

## SIXTY SIXTH LEGISLATURE - REGULAR SESSION

## FORTY SIXTH DAY

House Chamber, Olympia, Thursday, February 27, 2020

The House was called to order at 10:00 a.m. by the Speaker (Representative Tarleton presiding). The Clerk called the roll and a quorum was present.

The flags were escorted to the rostrum by a Sergeant at Arms Color Guard, Pages Meg Spidle and Thaddeus Schaefer. The Speaker (Representative Tarleton presiding) led the Chamber in the Pledge of Allegiance. The prayer was offered by Representative Drew Hansen, 23<sup>rd</sup> legislative district.

Reading of the Journal of the previous day was dispensed with and it was ordered to stand approved.

## RESOLUTION

**HOUSE RESOLUTION NO. 2020-4668**, by **Representatives Slatter, Ryu, Callan, Thai, Dufault, and Ramel**

WHEREAS, Women in Cloud celebrates female entrepreneurs in the tech industry as a source of inspiration and support that connects and empowers women throughout Washington and beyond; and

WHEREAS, Washington is home to many thriving tech companies; and

WHEREAS, Women in Cloud cultivates partnerships with innovative companies, leaders, and governments to advance the success of women in tech; and

WHEREAS, Women in Cloud strives to change industry narratives by creating economic access for women in the cloud economy; and

WHEREAS, The underrepresentation of women in tech leadership not only harms technological development, societal and economic growth, but is also unacceptable in the 21st century; and

WHEREAS, Only ten percent of leadership positions in the tech industry are held by women and more than half of U.S. tech start-ups lack female representation on their boards; and

WHEREAS, Fifty-six percent of women in tech fields leave their positions midcareer, double the turnover rate for men; and

WHEREAS, Female mentorship in tech fosters valuable skills in communication, leadership, adaptation, and networking; and

WHEREAS, Inclusivity and representation empower young women and girls to pursue careers in tech; and

WHEREAS, Women in Cloud connects female entrepreneurs with leaders in business, tech, and politics to further opportunities for growth and mentorship; and

WHEREAS, Women in Cloud is partnering with global leaders and women entrepreneurs with an aim to create one billion dollars in economic access in the public and private sector by 2030; and

WHEREAS, Women in Cloud will expand their accelerator programs in 2020 to reach eight additional countries including India and Canada; and

WHEREAS, The 2021 Women in Cloud Summit will be an international event dedicated to uplifting women in tech across North America, India, Africa, and Europe;

NOW, THEREFORE, BE IT RESOLVED, That the Washington State House of Representatives recognize the achievements of the Women in Cloud Initiative to foster opportunities for emerging women entrepreneurs and leaders in the tech field around the world.

There being no objection, HOUSE RESOLUTION NO. 4668 was adopted.

## RESOLUTION

**HOUSE RESOLUTION NO. 2020-4669**, by **Representative Dufault**

WHEREAS, It is the policy of the Washington State Legislature to recognize excellence in all fields of endeavor; and

WHEREAS, Brian Winter was born in Pasadena, California, and grew up in Harrah, Washington, graduating in 1977 from White Swan High School; and

WHEREAS, Brian Winter earned a bachelor's degree in law and justice at Central Washington University in 1983; and

WHEREAS, Brian Winter joined the United States Marine Corps, and worked as an auxiliary police officer in Union Gap; and

WHEREAS, Brian Winter served his country with distinction and honor in the Marine Corps, including combat deployment in support of both Operation Desert Storm and Operation Iraqi Freedom; and

WHEREAS, Brian Winter served his community for twenty-seven years in the Yakima County Sheriff's Office, including four years as the elected Yakima County Sheriff; and

WHEREAS, Sheriff Brian Winter increased public safety during his time as sheriff, including strengthening Block Watch programs, building plans for active shooter

situations, investing in a new crime tracking system, expanding training opportunities, and working to improve law enforcement relationships with the community; and

WHEREAS, Brian Winter exhibited the highest levels of excellence during his lengthy years of public service; and

WHEREAS, Yakima County Sheriff Brian Winter retired in 2018 due to medical conditions associated with ALS (Lou Gehrig's disease) after a successful career of nearly thirty years in law enforcement; and

WHEREAS, Former Sheriff Winter put his trust in God as he fought to maintain his health, but succumbed to the disease on January 25, 2020; and

WHEREAS, Brian Winter leaves behind a wife, Tammy, and their three adult children;

NOW, THEREFORE, BE IT RESOLVED, That the House of Representatives of the state of Washington posthumously recognize the late Sheriff Brian Winter for his years of dedicated service, his personal and professional integrity, and for making Yakima County and the state of Washington a better place to live, work, and raise a family; and

BE IT FURTHER RESOLVED, That a copy of this Resolution be immediately transmitted by the Chief Clerk of the House of Representatives to the family of the late Sheriff Brian Winter.

There being no objection, HOUSE RESOLUTION NO. 4669 was adopted.

#### RESOLUTION

#### **HOUSE RESOLUTION NO. 2020-4670, by Representative Dufault**

WHEREAS, It is the policy of the Washington State House of Representatives to recognize excellence in all fields of endeavor; and

WHEREAS, Ricardo R. Garcia was born in San Diego, Texas, attended a bilingual elementary and high school where he learned to speak, read, and write fluently in Spanish and English, and graduated from high school in 1957; and

WHEREAS, Ricardo R. Garcia entered the United States Army, training in Fort Ord, California, serving in South Korea, and finally ending his service at Fort Lewis, Washington; and

WHEREAS, It was the United States Army that brought him to the Yakima Valley where he participated in Army maneuvers, became involved in the Valley with farm workers from Texas doing harvest work, and met his future wife, Monica; and

WHEREAS, Ricardo R. Garcia attended the local community college in 1966 and graduated from Central Washington University; and

WHEREAS, Ricardo R. Garcia became a strong advocate for farm workers and, as part of that advocacy, was

one of four men who helped to create the nation's second noncommercial Spanish language radio station, KDNA, in Granger, Washington, in December 1979; and

WHEREAS, KDNA became known as Radio Cadena, "La Voz Del Campesino," — or, "The Voice of the Farm Worker," — because it educated farm workers, advocated farm worker's organizations, and provided Spanish language programs to non-English speaking families; and

WHEREAS, Ricardo R. Garcia served as station manager of KDNA for many years, but is now retired from the radio station; and

WHEREAS, KDNA 91.9 FM is the only public and educational radio station in Spanish that transmits twenty-four hours a day in Washington state and reaches listeners across southeast Washington and northern Oregon, and via the internet; and

WHEREAS, KDNA Radio Cadena recently celebrated its fortieth anniversary broadcasting on the air and reaching about 17,000 people while they work in the fields and drive home from packing warehouses; and

WHEREAS, Ricardo R. Garcia remains active on local boards and advisory groups to state agencies, a community foundation, and consults on health and education matters;

NOW, THEREFORE, BE IT RESOLVED, That the House of Representatives of the state of Washington recognize Ricardo R. Garcia and KDNA Radio Cadena 91.9 FM for outstanding achievements and contributions to the Latino farm worker community and Spanish-speaking people of Central Washington; and

BE IT FURTHER RESOLVED, That a copy of this Resolution be immediately transmitted by the Chief Clerk of the House of Representatives to Ricardo R. Garcia and representatives of KDNA Radio Cadena 91.9 FM.

There being no objection, HOUSE RESOLUTION NO. 4670 was adopted.

#### RESOLUTION

#### **HOUSE RESOLUTION NO. 2020-4671, by Representative Blake**

WHEREAS, Lori Christian, an esteemed resident of Chehalis and a student at William F. West High School, has achieved national recognition for exemplary volunteer service by receiving a 2020 Prudential Spirit of Community award; and

WHEREAS, This prestigious award, presented by Prudential Financial in partnership with the National Association of Secondary School Principals, honors young volunteers across America who have demonstrated an extraordinary commitment to serving their communities; and

WHEREAS, Ms. Christian earned this award by giving generously her time and energy to founding Teens for Abused Children and handling its numerous proceedings; and

WHEREAS, The success of the state of Washington, the strength of our communities, and the overall vitality of American society depend, in great measure, upon the dedication of young people like Ms. Christian who use their considerable talents and resources to serve others;

NOW, THEREFORE, BE IT RESOLVED, That the House of Representatives congratulate and honor Ms. Christian as a recipient of a Prudential Spirit of Community Award, recognizing her outstanding record of volunteer service, peer leadership, and community spirit, and extend our best wishes for her continued success and happiness.

There being no objection, HOUSE RESOLUTION NO. 4671 was adopted.

#### **SPEAKER'S PRIVILEGE**

The Speaker (Representative Tarleton presiding) recognized the staff of TVW for their 25<sup>th</sup> year anniversary and asked the members to acknowledge them.

The Speaker (Representative Tarleton presiding) called upon Representative Lovick to preside.

There being no objection, the House advanced to the third order of business.

#### **MESSAGE FROM THE SENATE**

February 26, 2020

Mme. SPEAKER:

The Senate has passed:

ENGROSSED SUBSTITUTE SENATE BILL NO. 6248,  
and the same is herewith transmitted.

Brad Hendrickson, Secretary

There being no objection, the House advanced to the fourth order of business.

#### **INTRODUCTION & FIRST READING**

HB 2952 by Representatives Vick, Stokesbary, Dent, Harris, Van Werven, Walsh and Graham

AN ACT Relating to removing the automatic adjustment of the per barrel hazardous substances tax rate on petroleum products; and amending RCW 82.21.030.

Referred to Committee on Finance.

HB 2953 by Representatives Hoff, Stokesbary, Dent, Eslick, Harris, Van Werven, Walsh, Young and Graham

AN ACT Relating to delaying the business and occupation tax increase on health care services;

amending RCW 82.04.290; creating a new section; providing an effective date; and declaring an emergency.

Referred to Committee on Finance.

HB 2954 by Representatives Orcutt, Stokesbary, Dufault, Eslick, Harris, MacEwen, Van Werven, Walsh, Gildon, Maycumber, Sutherland, Young, Hoff, Barkis, Dent, Vick, Graham, Griffey and Jenkin

AN ACT Relating to reducing the state property tax rate for calendar years 2021, 2022, and 2023; amending RCW 84.52.065; and creating a new section.

Referred to Committee on Finance.

There being no objection, the bills listed on the day's introduction sheet under the fourth order of business were referred to the committees so designated.

There being no objection, the House advanced to the sixth order of business.

