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**SUBSTITUTE HOUSE BILL 1392**

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**State of Washington**

**69th Legislature**

**2025 Regular Session**

**By** House Appropriations (originally sponsored by Representatives Macri, Leavitt, Simmons, Davis, Berry, Ryu, Callan, Rule, Stearns, Peterson, Taylor, Reed, Ramel, Alvarado, Doglio, Tharinger, Fey, Salahuddin, Bernbaum, Fosse, Pollet, Street, Scott, and Santos)

READ FIRST TIME 02/28/25.

1 AN ACT Relating to creating the medicaid access program;  
2 reenacting and amending RCW 43.84.092 and 43.84.092; adding a new  
3 chapter to Title 74 RCW; adding a new chapter to Title 48 RCW;  
4 creating new sections; providing an effective date; providing an  
5 expiration date; providing a contingent expiration date; and  
6 declaring an emergency.

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

8 NEW SECTION. **Sec. 1.** The definitions in this section apply  
9 throughout this chapter and chapter 48.--- RCW (the new chapter  
10 created in section 15 of this act) unless the context clearly  
11 requires otherwise.

12 (1) "Authority" means the Washington state health care authority.

13 (2) "Commissioner" means the insurance commissioner or his or her  
14 designee.

15 (3) "Covered lives" means all persons residing in Washington  
16 state who are covered:

17 (a) Under a fully insured individual or group health plan issued  
18 or delivered in Washington state; or

19 (b) By a medicaid managed care organization.

20 (4) "Health carrier" or "carrier" has the same meaning as defined  
21 in RCW 48.43.005.

1 (5) "Health plan" has the same meaning as defined in RCW  
2 48.43.005 and does not include medicare advantage plans established  
3 under medicare part C or outpatient prescription drug plans  
4 established under medicare part D.

5 (6) "Medicaid managed care organization" means a managed health  
6 care system under contract with the state of Washington to provide  
7 services to medicaid enrollees under RCW 74.09.522.

8 NEW SECTION. **Sec. 2.** (1) By September 1, 2025, the authority  
9 shall submit any state plan amendments or waiver requests to the  
10 centers for medicare and medicaid services that are necessary to  
11 implement the medicaid access program established in section 6 of  
12 this act.

13 (2) The assessment, collection, and disbursement of funds for  
14 this program shall be conditional upon:

15 (a) Final approval by the centers for medicare and medicaid  
16 services of any state plan amendments or waiver requests that are  
17 necessary in order to implement the applicable sections of this  
18 chapter including, if necessary, waiver of the broad-based or  
19 uniformity requirements as specified under section 1903(w)(3)(E) of  
20 the federal social security act and 42 C.F.R. Sec. 433.68(e);

21 (b) To the extent necessary, amendment of contracts between the  
22 authority and managed care organizations to implement this chapter;  
23 and

24 (c) Certification by the office of financial management that  
25 appropriations have been adopted that fully support the rates  
26 established in section 3 of this act for the upcoming fiscal year.

27 NEW SECTION. **Sec. 3.** (1) All health carriers and medicaid  
28 managed care organizations shall pay an annual covered lives  
29 assessment beginning January 1st of the plan year following the  
30 approval in section 2(2)(a) of this act as follows:

31 (a) For assessments due the first plan year:

32 (i) The authority shall assess a per member per month assessment  
33 of \$18 per covered life for medicaid managed care organizations; and

34 (ii) The commissioner shall assess a per member per month  
35 assessment of \$0.50 per covered life for health carriers.

36 (b) On or before May 15th of the first plan year of assessments  
37 due and on or before May 15th of each subsequent year, the authority  
38 shall determine the covered lives assessment at the rate necessary to

1 fund the professional services rate increases in section 6 of this  
2 act.

3 (c) The ratio of the total assessments collected from managed  
4 care organizations and health carriers must be set as 36 to one,  
5 respectively. Assessments for each calendar year shall be set  
6 utilizing the proportion of fully insured to medicaid managed care  
7 covered lives from the previous calendar year.

8 (2) The assessments as applied in subsection (1) of this section  
9 are limited to:

10 (a) The first 3,000,000 member months of fully insured lives per  
11 medicaid managed care organization on a per medicaid managed care  
12 organization basis; and

13 (b) The first 3,000,000 member months of fully insured lives per  
14 health carrier. For each health carrier, the assessment shall apply  
15 to member months of all group health plan lives first, followed by  
16 member months of individual health plans lives.

17 (3) If an assessment against a health carrier or medicaid managed  
18 care organization is prohibited by court order, the assessment for  
19 the remaining health carriers and medicaid managed care organizations  
20 may be adjusted in a manner consistent with subsection (1) of this  
21 section to ensure that the assessment amount calculated in subsection  
22 (1)(b) of this section will be collected.

