
SUBSTITUTE SENATE BILL 5730

State of Washington **68th Legislature** **2023 Regular Session**

By Senate Housing (originally sponsored by Senator Fortunato)

READ FIRST TIME 02/17/23.

1 AN ACT Relating to impounds of vehicles used as residences;
2 amending RCW 46.55.120, 46.68.175, 46.17.380, 43.84.092, and
3 43.84.092; adding a new section to chapter 46.53 RCW; providing an
4 effective date; and providing an expiration date.

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

6 **Sec. 1.** RCW 46.55.120 and 2017 c 152 s 1 are each amended to
7 read as follows:

8 (1)(a) Vehicles or other items of personal property registered or
9 titled with the department that are impounded by registered tow truck
10 operators pursuant to RCW 46.55.080, 46.55.085, 46.55.113, or
11 9A.88.140 may be redeemed only by the following persons or entities:

12 (i) The legal owner;

13 (ii) The registered owner;

14 (iii) A person authorized in writing by the registered owner;

15 (iv) The vehicle's insurer or a vendor working on behalf of the
16 vehicle's insurer;

17 (v) A third-party insurer that has a duty to repair or replace
18 the vehicle, has obtained consent from the registered owner or the
19 owner's agent to move the vehicle, and has documented that consent in
20 the insurer's claim file, or a vendor working on behalf of a third-
21 party insurer that has received such consent; provided, however, that

1 at all times the registered owner must be granted access to and may
2 reclaim possession of the vehicle. For the purposes of this
3 subsection, "owner's agent" means the legal owner of the vehicle, a
4 driver in possession of the vehicle with the registered owner's
5 permission, or an adult member of the registered owner's family;

6 (vi) A person who is determined and verified by the operator to
7 have the permission of the registered owner of the vehicle or other
8 item of personal property registered or titled with the department;

9 (vii) A person who has purchased a vehicle or item of personal
10 property registered or titled with the department from the registered
11 owner who produces proof of ownership or written authorization and
12 signs a receipt therefor; (~~(e)~~)

13 (viii) If (a)(i) through (vii) of this subsection do not apply, a
14 person, who is known to the registered or legal owner of a motorcycle
15 or moped, as each are defined in chapter 46.04 RCW, that was towed
16 from the scene of an accident, may redeem the motorcycle or moped as
17 a bailment in accordance with RCW 46.55.125 while the registered or
18 legal owner is admitted as a patient in a hospital due to the
19 accident; or

20 (ix) A person who is authorized by a court to redeem the vehicle
21 after an impound hearing or other procedure.

22 (A) A court or administrative hearing officer, for the
23 jurisdiction in which the vehicle was impounded, may order the
24 release of the vehicle to any person meeting the criteria in (a)(i)
25 through (viii) of this subsection after a hearing or legal
26 proceeding.

27 (B) If ownership of the vehicle or authorization from the legal
28 or registered owner to use, reside in, or retrieve the vehicle is
29 disputed, a court or hearing officer may review any additionally
30 presented information and evidence at a court or administrative
31 hearing. If a person is unable to present sufficient evidence that
32 the person meets the criteria in (a)(i) through (viii) of this
33 subsection, a court, with good cause, may set aside the hearing for
34 up to 15 business days, unless extenuating circumstances require
35 additional time, to allow the person an opportunity to file
36 appropriate ownership paperwork with the department or to obtain
37 written authorization from the legal or registered owner to redeem
38 the vehicle. If a claimant files a claim under RCW 46.12.680 during
39 this additional time, a court may grant an additional continuance
40 until that legal proceeding has ended.