#### **SECOND READING**

**HOUSE BILL NO. 2032, by Representatives Tarleton, Morris, Ryu, Springer and Macri**

**Providing a tax deferral for the expansion of certain existing public facilities district convention centers.**

The bill was read the second time.

There being no objection, Substitute House Bill No. 2032 was substituted for House Bill No. 2032 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2032 was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the was placed on final passage.

Representatives Tarleton and Orcutt spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 2032.

#### **ROLL CALL**

The Clerk called the roll on the final passage of Substitute House Bill No. 2032, and the bill passed the House by the following vote: Yeas, 94; Nays, 4; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Boehnke, Caldier, Callan, Chambers, Chandler, Chapman, Chopp, Cody, Corry, Davis, DeBolt, Dent, Doglio, Dolan, Duerr, Dufault, Dye, Entenman,

Eslick, Fey, Fitzgibbon, Frame, Gildon, Goehner, Goodman, Graham, Gregerson, Griffey, Hansen, Harris, Hoff, Hudgins, Irwin, Jenkin, J. Johnson, Kilduff, Kirby, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, Mead, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Pellicciotti, Peterson, Pettigrew, Pollet, Ramel, Ramos, Riccelli, Robinson, Rude, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Slatter, Smith, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Tarleton, Thai, Tharinger, Valdez, Van Werven, Vick, Volz, Walen, Wilcox, Wylie, Ybarra and Mme. Speaker.

Voting nay: Representatives McCaslin, Shea, Walsh and Young.

SUBSTITUTE HOUSE BILL NO. 2032, having received the necessary constitutional majority, was declared passed.

**HOUSE BILL NO. 2248, by Representatives Doglio, DeBolt, Fey, Lekanoff, Fitzgibbon, Shewmake, Leavitt, Ramel, Ryu, Tarleton, Appleton, Ramos, Slatter, Ormsby, Macri, Wylie, Kloba, Goodman, Peterson, Hudgins, Pollet and Tharinger**

**Expanding equitable access to the benefits of renewable energy through community solar projects.**

The bill was read the second time.

There being no objection, Engrossed Substitute House Bill No. 2248 was substituted for House Bill No. 2248 and the substitute bill was placed on the second reading calendar.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2248 was read the second time.

Representative Doglio moved the adoption of the striking amendment (1477).

0)

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** (1) The legislature finds and declares that stimulating local investment in community solar projects continues to be an important part of a state energy strategy by helping to increase energy independence from fossil fuels, promote economic development, hedge against the effects of climate change, and attain environmental benefits. The legislature finds that while previous community solar programs were successful in stimulating these benefits, the programs failed to provide an adequate framework for low-income participation and long-term market certainty. The legislature finds that the vast majority of Washingtonians still do not have access to the benefits of solar energy. The legislature intends

to stimulate the deployment of community solar projects for the benefit of all Washingtonians by funding the renewable energy production incentive program for community solar projects and by creating opportunities for broader participation, especially by low-income households and low-income service providers. As of December 2019, the state is thirteen megawatts short of the one hundred fifteen megawatts of solar photovoltaic capacity established as a goal under RCW 82.16.155. The legislature therefore intends to provide an incentive sufficient to promote installation of community solar projects through June 30, 2031, at which point the legislature expects to review the effectiveness of enhancing access to community solar projects.

(2) The legislature finds that participation of low-income customers in community solar projects is consistent with the goals and intent of the energy assistance provisions of chapter 19.405 RCW, the Washington clean energy transformation act, when this participation achieves a reduction in energy burden for the customers.

(3) The legislature also finds that offering energy assistance through renewable energy programs, including community solar, at a discount to low-income customers is consistent with the goal and intent of RCW 80.28.068.

**Sec. 2.** RCW 82.16.130 and 2017 3rd sp.s. c 36 s 4 are each amended to read as follows:

(1) A light and power business is allowed a credit against taxes due under this chapter in an amount equal to:

(a) Incentive payments made in any fiscal year under RCW 82.16.120 and 82.16.165; and

(b) Any fees a utility is allowed to recover pursuant to RCW 82.16.165(5).

(2) The credits must be taken in a form and manner as required by the department. The credit taken under this section for the fiscal year may not exceed one and one-half percent of the ~~((businesses))~~ business's taxable power sales generated in calendar year 2014 and due under RCW 82.16.020(1)(b) or two hundred fifty thousand dollars, whichever is greater, for incentive payments made for the following:

(a) Renewable energy systems, other than community solar projects, that are certified for an incentive payment as of June 30, 2020; and

(b) Community solar projects that are under precertification status under RCW 82.16.165(7)(b) as of June 30, 2020, and that are certified for an incentive payment in accordance with the terms of that precertification by June 30, 2021.

(3) The credit may not exceed the tax that would otherwise be due under this chapter. Refunds may not be granted in the place of credits. Expenditures not used to earn a credit in one fiscal year may not be used to earn a credit in subsequent years.

(4) For any business that has claimed credit for amounts that exceed the correct amount of the incentive payable under RCW 82.16.120, the amount of tax against which credit was claimed for the excess payments is immediately due and payable. The department may deduct amounts due from future credits claimed by the business.

(a) Except as provided in (b) of this subsection, the department must assess interest but not penalties on the taxes against which the credit was claimed. Interest must be assessed at the rate provided for delinquent excise taxes under chapter 82.32 RCW, retroactively to the date the credit was claimed, and accrues until the taxes against which the credit was claimed are repaid.

(b) A business is not liable for excess payments made in reliance on amounts reported by the Washington State University extension energy program as due and payable as provided under RCW 82.16.165(20), if such amounts are later found to be abnormal or inaccurate due to no fault of the business.

(5) The amount of credit taken under this section is not confidential taxpayer information under RCW 82.32.330 and is subject to disclosure.

(6) The right to earn tax credits for incentive payments made under RCW 82.16.120 expires June 30, 2020. Credits may not be claimed after June 30, 2021.

(7)(a) The right to earn tax credits for incentive payments made under RCW 82.16.165 for the following expires June 30, 2029:

(i) Renewable energy systems, other than community solar projects, that are

certified for an incentive payment as of June 30, 2020; and

(ii) Community solar projects that are under precertification status under RCW 82.16.165(7)(b) as of June 30, 2020, and that are certified for an incentive payment in accordance with the terms of that precertification by June 30, 2021.

(b) Credits may not be claimed after June 30, 2030.

(8) This section expires June 30, 2031.

**NEW SECTION. Sec. 3.** A new section is added to chapter 82.16 RCW to read as follows:

(1) Beginning July 1, 2020, a light and power business is allowed a credit against taxes due under this chapter in an amount equal to incentive payments made in any fiscal year under section 7 of this act.

(2) The credits must be taken in a form and manner as required by the department. The credit taken under this section for the fiscal year may not exceed one and one-half percent of the business's taxable power sales generated in calendar year 2014 and due under RCW 82.16.020(1)(b) or two hundred fifty thousand dollars, whichever is greater, for incentive payments made for community solar projects that submit an application for precertification under section 7 of this act on or after July 1, 2020, and that are certified for an incentive payment in accordance with the terms of that precertification by June 30, 2031.

(3) The credit may not exceed the tax that would otherwise be due under this chapter. Refunds may not be granted in the place of credits. Expenditures not used to earn a credit in one fiscal year may not be used to earn a credit in subsequent years.

(4) For any business that has claimed credit for amounts that exceed the correct amount of the incentive payable under section 7 of this act, the amount of tax against which credit was claimed for the excess payments is immediately due and payable. The department may deduct amounts from future credits claimed by the business.

(a) Except as provided in (b) of this subsection, the department must assess interest but not penalties on the taxes against which the credit was claimed. Interest may be assessed at the rate

provided for delinquent excise taxes under chapter 82.32 RCW, retroactively to the date the credit was claimed, and accrues until the taxes against which the credit was claimed are repaid.

(b) A business is not liable for excess payments made in reliance on amounts reported by the Washington State University extension energy program as due and payable as provided under section 7 of this act, if such amounts are later found to be abnormal or inaccurate due to no fault of the business.

(5) The amount of credit taken under this section is not confidential taxpayer information under RCW 82.32.330 and is subject to disclosure.

(6) The right to earn tax credits for incentive payments made under section 7 of this act expires June 30, 2034. Credits may not be claimed under this section after June 30, 2035.

(7) This section expires June 30, 2036.

**Sec. 4.** RCW 82.16.160 and 2017 3rd sp.s. c 36 s 5 are each amended to read as follows:

(1) The definitions in this section apply throughout this section and RCW 82.16.165(~~(, 82.16.170,)~~) and 82.16.175 unless the context clearly requires otherwise.

~~((1))~~ (a) "Administrator" means the utility, nonprofit, or other local housing authority that organizes and administers a community solar project as provided in RCW 82.16.165 and 82.16.170.

~~((2))~~ (b) "Certification" means the authorization issued by the Washington State University extension energy program establishing a person's eligibility to receive annual incentive payments from the person's utility for the program term.

~~((3))~~ (c) "Commercial-scale system" means a renewable energy system or systems other than a community solar project or a shared commercial solar project with a combined nameplate capacity greater than twelve kilowatts that meets the applicable system eligibility requirements established in RCW 82.16.165.

~~((4))~~ (d) "Community solar project" means a solar energy system that has a direct current nameplate generating capacity that is no larger than one

thousand kilowatts and meets the applicable eligibility requirements established in RCW 82.16.165 and 82.16.170.

~~((5))~~ (e) "Consumer-owned utility" has the same meaning as in RCW 19.280.020.

~~((6))~~ (f) "Customer-owner" means the owner of a residential-scale or commercial-scale renewable energy system, where such owner is not a utility and such owner is a customer of the utility and either owns the premises where the renewable energy system is installed or occupies the premises.

~~((7))~~ (g) "Electric utility" or "utility" means a consumer-owned utility or investor-owned utility as those terms are defined in RCW 19.280.020.

~~((8))~~ (h) "Governing body" has the same meaning as provided in RCW 19.280.020.

~~((9))~~ (i) "Person" means any individual, firm, partnership, corporation, company, association, agency, or any other legal entity.

~~((10))~~ (j) "Program term" means: ~~((a))~~ (i) For community solar projects that are certified under RCW 82.16.165, eight years or until cumulative incentive payments for electricity produced by the project reach fifty percent of the total system price, including applicable sales tax, whichever occurs first; and ~~((b))~~ (ii) for other renewable energy systems, including shared commercial solar projects, eight years or until cumulative incentive payments for electricity produced by a system reach fifty percent of the total system price, including applicable sales tax, whichever occurs first.