23 (4) The authority shall annually notify, in writing, each  
24 medicaid managed care organization of the estimated total assessment  
25 and its payment obligation for the upcoming year. The authority shall  
26 determine a payment schedule for receipt of assessments under this  
27 section in accordance with the medicaid access program rules as  
28 defined by the authority. Payment collections may be made no more  
29 frequently than quarterly.

30 (5) Payments from managed care organizations are due to the  
31 authority within 45 days of the payment schedule determined under  
32 subsection (4) of this section. The authority shall charge interest  
33 as defined by RCW 43.17.240, which begins to accrue on the 46th day,  
34 on amounts received after the 45-day period. The authority may allow  
35 each managed care organization in arrears to submit a payment plan,  
36 subject to approval by the authority and initial payment under an  
37 approved payment plan.

38 (6) The authority may abate or defer, in whole or in part, the  
39 assessment of a managed care organization if, in the opinion of the  
40 authority, payment of the assessment would endanger the ability of

1 the managed care organization to fulfill its contractual obligations  
2 under chapter 74.09 RCW. If an assessment against a managed care  
3 organization is abated or deferred in whole or in part, the amount by  
4 which such assessment is abated or deferred may be assessed against  
5 the other managed care organizations in a manner consistent with the  
6 basis for assessments in subsection (1) of this section. The managed  
7 care organization receiving such abatement or deferment remains  
8 liable to the program for the deficiency plus interest the rate  
9 established in RCW 43.17.240. Upon receipt of payment of any  
10 abatement or deferment by a managed care organization, the authority  
11 shall adjust future assessments made against other managed care  
12 organizations under this subsection to reflect receipt of the  
13 payment.

14 (7) The authority shall deposit annual assessments and interest  
15 collected under this section with the state treasurer to the credit  
16 of the medicaid access program account created in section 5 of this  
17 act.

18 (8) Managed care organizations shall submit any annual statements  
19 or other reports deemed necessary by the authority to calculate the  
20 assessment under this section in a manner consistent with the  
21 schedule and procedures in accordance with the medicaid access  
22 program rules as defined by the authority.

23 NEW SECTION. **Sec. 4.** (1) All health carriers and medicaid  
24 managed care organizations shall pay an annual covered lives  
25 assessment under section 3 of this act.

26 (2) The commissioner shall assess a per member per month  
27 assessment for health carriers pursuant to section 3 of this act.

28 (3) The commissioner shall annually notify, in writing, each  
29 health carrier of the estimated total assessment and its payment  
30 obligation for the upcoming year. The commissioner shall determine a  
31 payment schedule for receipt of assessments under this section in  
32 accordance with the medicaid access program rules established by the  
33 authority. Payment collections may be made no more frequently than  
34 quarterly.

35 (4) Payments from health carriers are due to the commissioner  
36 within 45 days of the payment schedule determined under subsection  
37 (3) of this section. The commissioner shall charge interest as  
38 defined by RCW 43.17.240, which begins to accrue on the 46th day, on  
39 amounts received after the 45-day period. The commissioner may allow

1 each health carrier in arrears to submit a payment plan, subject to  
2 approval by the commissioner and initial payment under an approved  
3 payment plan.

4 (5) The commissioner shall deposit annual assessments and  
5 interest collected under this section with the state treasurer to the  
6 credit of the medicaid access program account created in section 5 of  
7 this act.

8 (6) Health carriers shall submit any annual statements or other  
9 reports deemed necessary by the commissioner for the health care  
10 authority to calculate the assessment in a manner consistent with the  
11 schedule and procedures in accordance with section 3 of this act.

12 NEW SECTION. **Sec. 5.** (1) The medicaid access program account is  
13 created in the state treasury. All receipts from the assessments,  
14 interest, and penalties collected by the authority and commissioner  
15 under sections 3 and 4 of this act must be deposited into the  
16 account. Moneys in the account may be spent only after appropriation.  
17 Expenditures from the account may be used only for the administration  
18 and implementation of the medicaid access program as established in  
19 section 6 of this act.

