(i)~~) (i) Enables real-time, two-way voice communications;

34 (~~(b)~~—~~(ii)~~) (ii) requires a broadband connection from the user's  
35 location; (~~(c)~~—~~(iii)~~) (iii) requires internet protocol-compatible

36 customer premises equipment; and (~~(d)~~—~~(iv)~~) (iv) permits users  
37 generally to receive calls that originate on the public network and  
38 to terminate calls to the public network.

39 (~~(h)~~) (i) "Program" means the state universal communications  
40 services program created in RCW 80.36.650.

1       ~~((i))~~ (j) "Telecommunications" has the same meaning as defined  
2 in 47 U.S.C. Sec. 153(43).

3       ~~((j))~~ (k) "Telecommunications act of 1996" means the  
4 telecommunications act of 1996 (P.L. 104-104, 110 Stat. 56).

5       ~~((k) "Working telephone number" means a north American numbering  
6 plan telephone number, or successor dialing protocol, that is  
7 developed for use in placing calls to or from the public network,  
8 that enables a consumer to make or receive calls.))~~

9       (2) This section expires July 1, ~~((2020))~~ 2025.

10       **Sec. 12.** RCW 80.36.650 and 2016 c 145 s 1 are each amended to  
11 read as follows:

12       (1) A state universal communications services program is  
13 established. The program is established to protect public safety and  
14 welfare under the authority of the state to regulate  
15 telecommunications under Article XII, section 19 of the state  
16 Constitution. The purpose of the program is to support continued  
17 provision of basic telecommunications services under rates, terms,  
18 and conditions established by the commission ~~((during the time over  
19 which incumbent communications providers in the state are adapting to  
20 changes in federal universal service fund and intercarrier  
21 compensation support))~~ and the provision, enhancement, and  
22 maintenance of broadband services, recognizing that, historically,  
23 the incumbent public network functions to provide all communications  
24 services including, but not limited to, voice and broadband services.

25       (2) Under the program, eligible communications providers may  
26 receive distributions from the universal communications services  
27 account created in RCW 80.36.690 in exchange for the affirmative  
28 agreement to provide continued telecommunications services under the  
29 rates, terms, and conditions established by the commission under this  
30 chapter, and broadband services, for the period covered by the  
31 distribution. The commission must implement and administer the  
32 program under terms and conditions established in RCW 80.36.630  
33 through 80.36.690. Expenditures for the program may not exceed five  
34 million dollars per fiscal year; provided, however, that if less than  
35 five million dollars is expended in any fiscal year, the unexpended  
36 portion must be carried over to subsequent fiscal years and, unless  
37 fully expended, must be available for program expenditures in such  
38 subsequent fiscal years in addition to the five million dollars  
39 allotted for each of those subsequent fiscal years.

1 (3) A communications provider is eligible to receive  
2 distributions from the account if:

3 (a) ~~(i)~~ The communications provider is: ~~((i))~~ (A) An incumbent  
4 local exchange carrier serving fewer than forty thousand access lines  
5 in the state; or ~~((ii))~~ (B) a radio communications service company  
6 providing wireless two-way voice communications service and broadband  
7 services to less than the equivalent of forty thousand access lines  
8 in the state. For purposes of determining the access line threshold  
9 in this subsection, the access lines or equivalents of all wireline  
10 affiliates must be counted as a single threshold, if the lines or  
11 equivalents are located in Washington;

12 ~~((b))~~ (ii) ~~The ((customers of the communications provider are~~  
13 ~~at risk of rate instability or service interruptions or cessations~~  
14 ~~absent a distribution to the provider that will allow the provider to~~  
15 ~~maintain rates reasonably close to the benchmark))~~ communications  
16 provider has adopted a plan to provide, enhance, or maintain  
17 broadband services in its service area; and

18 ~~((c))~~ (iii) The communications provider meets any other  
19 requirements established by the commission pertaining to the  
20 provision of communications services, including basic  
21 telecommunications services; or

22 (b) The communications provider demonstrates to the commission  
23 that the communications provider is able to provide the same or  
24 comparable services at the same or similar service quality standards  
25 at a lower price; and: (i) Will provide communications services to  
26 all customers in the exchange or exchanges in which it will provide  
27 service; and (ii) submits to the commission's regulation of its  
28 service as if it were the incumbent local exchange company serving  
29 the exchange or exchanges for which it seeks distribution from the  
30 account.