~~((11))~~ (k) "Renewable energy system" means a solar energy system, including a community solar project, an anaerobic digester as defined in RCW 82.08.900, or a wind generator used for producing electricity.

~~((12))~~ (l) "Residential-scale system" means a renewable energy system or systems located at a single situs with combined nameplate capacity of twelve kilowatts or less that meets the applicable system eligibility requirements established in RCW 82.16.165.

~~((13))~~ (m) "Shared commercial solar project" means a solar energy

system, owned or administered by an electric utility, with a combined nameplate capacity of greater than one megawatt and not more than five megawatts and meets the applicable eligibility requirements established in RCW 82.16.165 and 82.16.175.

(2) This section expires June 30, 2031.

**Sec. 5.** RCW 82.16.165 and 2017 3rd sp.s. c 36 s 6 are each amended to read as follows:

(1) Beginning July 1, 2017, and through June 30, 2020, the following persons may submit a one-time application to the Washington State University extension energy program to receive a certification authorizing the utility serving the situs of a renewable energy system in the state of Washington to remit an annual production incentive for each kilowatt-hour of alternating current electricity generated by the renewable energy system:

(a) The utility's customer who is the customer-owner of a residential-scale or commercial-scale renewable energy system;

(b) An administrator of a community solar project meeting the eligibility requirements outlined in RCW 82.16.170(2) and applies for certification on behalf of each of the project participants; or

(c) A utility or a business under contract with a utility that administers a shared commercial solar project that meets the eligibility requirements in RCW 82.16.175 and applies for certification on behalf of each of the project participants.

(2) No person, business, or household is eligible to receive incentive payments provided under subsection (1) of this section of more than five thousand dollars per year for residential systems or community solar projects, twenty-five thousand dollars per year for commercial-scale systems, or thirty-five thousand dollars per year for shared commercial solar projects.

(3)(a) No new certification may be issued under this section to an applicant who submits a request for or receives an annual incentive payment for a renewable energy system that was certified under RCW 82.16.120, or for a renewable energy system served by a utility that has

elected not to participate in the incentive program, as provided in subsection (4) of this section.

(b) The Washington State University extension energy program may issue a new certification for an additional system installed at a situs with a previously certified system so long as the new system meets the requirements of this section and its production can be measured separately from the previously certified system.

(c) The Washington State University extension energy program may issue a recertification for a residential-scale or commercial-scale system if a customer makes investments resulting in an expansion of the system's nameplate capacity. Such recertification expires on the same day as the original certification for the residential-scale or commercial-scale system and applies to the entire system the incentive rates and program rules in effect as of the date of the recertification.

(4) A utility's participation in the incentive program provided in this section is voluntary.

(a) A utility electing to participate in the incentive program must notify the Washington State University extension energy program of such election in writing.

(b) The utility may terminate its voluntary participation in the production incentive program by providing notice in writing to the Washington State University extension energy program to cease issuing new certifications for renewable energy systems that would be served by that utility.

(c) Such notice of termination of participation is effective after fifteen days, at which point the Washington State University extension energy program may not accept new applications for certification of renewable energy systems that would be served by that utility.

(d) Upon receiving a utility's notice of termination of participation in the incentive program, the Washington State University extension energy program must report on its web site that customers of that utility are no longer eligible to receive new certifications under the program.

(e) A utility's termination of participation does not affect the utility's obligation to continue to make annual incentive payments for electricity generated by systems that were certified prior to the effective date of the notice. The Washington State University extension energy program must continue to process and issue certifications for renewable energy systems that were received by the Washington State University extension energy program before the effective date of the notice of termination.

(f) A utility that has terminated participation in the program may resume participation upon filing notice with the Washington State University extension energy program.

(5) (a) The Washington State University extension energy program may certify a renewable energy system that is connected to equipment capable of measuring the electricity production of the system and interconnecting with the utility's system in a manner that allows the utility, or the customer at the utility's option, to measure and report to the Washington State University extension energy program the total amount of electricity produced by the renewable energy system.

(b) The Washington State University extension energy program must establish a reporting and fee-for-service system to accept electricity production data from the utility or the customer that is not reported electronically and with the reporting entity selected at the utility's option as described in subsection (19) of this section. The fee-for-service agreement must allow for electronic reporting or reporting by mail, may be specific to individual utilities, and must recover only the program's costs of obtaining the electricity production data and incorporating it into an electronic format. A statement of the amount due for the fee-for-service must be provided to the utility by the Washington State University extension energy program with the report provided to the utility pursuant to subsection (20) (a) of this section. The utility may determine how to assess and remit the fee, and the utility may be allowed a credit for fees paid under this subsection (5) against taxes due, as provided in RCW 82.16.130(1).

(6) The Washington State University extension energy program may issue a

certification authorizing annual incentive payments up to the following annual dollar limits:

(a) For community solar projects, five thousand dollars per project participant;

(b) For residential-scale systems, five thousand dollars;

(c) For commercial-scale systems, twenty-five thousand dollars; and

(d) For shared commercial solar projects, up to thirty-five thousand dollars a year per participant, as determined by the terms of subsection (15) of this section.

(7) (a) To obtain certification for the incentive payment provided under subsection (1) of this section by June 30, 2020, for renewable energy systems other than community solar projects, or by June 30, 2021, for community solar projects, a person must submit to the Washington State University extension energy program an application, including:

(i) A signed statement that the applicant has not previously received a notice of eligibility from the department under RCW 82.16.120 entitling the applicant to receive annual incentive payments for electricity generated by the renewable energy system at the same meter location;

(ii) A signed statement of the total price, including applicable sales tax, paid by the applicant for the renewable energy system;

(iii) System operation data including global positioning system coordinates, tilt, estimated shading, and azimuth;

(iv) Any other information the Washington State University extension energy program deems necessary in determining eligibility and incentive levels, administering the program, tracking progress toward achieving the limits on program participation established in RCW 82.16.130, or facilitating the review of the performance of the tax preferences by the joint legislative audit and review committee, as described in RCW 82.16.155; and

(v) (A) Except as provided in (a) (v) (B) of this subsection (7), the date that the renewable energy system

received its final electrical inspection from the applicable local jurisdiction, as well as a copy of the permit or, if the permit is available online, the permit number;

(B) The Washington State University extension energy program may waive the requirement in (a)(v)(A) of this subsection (7), accepting an application and granting provisional certification prior to proof of final electrical inspection. Provisional certification expires one hundred eighty days after issuance, unless the applicant submits proof of the final electrical inspection from the applicable local jurisdiction or the Washington State University extension energy program extends the certification, for a term or terms of thirty days, due to extenuating circumstances; and

(b)(i) Prior to obtaining certification under this subsection, a community solar project or shared commercial solar project must apply for precertification against the remaining funds available for incentive payments under subsection (13)(d) of this section in order to be guaranteed an incentive payment under subsection (1) of this section. Community solar projects that are under precertification status under this subsection (7) as of June 30, 2020, may not apply for precertification for the incentive payment provided under section 7 of this act for that same project;

(ii) A project applicant of a community solar project or shared commercial solar project must complete an application for certification with the Washington State University extension energy program within less than (~~one year~~) two years to retain the precertification status described in this subsection. If a community solar project application is in precertification status as of June 30, 2020, the project applicant must continue in that status until either it is certified by the Washington State University extension energy program or its precertification expires; and

(iii) The Washington State University extension energy program may design a reservation or precertification system for an applicant of a residential-scale or commercial-scale renewable energy system.

(8) No incentive payments may be authorized or accrued until the final electrical inspection and executed interconnection agreement are submitted to the Washington State University extension energy program.

(9) Within thirty days of receipt of (~~the~~) an application for certification, the Washington State University extension energy program must notify the applicant and, except when a utility is the applicant, the utility serving the situs of the renewable energy system, by mail or electronically, whether certification has been granted. The certification notice must state the rate to be paid per kilowatt-hour of electricity generated by the renewable energy system, as provided in subsection (12) of this section, subject to any applicable cap on total annual payment provided in subsection (6) of this section.

(10) Certification is valid for the program term and entitles the applicant or, in the case of a community solar project or shared commercial solar project, the participant, to receive incentive payments for electricity generated from the date the renewable energy system commences operation, or the date the system is certified, whichever date is later. For purposes of this subsection, the Washington State University extension energy program must define when a renewable energy system commences operation and provide notice of such date to the recipient and the utility serving the situs of the system. Certification may not be retroactively changed except to correct later discovered errors that were made during the original application or certification process.

(11)(a) System certification follows the system if the following conditions are met using procedures established by the Washington State University extension energy program:

(i) The renewable energy system is transferred to a new owner who notifies the Washington State University extension energy program of the transfer; and

(ii) The new owner provides an executed interconnection agreement with the utility serving the premises.

(b) In the event that a community solar project participant terminates their participation in a community solar

project, the system certification follows the system and participation may be transferred to a new participant. The administrator of a community solar project must provide notice to the Washington State University extension energy program of any changes or transfers in project participation.

(12) The Washington State University extension energy program must determine the total incentive rate for ~~((a new renewable energy system certification by adding to the base rate any applicable made-in-Washington bonus rate))~~ renewable energy systems, other than a community solar project, certified through June 30, 2020, and for community solar projects precertified as of June 30, 2020, and certified through June 30, 2021, as provided in this subsection. A made-in-Washington bonus rate is provided for a renewable energy system or a community solar project certified through June 30, 2019, with solar modules made in Washington or with a wind turbine or tower that is made in Washington. Both the base rates and bonus rate vary, depending on the fiscal year in which the system is certified and the type of renewable energy system being certified, as provided in the following table:

Fiscal year of system certification	Base rate - residential scale	Base rate - commercial scale	Base rate - community solar	Base rate - shared commercial solar	Made in Washington bonus
2018	\$0.16	\$0.06	\$0.16	\$0.06	\$0.05
2019	\$0.14	\$0.04	\$0.14	\$0.04	\$0.04
2020	\$0.12	\$0.02	\$0.12	\$0.02	(\$0.03)
2021	(\$0.10)	(\$0.02)	\$0.10	(\$0.02)	(\$0.02)

(13) The Washington State University extension energy program must cease to issue new certifications:

(a) For community solar projects and shared commercial solar projects in any fiscal year for which the Washington State University extension energy

program estimates that fifty percent of the remaining funds for credit available to a utility for renewable energy systems certified under this section as of July 1, 2017, have been allocated to community solar projects and shared commercial solar projects combined;

(b) For commercial-scale systems in any fiscal year for which the Washington State University extension energy program estimates that twenty-five percent of the remaining funds for credit available to a utility for renewable energy systems certified under this section as of July 1, 2017, have been allocated to commercial-scale systems;

(c) For any renewable energy system served by a utility, if certification is likely to result in incentive payments by that utility, including payments made under RCW 82.16.120, exceeding the utility's available funds for credit under RCW 82.16.130; and

(d) For any renewable energy system, if certification is likely to result in total incentive payments under this section exceeding one hundred ten million dollars.