1 (b) In addition, a vehicle impounded because the operator is in
2 violation of RCW 46.20.342(1)(c) shall not be released until a person
3 eligible to redeem it under (a) of this subsection satisfies the
4 requirements of (f) of this subsection, including paying all towing,
5 removal, and storage fees, notwithstanding the fact that the hold was
6 ordered by a government agency. If the department's records show that
7 the operator has been convicted of a violation of RCW 46.20.342 or a
8 similar local ordinance within the past five years, the vehicle may
9 be held for up to (~~thirty~~) 30 days at the written direction of the
10 agency ordering the vehicle impounded. A vehicle impounded because
11 the operator is arrested for a violation of RCW 46.20.342 may be
12 released only pursuant to a written order from the agency that
13 ordered the vehicle impounded or from the court having jurisdiction.
14 An agency shall issue a written order to release pursuant to a
15 provision of an applicable state agency rule or local ordinance
16 authorizing release on the basis of the following:

17 (i) Economic or personal hardship to the spouse of the operator,
18 taking into consideration public safety factors, including the
19 operator's criminal history and driving record; or

20 (ii) The owner of the vehicle was not the driver, the owner did
21 not know that the driver's license was suspended or revoked, and the
22 owner has not received a prior release under this subsection or RCW
23 46.55.113(3).

24 In order to avoid discriminatory application, other than for the
25 reasons for release set forth in (b)(i) and (ii) of this subsection,
26 an agency shall, under a provision of an applicable state agency rule
27 or local ordinance, deny release in all other circumstances without
28 discretion.

29 If a vehicle is impounded because the operator is in violation of
30 RCW 46.20.342(1)(a) or (b), the vehicle may be held for up to thirty
31 days at the written direction of the agency ordering the vehicle
32 impounded. However, if the department's records show that the
33 operator has been convicted of a violation of RCW 46.20.342(1)(a) or
34 (b) or a similar local ordinance within the past five years, the
35 vehicle may be held at the written direction of the agency ordering
36 the vehicle impounded for up to (~~sixty~~) 60 days, and for up to
37 (~~ninety~~) 90 days if the operator has two or more such prior
38 offenses. If a vehicle is impounded because the operator is arrested
39 for a violation of RCW 46.20.342, the vehicle may not be released
40 until a person eligible to redeem it under (a) of this subsection

1 satisfies the requirements of (f) of this subsection, including
2 paying all towing, removal, and storage fees, notwithstanding the
3 fact that the hold was ordered by a government agency.

4 (c) If the vehicle is directed to be held for a suspended license
5 impound, a person who desires to redeem the vehicle at the end of the
6 period of impound shall within five days of the impound at the
7 request of the tow truck operator pay a security deposit to the tow
8 truck operator of not more than one-half of the applicable impound
9 storage rate for each day of the proposed suspended license impound.
10 The tow truck operator shall credit this amount against the final
11 bill for removal, towing, and storage upon redemption. The tow truck
12 operator may accept other sufficient security in lieu of the security
13 deposit. If the person desiring to redeem the vehicle does not pay
14 the security deposit or provide other security acceptable to the tow
15 truck operator, the tow truck operator may process and sell at
16 auction the vehicle as an abandoned vehicle within the normal time
17 limits set out in RCW 46.55.130(1). The security deposit required by
18 this section may be paid and must be accepted at any time up to
19 (~~twenty-four~~) 24 hours before the beginning of the auction to sell
20 the vehicle as abandoned. The registered owner is not eligible to
21 purchase the vehicle at the auction, and the tow truck operator shall
22 sell the vehicle to the highest bidder who is not the registered
23 owner.

24 (d) Notwithstanding (c) of this subsection, a rental car business
25 may immediately redeem a rental vehicle it owns by payment of the
26 costs of removal, towing, and storage, whereupon the vehicle will not
27 be held for a suspended license impound.