31 (4) (a) Distributions to eligible communications providers are  
32 based on ~~((a benchmark))~~ criteria established by the commission.  
33 ~~((The benchmark is the rate the commission determines to be a~~  
34 ~~reasonable amount customers should pay for basic residential service~~  
35 ~~provided over the incumbent public network. However, if an incumbent~~  
36 ~~local exchange carrier is charging rates above the benchmark for the~~  
37 ~~basic residential service, that provider may not seek distributions~~  
38 ~~from the fund for the purpose of reducing those rates to the~~  
39 ~~benchmark.))~~

1 (b) If the program does not have sufficient funds to fully fund  
2 the distribution formula set out in (a) of this subsection,  
3 distributions must be reduced on a pro rata basis using the amounts  
4 calculated for that year's program support as the basis of the pro  
5 rata calculations.

6 (c) To receive a distribution under the program, an eligible  
7 communications provider must affirmatively consent to continue  
8 providing communications services to its customers under rates,  
9 terms, and conditions established by the commission pursuant to this  
10 chapter for the period covered by the distribution.

11 (5) The program is funded from amounts deposited by the  
12 legislature in the universal communications services account  
13 established in RCW 80.36.690. The commission must operate the program  
14 within amounts appropriated for this purpose and deposited in the  
15 account.

16 (6) The commission must periodically review the accounts and  
17 records of any communications provider that receives distributions  
18 under the program to ensure compliance with the program and monitor  
19 the providers' use of the funds.

20 (7) The commission must establish an advisory board, consisting  
21 of a reasonable balance of representatives from different types of  
22 stakeholders, including but not limited to communications providers  
23 and consumers, to advise the commission on any rules and policies  
24 governing the operation of the program.

25 (8) The program terminates on June 30, ((2019)) 2024, and no  
26 distributions may be made after that date.

27 (9) This section expires July 1, ((2020)) 2025.

28 **Sec. 13.** RCW 80.36.660 and 2013 2nd sp.s. c 8 s 204 are each  
29 amended to read as follows:

30 (1) To implement the program, the commission must adopt rules for  
31 the following purposes:

32 (a) Operation of the program, including criteria for: Eligibility  
33 for distributions; use of the funds; identification of any reports or  
34 data that must be filed with the commission, including, but not  
35 limited to, how a communication provider used the distributed funds;  
36 and the communications provider's infrastructure;

37 (b) Operation of the universal communications services account  
38 established in RCW 80.36.690;

1 (c) Establishment of the (~~benchmark~~) criteria used to calculate  
2 distributions; and

3 (d) Readoption, amendment, or repeal of any existing rules  
4 adopted pursuant to RCW 80.36.610 (~~and 80.36.620~~) as necessary to  
5 be consistent with RCW 80.36.630 through 80.36.690 and 80.36.610.

6 (2) This section expires July 1, (~~2020~~) 2025.

7 **Sec. 14.** RCW 80.36.670 and 2013 2nd sp.s. c 8 s 205 are each  
8 amended to read as follows:

9 (1) In addition to any other penalties prescribed by law, the  
10 commission may impose penalties for failure to make or delays in  
11 making or filing any reports required by the commission for  
12 administration of the program. In addition, the commission may  
13 recover amounts determined to have been improperly distributed under  
14 RCW 80.36.650. For the purposes of this section, the provisions of  
15 RCW 80.04.380 through 80.04.405, inclusive, apply to all companies  
16 that receive support from the universal communications services  
17 account created in RCW 80.36.690.

18 (2) Any action taken under this section must be taken only after  
19 providing the affected communications provider with notice and an  
20 opportunity for a hearing, unless otherwise provided by law.

21 (3) Any amounts recovered under this section must be deposited in  
22 the universal communications services account created in RCW  
23 80.36.690.

24 (4) This section expires July 1, (~~2020~~) 2025.

25 **Sec. 15.** RCW 80.36.680 and 2013 2nd sp.s. c 8 s 206 are each  
26 amended to read as follows:

27 (1) The commission may delegate to the commission secretary or  
28 other staff the authority to resolve disputes and make other  
29 administrative decisions necessary to the administration and  
30 supervision of the program consistent with the relevant statutes and  
31 commission rules.