20 (2) Disbursements from the account may be made only:

21 (a) To make payments to health care providers and managed care  
22 organizations;

23 (b) To medicaid managed care organizations to fund the nonfederal  
24 share of increased capitation payments based on their projected  
25 assessment obligation established by the medicaid access program and  
26 the medicaid managed care rate setting process;

27 (c) To refund erroneous or excessive payments made by health  
28 carriers and medicaid managed care organizations;

29 (d) To pay for administrative expenses incurred by the authority  
30 in performing the activities authorized by this chapter;

31 (e) To be used in lieu of state general fund payments for  
32 medicaid services in the amount of \$35,991,000 in fiscal year 2027;

33 (f) To repay the federal government for any excess payments made  
34 to health care providers from the account if the assessments or  
35 payment increases set forth by the medicaid access program are deemed  
36 out of compliance with federal statutes and regulations in a final  
37 determination by a court of competent jurisdiction with all appeals  
38 exhausted. In such a case, the authority may require health care  
39 providers receiving excess payments to refund the payments in

1 question to the account. The state in turn shall return funds to the  
2 federal government in the same proportion as the original financing.  
3 If a health care provider is unable to refund payments, the state  
4 shall develop either a payment plan, deduct moneys from future  
5 medicaid payments, or both; and

6 (g) To pay for administrative and service-related costs to expand  
7 medicaid access in schools by maximizing medicaid funding  
8 opportunities to support the school-based health services program,  
9 school-based health clinics, and on-site behavioral health services.

10 NEW SECTION. **Sec. 6.** (1) The purpose of the medicaid access  
11 program is to increase, beginning January 1st of the second plan year  
12 after the conditions of section 2 of this act are met, subject to  
13 available funds and appropriations from the medicaid access program  
14 account, professional services rates covered by medicaid including  
15 fee-for-service and managed care up to the corresponding medicare  
16 rates as of December 31, 2024, for the same service and site of  
17 service. Rates for subsequent years shall be annually adjusted based  
18 on the inflation factor using the medicare economic index.

19 (2) The service categories for the professional services rate  
20 increases must include anesthesia, diagnostics, intense outpatient,  
21 opioid treatment programs, emergency room, inpatient and outpatient  
22 surgery, inpatient visits, low-level behavioral health, maternity  
23 services, office and home visits, consults, office administered  
24 drugs, and other physician services. If sufficient funds are not  
25 available to increase medicaid rates to corresponding medicare rates,  
26 the authority may increase medicaid rates to a percentage of  
27 corresponding medicare rates, applied uniformly across professional  
28 service categories included in this subsection.

29 (3)(a) Beginning January 1st of the third plan year after the  
30 conditions of section 2 of this act are met and by January 1st in  
31 each of the two subsequent plan years, the authority shall study the  
32 impact of the professional services rate increases described in this  
33 section on medicaid access. The authority shall provide information  
34 to fiscal and health committees of the legislature whether these rate  
35 increases have increased access for medicaid enrollees, using metrics  
36 including but not limited to:

37 (i) Increases in utilization of services from licensed health  
38 care providers;

1 (ii) Number of contracts with identifiable provider types  
2 enrolled to provide services to medicaid enrollees;

3 (iii) Patient access measures in the CAHPS health plan surveys of  
4 managed care organizations; and

5 (iv) Other external quality review metrics.

6 (b) The authority shall provide the information in a fashion that  
7 disaggregates managed care organizations and fee-for-service.

8 NEW SECTION. **Sec. 7.** Nothing in this act shall be construed to  
9 alter the requirements: (1) Under 42 C.F.R. Sec. 438.4 that the rates  
10 paid by the state to managed care organizations be actuarially sound;  
11 and (2) that the state develop the rates in compliance with standards  
12 under 42 C.F.R. Sec. 438.5.

13 NEW SECTION. **Sec. 8.** The authority may adopt rules and  
14 undertake actions necessary to carry out sections 2, 3, and 6 of this  
15 act including, but not limited to, rules prescribing the medicaid  
16 access program plan of operations, measures to enforce reporting of  
17 covered lives, audits of covered lives reporting, and payment of  
18 applicable assessments.

19 NEW SECTION. **Sec. 9.** The commissioner may adopt rules and  
20 undertake actions necessary to carry out section 4 of this act  
21 including, but not limited to, rules prescribing the medicaid access  
22 program plan of operations, measures to enforce reporting of covered  
23 lives, audits of covered lives reporting, and payment of applicable  
24 assessments.

25 NEW SECTION. **Sec. 10.** The medicaid access program, health  
26 carriers and medicaid managed care organizations assessed by the  
27 program, the authority, and employees of the authority are not  
28 civilly or criminally liable and may not have any penalty or cause of  
29 action of any nature arise against them for any action or inaction,  
30 including any discretionary decision or failure to make a  
31 discretionary decision, when the action or inaction is done in good  
32 faith and in the performance of the powers and duties assigned to the  
33 program. This section does not prohibit legal actions against the  
34 program to enforce the program's statutory or contractual duties or  
35 obligations.

