
SUBSTITUTE HOUSE BILL 1954

State of Washington

63rd Legislature

2013 Regular Session

By House Transportation (originally sponsored by Representatives Clibborn, Moscoso, Fey, Ryu, Riccelli, Farrell, Lias, Pollet, Ormsby, Tarleton, Roberts, Wylie, Morris, Bergquist, and Moeller)

READ FIRST TIME 04/26/13.

1 AN ACT Relating to transportation revenue; amending RCW 82.36.025,
2 82.38.030, 46.68.090, 46.10.530, 79A.25.070, 46.17.100, 46.17.200,
3 46.20.293, 46.29.050, 46.68.041, 46.70.061, 46.68.020, 46.68.280,
4 46.68.390, 46.17.355, 81.77.160, 47.60.322, 46.17.323, 46.17.050,
5 46.17.060, 46.20.202, 36.73.015, 36.73.020, 36.73.065, 82.14.045,
6 82.80.140, and 82.80.005; reenacting and amending RCW 43.84.092,
7 43.84.092, 46.09.520, and 46.52.130; adding new sections to chapter
8 46.68 RCW; adding a new section to chapter 46.17 RCW; adding a new
9 section to chapter 82.80 RCW; adding new sections to chapter 82.14 RCW;
10 adding new sections to chapter 36.57A RCW; adding a new section to
11 chapter 47.46 RCW; creating new sections; repealing 2012 c 74 s 18
12 (uncodified); providing effective dates; providing an expiration date;
13 providing contingent effective dates; and providing contingent
14 expiration dates.

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

16 **MOTOR VEHICLE AND SPECIAL FUEL TAXES**

17 **Sec. 101.** RCW 82.36.025 and 2007 c 515 s 3 are each amended to
18 read as follows:

1 (1) A motor vehicle fuel tax rate of twenty-three cents per gallon
2 on motor vehicle fuel shall be imposed on motor vehicle fuel licensees,
3 other than motor vehicle fuel distributors.

4 (2) Beginning July 1, 2003, an additional and cumulative motor
5 vehicle fuel tax rate of five cents per gallon on motor vehicle fuel
6 shall be imposed on motor vehicle fuel licensees, other than motor
7 vehicle fuel distributors. This subsection (2) expires when the bonds
8 issued for transportation 2003 projects are retired.

9 (3) Beginning July 1, 2005, an additional and cumulative motor
10 vehicle fuel tax rate of three cents per gallon on motor vehicle fuel
11 shall be imposed on motor vehicle fuel licensees, other than motor
12 vehicle fuel distributors.

13 (4) Beginning July 1, 2006, an additional and cumulative motor
14 vehicle fuel tax rate of three cents per gallon on motor vehicle fuel
15 shall be imposed on motor vehicle fuel licensees, other than motor
16 vehicle fuel distributors.

17 (5) Beginning July 1, 2007, an additional and cumulative motor
18 vehicle fuel tax rate of two cents per gallon on motor vehicle fuel
19 shall be imposed on motor vehicle fuel licensees, other than motor
20 vehicle fuel distributors.

21 (6) Beginning July 1, 2008, an additional and cumulative motor
22 vehicle fuel tax rate of one and one-half cents per gallon on motor
23 vehicle fuel shall be imposed on motor vehicle fuel licensees, other
24 than motor vehicle fuel distributors.

25 (7) Beginning August 1, 2013, an additional and cumulative motor
26 vehicle fuel tax rate of five cents per gallon on motor vehicle fuel
27 shall be imposed on motor vehicle fuel licensees, other than motor
28 vehicle fuel distributors.

29 (8) Beginning July 1, 2014, an additional and cumulative motor
30 vehicle fuel tax rate of three cents per gallon on motor vehicle fuel
31 shall be imposed on motor vehicle fuel licensees, other than motor
32 vehicle fuel distributors.

33 (9) Beginning July 1, 2015, an additional and cumulative motor
34 vehicle fuel tax rate of two cents per gallon on motor vehicle fuel
35 shall be imposed on motor vehicle fuel licensees, other than motor
36 vehicle fuel distributors.

37 (10) Beginning July 1, 2015, unless the secretary of transportation
38 provides the certification of sufficient funding described in section

1 509 of this act, an additional and cumulative motor vehicle fuel tax
2 rate of up to three cents per gallon on motor vehicle fuel shall be
3 imposed on motor vehicle fuel licensees, other than motor vehicle fuel
4 distributors.