32 (2) This section expires July 1, (~~2020~~) 2025.

33 **Sec. 16.** RCW 80.36.690 and 2013 2nd sp.s. c 8 s 208 are each  
34 amended to read as follows:

35 (1) The universal communications services account is created in  
36 the custody of the state treasurer. Revenues to the account consist  
37 of moneys deposited in the account by the legislature and any

1 penalties or other recoveries received pursuant to RCW 80.36.670.  
2 Expenditures from the account may be used only for the purposes of  
3 the universal communications services program established in RCW  
4 80.36.650 and commission expenses related to implementation and  
5 administration of the provisions of RCW 80.36.630 through 80.36.690  
6 and section 212, chapter 8, Laws of 2013 2nd sp. sess. Only the  
7 secretary of the commission or the secretary's designee may authorize  
8 expenditures from the account. The account is subject to allotment  
9 procedures under chapter 43.88 RCW, but an appropriation is not  
10 required for expenditures.

11 (2) This section expires July 1, (~~(2020)~~) 2025.

12 **Sec. 17.** RCW 80.36.700 and 2013 2nd sp.s. c 8 s 211 are each  
13 amended to read as follows:

14 (1) The universal communications services program established in  
15 RCW 80.36.630 through 80.36.690 terminates on June 30, (~~(2019)~~) 2024.

16 (2) This section expires July 1, (~~(2020)~~) 2025.

17 **Sec. 18.** 2013 2nd sp.s. c 8 s 212 (uncodified) is amended to  
18 read as follows:

19 (1) By December 1, (~~(2017)~~) 2024, and in compliance with RCW  
20 43.01.036, the Washington utilities and transportation commission  
21 (~~must~~) may report to the appropriate committees of the legislature,  
22 on the following: (~~(1)~~) (a) Whether funding levels for each small  
23 telecommunications company have been adequate to maintain reliable  
24 universal service; (~~(2)~~) (b) the future impacts on small  
25 telecommunications companies from the elimination of funding under  
26 this act; (~~(3)~~) (c) the impacts on customer rates from the current  
27 level of funding and the future impacts when the funding terminates  
28 under this act; and (~~(4)~~) (d) the impacts on line and service  
29 delivery investments when the funding is terminated under this act.  
30 The report may also include an analysis of the need for future  
31 program funding and recommendations on potential funding mechanisms  
32 to improve the availability of communications services, including  
33 broadband service, in unserved areas. Commission expenses related to  
34 conducting all analysis in preparation of this report must be  
35 expended from the universal communications services account.

36 (2) The Washington utilities and transportation commission must  
37 initiate a rule making to reform the state universal communications  
38 services program no later than ninety days following the effective

1 date of this section. The rule making must address adding broadband  
2 as a supported service and, consistent with the size of the fund,  
3 establishing:

4 (a) Broadband provider eligibility;

5 (b) Service performance and buildout requirements for funding  
6 recipients;

7 (c) Support amounts for maintaining systems that meet federal or  
8 state broadband speed guidelines; and

9 (d) Methods to effectively and efficiently distribute program  
10 support to eligible providers.

11 **Sec. 19.** RCW 43.84.092 and 2018 c 287 s 7, 2018 c 275 s 10, and  
12 2018 c 203 s 14 are each reenacted and amended to read as follows:

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

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

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

1 prior to distribution of earnings set forth in subsection (4) of this  
2 section.