28 (e) Notwithstanding (c) of this subsection, a motor vehicle
29 dealer or lender with a perfected security interest in the vehicle
30 may redeem or lawfully repossess a vehicle immediately by payment of
31 the costs of removal, towing, and storage, whereupon the vehicle will
32 not be held for a suspended license impound. A motor vehicle dealer
33 or lender with a perfected security interest in the vehicle may not
34 knowingly and intentionally engage in collusion with a registered
35 owner to repossess and then return or resell a vehicle to the
36 registered owner in an attempt to avoid a suspended license impound.
37 However, this provision does not preclude a vehicle dealer or a
38 lender with a perfected security interest in the vehicle from
39 repossessing the vehicle and then selling, leasing, or otherwise
40 disposing of it in accordance with chapter 62A.9A RCW, including

1 providing redemption rights to the debtor under RCW 62A.9A-623. If
2 the debtor is the registered owner of the vehicle, the debtor's right
3 to redeem the vehicle under chapter 62A.9A RCW is conditioned upon
4 the debtor obtaining and providing proof from the impounding
5 authority or court having jurisdiction that any fines, penalties, and
6 forfeitures owed by the registered owner, as a result of the
7 suspended license impound, have been paid, and proof of the payment
8 must be tendered to the vehicle dealer or lender at the time the
9 debtor tenders all other obligations required to redeem the vehicle.
10 Vehicle dealers or lenders are not liable for damages if they rely in
11 good faith on an order from the impounding agency or a court in
12 releasing a vehicle held under a suspended license impound.

13 (f) The vehicle or other item of personal property registered or
14 titled with the department shall be released upon the presentation to
15 any person having custody of the vehicle of commercially reasonable
16 tender sufficient to cover the costs of towing, storage, or other
17 services rendered during the course of towing, removing, impounding,
18 or storing any such vehicle, with credit being given for the amount
19 of any security deposit paid under (c) of this subsection. In
20 addition, if a vehicle is impounded because the operator was arrested
21 for a violation of RCW 46.20.342 or 46.20.345 and was being operated
22 by the registered owner when it was impounded under local ordinance
23 or agency rule, it must not be released to any person until the
24 registered owner establishes with the agency that ordered the vehicle
25 impounded or the court having jurisdiction that any penalties, fines,
26 or forfeitures owed by him or her have been satisfied. Registered tow
27 truck operators are not liable for damages if they rely in good faith
28 on an order from the impounding agency or a court in releasing a
29 vehicle held under a suspended license impound. Commercially
30 reasonable tender shall include, without limitation, cash, major bank
31 credit cards issued by financial institutions, or personal checks
32 drawn on Washington state branches of financial institutions if
33 accompanied by two pieces of valid identification, one of which may
34 be required by the operator to have a photograph. If the towing firm
35 cannot determine through the customer's bank or a check verification
36 service that the presented check would be paid by the bank or
37 guaranteed by the service, the towing firm may refuse to accept the
38 check. Any person who stops payment on a personal check or credit
39 card, or does not make restitution within (~~ten~~) 10 days from the
40 date a check becomes insufficient due to lack of funds, to a towing

1 firm that has provided a service pursuant to this section or in any
2 other manner defrauds the towing firm in connection with services
3 rendered pursuant to this section shall be liable for damages in the
4 amount of twice the towing and storage fees, plus costs and
5 reasonable (~~attorney's~~) attorneys' fees.

6 (2)(a) The registered tow truck operator shall give to each
7 person who seeks to redeem an impounded vehicle, or item of personal
8 property registered or titled with the department, written notice of
9 the right of redemption and opportunity for a hearing, which notice
10 shall be accompanied by a form to be used for requesting a hearing,
11 the name of the person or agency authorizing the impound, and a copy
12 of the towing and storage invoice. The registered tow truck operator
13 shall maintain a record evidenced by the redeeming person's signature
14 that such notification was provided.