(14) If the Washington State University extension energy program ceases issuing new certifications during a fiscal year or biennium as provided in subsection (13) of this section, in the following fiscal year or biennium, or when additional funds are available for credit such that the thresholds described in subsection (13) of this section are no longer exceeded, the Washington State University extension energy program must resume issuing new certifications using a method of awarding certifications that results in equitable and orderly allocation of benefits to applicants.

(15) A customer who is a participant in a shared commercial solar project may not receive incentive payments associated with the project greater than the difference between the levelized cost of energy output of the system over its production life and the retail rate for the rate class to which the customer belongs. The levelized cost of the output of the energy must be determined by the utility that administers the shared commercial solar project and must be disclosed, along with an explanation of the limitations on incentive payments contained in this subsection (15), in the contractual agreement with the shared commercial solar project participants.

(16) In order to begin to receive annual incentive payments, a person who has been issued a certification for the incentive as provided in subsection (9) of this section must obtain an executed interconnection agreement with the utility serving the situs of the renewable energy system.

(17) The Washington State University extension energy program must establish a list of equipment that is eligible for the bonus rates described in subsection (12) of this section. The Washington State University extension energy program must, in consultation with the department of commerce, develop technical specifications and guidelines to ensure consistent and predictable determination of eligibility. A solar module is made in Washington for purposes of receiving the bonus rate only if the lamination of the module takes place in Washington. A wind turbine is made in Washington only if it is powered by a turbine or built with a tower manufactured in Washington.

(18) The manufacturer of a renewable energy system component subject to a bonus rate under subsection (12) of this section may apply to the Washington State University extension energy program to receive a determination of eligibility for such bonus rates. The Washington State University extension energy program must publish a list of components that have been certified as eligible for such bonus rates. The Washington State University extension energy program may assess an equipment certification fee to recover its costs. The Washington State University extension energy program must deposit all revenue generated by this fee into the state general fund.

(19) Annually, the utility must report electronically to the Washington State University extension energy program the amount of gross kilowatt-hours generated by each renewable energy system since the prior annual report. For the purposes of this section, to report electronically means to submit statistical or factual information in alphanumeric form through a web site established by the Washington State University extension energy program or in a list, table, spreadsheet, or other nonnarrative format that can be digitally transmitted or processed. The utility may instead opt to report by mail or require program participants to report individually, but if the utility

exercises one or more of these options it must negotiate with the Washington State University extension energy program the fee-for-service arrangement described in subsection (5)(b) of this section.

(20)(a) The Washington State University extension energy program must calculate for the year and provide to the utility the amount of the incentive payment due to each participant and the total amount of credit against tax due available to the utility under RCW 82.16.130 that has been allocated as annual incentive payments. Upon notice to the Washington State University extension energy program, a utility may opt to directly perform this calculation and provide its results to the Washington State University extension energy program.

(b) If the Washington State University extension energy program identifies an abnormal production claim, it must notify the utility, the department of revenue, and the applicant, and must recommend withholding payment until the applicant has demonstrated that the production claim is accurate and valid. The utility is not liable to the customer for withholding payments pursuant to such recommendation unless and until the Washington State University extension energy program notifies the utility to resume incentive payments.

(21)(a) The utility must issue the incentive payment within ninety days of receipt of the information required under subsection (20)(a) of this section from the Washington State University extension energy program. The utility must resume the incentive payments withheld under subsection (20)(b) of this section within thirty days of receiving notice from the Washington State University extension energy program that the claim has been demonstrated accurate and valid and payment should be resumed.

(b) A utility is not liable for incentive payments to a customer-owner if the utility has disconnected the customer due to a violation of a customer service agreement, such as nonpayment of the customer's bill, or a violation of an interconnection agreement.

(22) Beginning January 1, 2018, the Washington State University extension energy program must post on its web site and update at least monthly a report, by utility, of:

(a) The number of certifications issued for renewable energy systems, including estimated system sizes, costs, and annual energy production and incentive yields for various system types; and

(b) An estimate of the amount of credit that has not yet been allocated for incentive payments under each utility's credit limit and remains available for new renewable energy system certifications.

(23) Persons receiving incentive payments under this section must keep and preserve, for a period of five years for the duration of the consumer contract, suitable records as may be necessary to determine the amount of incentive payments applied for and received. The Washington State University extension energy program may direct a utility to cease issuing incentive payments if the records are not made available for examination upon request. A utility receiving such a directive is not liable to the applicant for any incentive payments or other damages for ceasing payments pursuant to the directive.

(24) The nonpower attributes of the renewable energy system belong to the utility customer who owns or hosts the system or, in the case of a community solar project or a shared commercial solar project, the participant, and can be kept, sold, or transferred at the utility customer's discretion unless, in the case of a utility-owned community solar or shared commercial solar project, a contract between the customer and the utility clearly specifies that the attributes will be retained by the utility.

(25) All lists, technical specifications, determinations, and guidelines developed under this section must be made publicly available online by the Washington State University extension energy program.

(26) No certification may be issued under this section by the Washington State University extension energy program for any renewable energy system, other than a community solar project, after June 30, ((2021)) 2020. No certification may be issued under this section for any community solar project after June 30, 2021.

(27) The Washington State University extension energy program must collect a one-time fee for applications submitted

under subsection (1) of this section of one hundred twenty-five dollars per applicant. The Washington State University extension energy program must deposit all revenue generated by this fee into the state general fund. The Washington State University extension energy program must administer and budget for the program established in RCW 82.16.120, this section, and RCW 82.16.170 in a manner that ensures its administrative costs through June 30, 2022, are completely met by the revenues from this fee. If the Washington State University extension energy program determines that the fee authorized in this subsection is insufficient to cover the administrative costs through June 30, 2022, the Washington State University extension energy program must report to the legislature on costs incurred and fees collected and demonstrate why a different fee amount or funding mechanism should be authorized.

(28) The Washington State University extension energy program may, through a public process, develop any program requirements, policies, and processes necessary for the administration or implementation of this section, RCW 82.16.120, 82.16.155, and 82.16.170. The department is authorized, in consultation with the Washington State University extension energy program, to adopt any rules necessary for administration or implementation of the program established under this section and RCW 82.16.170.

(29) Applications, certifications, requests for incentive payments under this section, and the information contained therein are not deemed tax information under RCW 82.32.330 and are subject to disclosure.

(30) (a) By November 1, 2019, and in compliance with RCW 43.01.036, the Washington State University extension energy program must submit a report to the legislature that includes the following:

(i) The number and types of renewable energy systems that have been certified under this section as of July 1, 2019, both statewide and per participating utility;

(ii) The number of utilities that are approaching or have reached the credit limit established under RCW 82.16.130(2) or the thresholds established under subsection (13) of this section;

(iii) The share of renewable energy systems by type that contribute to each utility's threshold under subsection (13) of this section;

(iv) An assessment of the deployment of community solar projects in the state, including but not limited to the following:

(A) An evaluation of whether or not community solar projects are being deployed in low-income and moderate-income communities, as those terms are defined in RCW 43.63A.510, including a description of any barriers to project deployment in these communities;

(B) A description of the share of community solar projects by administrator type that contribute to each utility's threshold under subsection (13)(a) of this section; and

(C) A description of any barriers to participation by nonprofits and local housing authorities in the incentive program established under this section and under RCW 82.16.170;

(v) The total dollar amount of incentive payments that have been made to participants in the incentive program established under this section to date; and

(vi) The total number of megawatts of solar photovoltaic capacity installed to date by participants in the incentive program established under this section.

(b) By December 31, 2019, the legislature must review the report submitted under (a) of this subsection and determine whether the credit limit established under RCW 82.16.130(2) should be increased to two percent of a light and power business's taxable power sales generated in calendar year 2014 and due under RCW 82.16.020(1)(b) or two hundred fifty thousand dollars, whichever is greater, in order to achieve the legislative intent under section 1, chapter 36, Laws of 2017 3rd sp. sess.

(31) This section expires June 30, 2031.

**NEW SECTION. Sec. 6.** A new section is added to chapter 82.16 RCW to read as follows:

(1) The definitions in this section apply throughout this section and section 7 of this act unless the context clearly requires otherwise.

(a) "Administrator" means the utility, nonprofit, or other local housing authority that organizes and administers a community solar project as provided in section 7 of this act and RCW 82.16.170.

(b) "Certification" means the authorization issued by the Washington State University extension energy program establishing a community solar project administrator's eligibility to receive a low-income community solar incentive payment from the electric utility serving the site of the community solar project, on behalf of, and for the purpose of providing direct benefits to, its low-income subscribers, low-income service provider subscribers, and tribal and public agency subscribers.

(c) "Community solar project" means a solar energy system that:

(i) Has an alternating current nameplate capacity that is greater than twelve kilowatts but no greater than one hundred ninety-nine kilowatts;

(ii) Has, at minimum, either two subscribers or one low-income service provider subscriber; and

(iii) Meets the applicable eligibility requirements in section 7 of this act and RCW 82.16.170.

(d) "Consumer-owned utility" has the same meaning as in RCW 19.280.020.

(e) "Electric utility" or "utility" means a consumer-owned utility or investor-owned utility as those terms are defined in RCW 19.280.020.

(f) "Energy assistance" has the same meaning as provided in RCW 19.405.020.

(g) "Energy burden" has the same meaning as provided in RCW 19.405.020.

(h) "Governing body" has the same meaning as provided in RCW 19.280.020.

(i) "Low-income" has the same meaning as provided in RCW 19.405.020.

(j) "Low-income service provider" includes, but is not limited to, a local community action agency or local community service agency designated by the department of commerce under chapter 43.63A RCW, local housing authority, tribal housing authority, low-income tribal housing program, affordable housing provider, food bank, or other nonprofit organization that provides services to low-income households.