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

7 (a) The following accounts and funds shall receive their  
8 proportionate share of earnings based upon each account's and fund's  
9 average daily balance for the period: The abandoned recreational  
10 vehicle disposal account, the aeronautics account, the aircraft  
11 search and rescue account, the Alaskan Way viaduct replacement  
12 project account, the brownfield redevelopment trust fund account, the  
13 budget stabilization account, the capital vessel replacement account,  
14 the capitol building construction account, the Cedar River channel  
15 construction and operation account, the Central Washington University  
16 capital projects account, the charitable, educational, penal and  
17 reformatory institutions account, the Chehalis basin account, the  
18 cleanup settlement account, the Columbia river basin water supply  
19 development account, the Columbia river basin taxable bond water  
20 supply development account, the Columbia river basin water supply  
21 revenue recovery account, the common school construction fund, the  
22 community forest trust account, the connecting Washington account,  
23 the county arterial preservation account, the county criminal justice  
24 assistance account, the deferred compensation administrative account,  
25 the deferred compensation principal account, the department of  
26 licensing services account, the department of licensing tuition  
27 recovery trust fund, the department of retirement systems expense  
28 account, the developmental disabilities community trust account, the  
29 diesel idle reduction account, the drinking water assistance account,  
30 the drinking water assistance administrative account, the early  
31 learning facilities development account, the early learning  
32 facilities revolving account, the Eastern Washington University  
33 capital projects account, the Interstate 405 express toll lanes  
34 operations account, the education construction fund, the education  
35 legacy trust account, the election account, the electric vehicle  
36 charging infrastructure account, the energy freedom account, the  
37 energy recovery act account, the essential rail assistance account,  
38 The Evergreen State College capital projects account, the federal  
39 forest revolving account, the ferry bond retirement fund, the freight  
40 mobility investment account, the freight mobility multimodal account,



1 the grade crossing protective fund, the public health services  
2 account, (~~the high capacity transportation account,~~) the state  
3 higher education construction account, the higher education  
4 construction account, the highway bond retirement fund, the highway  
5 infrastructure account, the highway safety fund, the high occupancy  
6 toll lanes operations account, the hospital safety net assessment  
7 fund, the industrial insurance premium refund account, the judges'  
8 retirement account, the judicial retirement administrative account,  
9 the judicial retirement principal account, the local leasehold excise  
10 tax account, the local real estate excise tax account, the local  
11 sales and use tax account, the marine resources stewardship trust  
12 account, the medical aid account, the mobile home park relocation  
13 fund, the money-purchase retirement savings administrative account,  
14 the money-purchase retirement savings principal account, the motor  
15 vehicle fund, the motorcycle safety education account, the multimodal  
16 transportation account, the multiuse roadway safety account, the  
17 municipal criminal justice assistance account, the natural resources  
18 deposit account, the oyster reserve land account, the pension funding  
19 stabilization account, the perpetual surveillance and maintenance  
20 account, the pollution liability insurance agency underground storage  
21 tank revolving account, the public employees' retirement system plan  
22 1 account, the public employees' retirement system combined plan 2  
23 and plan 3 account, the public facilities construction loan revolving  
24 account beginning July 1, 2004, the public health supplemental  
25 account, the public works assistance account, the Puget Sound capital  
26 construction account, the Puget Sound ferry operations account, the  
27 Puget Sound taxpayer accountability account, the real estate  
28 appraiser commission account, the recreational vehicle account, the  
29 regional mobility grant program account, the resource management cost  
30 account, the rural arterial trust account, the rural mobility grant  
31 program 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 employees' insurance account, the  
36 state employees' insurance reserve account, the state investment  
37 board expense account, the state investment board commingled trust  
38 fund accounts, the state patrol highway account, the state route  
39 number 520 civil penalties account, the state route number 520  
40 corridor account, the state wildlife account, the statewide broadband

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

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

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

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

6 **Sec. 20.** 2013 2nd sp.s. c 8 s 303 (uncodified) is amended to  
7 read as follows:

8 Section 209 of this act expires July 1, (~~2020~~) 2025.

9 NEW SECTION. **Sec. 21.** The following acts or parts of acts are  
10 each repealed:

11 (1) RCW 43.330.415 (Washington community technology opportunity  
12 account) and 2011 1st sp.s. c 43 s 608, 2009 c 509 s 8, & 2008 c 262  
13 s 8;

14 (2) RCW 43.330.418 (Broadband deployment and adoption—Governor's  
15 actions—Oversight and implementation by the department) and 2011 1st  
16 sp.s. c 43 s 609 & 2009 c 509 s 9; and

17 (3) RCW 80.36.620 (Universal service program—Rules) and 1998 c  
18 337 s 3.

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

23 NEW SECTION. **Sec. 23.** Sections 11 through 18 and 20 of this act  
24 are necessary for the immediate preservation of the public peace,  
25 health, or safety, or support of the state government and its  
26 existing public institutions, and take effect immediately.

27 NEW SECTION. **Sec. 24.** If specific funding for the purposes of  
28 this act, referencing this act by bill or chapter number, is not  
29 provided by June 30, 2019, in the omnibus appropriations act, this  
30 act is null and void.

--- END ---