15 (b) Any person seeking to redeem an impounded vehicle under this
16 section has a right to a hearing in the district or municipal court
17 for the jurisdiction in which the vehicle was impounded to contest
18 the validity of the impoundment or the amount of towing and storage
19 charges. The district court has jurisdiction to determine the issues
20 involving all impoundments including those authorized by the state or
21 its agents. The municipal court has jurisdiction to determine the
22 issues involving impoundments authorized by agents of the
23 municipality. Any request for a hearing shall be made in writing on
24 the form provided for that purpose and must be received by the
25 appropriate court within (~~ten~~) 10 days of the date the opportunity
26 was provided for in (a) of this subsection and more than five days
27 before the date of the auction. The court may consider a late request
28 for a hearing for good cause when the vehicle is used as a residence
29 if the request is made in writing on a form provided for that purpose
30 more than five days before the date of the auction. At the time of
31 the filing of the hearing request, the petitioner shall pay to the
32 court clerk a filing fee in the same amount required for the filing
33 of a suit in district court. If the hearing request is not received
34 by the court within the (~~ten-day~~) 10-day period or by the extended
35 deadline authorized for a vehicle used as a residence, the right to a
36 hearing is waived and the registered owner is liable for any towing,
37 storage, or other impoundment charges permitted under this chapter.
38 Upon receipt of a timely hearing request, the court shall proceed to
39 hear and determine the validity of the impoundment.

1 (3) (a) The court, within five days after the request for a
2 hearing, shall notify the registered tow truck operator, the person
3 requesting the hearing if not the owner, the registered and legal
4 owners of the vehicle or other item of personal property registered
5 or titled with the department, and the person or agency authorizing
6 the impound in writing of the hearing date and time.

7 (b) At the hearing, the person or persons requesting the hearing
8 may produce any relevant evidence to show that the impoundment,
9 towing, or storage fees charged were not proper. The court may
10 consider a written report made under oath by the officer who
11 authorized the impoundment in lieu of the officer's personal
12 appearance at the hearing.

13 (c) At the conclusion of the hearing, the court shall determine
14 whether the impoundment was proper, whether the towing or storage
15 fees charged were in compliance with the posted rates, and who is
16 responsible for payment of the fees.

17 (i) The court may not adjust fees or charges that are in
18 compliance with the posted or contracted rates.

19 (ii) If the court finds that a vehicle is used as a residence,
20 the court may consider the person's ability to pay the towing and
21 storage fees charged and may reduce such fees if the court finds the
22 person to be indigent. The department must pay the difference between
23 the reduced fees and the tow truck operator's actual costs for the
24 towing and storage.

25 (d) If the impoundment is found proper, the impoundment, towing,
26 and storage fees as permitted under this chapter together with court
27 costs shall be assessed against the person or persons requesting the
28 hearing, unless the operator did not have a signed and valid
29 impoundment authorization from a private property owner or an
30 authorized agent.

31 (e) If the impoundment is determined to be in violation of this
32 chapter, then the registered and legal owners of the vehicle or other
33 item of personal property registered or titled with the department
34 shall bear no impoundment, towing, or storage fees, and any security
35 shall be returned or discharged as appropriate, and the person or
36 agency who authorized the impoundment shall be liable for any towing,
37 storage, or other impoundment fees permitted under this chapter. The
38 court shall enter judgment in favor of the registered tow truck
39 operator against the person or agency authorizing the impound for the
40 impoundment, towing, and storage fees paid. In addition, the court

1 shall enter judgment in favor of the registered and legal owners of
2 the vehicle, or other item of personal property registered or titled
3 with the department, for the amount of the filing fee required by law
4 for the impound hearing petition as well as reasonable damages for
5 loss of the use of the vehicle during the time the same was impounded
6 against the person or agency authorizing the impound. However, if an
7 impoundment arising from an alleged violation of RCW 46.20.342 or
8 46.20.345 is determined to be in violation of this chapter, then the
9 law enforcement officer directing the impoundment and the government
10 employing the officer are not liable for damages if the officer
11 relied in good faith and without gross negligence on the records of
12 the department in ascertaining that the operator of the vehicle had a
13 suspended or revoked driver's license. If any judgment entered is not
14 paid within (~~fifteen~~) 15 days of notice in writing of its entry,
15 the court shall award reasonable attorneys' fees and costs against
16 the defendant in any action to enforce the judgment. Notice of entry
17 of judgment may be made by registered or certified mail, and proof of
18 mailing may be made by affidavit of the party mailing the notice.
19 Notice of the entry of the judgment shall read essentially as
20 follows:

