
SENATE BILL 6755

State of Washington

56th Legislature

2000 Regular Session

By Senators Haugen, Gardner, Patterson, Shin, Costa, Morton, Horn, Bauer, Prentice and Benton

Read first time 01/26/2000. Referred to Committee on Transportation.

1 AN ACT Relating to the state patrol highway account; amending RCW
2 43.43.115, 46.01.140, 46.16.010, 46.32.090, 46.32.100, 46.68.030,
3 46.68.035, 47.68.255, 63.35.040, 63.35.050, 82.48.020, 82.49.010, and
4 88.02.118; reenacting and amending RCW 43.84.092 and 46.61.5054;
5 creating a new section; providing an effective date; providing a
6 retroactive effective date; and declaring an emergency.

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

8 NEW SECTION. **Sec. 1.** The state patrol highway account is
9 abolished and all funds in it are transferred to the motor vehicle
10 fund.

11 **Sec. 2.** RCW 43.43.115 and 1993 c 438 s 1 are each amended to read
12 as follows:

13 Whenever real property owned by the state of Washington and under
14 the jurisdiction of the Washington state patrol is no longer required,
15 it may be sold at fair market value. All proceeds received from the
16 sale of real property, less any real estate broker commissions, shall
17 be deposited into the ((state patrol highway account)) motor vehicle
18 fund: PROVIDED, That if accounts or funds other than the ((state

1 ~~patrol highway account~~) motor vehicle fund have contributed to the
2 purchase or improvement of the real property, the office of financial
3 management shall determine the proportional equity of each account or
4 fund in the property and improvements, and shall direct the proceeds to
5 be deposited proportionally therein.

6 **Sec. 3.** RCW 43.84.092 and 1999 c 380 s 9, 1999 c 309 s 929, 1999
7 c 268 s 5, and 1999 c 94 s 4 are each reenacted and amended to read as
8 follows:

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

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

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

35 (4) Monthly, the state treasurer shall distribute the earnings
36 credited to the treasury income account. The state treasurer shall
37 credit the general fund with all the earnings credited to the treasury
38 income account except:

1 (a) The following accounts and funds shall receive their
2 proportionate share of earnings based upon each account's and fund's
3 average daily balance for the period: The capitol building
4 construction account, the Cedar River channel construction and
5 operation account, the Central Washington University capital projects
6 account, the charitable, educational, penal and reformatory
7 institutions account, the common school construction fund, the county
8 criminal justice assistance account, the county sales and use tax
9 equalization account, the data processing building construction
10 account, the deferred compensation administrative account, the deferred
11 compensation principal account, the department of retirement systems
12 expense account, the drinking water assistance account, the Eastern
13 Washington University capital projects account, the education
14 construction fund, the emergency reserve fund, the federal forest
15 revolving account, the health services account, the state higher
16 education construction account, the higher education account, the
17 public health services account, the health system capacity account, the
18 personal health services account, the highway infrastructure account,
19 the industrial insurance premium refund account, the judges' retirement
20 account, the judicial retirement administrative account, the judicial
21 retirement principal account, the local leasehold excise tax account,
22 the local real estate excise tax account, the local sales and use tax
23 account, the medical aid account, the mobile home park relocation fund,
24 the municipal criminal justice assistance account, the municipal sales
25 and use tax equalization account, the natural resources deposit
26 account, the perpetual surveillance and maintenance account, the public
27 employees' retirement system plan 1 account, the public employees'
28 retirement system plan 2 account, the Puyallup tribal settlement
29 account, the resource management cost account, the site closure
30 account, the special wildlife account, the state employees' insurance
31 account, the state employees' insurance reserve account, the state
32 investment board expense account, the state investment board commingled
33 trust fund accounts, the supplemental pension account, the teachers'
34 retirement system plan 1 account, the teachers' retirement system
35 combined plan 2 and plan 3 account, the tobacco prevention and control
36 account, the tobacco settlement account, the transportation
37 infrastructure account, the tuition recovery trust fund, the University
38 of Washington bond retirement fund, the University of Washington
39 building account, the volunteer fire fighters' and reserve officers'