5 **Sec. 102.** RCW 82.38.030 and 2007 c 515 s 21 are each amended to
6 read as follows:

7 (1) There is hereby levied and imposed upon special fuel licensees,
8 other than special fuel distributors, a tax at the rate of twenty-three
9 cents per gallon of special fuel, or each one hundred cubic feet of
10 compressed natural gas, measured at standard pressure and temperature.

11 (2) Beginning July 1, 2003, an additional and cumulative tax rate
12 of five cents per gallon of special fuel, or each one hundred cubic
13 feet of compressed natural gas, measured at standard pressure and
14 temperature shall be imposed on special fuel licensees, other than
15 special fuel distributors. This subsection (2) expires when the bonds
16 issued for transportation 2003 projects are retired.

17 (3) Beginning July 1, 2005, an additional and cumulative tax rate
18 of three cents per gallon of special fuel, or each one hundred cubic
19 feet of compressed natural gas, measured at standard pressure and
20 temperature shall be imposed on special fuel licensees, other than
21 special fuel distributors.

22 (4) Beginning July 1, 2006, an additional and cumulative tax rate
23 of three cents per gallon of special fuel, or each one hundred cubic
24 feet of compressed natural gas, measured at standard pressure and
25 temperature shall be imposed on special fuel licensees, other than
26 special fuel distributors.

27 (5) Beginning July 1, 2007, an additional and cumulative tax rate
28 of two cents per gallon of special fuel, or each one hundred cubic feet
29 of compressed natural gas, measured at standard pressure and
30 temperature shall be imposed on special fuel licensees, other than
31 special fuel distributors.

32 (6) Beginning July 1, 2008, an additional and cumulative tax rate
33 of one and one-half cents per gallon of special fuel, or each one
34 hundred cubic feet of compressed natural gas, measured at standard
35 pressure and temperature shall be imposed on special fuel licensees,
36 other than special fuel distributors.

1 (7) Beginning August 1, 2013, an additional and cumulative tax rate
2 of five cents per gallon of special fuel, or each one hundred cubic
3 feet of compressed natural gas, measured at standard pressure and
4 temperature shall be imposed on special fuel licensees, other than
5 special fuel distributors.

6 (8) Beginning July 1, 2014, an additional and cumulative tax rate
7 of three cents per gallon of special fuel, or each one hundred cubic
8 feet of compressed natural gas, measured at standard pressure and
9 temperature shall be imposed on special fuel licensees, other than
10 special fuel distributors.

11 (9) Beginning July 1, 2015, an additional and cumulative tax rate
12 of two cents per gallon of special fuel, or each one hundred cubic feet
13 of compressed natural gas, measured at standard pressure and
14 temperature shall be imposed on special fuel licensees, other than
15 special fuel distributors.

16 (10) Beginning July 1, 2015, unless the secretary of transportation
17 provides the certification of sufficient funding described in section
18 509 of this act, an additional and cumulative tax rate of up to three
19 cents per gallon of special fuel, or each one hundred cubic feet of
20 compressed natural gas, measured at standard pressure and temperature
21 shall be imposed on special fuel licensees, other than special fuel
22 distributors.

23 (11) Taxes are imposed when:

24 (a) Special fuel is removed in this state from a terminal if the
25 special fuel is removed at the rack unless the removal is to a licensed
26 exporter for direct delivery to a destination outside of the state, or
27 the removal is by a special fuel supplier for direct delivery to an
28 international fuel tax agreement licensee under RCW 82.38.320;

29 (b) Special fuel is removed in this state from a refinery if either
30 of the following applies:

31 (i) The removal is by bulk transfer and the refiner or the owner of
32 the special fuel immediately before the removal is not a licensee; or

33 (ii) The removal is at the refinery rack unless the removal is to
34 a licensed exporter for direct delivery to a destination outside of the
35 state, or the removal is to a special fuel supplier for direct delivery
36 to an international fuel tax agreement licensee under RCW 82.38.320;

37 (c) Special fuel enters into this state for sale, consumption, use,

1 or storage, unless the fuel enters this state for direct delivery to an
2 international fuel tax agreement licensee under RCW 82.38.320, if
3 either of the following applies:

4 (i) The entry is by bulk transfer and the importer is not a
5 licensee; or

6 (ii) The entry is not by bulk transfer;

7 (d) Special fuel is sold or removed in this state to an unlicensed
8 entity unless there was a prior taxable removal, entry, or sale of the
9 special fuel;

10 (e) Blended special fuel is removed or sold in this state by the
11 blender of the fuel. The number of gallons of blended special fuel
12 subject to tax is the difference between the total number of gallons of
13 blended special fuel removed or sold and the number of gallons of
14 previously taxed special fuel used to produce the blended special fuel;

15 (f) Dyed special fuel is used on a highway, as authorized by the
16 internal revenue code, unless the use is exempt from the special fuel
17 tax;

18 (g) Dyed special fuel is held for sale, sold, used, or is intended
19 to be used in violation of this chapter;

20 (h) Special fuel purchased by an international fuel tax agreement
21 licensee under RCW 82.38.320 is used on a highway; and

22 (i) Special fuel is sold by a licensed special fuel supplier to a
23 special fuel distributor, special fuel importer, or special fuel
24 blender and the special fuel is not removed from the bulk transfer-
25 terminal system.