21 TO:
22 YOU ARE HEREBY NOTIFIED JUDGMENT was entered against you in
23 the Court located at in the sum of
24 \$., in an action entitled, Case
25 No. YOU ARE FURTHER NOTIFIED that attorneys fees and
26 costs will be awarded against you under RCW . . . if the
27 judgment is not paid within 15 days of the date of this
28 notice.
29 DATED this day of, (year) . . .
30 Signature
31 Typed name and address
32 of party mailing notice

33 (4) Any impounded abandoned vehicle or item of personal property
34 registered or titled with the department that is not redeemed within
35 (~~fifteen~~) 15 days of mailing of the notice of custody and sale as
36 required by RCW 46.55.110(3) shall be sold at public auction in
37 accordance with all the provisions and subject to all the conditions
38 of RCW 46.55.130. A vehicle or item of personal property registered
39 or titled with the department may be redeemed at any time before the

1 start of the auction upon payment of the applicable towing and
2 storage fees.

3 NEW SECTION. **Sec. 2.** A new section is added to chapter 46.53
4 RCW to read as follows:

5 (1) If a court reduces towing and storage fees of a vehicle used
6 as a residence by a person found to be indigent by the court, the
7 registered tow truck operator may apply to the department on a form
8 prescribed by the department for costs reimbursement to pay the
9 difference between any reduced towing and storage fees and the tow
10 truck operator's actual costs for the towing and storage.

11 (2) The department may only use funds as authorized under RCW
12 46.68.175 for costs reimbursement of a vehicle used as a residence.

13 (3) The department must seek reimbursement from the impounding
14 authority for any cost reimbursement paid to a registered tow truck
15 operator using funds authorized under RCW 46.68.175. Any repayment
16 made by an impounding authority to the department must be deposited
17 into the abandoned recreational vehicle disposal and indigent impound
18 account created under RCW 46.68.175.

19 **Sec. 3.** RCW 46.68.175 and 2018 c 287 s 6 are each amended to
20 read as follows:

21 (1) The abandoned recreational vehicle disposal and indigent
22 impound account is created in the state treasury. All receipts from
23 the fee imposed in RCW 46.17.380 must be deposited into the account.
24 The account may receive fund transfers and appropriations from the
25 general fund, as well as gifts, grants, and endowments from public or
26 private sources, in trust or otherwise, for the use and benefit of
27 the purposes of chapter 287, Laws of 2018, or section 3,
28 chapter . . . , Laws of 2023 (section 3 of this act), and expend any
29 income according to the terms of the gifts, grants, or endowments,
30 provided that those terms do not conflict with any provisions of this
31 section or any guidelines developed to prioritize reimbursement of
32 removal projects associated with chapter 287, Laws of 2018, or
33 section 3, chapter . . . , Laws of 2023 (section 3 of this act).

34 (2) Moneys in the account may be spent only after appropriation.
35 Expenditures from the account may be used only by the department to
36 reimburse (~~registered~~):

37 (a) Registered tow truck operators and licensed dismantlers for
38 up to (~~one hundred~~) 100 percent of the total reasonable and

1 auditable administrative costs for transport, dismantling, and
2 disposal of abandoned recreational vehicles under RCW 46.53.010 when
3 the last registered owner is unknown after a reasonable search
4 effort. Compliance with RCW 46.55.100 is considered a reasonable
5 effort to locate the last registered owner of the abandoned
6 recreational vehicle. Any funds received by the registered tow truck
7 operators or licensed dismantlers through collection efforts from the
8 last owner of record shall be turned over to the department for
9 vehicles reimbursed under RCW 46.53.010; or

10 (b) A registered tow truck operator for costs related to a
11 vehicle used as a residence to pay the difference between any reduced
12 towing and storage fees and the tow truck operator's actual costs for
13 the towing and storage.