1 relief and pension principal ((~~account~~)) fund, the volunteer fire
2 fighters' ((~~relief~~)) and ((~~pension~~)) reserve officers' administrative
3 ((~~account~~)) fund, the Washington judicial retirement system account,
4 the Washington law enforcement officers' and fire fighters' system plan
5 1 retirement account, the Washington law enforcement officers' and fire
6 fighters' system plan 2 retirement account, the Washington school
7 employees' retirement system combined plan 2 and 3 account, the
8 Washington state patrol retirement account, the Washington State
9 University building account, the Washington State University bond
10 retirement fund, the water pollution control revolving fund, and the
11 Western Washington University capital projects account. Earnings
12 derived from investing balances of the agricultural permanent fund, the
13 normal school permanent fund, the permanent common school fund, the
14 scientific permanent fund, and the state university permanent fund
15 shall be allocated to their respective beneficiary accounts. All
16 earnings to be distributed under this subsection (4)(a) shall first be
17 reduced by the allocation to the state treasurer's service fund
18 pursuant to RCW 43.08.190.

19 (b) The following accounts and funds shall receive eighty percent
20 of their proportionate share of earnings based upon each account's or
21 fund's average daily balance for the period: The aeronautics account,
22 the aircraft search and rescue account, the county arterial
23 preservation account, the department of licensing services account, the
24 essential rail assistance account, the ferry bond retirement fund, the
25 grade crossing protective fund, the high capacity transportation
26 account, the highway bond retirement fund, the highway safety account,
27 the motor vehicle fund, the motorcycle safety education account, the
28 pilotage account, the public transportation systems account, the Puget
29 Sound capital construction account, the Puget Sound ferry operations
30 account, the recreational vehicle account, the rural arterial trust
31 account, the safety and education account, the special category C
32 account, ((~~the state patrol highway account,~~)) the transportation
33 equipment fund, the transportation fund, the transportation improvement
34 account, the transportation improvement board bond retirement account,
35 and the urban arterial trust account.

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

1 **Sec. 4.** RCW 46.01.140 and 1996 c 315 s 1 are each amended to read
2 as follows:

3 (1) The county auditor, if appointed by the director of licensing
4 shall carry out the provisions of this title relating to the licensing
5 of vehicles and the issuance of vehicle license number plates under the
6 direction and supervision of the director and may with the approval of
7 the director appoint assistants as special deputies and recommend
8 subagents to accept applications and collect fees for vehicle licenses
9 and transfers and to deliver vehicle license number plates.

10 (2) A county auditor appointed by the director may request that the
11 director appoint subagencies within the county. Upon authorization of
12 the director, the auditor shall advertise a request for proposals and
13 use the process for soliciting vendors under RCW 39.04.190(2), except
14 that the provision requiring the contract to be awarded to the lowest
15 responsible bidder shall not apply. The auditor shall submit all
16 proposals to the director, and shall recommend the appointment of one
17 or more subagents who have applied through the request for proposal
18 process. The director has final appointment authority.

19 (3)(a) A county auditor who is appointed as an agent by the
20 department shall enter into a standard contract provided by the
21 director, developed with the advice of the title and registration
22 advisory committee.

23 (b) A subagent appointed under subsection (2) of this section shall
24 enter into a standard contract with the county auditor, developed with
25 the advice of the title and registration advisory committee. The
26 director shall provide the standard contract to county auditors.

27 (c) The contracts provided for in (a) and (b) of this subsection
28 must contain at a minimum provisions that:

29 (i) Describe the responsibilities, and where applicable, the
30 liability, of each party relating to the service expectations and
31 levels, equipment to be supplied by the department, and equipment
32 maintenance;

33 (ii) Require the specific type of insurance or bonds so that the
34 state is protected against any loss of collected motor vehicle tax
35 revenues or loss of equipment;

36 (iii) Specify the amount of training that will be provided by the
37 state, the county auditor, or subagents;

38 (iv) Describe allowable costs that may be charged to vehicle
39 licensing activities as provided for in (d) of this subsection;

1 (v) Describe the causes and procedures for termination of the
2 contract, which may include mediation and binding arbitration.

3 (d) The department shall develop procedures that will standardize
4 and prescribe allowable costs that may be assigned to vehicle licensing
5 and vessel registration and title activities performed by county
6 auditors.

7 (e) The contracts may include any provision that the director deems
8 necessary to ensure acceptable service and the full collection of
9 vehicle and vessel tax revenues.

10 (f) The director may waive any provisions of the contract deemed
11 necessary in order to ensure that readily accessible service is
12 provided to the citizens of the state.

13 (4)(a) At any time any application is made to the director, the
14 county auditor, or other agent pursuant to any law dealing with
15 licenses, registration, or the right to operate any vehicle or vessel
16 upon the public highways or waters of this state, excluding applicants
17 already paying such fee under RCW 46.16.070 or 46.16.085, the applicant
18 shall pay to the director, county auditor, or other agent a fee of
19 three dollars for each application in addition to any other fees
20 required by law.