1        NEW SECTION.        **Sec. 11.**        The medicaid access program, health  
2 carriers and medicaid managed care organizations assessed by the  
3 program, the commissioner, the commissioner's representatives, and  
4 the commissioner's employees are not civilly or criminally liable and  
5 may not have any penalty or cause of action of any nature arise  
6 against them for any action or inaction, including any discretionary  
7 decision or failure to make a discretionary decision, when the action  
8 or inaction is done in good faith and in the performance of the  
9 powers and duties assigned to the program. This section does not  
10 prohibit legal actions against the program to enforce the program's  
11 statutory or contractual duties or obligations.

12        **Sec. 12.**        RCW 43.84.092 and 2024 c 210 s 4 and 2024 c 168 s 12  
13 are each reenacted and amended to read as follows:

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

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

33        (3) Except for the provisions of RCW 43.84.160, the treasury  
34 income account may be utilized for the payment of purchased banking  
35 services on behalf of treasury funds including, but not limited to,  
36 depository, safekeeping, and disbursement functions for the state  
37 treasury and affected state agencies. The treasury income account is  
38 subject in all respects to chapter 43.88 RCW, but no appropriation is  
39 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 Alaskan Way  
11 viaduct replacement project account, the ambulance transport fund,  
12 the budget stabilization account, the capital vessel replacement  
13 account, the capitol building construction account, the Central  
14 Washington University capital projects account, the charitable,  
15 educational, penal and reformatory institutions account, the Chehalis  
16 basin account, the Chehalis basin taxable account, the clean fuels  
17 credit account, the clean fuels transportation investment account,  
18 the cleanup settlement account, the climate active transportation  
19 account, the climate transit programs account, the Columbia river  
20 basin water supply development account, the Columbia river basin  
21 taxable bond water supply development account, the Columbia river  
22 basin water supply revenue recovery account, the common school  
23 construction fund, the community forest trust account, the connecting  
24 Washington account, the county arterial preservation account, the  
25 county criminal justice assistance account, the covenant  
26 homeownership account, the deferred compensation administrative  
27 account, the deferred compensation principal account, the department  
28 of licensing services account, the department of retirement systems  
29 expense account, the developmental disabilities community services  
30 account, the diesel idle reduction account, the opioid abatement  
31 settlement account, the drinking water assistance account, the  
32 administrative subaccount of the drinking water assistance account,  
33 the early learning facilities development account, the early learning  
34 facilities revolving account, the Eastern Washington University  
35 capital projects account, the education construction fund, the  
36 education legacy trust account, the election account, the electric  
37 vehicle account, the energy freedom account, the energy recovery act  
38 account, the essential rail assistance account, The Evergreen State  
39 College capital projects account, the fair start for kids account,  
40 the family medicine workforce development account, the ferry bond

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

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

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

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

10 **Sec. 13.** RCW 43.84.092 and 2024 c 210 s 5 and 2024 c 168 s 13  
11 are each reenacted and amended to read as follows:

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

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

31 (3) Except for the provisions of RCW 43.84.160, the treasury  
32 income account may be utilized for the payment of purchased banking  
33 services on behalf of treasury funds including, but not limited to,  
34 depository, safekeeping, and disbursement functions for the state  
35 treasury and affected state agencies. The treasury income account is  
36 subject in all respects to chapter 43.88 RCW, but no appropriation is  
37 required for payments to financial institutions. Payments shall occur  
38 prior to distribution of earnings set forth in subsection (4) of this  
39 section.

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

5 (a) The following accounts and funds shall receive their  
6 proportionate share of earnings based upon each account's and fund's  
7 average daily balance for the period: The abandoned recreational  
8 vehicle disposal account, the aeronautics account, the Alaskan Way  
9 viaduct replacement project account, the budget stabilization  
10 account, the capital vessel replacement account, the capitol building  
11 construction account, the Central Washington University capital  
12 projects account, the charitable, educational, penal and reformatory  
13 institutions account, the Chehalis basin account, the Chehalis basin  
14 taxable account, the clean fuels credit account, the clean fuels  
15 transportation investment account, the cleanup settlement account,  
16 the climate active transportation account, the climate transit  
17 programs account, the Columbia river basin water supply development  
18 account, the Columbia river basin taxable bond water supply  
19 development account, the Columbia river basin water supply revenue  
20 recovery account, the common school construction fund, the community  
21 forest trust account, the connecting Washington account, the county  
22 arterial preservation account, the county criminal justice assistance  
23 account, the covenant homeownership account, the deferred  
24 compensation administrative account, the deferred compensation  
25 principal account, the department of licensing services account, the  
26 department of retirement systems expense account, the developmental  
27 disabilities community services account, the diesel idle reduction  
28 account, the opioid abatement settlement account, the drinking water  
29 assistance account, the administrative subaccount of the drinking  
30 water assistance account, the early learning facilities development  
31 account, the early learning facilities revolving account, the Eastern  
32 Washington University capital projects account, the education  
33 construction fund, the education legacy trust account, the election  
34 account, the electric vehicle account, the energy freedom account,  
35 the energy recovery act account, the essential rail assistance  
36 account, The Evergreen State College capital projects account, the  
37 fair start for kids account, the family medicine workforce  
38 development account, the ferry bond retirement fund, the fish,  
39 wildlife, and conservation account, the freight mobility investment  
40 account, the freight mobility multimodal account, the grade crossing