14 (3) Funds in the account resulting from transfers from the
15 general fund must be used to reimburse (~~one hundred~~) 100 percent of
16 eligible costs up to a limit of (~~ten thousand dollars~~) \$10,000 per
17 vehicle for which cost reimbursements are requested.

18 (4) In each fiscal biennium, beginning in the 2019-2021 fiscal
19 biennium, up to (~~fifteen~~) 15 percent of the expenditures from the
20 account may be used for administrative expenses of the department in
21 implementing this chapter.

22 **Sec. 4.** RCW 46.17.380 and 2018 c 287 s 4 are each amended to
23 read as follows:

24 (1) Before accepting an application for a registration for a
25 recreational vehicle, the department, county auditor, or other agent,
26 or subagent appointed by the director, shall require an applicant to
27 pay a (~~six-dollar~~) \$6 fee in addition to any other fees and taxes
28 required by law.

29 (2) The abandoned recreational disposal fee must be deposited
30 into the abandoned recreational vehicle disposal and indigent impound
31 account created in RCW 46.68.175.

32 (3) For the purposes of this section, "recreational vehicle"
33 means a camper, motor home, or travel trailer.

34 **Sec. 5.** RCW 43.84.092 and 2022 c 182 s 403 are each amended to
35 read as follows:

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

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

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

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

30 (a) The following accounts and funds shall receive their
31 proportionate share of earnings based upon each account's and fund's
32 average daily balance for the period: The abandoned recreational
33 vehicle disposal and indigent impound account, the aeronautics
34 account, the Alaskan Way viaduct replacement project account, the
35 ambulance transport fund, the brownfield redevelopment trust fund
36 account, the budget stabilization account, the capital vessel
37 replacement account, the capitol building construction account, the
38 Central Washington University capital projects account, the
39 charitable, educational, penal and reformatory institutions account,
40 the Chehalis basin account, the Chehalis basin taxable account, the

1 cleanup settlement account, the climate active transportation
2 account, the climate transit programs account, the Columbia river
3 basin water supply development account, the Columbia river basin
4 taxable bond water supply development account, the Columbia river
5 basin water supply revenue recovery account, the common school
6 construction fund, the community forest trust account, the connecting
7 Washington account, the county arterial preservation account, the
8 county criminal justice assistance account, the deferred compensation
9 administrative account, the deferred compensation principal account,
10 the department of licensing services account, the department of
11 retirement systems expense account, the developmental disabilities
12 community services account, the diesel idle reduction account, the
13 drinking water assistance account, the administrative subaccount of
14 the drinking water assistance account, the early learning facilities
15 development account, the early learning facilities revolving account,
16 the Eastern Washington University capital projects account, the
17 education construction fund, the education legacy trust account, the
18 election account, the electric vehicle account, the energy freedom
19 account, the energy recovery act account, the essential rail
20 assistance account, The Evergreen State College capital projects
21 account, the fair start for kids account, the ferry bond retirement
22 fund, the fish, wildlife, and conservation account, the freight
23 mobility investment account, the freight mobility multimodal account,
24 the grade crossing protective fund, the public health services
25 account, the state higher education construction account, the higher
26 education construction account, the higher education retirement plan
27 supplemental benefit fund, the highway bond retirement fund, the
28 highway infrastructure account, the highway safety fund, the hospital
29 safety net assessment fund, the Interstate 405 and state route number
30 167 express toll lanes account, the judges' retirement account, the
31 judicial retirement administrative account, the judicial retirement
32 principal account, the limited fish and wildlife account, the local
33 leasehold excise tax account, the local real estate excise tax
34 account, the local sales and use tax account, the marine resources
35 stewardship trust account, the medical aid account, the money-
36 purchase retirement savings administrative account, the money-
37 purchase retirement savings principal account, the motor vehicle
38 fund, the motorcycle safety education account, the move ahead WA
39 account, the move ahead WA flexible account, the multimodal
40 transportation account, the multiuse roadway safety account, the