21 (b) Counties that do not cover the expenses of vehicle licensing
22 and vessel registration and title activities may submit to the
23 department a request for cost-coverage moneys. The request must be
24 submitted on a form developed by the department. The department shall
25 develop procedures to verify whether a request is reasonable. Payment
26 shall be made on requests found to be allowable from the licensing
27 services account.

28 (c) Applicants for certificates of ownership, including applicants
29 paying fees under RCW 46.16.070 or 46.16.085, shall pay to the
30 director, county auditor, or other agent a fee of four dollars in
31 addition to any other fees required by law.

32 (d) The fees under (a) and (c) of this subsection, if paid to the
33 county auditor as agent of the director, or if paid to a subagent of
34 the county auditor, shall be paid to the county treasurer in the same
35 manner as other fees collected by the county auditor and credited to
36 the county current expense fund. If the fee is paid to another agent
37 of the director, the fee shall be used by the agent to defray his or
38 her expenses in handling the application.

1 (5) A subagent shall collect a service fee of (a) seven dollars and
2 fifty cents for changes in a certificate of ownership, with or without
3 registration renewal, or verification of record and preparation of an
4 affidavit of lost title other than at the time of the title application
5 or transfer and (b) three dollars for registration renewal only,
6 issuing a transit permit, or any other service under this section.

7 (6) If the fee is collected by the state patrol as agent for the
8 director, the fee so collected shall be certified to the state
9 treasurer and deposited to the credit of the (~~state patrol highway~~
10 ~~account~~) motor vehicle fund. If the fee is collected by the
11 department of transportation as agent for the director, the fee shall
12 be certified to the state treasurer and deposited to the credit of the
13 motor vehicle fund. All such fees collected by the director or
14 branches of his office shall be certified to the state treasurer and
15 deposited to the credit of the highway safety fund.

16 (7) Any county revenues that exceed the cost of providing vehicle
17 licensing and vessel registration and title activities in a county,
18 calculated in accordance with the procedures in subsection (3)(d) of
19 this section, shall be expended as determined by the county legislative
20 authority during the process established by law for adoption of county
21 budgets.

22 (8) The director may adopt rules to implement this section.

23 **Sec. 5.** RCW 46.16.010 and 1999 c 277 s 4 are each amended to read
24 as follows:

25 (1) It is a violation for a person to operate any vehicle over and
26 along a public highway of this state without first having obtained and
27 having in full force and effect a current and proper vehicle license
28 and display vehicle license number plates therefor as by this chapter
29 provided.

30 (a) Failure to make initial registration of a vehicle before
31 operating it on the highways of this state is a violation of this
32 section. Anyone who violates this section is liable for a penalty of
33 three hundred fifty dollars for each violation in addition to all other
34 penalties provided by law. Persons violating this subsection shall
35 make payment as prescribed in subsection (2)(b) of this section.

36 (b) Failure to renew an expired registration before operation on
37 the highways of this state is a traffic infraction, which shall not be
38 resolved through the civil process instituted under this section.

1 (2)(a) The licensing of a vehicle in another state by a resident of
2 this state, as defined in RCW 46.16.028, to avoid the payment of any
3 tax or license fee imposed in connection with registration, is a
4 violation of this section, and violators are liable for a monetary
5 penalty not less than one thousand dollars but not more than ten
6 thousand dollars for each violation.

7 (b) The penalty provided in subsection (1)(a) of this section and
8 this subsection is due and payable when the person incurring it
9 receives a notice in writing from the state patrol describing the
10 violation and advising the person that the penalty is due. The state
11 patrol may, upon written application for review, received within
12 fifteen days, remit or mitigate a penalty provided for in this section
13 or discontinue an action to recover the penalty upon such terms it
14 deems proper and may ascertain the facts in a manner and under rules it
15 deems proper. If the amount of the penalty is not paid to the state
16 patrol within fifteen days after receipt of the notice imposing the
17 penalty, or application for remission or mitigation has not been made
18 within fifteen days after the violator has received notice of the
19 disposition of the application, the attorney general shall bring an
20 action in the name of the state of Washington in the superior court of
21 Thurston county or of any other county in which the violator resides or
22 does business, to recover the penalty, administrative fees, and
23 attorneys' fees and costs incurred in recovering the penalties. All
24 penalties recovered under this section shall be paid into the state
25 treasury and credited to the (~~state patrol highway account of the~~)
26 motor vehicle fund (~~for the license fraud task force~~).