(k) "Multifamily residential building" means a building containing more than two sleeping units or dwelling units where occupants are primarily permanent in nature.

(l) "Person" means an individual, firm, partnership, corporation, company, association, agency, or any other legal entity.

(m) "Public agency" means any political subdivision of the state including, but not limited to, municipal and county governments, special purpose districts, and local housing authorities, but does not include state agencies.

(n) (i) Except as otherwise provided in (n) (ii) of this subsection, "qualifying subscriber" means a low-income subscriber, low-income service provider subscriber, tribal agency subscriber, or public agency subscriber.

(ii) For tribal agency subscribers and public agency subscribers, only the portion of their subscription to a community solar project that is demonstrated to benefit low-income beneficiaries, including low-income service providers and services provided to low-income citizens or households, is to be considered a qualifying subscriber.

(o) "Subscriber" means a retail electric customer of an electric utility who owns or is the beneficiary of one or more subscriptions or ownership shares of a community solar project directly interconnected with that same utility.

(p) "Subscription" means an agreement between a subscriber and the administrator of a community solar project.

(2) This section expires June 30, 2036.

NEW SECTION. Sec. 7. A new section is added to chapter 82.16 RCW to read as follows:

(1) Beginning July 1, 2020, through June 30, 2031, an administrator of a community solar project meeting the eligibility requirements described in this section and RCW 82.16.170(3) may submit an application to the Washington State University extension energy program to receive a precertification for a community solar project. Projects with precertification applications approved by the Washington State University extension energy program have two years

to complete their projects and apply for certification. By certifying qualified projects pursuant to the requirements of this section and RCW 82.16.170(3), the Washington State University extension energy program authorizes the utility serving the site of a community solar project in the state of Washington to remit a one-time low-income community solar incentive payment to the community solar project administrator, who accepts the payment on behalf of, and for the purpose of providing direct benefits to, the project's qualifying subscribers.

(2) A one-time low-income community solar incentive payment remitted to a community solar project administrator for a project certified under this section equals the sum of the following:

(a) An amount, not to exceed twenty thousand dollars per community solar project, equal to the community solar project's administrative costs related to administering the project for qualifying subscribers; and

(b) An amount that does not exceed one hundred percent of the proportional cost of the share of the community solar project that provides direct benefits to qualifying subscribers.

(3) No new certification may be issued under this section to an applicant who receives an annual incentive payment for a community solar project that was certified under RCW 82.16.120 or 82.16.165, or for a community solar project served by a utility that has elected not to participate in the incentive program provided in this section.

(4) Community solar projects that are under precertification status under RCW 82.16.165 as of June 30, 2020, may not apply for precertification of that same project for the one-time low-income community solar incentive payment provided in this section.

(5) (a) In addition to the one-time low-income community solar incentive payment under subsection (2) of this section, a participating utility must also provide the administrator of a community solar project certified under this section the following compensation for the generation of electricity from the certified project:

(i) For a community solar project that has an alternating current nameplate capacity greater than twelve kilowatts

but no greater than one hundred kilowatts, and that is connected behind the electric service meter, compensation must be determined in accordance with RCW 80.60.020.

(ii) For a community solar project that has an alternating current nameplate capacity greater than one hundred kilowatts but no greater than one hundred ninety-nine kilowatts, compensation must be determined at a rate set by the participating utility.

(b) A utility may authorize the administrator of a community solar project to provide compensation for the generation of electricity from a certified project to the project subscribers on behalf of the utility. The administrator must provide the utility with signed statements of the following:

(i) The production meter reading for the period for which compensation is to be provided;

(ii) Each subscriber's share of the project;

(iii) The amount to be dispersed to each subscriber for the period; and

(iv) The date and amount dispersed to each subscriber.

(6) A utility's participation in the incentive program provided in this section is voluntary.

(a) A utility electing to participate in the incentive program must notify the Washington State University extension energy program of such election in writing.

(b) The utility may terminate its voluntary participation in the program by providing notice in writing to the Washington State University extension energy program to cease accepting new applications for precertification for community solar projects that would be served by that utility. Such notice of termination of participation is effective after fifteen days, at which point the Washington State University extension energy program may not accept new applications for precertification for community solar projects that would be served by that utility.

(c) Upon receiving a utility's notice of termination of participation in the incentive program, the Washington State University extension energy program must report on its web site that community

solar project customers of that utility are no longer eligible to receive new certifications under the program.

(d) A utility that has terminated participation in the program may resume participation upon filing a notice with the Washington State University extension energy program.

(7) (a) The Washington State University extension energy program may issue certifications authorizing incentive payments under this section in a total statewide amount not to exceed twenty million dollars, and subject to the following biennial dollar limits:

(i) For fiscal year 2021, three hundred thousand dollars; and

(ii) For each biennium beginning on or after July 1, 2021, five million dollars.

(b) For the first year of each full biennium for which funds are available for incentive payments, the amount available to each utility to pay low-income community solar incentive payments to community solar projects certified under this section is proportional to the amount of electricity provided to each utility's retail electric customers against the total retail sales of electricity by all electric utilities in the state, obtained from the most recent year in which a full year's data for retail sales of electricity in the state is available from the United States energy information administration. For the second year of each full biennium, any amounts not reserved for precertified community solar projects in the first year will be made available on a first-come, first-served basis to utilities that have not reached the public utility tax credit limit established under section 3(2) of this act.

(8) (a) Prior to obtaining certification under this section, the administrator of a community solar project must apply for precertification against the funds available for incentive payments under subsection (7) of this section in order to be guaranteed an incentive payment under this section. The application for precertification must include, at a minimum:

(i) A demonstration of how the project will deliver direct benefits to low-income subscribers. A direct benefit can include credit for the power

generation for the community solar project or from sales of renewable energy credits, a low-income specific discount, or other mechanisms that lower the energy burden of a low-income subscriber; and

(ii) Any other information the Washington State University extension energy program deems necessary in determining eligibility for precertification.

(b) The administrator of a community solar project must complete an application for certification in accordance with the requirements of subsection (9) of this section within less than two years of being approved for precertification status. The administrator must submit a project update to the Washington State University extension energy program after one year in precertification status.

(9) To obtain certification for the one-time low-income community solar incentive payment provided under this section, a project administrator must submit to the Washington State University extension energy program an application, including, at a minimum:

(a) A signed statement that the applicant has not previously received a notice of eligibility from the department under RCW 82.16.120 or the Washington State University extension energy program under RCW 82.16.165 entitling the applicant to receive annual incentive payments for electricity generated by the community solar project at the same meter location;

(b) A signed statement of the costs paid by the administrator related to administering the project for qualifying subscribers;

(c) A signed statement of the total project costs, including the proportional cost of the share of the community solar project that provides direct benefits to qualifying subscribers;

(d) A signed statement of the amount of direct benefits that will be provided to low-income subscribers, other qualifying subscribers, and subscribers who are not qualifying subscribers. The statement must describe the timing, method, and estimated energy burden reduction associated with the direct benefits. The statement must also include a comparison of the amount of upfront

incentive payment to the amount of direct benefit paid to low-income subscribers;

(e) Available system operation data, such as global positioning system coordinates, tilt, estimated shading, and azimuth;

(f) Any other information the Washington State University extension energy program deems necessary in determining eligibility and incentive levels or administering the program;

(g) (i) Except as provided in (g) (ii) of this subsection (9), the date that the community solar project received its final electrical inspection from the applicable local jurisdiction, as well as a copy of the permit or, if the permit is available online, the permit number;

(ii) The Washington State University extension energy program may waive the requirement in (g) (i) of this subsection (9), accepting an application and granting provisional certification prior to proof of final electrical inspection. Provisional certification expires one hundred eight days after issuance, unless the applicant submits proof of the final electrical inspection from the applicable local jurisdiction or the Washington State University extension energy program extends certification, for a term or terms of thirty days, due to extenuating circumstances;

(h) Confirmation of the number of qualifying subscribers; and

(i) Any other information the Washington State University extension energy program deems necessary in determining eligibility and incentive levels or administering the program.

(10) No incentive payments may be authorized or accrued until the final electrical inspection and executed interconnection agreement are submitted to the Washington State University extension energy program.

(11) (a) The Washington State University extension energy program must review each project for which an application for certification is submitted in accordance with subsection (8) of this section for reasonable cost and financial structure, with a targeted cost of three dollars per watt of installed system capacity that is designated for a community solar project's qualifying subscribers. The Washington State University extension

energy program may approve an application for a project that costs more or less than three dollars per watt of installed system capacity based on a review of the project, documents submitted by the project applicant, and available data. Project cost evaluations must exclude costs associated with energy storage systems. Applicants may petition the Washington State University extension energy program to approve a higher cost per watt for unusual circumstances, except that such costs may not include costs associated with energy storage systems.

(b) The Washington State University extension energy program may review the cost per watt target under (a) of this subsection prior to each fiscal biennium and is authorized to determine a new cost per watt target.

(12) (a) Within thirty days of receipt of an application for certification, the Washington State University extension energy program must notify the applicant and, except when a utility is the applicant, the utility serving the site of the community solar project, by mail or electronically, whether certification has been granted. The certification notice must state the total dollar amount of the low-income community solar incentive payment for which the applicant is eligible under this section.

(b) Within sixty days of receipt of a notification under (a) of this subsection, the utility serving the site of the community solar project must remit the applicable one-time low-income community solar incentive payment to the project administrator, who accepts the payment on behalf of, and for the purpose of providing direct benefits to, the project's qualifying subscribers.

(13) (a) Certification follows the community solar project if the following conditions are met using procedures established by the Washington State University extension energy program:

(i) The community solar project is transferred to a new owner who notifies the Washington State University extension energy program of the transfer; and

(ii) The new owner provides an executed interconnection agreement with the utility serving the site of the community solar project.

(b) In the event that a qualifying subscriber terminates their participation in a community solar project, the system certification follows the project and participation must be transferred to a new qualifying subscriber.

(14) Beginning January 1, 2021, the Washington State University extension energy program must post on its web site and update at least monthly a report, by utility, of:

(a) The number of certifications issued for community solar projects; and

(b) An estimate of the amount of credit that has not yet been allocated for low-income community solar incentive payments under each utility's credit limit and that remains available for new community solar project certifications in the state.

(15) Persons receiving incentive payments under this section must keep and preserve, for a period of five years for the duration of the consumer contract, suitable records as may be necessary to determine the amount of incentive payments applied for and received.