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

1 route number 520 civil penalties account, the state route number 520  
2 corridor account, the statewide broadband account, the statewide  
3 tourism marketing account, the supplemental pension account, the  
4 Tacoma Narrows toll bridge account, the teachers' retirement system  
5 plan 1 account, the teachers' retirement system combined plan 2 and  
6 plan 3 account, the tobacco prevention and control account, the  
7 tobacco settlement account, the toll facility bond retirement  
8 account, the transportation 2003 account (nickel account), the  
9 transportation equipment fund, the JUDY transportation future funding  
10 program account, the transportation improvement account, the  
11 transportation improvement board bond retirement account, the  
12 transportation infrastructure account, the transportation partnership  
13 account, the traumatic brain injury account, the tribal opioid  
14 prevention and treatment account, the University of Washington bond  
15 retirement fund, the University of Washington building account, the  
16 voluntary cleanup account, the volunteer firefighters' relief and  
17 pension principal fund, the volunteer firefighters' and reserve  
18 officers' administrative fund, the vulnerable roadway user education  
19 account, the Washington judicial retirement system account, the  
20 Washington law enforcement officers' and firefighters' system plan 1  
21 retirement account, the Washington law enforcement officers' and  
22 firefighters' system plan 2 retirement account, the Washington public  
23 safety employees' plan 2 retirement account, the Washington school  
24 employees' retirement system combined plan 2 and 3 account, the  
25 Washington state patrol retirement account, the Washington State  
26 University building account, the Washington State University bond  
27 retirement fund, the water pollution control revolving administration  
28 account, the water pollution control revolving fund, the Western  
29 Washington University capital projects account, the Yakima integrated  
30 plan implementation account, the Yakima integrated plan  
31 implementation revenue recovery account, and the Yakima integrated  
32 plan implementation taxable bond account. Earnings derived from  
33 investing balances of the agricultural permanent fund, the normal  
34 school permanent fund, the permanent common school fund, the  
35 scientific permanent fund, and the state university permanent fund  
36 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 NEW SECTION. **Sec. 14.** Sections 1 through 3, 5 through 8, and 10  
7 of this act constitute a new chapter in Title 74 RCW.

8 NEW SECTION. **Sec. 15.** Sections 4, 9, and 11 of this act  
9 constitute a new chapter in Title 48 RCW.

10 NEW SECTION. **Sec. 16.** The provisions of this act are not  
11 severable. In the event that any portion of this act shall have been  
12 validly implemented and the entire act is later rendered ineffective,  
13 prior assessments and payments under the validly implemented portions  
14 shall not be affected.

15 NEW SECTION. **Sec. 17.** Sections 1 through 12, 14 through 16, and  
16 18 through 20 of this act are necessary for the immediate  
17 preservation of the public peace, health, or safety, or support of  
18 the state government and its existing public institutions, and take  
19 effect immediately.

20 NEW SECTION. **Sec. 18.** This act expires if by January 1, 2027,  
21 the federal centers for medicare and medicaid services does not  
22 provide final approval of the state plan amendment or waiver requests  
23 under section 2 of this act.

24 NEW SECTION. **Sec. 19.** Section 12 of this act expires July 1,  
25 2028.

26 NEW SECTION. **Sec. 20.** Section 13 of this act takes effect July  
27 1, 2028.

28 NEW SECTION. **Sec. 21.** The authority must provide written notice  
29 of the expiration date of section 18 of this act to affected parties,  
30 the chief clerk of the house of representatives, the secretary of the  
31 senate, the office of the code reviser, and other as deemed  
32 appropriate by the authority.



1        NEW SECTION.    **Sec. 22.**    If specific funding for the purposes of  
2 this act, referencing this act by bill or chapter number, is not  
3 provided by June 30, 2025, in the omnibus appropriations act, this  
4 act is null and void.

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