27 (c) The avoided taxes and fees shall be deposited and distributed
28 in the same manner as if the taxes and fees were properly paid in a
29 timely fashion.

30 (3) These provisions shall not apply to the following vehicles:

31 (a) Electric-assisted bicycles;

32 (b) Farm vehicles if operated within a radius of fifteen miles of
33 the farm where principally used or garaged, farm tractors and farm
34 implements including trailers designed as cook or bunk houses used
35 exclusively for animal herding temporarily operating or drawn upon the
36 public highways, and trailers used exclusively to transport farm
37 implements from one farm to another during the daylight hours or at
38 night when such equipment has lights that comply with the law;

1 (c) Spray or fertilizer applicator rigs designed and used
2 exclusively for spraying or fertilization in the conduct of
3 agricultural operations and not primarily for the purpose of
4 transportation, and nurse rigs or equipment auxiliary to the use of and
5 designed or modified for the fueling, repairing, or loading of spray
6 and fertilizer applicator rigs and not used, designed, or modified
7 primarily for the purpose of transportation;

8 (d) Fork lifts operated during daylight hours on public highways
9 adjacent to and within five hundred feet of the warehouses which they
10 serve: PROVIDED FURTHER, That these provisions shall not apply to
11 vehicles used by the state parks and recreation commission exclusively
12 for park maintenance and operations upon public highways within state
13 parks;

14 (e) "Special highway construction equipment" defined as follows:
15 Any vehicle which is designed and used primarily for grading of
16 highways, paving of highways, earth moving, and other construction work
17 on highways and which is not designed or used primarily for the
18 transportation of persons or property on a public highway and which is
19 only incidentally operated or moved over the highway. It includes, but
20 is not limited to, road construction and maintenance machinery so
21 designed and used such as portable air compressors, air drills, asphalt
22 spreaders, bituminous mixers, bucket loaders, track laying tractors,
23 ditchers, leveling graders, finishing machines, motor graders, paving
24 mixers, road rollers, scarifiers, earth moving scrapers and carryalls,
25 lighting plants, welders, pumps, power shovels and draglines, self-
26 propelled and tractor-drawn earth moving equipment and machinery,
27 including dump trucks and tractor-dump trailer combinations which
28 either (i) are in excess of the legal width, or (ii) which, because of
29 their length, height, or unladen weight, may not be moved on a public
30 highway without the permit specified in RCW 46.44.090 and which are not
31 operated laden except within the boundaries of the project limits as
32 defined by the contract, and other similar types of construction
33 equipment, or (iii) which are driven or moved upon a public highway
34 only for the purpose of crossing such highway from one property to
35 another, provided such movement does not exceed five hundred feet and
36 the vehicle is equipped with wheels or pads which will not damage the
37 roadway surface.

38 Exclusions:

1 "Special highway construction equipment" does not include any of
2 the following:

3 Dump trucks originally designed to comply with the legal size and
4 weight provisions of this code notwithstanding any subsequent
5 modification which would require a permit, as specified in RCW
6 46.44.090, to operate such vehicles on a public highway, including
7 trailers, truck-mounted transit mixers, cranes and shovels, or other
8 vehicles designed for the transportation of persons or property to
9 which machinery has been attached.

10 (4) The following vehicles, whether operated solo or in
11 combination, are exempt from license registration and displaying
12 license plates as required by this chapter:

13 (a) A converter gear used to convert a semitrailer into a trailer
14 or a two-axle truck or tractor into a three or more axle truck or
15 tractor or used in any other manner to increase the number of axles of
16 a vehicle. Converter gear includes an auxiliary axle, booster axle,
17 dolly, and jeep axle.

18 (b) A tow dolly that is used for towing a motor vehicle behind
19 another motor vehicle. The front or rear wheels of the towed vehicle
20 are secured to and rest on the tow dolly that is attached to the towing
21 vehicle by a tow bar.