(16) The nonpower attributes of the community solar project belong to the individual subscribers, and must be kept, sold, or transferred at a subscriber's discretion, unless a contract between the subscriber and administrator clearly specifies that the attributes will be transferred to the administrator.

(17) All lists, technical specifications, determinations, and guidelines developed under this section must be made publicly available online by the Washington State University extension energy program.

(18) The Washington State University extension energy program must collect a one-time fee for precertification applications submitted under this section of five hundred dollars per applicant. The Washington State University extension energy program must deposit all revenue generated by this fee into the state general fund.

(19) The Washington State University extension energy program may, through a public process, develop program requirements, policies, and processes necessary for the administration or implementation of this section.

(20) Applications, certifications, requests for incentive payments under this section, and the information contained therein are not deemed tax information under RCW 82.32.330 and are subject to disclosure.

(21) No certification may be issued under this section by the Washington State University extension energy program for a community solar project after June 30, 2033.

(22) This section expires June 30, 2036.

**Sec. 8.** RCW 82.16.170 and 2017 3rd sp.s. c 36 s 7 are each amended to read as follows:

(1) The purpose of community solar programs is to facilitate broad, equitable community investment in and access to solar power. Beginning July 1, 2017, a community solar administrator may organize and administer a community solar project as provided in this section.

(2) ~~((A))~~ In order to receive certification for the incentive payment provided under RCW 82.16.165(1) by June 30, 2021, a community solar project must have a direct current nameplate capacity that is no more than one thousand kilowatts and must have at least ten participants or one participant for every ten kilowatts of direct current nameplate capacity, whichever is greater. A community solar project that has a direct current nameplate capacity greater than five hundred kilowatts must be subject to a standard interconnection agreement with the utility serving the situs of the community solar project. Except for community solar projects authorized under subsection ~~((9))~~ (10) of this section, each participant must be a customer of the utility providing service at the situs of the community solar project.

(3) In order to receive certification for the incentive payment provided under section 7 of this act beginning July 1, 2020, a community solar project must meet the following requirements:

(a) The administrator of the community solar project must be a utility, nonprofit, or other local housing authority. The administrator of the community solar project must apply for precertification under section 7 of this act on or after July 1, 2020;

(b) The community solar project must have an alternating current nameplate capacity that is greater than twelve kilowatts but no greater than one hundred ninety-nine kilowatts, and must have at least two subscribers or one low-income service provider subscriber;

(c) The administrator of the community solar project must provide a verified list of qualifying subscribers;

(d) Verification that an individual household subscriber meets the definition of low-income must be provided to the administrator by an entity with authority to maintain the confidentiality of the income status of the low-income subscriber. If the providing entity incurs costs to verify a subscriber's income status, the administrator must provide reimbursement of those costs;

(e) Except for community solar projects authorized under subsection (10) of this section, each subscriber must be a customer of the utility providing service at the site of the community solar project;

(f) In the event that a low-income subscriber in a community solar project certified under section 7 of this act moves from the household premises of the subscriber's current subscription to another, the subscriber may continue the subscription, provided that the new household premises is served by the utility providing service at the site of the community solar project. In the event that a subscriber is no longer served by that utility or the subscriber terminates participation in a community solar project certified under section 7 of this act, the certification follows the system and participation may be transferred by the administrator to a new qualifying subscriber;

(g) The administrator must include in the application for precertification a project prospectus that demonstrates how the administrator intends to provide direct benefits to qualifying subscribers for the duration of their subscription to the community solar project; and

(h) The length of the subscription term for low-income subscribers must be the same length as for other subscribers, if applicable.

(4) The administrator of a community solar project must administer the project

in a transparent manner that allows for fair and nondiscriminatory opportunity for participation by utility customers.

~~((4))~~ (5) The administrator of a community solar project may establish a reasonable fee to cover costs incurred in organizing and administering the community solar project. Project participants, prior to making the commitment to participate in the project, must be given clear and conspicuous notice of the portion of the incentive payment that will be used for this purpose.

~~((5))~~ (6) The administrator of a community solar project must maintain and update annually through June 30, 2030, the following information for each project it operates or administers:

- (a) Ownership information;
- (b) Contact information for technical management questions;
- (c) Business address;
- (d) Project design details, including project location, output capacity, equipment list, and interconnection information; and
- (e) Subscription information, including rates, fees, terms, and conditions.

~~((6))~~ (7) The administrator of a community solar project must provide the information required in subsection ~~((5))~~ (6) of this section to the Washington State University extension energy program at the time it submits the applications allowed under RCW 82.16.165(1) and section 7 of this act.

~~((7))~~ (8) The administrator of a community solar project must provide each project participant with a disclosure form containing all material terms and conditions of participation in the project, including but not limited to the following:

- (a) Plain language disclosure of the terms under which the project participant's share of any incentive payment will be calculated by the Washington State University extension energy program ~~((over the life of the contract))~~;
- (b) Contract provisions regulating the disposition or transfer of the project participant's interest in the project, including any potential costs associated with such a transfer;

(c) All recurring and nonrecurring charges;

(d) A description of the billing and payment procedures;

(e) A description of any compensation to be paid in the event of project underperformance;

(f) Current production projections and a description of the methodology used to develop the projections;

(g) Contact information for questions and complaints; and

(h) Any other terms and conditions of the services provided by the administrator.

~~((8))~~ (9) A utility may not adopt rates, terms, conditions, or standards that unduly or unreasonably discriminate between utility-administered community solar projects and those administered by another entity.

~~((9))~~ (10) A public utility district that is engaged in distributing electricity to more than one retail electric customer in the state and a joint operating agency organized under chapter 43.52 RCW on or before January 1, 2017, may enter into an agreement with each other to construct and own a community solar project that is located on property owned by a joint operating agency or on property that receives electric service from a participating public utility district. Each participant of a community solar project under this subsection must be a customer of at least one of the public utility districts that is a party to the agreement with a joint operating agency to construct and own a community solar project.

~~((10))~~ (11) The Washington utilities and transportation commission must publish, without disclosing proprietary information, a list of the following:

- (a) Entities other than utilities, including affiliates or subsidiaries of utilities, that organize and administer community solar projects; and
- (b) Community solar projects and related programs and services offered by investor-owned utilities.

~~((11))~~ (12) If a consumer-owned utility opts to provide a community solar program or contracts with a nonutility administrator to offer a community solar

program, the governing body of the consumer-owned utility must publish, without disclosing proprietary information, a list of the nonutility administrators contracted by the utility as part of its community solar program.

~~((12))~~ (13) A utility administrator of a community solar project applying for and receiving precertification and certification on or after July 1, 2020, that meets the requirements of section 7 of this act and subsection (3) of this section may provide energy assistance and investments to reduce the energy burden for low-income households and low-income service providers by offsetting the proportional administration and subscription costs for those entities.

(14) Except for parties engaged in actions and transactions regulated under laws administered by other authorities and exempted under RCW 19.86.170, a violation of this section constitutes an unfair or deceptive act in trade or commerce in violation of chapter 19.86 RCW, the consumer protection act. Acts in violation of chapter 36, Laws of 2017 3rd sp. sess. are not reasonable in relation to the development and preservation of business, and constitute matters vitally affecting the public interest for the purpose of applying the consumer protection act, chapter 19.86 RCW.

~~((13))~~ (15) Nothing in this section may be construed as intending to preclude persons from investing in or possessing an ownership interest in a community solar project, or from applying for and receiving federal investment tax credits.

(16) This section expires June 30, 2036.

**Sec. 9.** RCW 82.16.110 and 2011 c 179 s 2 are each amended to read as follows:

(1) The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

~~((1))~~ (a) "Administrator" means an owner and assignee of a community solar project as defined in ~~((subsection~~ ~~(2)(a)(i))~~ (b)(i)(A) of this ~~((section))~~ subsection that is responsible for applying for the investment cost recovery incentive on behalf of the other owners and performing such administrative tasks on behalf of the other owners as may be necessary, such as receiving investment cost

recovery incentive payments, and allocating and paying appropriate amounts of such payments to the other owners.

~~((2)(a))~~ (b)(i) "Community solar project" means:

~~((i))~~ (A) A solar energy system that is capable of generating up to seventy-five kilowatts of electricity and is owned by local individuals, households, nonprofit organizations, or nonutility businesses that is placed on the property owned by a cooperating local governmental entity that is not in the light and power business or in the gas distribution business;

~~((ii))~~ (B) A utility-owned solar energy system that is capable of generating up to seventy-five kilowatts of electricity and that is voluntarily funded by the utility's ratepayers where, in exchange for their financial support, the utility gives contributors a payment or credit on their utility bill for the value of the electricity produced by the project; or

~~((iii))~~ (C) A solar energy system, placed on the property owned by a cooperating local governmental entity that is not in the light and power business or in the gas distribution business, that is capable of generating up to seventy-five kilowatts of electricity, and that is owned by a company whose members are each eligible for an investment cost recovery incentive for the same customer-generated electricity as provided in RCW 82.16.120.

~~((b))~~ (ii) For the purposes of "community solar project" as defined in ~~((a))~~ (b)(i) of this subsection:

~~((i))~~ (A) "Company" means an entity that is:

~~((A))~~ (I) A limited liability company; ~~((II) A)~~ a cooperative formed under chapter 23.86 RCW; or ~~((III) A)~~ a mutual corporation or association formed under chapter 24.06 RCW; and

~~((B))~~ (II) Not a "utility" as defined in this subsection ~~((2)(b))~~ (1)(b)(ii); and

~~((i))~~ (B) "Nonprofit organization" means an organization exempt from taxation under 26 U.S.C. Sec. 501(c)(3) of the federal internal revenue code of 1986, as amended, as of January 1, 2009; and

~~((iii))~~ (C) "Utility" means a light and power business, an electric cooperative, or a mutual corporation that provides electricity service.

~~((3))~~ (c) "Customer-generated electricity" means a community solar project or the alternating current electricity that is generated from a renewable energy system located in Washington and installed on an individual's, businesses', or local government's real property that is also provided electricity generated by a light and power business. Except for community solar projects, a system located on a leasehold interest does not qualify under this definition. Except for utility-owned community solar projects, "customer-generated electricity" does not include electricity generated by a light and power business with greater than one thousand megawatt-hours of annual sales or a gas distribution business.

~~((4))~~ (d) "Economic development kilowatt-hour" means the actual kilowatt-hour measurement of customer-generated electricity multiplied by the appropriate economic development factor.