26 **Sec. 103.** RCW 46.68.090 and 2011 c 120 s 4 are each amended to
27 read as follows:

28 (1) All moneys that have accrued or may accrue to the motor vehicle
29 fund from the motor vehicle fuel tax and special fuel tax shall be
30 first expended for purposes enumerated in (a) and (b) of this
31 subsection. The remaining net tax amount shall be distributed monthly
32 by the state treasurer in accordance with subsections (2) through
33 (~~(7)~~) (9) of this section.

34 (a) For payment of refunds of motor vehicle fuel tax and special
35 fuel tax that has been paid and is refundable as provided by law;

36 (b) For payment of amounts to be expended pursuant to
37 appropriations for the administrative expenses of the offices of state

1 treasurer, state auditor, and the department of licensing of the state
2 of Washington in the administration of the motor vehicle fuel tax and
3 the special fuel tax, which sums shall be distributed monthly.

4 (2) All of the remaining net tax amount collected under RCW
5 82.36.025(1) and 82.38.030(1) shall be distributed as set forth in (a)
6 through (j) of this subsection.

7 (a) For distribution to the motor vehicle fund an amount equal to
8 44.387 percent to be expended for highway purposes of the state as
9 defined in RCW 46.68.130;

10 (b) For distribution to the special category C account, hereby
11 created in the motor vehicle fund, an amount equal to 3.2609 percent to
12 be expended for special category C projects. Special category C
13 projects are category C projects that, due to high cost only, will
14 require bond financing to complete construction.

15 The following criteria, listed in order of priority, shall be used
16 in determining which special category C projects have the highest
17 priority:

18 (i) Accident experience;

19 (ii) Fatal accident experience;

20 (iii) Capacity to move people and goods safely and at reasonable
21 speeds without undue congestion; and

22 (iv) Continuity of development of the highway transportation
23 network.

24 Moneys deposited in the special category C account in the motor
25 vehicle fund may be used for payment of debt service on bonds the
26 proceeds of which are used to finance special category C projects under
27 this subsection (2)(b);

28 (c) For distribution to the Puget Sound ferry operations account in
29 the motor vehicle fund an amount equal to 2.3283 percent;

30 (d) For distribution to the Puget Sound capital construction
31 account in the motor vehicle fund an amount equal to 2.3726 percent;

32 (e) For distribution to the transportation improvement account in
33 the motor vehicle fund an amount equal to 7.5597 percent;

34 (f) For distribution to the transportation improvement account in
35 the motor vehicle fund an amount equal to 5.6739 percent and expended
36 in accordance with RCW 47.26.086;

37 (g) For distribution to the cities and towns from the motor vehicle

1 fund an amount equal to 10.6961 percent in accordance with RCW
2 46.68.110;

3 (h) For distribution to the counties from the motor vehicle fund an
4 amount equal to 19.2287 percent: (i) Out of which there shall be
5 distributed from time to time, as directed by the department of
6 transportation, those sums as may be necessary to carry out the
7 provisions of RCW 47.56.725; and (ii) less any amounts appropriated to
8 the county road administration board to implement the provisions of RCW
9 47.56.725(4), with the balance of such county share to be distributed
10 monthly as the same accrues for distribution in accordance with RCW
11 46.68.120;

12 (i) For distribution to the county arterial preservation account,
13 hereby created in the motor vehicle fund an amount equal to 1.9565
14 percent. These funds shall be distributed by the county road
15 administration board to counties in proportions corresponding to the
16 number of paved arterial lane miles in the unincorporated area of each
17 county and shall be used for improvements to sustain the structural,
18 safety, and operational integrity of county arterials. The county road
19 administration board shall adopt reasonable rules and develop policies
20 to implement this program and to assure that a pavement management
21 system is used;

22 (j) For distribution to the rural arterial trust account in the
23 motor vehicle fund an amount equal to 2.5363 percent and expended in
24 accordance with RCW 36.79.020.