22 **Sec. 6.** RCW 46.32.090 and 1996 c 86 s 1 are each amended to read
23 as follows:

24 The department shall collect a fee of ten dollars, in addition to
25 all other fees and taxes, for each motor vehicle base plated in the
26 state of Washington that is subject to highway inspections and terminal
27 audits under RCW 46.32.080, at the time of registration and renewal of
28 registration under chapter 46.16 or 46.87 RCW, or the International
29 Registration Plan if based [base] plated in a foreign jurisdiction.
30 The ten-dollar fee must be apportioned for those vehicles operating
31 interstate and registered under the International Registration Plan.
32 This fee does not apply to nonmotor-powered vehicles, including
33 trailers. Refunds will not be provided for fees paid under this
34 section when the vehicle is no longer subject to RCW 46.32.080. The
35 department may deduct an amount equal to the cost of administering the
36 program. All remaining fees shall be deposited with the state
37 treasurer and credited to the (~~state patrol highway account of the~~)
38 motor vehicle fund.

1 **Sec. 7.** RCW 46.32.100 and 1998 c 172 s 1 are each amended to read
2 as follows:

3 In addition to all other penalties provided by law, a commercial
4 motor vehicle that is subject to terminal safety audits under this
5 chapter and an officer, agent, or employee of a company operating a
6 commercial motor vehicle who violates or who procures, aids, or abets
7 in the violation of this title or any order or rule of the state patrol
8 is liable for a penalty of one hundred dollars for each violation,
9 except for each violation of 49 C.F.R. Pt. 382, controlled substances
10 and alcohol use and testing, 49 C.F.R. Sec. 391.15, disqualification of
11 drivers, and 49 C.F.R. Sec. 396.9(c)(2), moving a vehicle placed out of
12 service before the out of service defects have been satisfactorily
13 repaired, for which the person is liable for a penalty of five hundred
14 dollars. Each violation is a separate and distinct offense, and in
15 case of a continuing violation every day's continuance is a separate
16 and distinct violation.

17 The penalty provided in this section is due and payable when the
18 person incurring it receives a notice in writing from the patrol
19 describing the violation and advising the person that the penalty is
20 due. The patrol may, upon written application for review, received
21 within fifteen days, remit or mitigate a penalty provided for in this
22 section or discontinue a prosecution to recover the penalty upon such
23 terms it deems proper and may ascertain the facts upon all such
24 applications in such manner and under such rules as it deems proper.
25 If the amount of the penalty is not paid to the patrol within fifteen
26 days after receipt of the notice imposing the penalty, or application
27 for remission or mitigation has not been made within fifteen days after
28 the violator has received notice of the disposition of the application,
29 the attorney general shall bring an action in the name of the state of
30 Washington in the superior court of Thurston county or of some other
31 county in which the violator does business, to recover the penalty. In
32 all such actions the procedure and rules of evidence are the same as an
33 ordinary civil action except as otherwise provided in this chapter.
34 All penalties recovered under this section shall be paid into the state
35 treasury and credited to the (~~state patrol highway account of the~~)
36 motor vehicle fund.

37 **Sec. 8.** RCW 46.61.5054 and 1995 c 398 s 15 and 1995 c 332 s 13 are
38 each reenacted and amended to read as follows:

1 (1)(a) In addition to penalties set forth in ((RCW 46.61.5051
2 through 46.61.5053 until September 1, 1995, and)) RCW 46.61.5055
3 ((thereafter)), a one hundred twenty-five dollar fee shall be assessed
4 to a person who is either convicted, sentenced to a lesser charge, or
5 given deferred prosecution, as a result of an arrest for violating RCW
6 46.61.502, 46.61.504, 46.61.520, or 46.61.522. This fee is for the
7 purpose of funding the Washington state toxicology laboratory and the
8 Washington state patrol for grants and activities to increase the
9 conviction rate and decrease the incidence of persons driving under the
10 influence of alcohol or drugs.

11 (b) Upon a verified petition by the person assessed the fee, the
12 court may suspend payment of all or part of the fee if it finds that
13 the person does not have the ability to pay.

14 (c) When a minor has been adjudicated a juvenile offender for an
15 offense which, if committed by an adult, would constitute a violation
16 of RCW 46.61.502, 46.61.504, 46.61.520, or 46.61.522, the court shall
17 assess the one hundred twenty-five dollar fee under (a) of this
18 subsection. Upon a verified petition by a minor assessed the fee, the
19 court may suspend payment of all or part of the fee if it finds that
20 the minor does not have the ability to pay the fee.

21 (2) The fee assessed under subsection (1) of this section shall be
22 collected by the clerk of the court and distributed as follows:

23 (a) Forty percent shall be subject to distribution under RCW
24 3.46.120, 3.50.100, 35.20.220, 3.62.020, 3.62.040, or 10.82.070.