1 municipal criminal justice assistance account, the oyster reserve
2 land account, the pension funding stabilization account, the
3 perpetual surveillance and maintenance account, the pilotage account,
4 the pollution liability insurance agency underground storage tank
5 revolving account, the public employees' retirement system plan 1
6 account, the public employees' retirement system combined plan 2 and
7 plan 3 account, the public facilities construction loan revolving
8 account, the public health supplemental account, the public works
9 assistance account, the Puget Sound capital construction account, the
10 Puget Sound ferry operations account, the Puget Sound Gateway
11 facility account, the Puget Sound taxpayer accountability account,
12 the real estate appraiser commission account, the recreational
13 vehicle account, the regional mobility grant program account, the
14 resource management cost account, the rural arterial trust account,
15 the rural mobility grant program account, the rural Washington loan
16 fund, the sexual assault prevention and response account, the site
17 closure account, the skilled nursing facility safety net trust fund,
18 the small city pavement and sidewalk account, the special category C
19 account, the special wildlife account, the state investment board
20 expense account, the state investment board commingled trust fund
21 accounts, the state patrol highway account, the state reclamation
22 revolving account, the state route number 520 civil penalties
23 account, the state route number 520 corridor account, the statewide
24 broadband account, the statewide tourism marketing account, the
25 supplemental pension account, the Tacoma Narrows toll bridge account,
26 the teachers' retirement system plan 1 account, the teachers'
27 retirement system combined plan 2 and plan 3 account, the tobacco
28 prevention and control account, the tobacco settlement account, the
29 toll facility bond retirement account, the transportation 2003
30 account (nickel account), the transportation equipment fund, the
31 transportation future funding program account, the transportation
32 improvement account, the transportation improvement board bond
33 retirement account, the transportation infrastructure account, the
34 transportation partnership account, the traumatic brain injury
35 account, the University of Washington bond retirement fund, the
36 University of Washington building account, the voluntary cleanup
37 account, the volunteer firefighters' and reserve officers' relief and
38 pension principal fund, the volunteer firefighters' and reserve
39 officers' administrative fund, the vulnerable roadway user education
40 account, the Washington judicial retirement system account, the

1 Washington law enforcement officers' and firefighters' system plan 1
2 retirement account, the Washington law enforcement officers' and
3 firefighters' system plan 2 retirement account, the Washington public
4 safety employees' plan 2 retirement account, the Washington school
5 employees' retirement system combined plan 2 and 3 account, the
6 Washington state patrol retirement account, the Washington State
7 University building account, the Washington State University bond
8 retirement fund, the water pollution control revolving administration
9 account, the water pollution control revolving fund, the Western
10 Washington University capital projects account, the Yakima integrated
11 plan implementation account, the Yakima integrated plan
12 implementation revenue recovery account, and the Yakima integrated
13 plan implementation taxable bond account. Earnings derived from
14 investing balances of the agricultural permanent fund, the normal
15 school permanent fund, the permanent common school fund, the
16 scientific permanent fund, and the state university permanent fund
17 shall be allocated to their respective beneficiary accounts.