25 (3) The remaining net tax amount collected under RCW 82.36.025(2)
26 and 82.38.030(2) shall be distributed to the transportation 2003
27 account (nickel account).

28 (4) The remaining net tax amount collected under RCW 82.36.025(3)
29 and 82.38.030(3) shall be distributed as follows:

30 (a) 8.3333 percent shall be distributed to the incorporated cities
31 and towns of the state in accordance with RCW 46.68.110;

32 (b) 8.3333 percent shall be distributed to counties of the state in
33 accordance with RCW 46.68.120; and

34 (c) The remainder shall be distributed to the transportation
35 partnership account created in RCW 46.68.290.

36 (5) The remaining net tax amount collected under RCW 82.36.025(4)
37 and 82.38.030(4) shall be distributed as follows:

1 (a) 8.3333 percent shall be distributed to the incorporated cities
2 and towns of the state in accordance with RCW 46.68.110;

3 (b) 8.3333 percent shall be distributed to counties of the state in
4 accordance with RCW 46.68.120; and

5 (c) The remainder shall be distributed to the transportation
6 partnership account created in RCW 46.68.290.

7 (6) The remaining net tax amount collected under RCW 82.36.025 (5)
8 and (6) and 82.38.030 (5) and (6) shall be distributed to the
9 transportation partnership account created in RCW 46.68.290.

10 (7) The remaining net tax amount collected under RCW 82.36.025 (7),
11 (8), (9), and (10) and 82.38.030 (7), (8), (9), and (10) shall be
12 distributed as follows:

13 (a) 5 percent shall be distributed to counties under RCW 46.68.122;

14 (b) 5 percent shall be distributed to cities under RCW 46.68.110;

15 (c) 5 percent shall be distributed to the Puget Sound ferry
16 operations account created in RCW 47.60.530;

17 (d) 7.5 percent shall be distributed to the Puget Sound capital
18 construction account created in RCW 47.60.505; and

19 (e) The remainder shall be distributed to the connecting
20 Washington account created in section 104 of this act.

21 (8) The proceeds of RCW 82.36.025(10) and 82.38.030(10) shall be
22 deposited in the connecting Washington account and are provided solely
23 for the debt service for bonds to be used to complete construction on
24 state route number 520 between Interstate 5 and the state route number
25 520 floating bridge.

26 (9) Nothing in this section or in RCW 46.68.130 may be construed so
27 as to violate any terms or conditions contained in any highway
28 construction bond issues now or hereafter authorized by statute and
29 whose payment is by such statute pledged to be paid from any excise
30 taxes on motor vehicle fuel and special fuels.

31 NEW SECTION. Sec. 104. A new section is added to chapter 46.68
32 RCW to read as follows:

33 The connecting Washington account is created in the motor vehicle
34 fund. All receipts from RCW 46.68.090 (7)(e) and (8) and section 305
35 (1) and (2)(c) of this act must be deposited into the account. Moneys
36 in the account may be spent only after appropriation. Expenditures
37 from the account must be used only for projects or improvements

1 identified as connecting Washington projects or improvements in the
2 omnibus transportation appropriations act, including any principal and
3 interest on bonds authorized for the projects or improvements, and for
4 the maintenance, operations, and preservation of the state highway
5 system, which is defined for purposes of this section as activities
6 undertaken to (1) provide, maintain, and operate serviceable roadways
7 through planned strategies of cost-effective treatments to existing
8 roadways and appurtenances that preserve the highway system, (2) retard
9 future deterioration, (3) preserve or improve safety, and (4) maintain
10 the functional condition of the existing highway system.

11 **Sec. 105.** RCW 43.84.092 and 2012 c 198 s 2, 2012 c 196 s 7, 2012
12 c 187 s 14, and 2012 c 83 s 4 are each reenacted and amended to read as
13 follows:

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

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

32 (3) Except for the provisions of RCW 43.84.160, the treasury income
33 account may be utilized for the payment of purchased banking services
34 on behalf of treasury funds including, but not limited to, depository,
35 safekeeping, and disbursement functions for the state treasury and
36 affected state agencies. The treasury income account is subject in all

1 respects to chapter 43.88 RCW, but no appropriation is required for
2 payments to financial institutions. Payments shall occur prior to
3 distribution of earnings set forth in subsection (4) of this section.