25 (b) The remainder of the fee shall be forwarded to the state
26 treasurer who shall, through June 30, 1997, deposit: Fifty percent in
27 the death investigations' account to be used solely for funding the
28 state toxicology laboratory blood or breath testing programs; and fifty
29 percent in the ((state patrol highway account)) motor vehicle fund to
30 be used solely for funding activities to increase the conviction rate
31 and decrease the incidence of persons driving under the influence of
32 alcohol or drugs. Effective July 1, 1997, the remainder of the fee
33 shall be forwarded to the state treasurer who shall deposit: Fifteen
34 percent in the death investigations' account to be used solely for
35 funding the state toxicology laboratory blood or breath testing
36 programs; and eighty-five percent in the ((state patrol highway
37 account)) motor vehicle fund to be used solely for funding activities
38 to increase the conviction rate and decrease the incidence of persons
39 driving under the influence of alcohol or drugs.

1 (3) This section applies to any offense committed on or after July
2 1, 1993.

3 **Sec. 9.** RCW 46.68.030 and 1990 c 42 s 109 are each amended to read
4 as follows:

5 Except for proceeds from fees for vehicle licensing for vehicles
6 paying such fees under RCW 46.16.070 and 46.16.085, and as otherwise
7 provided for in chapter 46.16 RCW, all fees received by the director
8 for vehicle licenses under the provisions of chapter 46.16 RCW shall be
9 forwarded to the state treasurer, accompanied by a proper identifying
10 detailed report, and be deposited to the credit of the motor vehicle
11 fund, except that ~~((the proceeds from the vehicle license fee and
12 renewal license fee shall be deposited by the state treasurer as
13 hereinafter provided. After July 1, 1981, that portion of each vehicle
14 license fee in excess of \$7.40 and that portion of each renewal license
15 fee in excess of \$3.40 shall be deposited in the state patrol highway
16 account in the motor vehicle fund, hereby created. Vehicle license
17 fees, renewal license fees, and all other funds in the state patrol
18 highway account shall be for the sole use of the Washington state
19 patrol for highway activities of the Washington state patrol, subject
20 to proper appropriations and reappropriations therefor, for any fiscal
21 biennium after June 30, 1981, and))~~ twenty-seven and three-tenths
22 percent of the proceeds from \$7.40 of each vehicle license fee and
23 \$3.40 of each renewal license fee shall be deposited each biennium in
24 the Puget Sound ferry operations account. ~~((Any remaining amounts of
25 vehicle license fees and renewal license fees that are not deposited in
26 the Puget Sound ferry operations account shall be deposited in the
27 motor vehicle fund.))~~

28 **Sec. 10.** RCW 46.68.035 and 1993 c 102 s 7 are each amended to read
29 as follows:

30 All proceeds from combined vehicle licensing fees received by the
31 director for vehicles licensed under RCW 46.16.070 and 46.16.085 shall
32 be forwarded to the state treasurer to be distributed into accounts
33 according to the following method:

34 (1) The sum of two dollars for each vehicle shall be deposited into
35 the ~~((highway safety))~~ multimodal fund, except that for each vehicle
36 registered by a county auditor or agent to a county auditor pursuant to

1 RCW 46.01.140, the sum of two dollars shall be credited to the current
2 county expense fund.

3 (2) The remainder shall be distributed as follows:

4 (a) (~~23.677 percent shall be deposited into the state patrol~~
5 ~~highway account of the motor vehicle fund;~~

6 ~~(b))~~ 1.521 percent shall be deposited into the Puget Sound ferry
7 operations account of the motor vehicle fund; and

8 ~~((e))~~ (b) The remaining proceeds shall be deposited into the
9 motor vehicle fund.

10 **Sec. 11.** RCW 47.68.255 and 1999 c 277 s 6 are each amended to read
11 as follows:

12 (1) A person who is required to register an aircraft under this
13 chapter and who registers an aircraft in another state or foreign
14 country avoiding the Washington aircraft taxes, commits a violation of
15 this section and is liable for those unpaid taxes and for a monetary
16 penalty not less than one thousand dollars but not more than ten
17 thousand dollars for each violation.