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

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

27 **Sec. 6.** RCW 43.84.092 and 2022 c 182 s 404 are each amended to
28 read as follows:

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

32 (2) The treasury income account shall be utilized to pay or
33 receive funds associated with federal programs as required by the
34 federal cash management improvement act of 1990. The treasury income
35 account is subject in all respects to chapter 43.88 RCW, but no
36 appropriation is required for refunds or allocations of interest
37 earnings required by the cash management improvement act. Refunds of
38 interest to the federal treasury required under the cash management
39 improvement act fall under RCW 43.88.180 and shall not require

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

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

18 (4) Monthly, the state treasurer shall distribute the earnings
19 credited to the treasury income account. The state treasurer shall
20 credit the general fund with all the earnings credited to the
21 treasury income account except:

22 (a) The following accounts and funds shall receive their
23 proportionate share of earnings based upon each account's and fund's
24 average daily balance for the period: The abandoned recreational
25 vehicle disposal and indigent impound account, the aeronautics
26 account, the Alaskan Way viaduct replacement project account, the
27 brownfield redevelopment trust fund account, the budget stabilization
28 account, the capital vessel replacement account, the capitol building
29 construction account, the Central Washington University capital
30 projects account, the charitable, educational, penal and reformatory
31 institutions account, the Chehalis basin account, the Chehalis basin
32 taxable account, the cleanup settlement account, the climate active
33 transportation account, the climate transit programs account, the
34 Columbia river basin water supply development account, the Columbia
35 river basin taxable bond water supply development account, the
36 Columbia river basin water supply revenue recovery account, the
37 common school construction fund, the community forest trust account,
38 the connecting Washington account, the county arterial preservation
39 account, the county criminal justice assistance account, the deferred
40 compensation administrative account, the deferred compensation

1 principal account, the department of licensing services account, the
2 department of retirement systems expense account, the developmental
3 disabilities community services account, the diesel idle reduction
4 account, the drinking water assistance account, the administrative
5 subaccount of the drinking water assistance account, the early
6 learning facilities development account, the early learning
7 facilities revolving account, the Eastern Washington University
8 capital projects account, the education construction fund, the
9 education legacy trust account, the election account, the electric
10 vehicle account, the energy freedom account, the energy recovery act
11 account, the essential rail assistance account, The Evergreen State
12 College capital projects account, the fair start for kids account,
13 the ferry bond retirement fund, the fish, wildlife, and conservation
14 account, the freight mobility investment account, the freight
15 mobility multimodal account, the grade crossing protective fund, the
16 public health services account, the state higher education
17 construction account, the higher education construction account, the
18 higher education retirement plan supplemental benefit fund, the
19 highway bond retirement fund, the highway infrastructure account, the
20 highway safety fund, the hospital safety net assessment fund, the
21 Interstate 405 and state route number 167 express toll lanes account,
22 the judges' retirement account, the judicial retirement
23 administrative account, the judicial retirement principal account,
24 the limited fish and wildlife account, the local leasehold excise tax
25 account, the local real estate excise tax account, the local sales
26 and use tax account, the marine resources stewardship trust account,
27 the medical aid account, the money-purchase retirement savings
28 administrative account, the money-purchase retirement savings
29 principal account, the motor vehicle fund, the motorcycle safety
30 education account, the move ahead WA account, the move ahead WA
31 flexible account, the multimodal transportation account, the multiuse
32 roadway safety account, the municipal criminal justice assistance
33 account, the oyster reserve land account, the pension funding
34 stabilization account, the perpetual surveillance and maintenance
35 account, the pilotage account, the pollution liability insurance
36 agency underground storage tank revolving account, the public
37 employees' retirement system plan 1 account, the public employees'
38 retirement system combined plan 2 and plan 3 account, the public
39 facilities construction loan revolving account, the public health
40 supplemental account, the public works assistance account, the Puget

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

1 account, the water pollution control revolving fund, the Western
2 Washington University capital projects account, the Yakima integrated
3 plan implementation account, the Yakima integrated plan
4 implementation revenue recovery account, and the Yakima integrated
5 plan implementation taxable bond account. Earnings derived from
6 investing balances of the agricultural permanent fund, the normal
7 school permanent fund, the permanent common school fund, the
8 scientific permanent fund, and the state university permanent fund
9 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. 7.** Section 5 of this act expires July 1,
20 2024.

21 NEW SECTION. **Sec. 8.** Section 6 of this act takes effect July 1,
22 2024.

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