~~((5))~~ (e) "Local governmental entity" means any unit of local government of this state including, but not limited to, counties, cities, towns, municipal corporations, quasi-municipal corporations, special purpose districts, and school districts.

~~((6))~~ (f) "Photovoltaic cell" means a device that converts light directly into electricity without moving parts.

~~((7))~~ (g) "Renewable energy system" means a solar energy system, an anaerobic digester as defined in RCW 82.08.900, or a wind generator used for producing electricity.

~~((8))~~ (h) "Solar energy system" means any device or combination of devices or elements that rely upon direct sunlight as an energy source for use in the generation of electricity.

~~((9))~~ (i) "Solar inverter" means the device used to convert direct current to alternating current in a solar energy system.

~~((10))~~ (j) "Solar module" means the smallest nondivisible self-contained physical structure housing interconnected photovoltaic cells and

providing a single direct current electrical output.

~~((11))~~ (k) "Stirling converter" means a device that produces electricity by converting heat from a solar source utilizing a stirling engine.

(2) This section expires June 30, 2031.

**Sec. 10.** RCW 82.16.120 and 2017 3rd sp.s. c 36 s 3 are each amended to read as follows:

(1)(a) Any individual, business, local governmental entity, not in the light and power business or in the gas distribution business, or a participant in a community solar project may apply to the light and power business serving the situs of the system, each fiscal year beginning on July 1, 2005, and ending June 30, 2017, for an investment cost recovery incentive for each kilowatt-hour from a customer-generated electricity renewable energy system.

(b) In the case of a community solar project as defined in RCW 82.16.110~~((2)(a)(i))~~ (1)(b)(i)(A), the administrator must apply for the investment cost recovery incentive on behalf of each of the other owners.

(c) In the case of a community solar project as defined in RCW 82.16.110~~((2)(a)(iii))~~ (1)(b)(i)(C), the company owning the community solar project must apply for the investment cost recovery incentive on behalf of each member of the company.

(2)(a) Before submitting for the first time the application for the incentive allowed under subsection (4) of this section, the applicant must submit to the department of revenue and to the climate and rural energy development center at the Washington State University, established under RCW 28B.30.642, a certification in a form and manner prescribed by the department that includes, but is not limited to, the information described in (c) of this subsection.

(b) The department may not accept certifications submitted to the department under (a) of this subsection after September 30, 2017.

(c) The certification must include:

(i) The name and address of the applicant and location of the renewable energy system.

(A) If the applicant is an administrator of a community solar project as defined in RCW 82.16.110(~~((2)(a)(i))~~) (1)(b)(i)(A), the certification must also include the name and address of each of the owners of the community solar project.

(B) If the applicant is a company that owns a community solar project as defined in RCW 82.16.110(~~((2)(a)(iii))~~) (1)(b)(i)(C), the certification must also include the name and address of each member of the company;

(ii) The applicant's tax registration number;

(iii) That the electricity produced by the applicant meets the definition of "customer-generated electricity" and that the renewable energy system produces electricity with:

(A) Any solar inverters and solar modules manufactured in Washington state;

(B) A wind generator powered by blades manufactured in Washington state;

(C) A solar inverter manufactured in Washington state;

(D) A solar module manufactured in Washington state;

(E) A stirling converter manufactured in Washington state; or

(F) Solar or wind equipment manufactured outside of Washington state;

(iv) That the electricity can be transformed or transmitted for entry into or operation in parallel with electricity transmission and distribution systems; and

(v) The date that the renewable energy system received its final electrical inspection from the applicable local jurisdiction.

(d) Within thirty days of receipt of the certification the department of revenue must notify the applicant by mail, or electronically as provided in RCW 82.32.135, whether the renewable energy system qualifies for an incentive under this section. The department may consult with the climate and rural energy development center to determine eligibility for the incentive. System certifications and the information contained therein are not confidential

tax information under RCW 82.32.330 and are subject to disclosure.

(3)(a) By August 1st of each year through August 1, 2017, the application for the incentive must be made to the light and power business serving the situs of the system by certification in a form and manner prescribed by the department that includes, but is not limited to, the following information:

(i) The name and address of the applicant and location of the renewable energy system.

(A) If the applicant is an administrator of a community solar project as defined in RCW 82.16.110(~~((2)(a)(i))~~) (1)(b)(i)(A), the application must also include the name and address of each of the owners of the community solar project.

(B) If the applicant is a company that owns a community solar project as defined in RCW 82.16.110(~~((2)(a)(iii))~~) (1)(b)(i)(C), the application must also include the name and address of each member of the company;

(ii) The applicant's tax registration number;

(iii) The date of the notification from the department of revenue stating that the renewable energy system is eligible for the incentives under this section; and

(iv) A statement of the amount of kilowatt-hours generated by the renewable energy system in the prior fiscal year.

(b) Within sixty days of receipt of the incentive certification the light and power business serving the situs of the system must notify the applicant in writing whether the incentive payment will be authorized or denied. The business may consult with the climate and rural energy development center to determine eligibility for the incentive payment. Incentive certifications and the information contained therein are not confidential tax information under RCW 82.32.330 and are subject to disclosure.

(c)(i) Persons, administrators of community solar projects, and companies receiving incentive payments must keep and preserve, for a period of five years, suitable records as may be necessary to determine the amount of incentive applied for and received. Such records must be open for examination at any time upon

notice by the light and power business that made the payment or by the department. If upon examination of any records or from other information obtained by the business or department it appears that an incentive has been paid in an amount that exceeds the correct amount of incentive payable, the business may assess against the person for the amount found to have been paid in excess of the correct amount of incentive payable and must add thereto interest on the amount. Interest is assessed in the manner that the department assesses interest upon delinquent tax under RCW 82.32.050.

(ii) If it appears that the amount of incentive paid is less than the correct amount of incentive payable the business may authorize additional payment.

(4) Except for community solar projects, the investment cost recovery incentive may be paid fifteen cents per economic development kilowatt-hour unless requests exceed the amount authorized for credit to the participating light and power business. For community solar projects, the investment cost recovery incentive may be paid thirty cents per economic development kilowatt-hour unless requests exceed the amount authorized for credit to the participating light and power business. For the purposes of this section, the rate paid for the investment cost recovery incentive may be multiplied by the following factors:

(a) For customer-generated electricity produced using solar modules manufactured in Washington state or a solar stirling converter manufactured in Washington state, two and four-tenths;

(b) For customer-generated electricity produced using a solar or a wind generator equipped with an inverter manufactured in Washington state, one and two-tenths;

(c) For customer-generated electricity produced using an anaerobic digester, or by other solar equipment or using a wind generator equipped with blades manufactured in Washington state, one; and

(d) For all other customer-generated electricity produced by wind, eight-tenths.

(5) (a) No individual, household, business, or local governmental entity is eligible for incentives provided under

subsection (4) of this section for more than five thousand dollars per year.

(b) Except as provided in (c) through (e) of this subsection (5), each applicant in a community solar project is eligible for up to five thousand dollars per year.

(c) Where the applicant is an administrator of a community solar project as defined in RCW 82.16.110 ~~((2)(a)(i))~~ (1) (b) (i) (A), each owner is eligible for an incentive but only in proportion to the ownership share of the project, up to five thousand dollars per year.

(d) Where the applicant is a company owning a community solar project that has applied for an investment cost recovery incentive on behalf of its members, each member of the company is eligible for an incentive that would otherwise belong to the company but only in proportion to each ownership share of the company, up to five thousand dollars per year. The company itself is not eligible for incentives under this section.

(e) In the case of a utility-owned community solar project, each ratepayer that contributes to the project is eligible for an incentive in proportion to the contribution, up to five thousand dollars per year.

(6) The climate and rural energy development center at Washington State University energy program may establish guidelines and standards for technologies that are identified as Washington manufactured and therefore most beneficial to the state's environment.

(7) The environmental attributes of the renewable energy system belong to the applicant, and do not transfer to the state or the light and power business upon receipt of the investment cost recovery incentive.

(8) No incentive may be paid under this section for kilowatt-hours generated before July 1, 2005, or after June 30, 2017, except as provided in subsections (10) through (12) of this section.

(9) Beginning October 1, 2017, program management, technical review, and tracking responsibilities of the department under this section are transferred to the Washington State University extension energy program. At

the earliest date practicable and no later than September 30, 2017, the department must transfer all records necessary for the administration of the remaining incentive payments due under this section to the Washington State University extension energy program.

(10) Participants in the renewable energy investment cost recovery program under this section will continue to receive payments for electricity produced through June 30, 2020, at the same rates their utility paid to participants for electricity produced between July 1, 2015, and June 30, 2016.

(11) In order to continue to receive the incentive payment allowed under subsection (4) of this section, a person or community solar project administrator who has, by September 30, 2017, submitted a complete certification to the department under subsection (2) of this section must apply to the Washington State University extension energy program by April 30, 2018, for a certification authorizing the utility serving the situs of the renewable energy system to annually remit the incentive payment allowed under subsection (4) of this section for each kilowatt-hour generated by the renewable energy system through June 30, 2020.

(12) (a) The Washington State University extension energy program must establish an application process and form by which to collect the system operation data described in RCW 82.16.165(7)(a)(iii) from each person or community solar project administrator applying for a certification under subsection (11) of this section. The Washington State University extension energy program must notify any applicant that providing this data is a condition of certification and that any certification issued pursuant to this section is void as of June 30, 2018, if the applicant has failed to provide the data by that date.

(b) Beginning July 1, 2018, the Washington State University extension energy program must, in a form and manner that is consistent with the roles and processes established under RCW 82.16.165 (19) and (20), calculate for the year and provide to the utility the amount of the incentive payment due to each participant under subsection (11) of this section.

(13) This section expires June 30, 2031.

**Sec. 11.** RCW 82.16.150 and 2010 c 202 s 5 are each amended to read as follows:

(1) Owners of a community solar project as defined in RCW 82.16.110(~~((2)(a)(i) and (iii))~~) (1)(b)(i)(A) and (C) must agree to hold harmless the light and power business serving the situs of the system, including any employee, for the good faith reliance on the information contained in an application or certification submitted by an administrator or company. In addition, the light and power business and any employee is immune from civil liability for the good faith reliance on any misstatement that may be made in such application or certification. Should a light and power business or employee prevail upon the defense provided in this section, it is entitled to recover expenses and reasonable attorneys' fees incurred in establishing the defense.

(2) This section expires June 30, 2031.