18 (2) The penalty provided in this section is due and payable when
19 the person incurring it receives a notice in writing from the state
20 patrol describing the violation and advising the person that the
21 penalty is due. The state patrol may, upon written application for
22 review, received within fifteen days, remit or mitigate a penalty
23 provided for in this section or discontinue an action to recover the
24 penalty upon such terms it deems proper and may ascertain the facts in
25 a manner and under rules it deems proper. If the amount of the penalty
26 is not paid to the state patrol within fifteen days after receipt of
27 the notice imposing the penalty, or application for remission or
28 mitigation has not been made within fifteen days after the violator has
29 received notice of the disposition of the application, the attorney
30 general shall bring an action in the name of the state of Washington in
31 the superior court of Thurston county or of any other county in which
32 the violator does business, to recover the penalty, administrative
33 fees, and attorneys' fees. All penalties recovered under this section
34 shall be paid into the state treasury and credited to the (~~state~~
35 ~~patrol highway account of the~~) motor vehicle fund (~~for the license~~
36 ~~fraud task force~~). The department of revenue may assess and collect
37 the unpaid excise tax under chapter 82.32 RCW, including the penalties
38 and interest provided in chapter 82.32 RCW.

1 **Sec. 12.** RCW 63.35.040 and 1989 c 222 s 4 are each amended to read
2 as follows:

3 The moneys arising from sales under the provisions of this chapter
4 shall be first applied to the payment of the costs and expenses of the
5 sale and then to the payment of lawful charges and expenses for the
6 keep of said personal property and the balance, if any, shall be
7 forwarded to the state treasurer to be deposited into the ((state
8 patrol highway account)) motor vehicle fund.

9 **Sec. 13.** RCW 63.35.050 and 1989 c 222 s 5 are each amended to read
10 as follows:

11 If the owner of said personal property so sold, or the owner's
12 legal representative, shall, at any time within three years after such
13 money shall have been deposited in the ((state patrol highway account))
14 motor vehicle fund, furnish satisfactory evidence to the state
15 treasurer of the ownership of said personal property, the owner or the
16 owner's legal representative shall be entitled to receive from ((said
17 state patrol highway account)) the motor vehicle fund the amount so
18 deposited therein with interest.

19 **Sec. 14.** RCW 82.48.020 and 1999 c 277 s 7 are each amended to read
20 as follows:

21 (1) An annual excise tax is hereby imposed for the privilege of
22 using any aircraft in the state. A current certificate of air
23 worthiness with a current inspection date from the appropriate federal
24 agency and/or the purchase of aviation fuel shall constitute the
25 necessary evidence of aircraft use or intended use. The tax shall be
26 collected annually or under a staggered collection schedule as required
27 by the secretary by rule. No additional tax shall be imposed under
28 this chapter upon any aircraft upon the transfer of ownership thereof,
29 if the tax imposed by this chapter with respect to such aircraft has
30 already been paid for the year in which transfer of ownership occurs.
31 A violation of this subsection is a misdemeanor punishable as provided
32 under chapter 9A.20 RCW.

33 (2)(a) Persons who are required to register aircraft under chapter
34 47.68 RCW and who register aircraft in another state or foreign country
35 and avoid the Washington aircraft taxes, violate this section and are
36 liable for a monetary penalty of not less than one thousand dollars but
37 not more than ten thousand dollars for each violation.

1 (b) The penalty provided in this section is due and payable when
2 the person incurring it receives a notice in writing from the state
3 patrol describing the violation and advising the person that the
4 penalty is due. The state patrol may, upon written application for
5 review, received within fifteen days, remit or mitigate a penalty
6 provided for in this section or discontinue an action to recover the
7 penalty upon such terms it deems proper and may ascertain the facts in
8 a manner and under rules it deems proper. If the amount of the penalty
9 is not paid to the state patrol within fifteen days after receipt of
10 the notice imposing the penalty, or application for remission or
11 mitigation has not been made within fifteen days after the violator has
12 received notice of the disposition of the application, the attorney
13 general shall bring an action in the name of the state of Washington in
14 the superior court of Thurston county or of any other county in which
15 the violator resides or does business, to recover the penalty,
16 administrative fees, and attorneys' fees. In all such actions, the
17 procedure and rules of evidence are the same as an ordinary civil
18 action except as otherwise provided in this chapter. All penalties
19 recovered under this section shall be paid into the state treasury and
20 credited to the ((state patrol highway account of the)) motor vehicle
21 fund ((for the license fraud task force)).

22 (3) The department of revenue may assess and collect the unpaid
23 excise tax under chapter 82.32 RCW, including the penalties and
24 interest provided in chapter 82.32 RCW.

25 (4) Except as provided under subsections (1) and (2) of this
26 section, a violation of this chapter is a misdemeanor punishable as
27 provided in chapter 9A.20 RCW.

28 **Sec. 15.** RCW 82.49.010 and 1999 c 277 s 8 are each amended to read
29 as follows:

30 (1) An excise tax is imposed for the privilege of using a vessel
31 upon the waters of this state, except vessels exempt under RCW
32 82.49.020. The annual amount of the excise tax is one-half of one
33 percent of fair market value, as determined under this chapter, or five
34 dollars, whichever is greater. Violation of this subsection is a
35 misdemeanor.

36 (2)(a) A person who is required under chapter 88.02 RCW to register
37 a vessel in this state and who registers the vessel in another state or
38 foreign country and avoids the Washington watercraft taxes, violates

1 this section and is liable for those taxes and a monetary penalty not
2 less than one thousand dollars but not more than ten thousand dollars
3 for each violation.

4 (b) The penalty provided in this section is due and payable when
5 the person incurring it receives a notice in writing from the state
6 patrol describing the violation and advising the person that the
7 penalty is due. The state patrol may, upon written application for
8 review, received within fifteen days, remit or mitigate a penalty
9 provided for in this section or discontinue an action to recover the
10 penalty upon such terms it deems proper and may ascertain the facts in
11 a manner and under rules it deems proper. If the amount of the penalty
12 is not paid to the state patrol within fifteen days after receipt of
13 the notice imposing the penalty, or application for remission or
14 mitigation has not been made within fifteen days after the violator has
15 received notice of the disposition of the application, the attorney
16 general shall bring an action in the name of the state of Washington in
17 the superior court of Thurston county or of any other county in which
18 the violator resides or does business, to recover the penalty,
19 administrative fees, and attorneys' fees. All penalties recovered
20 under this section shall be paid into the state treasury and credited
21 to the (~~state patrol highway account of the~~) motor vehicle fund (~~for~~
22 ~~the license fraud task force~~)).

23 (3) The excise tax upon a vessel registered for the first time in
24 this state shall be imposed for a twelve-month period, including the
25 month in which the vessel is registered, unless the director of
26 licensing extends or diminishes vessel registration periods for the
27 purpose of staggered renewal periods under RCW 88.02.050. A vessel is
28 registered for the first time in this state when the vessel was not
29 registered in this state for the immediately preceding registration
30 year, or when the vessel was registered in another jurisdiction for the
31 immediately preceding year. The excise tax on vessels required to be
32 registered in this state on June 30, 1983, shall be paid by June 30,
33 1983.

34 **Sec. 16.** RCW 88.02.118 and 1999 c 277 s 10 are each amended to
35 read as follows:

36 (1)(a) It is a violation for any person owning a vessel subject to
37 taxation under chapter 82.49 RCW to register a vessel in another state
38 to avoid Washington state vessel taxes required under chapter 82.49 RCW

1 or to obtain a vessel dealer's registration for the purpose of avoiding
2 taxes on vessels under chapter 82.49 RCW.

3 (b) The monetary penalty is not less than one thousand dollars but
4 not more than ten thousand dollars for each violation.

5 (2) The penalty provided in this section is due and payable when
6 the person incurring it receives a notice in writing from the state
7 patrol describing the violation and advising the person that the
8 penalty is due. The state patrol may, upon written application for
9 review, received within fifteen days, remit or mitigate a penalty
10 provided for in this section or discontinue an action to recover the
11 penalty upon such terms it deems proper and may ascertain the facts in
12 a manner and under rules it deems proper. If the amount of the penalty
13 is not paid to the state patrol within fifteen days after receipt of
14 the notice imposing the penalty, or application for remission or
15 mitigation has not been made within fifteen days after the violator has
16 received notice of the disposition of the application, the attorney
17 general shall bring an action in the name of the state of Washington in
18 the superior court of Thurston county or of any other county in which
19 the violator resides or does business, to recover the penalty,
20 administrative fees, and attorneys' fees. In all such actions, the
21 procedure and rules of evidence are the same as an ordinary civil
22 action except as otherwise provided in this chapter. All penalties
23 recovered under this section shall be paid into the state treasury and
24 credited to the ((state patrol highway account of the)) motor vehicle
25 fund ((for the license fraud task force)).

26 NEW SECTION. **Sec. 17.** Section 9 of this act is necessary for the
27 immediate preservation of the public peace, health, or safety, or
28 support of the state government and its existing public institutions,
29 is remedial in nature, and takes effect retroactively as of January 1,
30 2000. The remainder of this act takes effect July 1, 2001.

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