**Sec. 12.** RCW 82.16.155 and 2017 3rd sp.s. c 36 s 2 are each amended to read as follows:

(1) This section is the tax preference performance statement for the tax preference and incentives created under (~~RCW 82.16.130 and~~) sections 4 and 6, chapter 36, Laws of 2017 3rd sp. sess. This performance statement is only intended to be used for subsequent evaluation of the tax preference and incentives. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes the tax preference created under (~~RCW 82.16.130~~) section 4, chapter 36, Laws of 2017 3rd sp. sess. and incentive payments authorized in section 6, chapter 36, Laws of 2017 3rd sp. sess. as intended to:

(a) Induce participating utilities to make incentive payments to utility customers who invest in renewable energy systems; and

(b) By inducing utilities, nonprofit organizations, and utility customers to acquire and install renewable energy

systems, retain jobs in the clean energy sector and create additional jobs.

(3) The legislature's public policy objectives are to:

(a) Increase energy independence from fossil fuels; and

(b) Promote economic development through increasing and improving investment in, development of, and use of clean energy technology in Washington; and

(c) Increase the number of jobs in and enhance the sustainability of the clean energy technology industry in Washington.

(4) It is the legislature's intent to provide the incentives in sections 4 and 6, chapter 36, Laws of 2017 3rd sp. sess. (~~and RCW 82.16.130~~) in order to ensure the sustainable job growth and vitality of the state's renewable energy sector. The purpose of the incentive is to reduce the costs associated with installing and operating solar energy systems by persons or entities receiving the incentive.

(5) As part of its 2021 tax preference reviews, the joint legislative audit and review committee must review the tax preferences and incentives in sections 4 and 6, chapter 36, Laws of 2017 3rd sp. sess. (~~and RCW 82.16.130~~.) The legislature intends for the legislative auditor to determine that the incentive has achieved its desired outcomes if the following objectives are achieved:

(a) Installation of one hundred fifteen megawatts of solar photovoltaic capacity by participants in the incentive program between July 1, 2017, and June 30, 2021; and

(b) Growth of solar-related employment from 2015 levels, as evidenced by:

(i) An increased per capita rate of solar energy-related jobs in Washington, which may be determined by consulting a relevant trade association in the state; or

(ii) Achievement of an improved national ranking for solar energy-related employment and per capita solar energy-related employment, as reported in a nationally recognized report.

(6) In order to obtain the data necessary to perform the review, the

joint legislative audit and review committee may refer to data collected by the Washington State University extension energy program and may obtain employment data from the employment security department.

(7) The Washington State University extension energy program must collect, through the application process, data from persons claiming the tax credit under (~~RCW 82.16.130~~) section 4, chapter 36, Laws of 2017 3rd sp. sess. and persons receiving the incentive payments created in (~~RCW 82.16.165~~) section 6, chapter 36, Laws of 2017 3rd sp. sess., as necessary, and may collect data from other interested persons as necessary to report on the performance of chapter 36, Laws of 2017 3rd sp. sess.

(8) All recipients of tax credits or incentive payments awarded under this chapter must provide data necessary to evaluate the tax preference performance objectives in this section as requested by the Washington State University extension energy program or the joint legislative audit and review committee. Failure to comply may result in the loss of a tax credit award or incentive payment in the following year.

(9) This section expires June 30, 2031.

NEW SECTION. Sec. 13. The provisions of RCW 82.32.805 and 82.32.808 do not apply to this act.

NEW SECTION. Sec. 14. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately."

Correct the title.

Representatives Doglio and DeBolt spoke in favor of the adoption of the amendment.

Amendment (1477) was adopted.

The bill was ordered engrossed.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Dent and Tarleton spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 2248.

**ROLL CALL**

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2248, and the bill passed the House by the following vote: Yeas, 88; Nays, 10; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Boehnke, Caldier, Callan, Chambers, Chapman, Chopp, Cody, Corry, Davis, DeBolt, Dent, Doglio, Dolan, Duerr, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gildon, Goehner, Goodman, Graham, Gregerson, Griffey, Hansen, Harris, Hoff, Hudgins, Irwin, J. Johnson, Kilduff, Kirby, Klippert, Kloba, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, Mead, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Pellicciotti, Peterson, Pettigrew, Pollet, Ramel, Ramos, Riccelli, Robinson, Rude, Ryu, Santos, Sells, Senn, Shewmake, Slatter, Smith, Springer, Steele, Stonier, Sullivan, Tarleton, Thai, Tharinger, Valdez, Van Werven, Vick, Volz, Walen, Walsh, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Voting nay: Representatives Chandler, Dufault, Dye, Jenkin, Kraft, McCaslin, Schmick, Shea, Stokesbary and Sutherland.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2248, having received the necessary constitutional majority, was declared passed.

**HOUSE BILL NO. 2880, by Representatives Dent, Chandler and Barkis****Concerning sales and use tax exemptions for aircraft fuel used for research and development purposes.**

The bill was read the second time.

There being no objection, Engrossed Substitute House Bill No. 2880 was substituted for House Bill No. 2880 and the substitute bill was placed on the second reading calendar.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2880 was read the second time.

Representative Dent moved the adoption of amendment (1185).

On page 2, line 5, after "testbed aircraft" insert "that is based in the state"

On page 2, beginning on line 8, strike all of subsection (c)

Representatives Dent and Tarleton spoke in favor of the adoption of the amendment.

Amendment (1185) was adopted.

The bill was ordered engrossed.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Dent and Tarleton spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 2880.

**ROLL CALL**

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2880, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Boehnke, Caldier, Callan, Chambers, Chandler, Chapman, Chopp, Cody, Corry, Davis, DeBolt, Dent, Doglio, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gildon, Goehner, Goodman, Graham, Gregerson, Griffey, Hansen, Harris, Hoff, Hudgins, Irwin, Jenkin, J. Johnson, Kilduff, Kirby, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, Mead, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Pellicciotti, Peterson, Pettigrew, Pollet, Ramel, Ramos, Riccelli, Robinson, Rude, Ryu, Santos, Schmick, Sells, Senn, Shea, Shewmake, Slatter, Smith, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Tarleton, Thai, Tharinger, Valdez, Van Werven, Vick, Volz, Walen, Walsh, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2880, having received the necessary constitutional majority, was declared passed.

**HOUSE BILL NO. 2903, by Representatives Chapman, Stokesbary, Chambers, Gildon, Tharinger and Senn****Providing that qualified dealer cash incentives paid to auto dealers are bona fide discounts for purposes of the business and occupation tax.**

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Chapman and Orcutt spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of House Bill No. 2903.

**ROLL CALL**

The Clerk called the roll on the final passage of House Bill No. 2903, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Boehnke, Caldier, Callan, Chambers, Chandler, Chapman, Chopp, Cody, Corry, Davis, DeBolt, Dent, Doglio, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gildon, Goehner, Goodman, Graham, Gregerson, Griffey, Hansen, Harris, Hoff, Hudgins, Irwin, Jenkin, J. Johnson, Kilduff, Kirby, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, Mead, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Pellicciotti, Peterson, Pettigrew, Pollet, Ramel, Ramos, Riccelli, Robinson, Rude, Ryu, Santos, Schmick, Sells, Senn, Shea, Shewmake, Slatter, Smith, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Tarleton, Thai, Tharinger, Valdez, Van Werven, Vick, Volz, Walen, Walsh, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

HOUSE BILL NO. 2903, having received the necessary constitutional majority, was declared passed.

**SUBSTITUTE SENATE BILL NO. 5097, by Senate Committee on Health & Long Term Care (originally sponsored by Cleveland, Wilson, L., Keiser and Kuderer)**

**Concerning the licensure and certification of massage therapists and reflexologists.**

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Kraft and Stonier spoke in favor of the passage of the bill.

Representative Kloba spoke against the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 5097.

#### ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 5097, and the bill passed the House by the following vote: Yeas, 89; Nays, 9; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Boehnke, Caldier, Callan, Chambers, Chandler, Chopp, Cody, Corry, Davis, DeBolt, Dent, Doglio, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fitzgibbon, Frame, Gildon, Goehner, Goodman, Graham, Gregerson, Griffey, Hansen, Harris, Hoff, Hudgins, Irwin, Jenkin, J. Johnson, Kilduff, Kirby, Klippert, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, Mead, Morgan, Mosbrucker, Orcutt, Ormsby,

Ortiz-Self, Orwall, Paul, Pellicciotti, Pettigrew, Ramel, Ramos, Riccelli, Robinson, Rude, Schmick, Sells, Senn, Shea, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Tarleton, Thai, Tharinger, Valdez, Van Werven, Vick, Volz, Walen, Walsh, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Voting nay: Representatives Chapman, Fey, Kloba, Peterson, Pollet, Ryu, Santos, Shewmake and Smith.

SUBSTITUTE SENATE BILL NO. 5097, having received the necessary constitutional majority, was declared passed.

**ENGROSSED SENATE BILL NO. 5282, by Senators Liias, Cleveland, Darneille, Short, Kuderer, Walsh, Brown, Randall, Dhingra, Rolfes, Billig, Das, Hunt, Keiser and Pedersen**

**Requiring informed consent for pelvic exams.**

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Health Care & Wellness was adopted. (For Committee amendment, see Journal, Day 44, February 25, 2020).

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House, was placed on final passage.

Representatives Macri and Caldier spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Senate Bill No. 5282, as amended by the House.

#### ROLL CALL

The Clerk called the roll on the final passage of Engrossed Senate Bill No. 5282, as amended by the House, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Boehnke, Caldier, Callan, Chambers, Chandler, Chapman, Chopp, Cody, Corry, Davis, DeBolt, Dent, Doglio, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gildon, Goehner, Goodman, Graham, Gregerson, Griffey, Hansen, Harris, Hoff, Hudgins, Irwin, Jenkin, J. Johnson, Kilduff, Kirby, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, Mead, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Pellicciotti, Peterson, Pettigrew, Pollet, Ramel, Ramos, Riccelli, Robinson, Rude, Ryu, Santos, Schmick, Sells, Senn, Shea, Shewmake, Slatter, Smith, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Tarleton, Thai, Tharinger, Valdez, Van Werven, Vick, Volz, Walen, Walsh, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

ENGROSSED SENATE BILL NO. 5282, as amended by the House, having received the necessary constitutional majority, was declared passed.

There being no objection, the House adjourned until 10:00 a.m., February 28, 2020, the 47th Day of the Regular Session.

LAURIE JINKINS, Speaker

BERNARD DEAN, Chief Clerk

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