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

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

1 construction account, the highway bond retirement fund, the highway
2 infrastructure account, the highway safety (~~(account-[fund])~~) fund, the
3 high occupancy toll lanes operations account, the hospital safety net
4 assessment fund, the industrial insurance premium refund account, the
5 judges' retirement account, the judicial retirement administrative
6 account, the judicial retirement principal account, the local leasehold
7 excise tax account, the local real estate excise tax account, the local
8 sales and use tax account, the marine resources stewardship trust
9 account, the medical aid account, the mobile home park relocation fund,
10 the motor vehicle fund, the motorcycle safety education account, the
11 multimodal transportation account, the municipal criminal justice
12 assistance account, the natural resources deposit account, the oyster
13 reserve land account, the pension funding stabilization account, the
14 perpetual surveillance and maintenance account, the public employees'
15 retirement system plan 1 account, the public employees' retirement
16 system combined plan 2 and plan 3 account, the public facilities
17 construction loan revolving account beginning July 1, 2004, the public
18 health supplemental account, the public transportation systems account,
19 the public works assistance account, the Puget Sound capital
20 construction account, the Puget Sound ferry operations account, the
21 Puyallup tribal settlement account, the real estate appraiser
22 commission account, the recreational vehicle account, the regional
23 mobility grant program account, the resource management cost account,
24 the rural arterial trust account, the rural mobility grant program
25 account, the rural Washington loan fund, the site closure account, the
26 skilled nursing facility safety net trust fund, the small city pavement
27 and sidewalk account, the special category C account, the special
28 wildlife account, the state employees' insurance account, the state
29 employees' insurance reserve account, the state investment board
30 expense account, the state investment board commingled trust fund
31 accounts, the state patrol highway account, the state route number 520
32 civil penalties account, the state route number 520 corridor account,
33 the state wildlife account, the supplemental pension account, the
34 Tacoma Narrows toll bridge account, the teachers' retirement system
35 plan 1 account, the teachers' retirement system combined plan 2 and
36 plan 3 account, the tobacco prevention and control account, the tobacco
37 settlement account, the toll facility bond retirement account, the
38 transportation 2003 account (nickel account), the transportation

1 equipment fund, the transportation fund, the transportation improvement
2 account, the transportation improvement board bond retirement account,
3 the transportation infrastructure account, the transportation
4 partnership account, the traumatic brain injury account, the tuition
5 recovery trust fund, the University of Washington bond retirement fund,
6 the University of Washington building account, the volunteer
7 firefighters' and reserve officers' relief and pension principal fund,
8 the volunteer firefighters' and reserve officers' administrative fund,
9 the Washington judicial retirement system account, the Washington law
10 enforcement officers' and firefighters' system plan 1 retirement
11 account, the Washington law enforcement officers' and firefighters'
12 system plan 2 retirement account, the Washington public safety
13 employees' plan 2 retirement account, the Washington school employees'
14 retirement system combined plan 2 and 3 account, the Washington state
15 economic development commission account, the Washington state health
16 insurance pool account, the Washington state patrol retirement account,
17 the Washington State University building account, the Washington State
18 University bond retirement fund, the water pollution control revolving
19 fund, and the Western Washington University capital projects account.
20 Earnings derived from investing balances of the agricultural permanent
21 fund, the normal school permanent fund, the permanent common school
22 fund, the scientific permanent fund, the state university permanent
23 fund, and the state reclamation revolving account shall be allocated to
24 their respective beneficiary accounts.

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

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

34 **Sec. 106.** RCW 43.84.092 and 2012 c 198 s 2, 2012 c 196 s 7, 2012
35 c 187 s 14, 2012 c 83 s 4, and 2012 c 36 s 5 are each reenacted and
36 amended to read as follows:

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

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

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

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

31 (a) The following accounts and funds shall receive their
32 proportionate share of earnings based upon each account's and fund's
33 average daily balance for the period: The aeronautics account, the
34 aircraft search and rescue account, the Alaskan Way viaduct replacement
35 project account, the budget stabilization account, the capital vessel
36 replacement account, the capitol building construction account, the
37 Cedar River channel construction and operation account, the Central
38 Washington University capital projects account, the charitable,

1 educational, penal and reformatory institutions account, the cleanup
2 settlement account, the Columbia river basin water supply development
3 account, the Columbia river basin taxable bond water supply development
4 account, the Columbia river basin water supply revenue recovery
5 account, the Columbia river crossing project account, the common school
6 construction fund, the connecting Washington account, the county
7 arterial preservation account, the county criminal justice assistance
8 account, the deferred compensation administrative account, the deferred
9 compensation principal account, the department of licensing services
10 account, the department of retirement systems expense account, the
11 developmental disabilities community trust account, the drinking water
12 assistance account, the drinking water assistance administrative
13 account, the drinking water assistance repayment account, the Eastern
14 Washington University capital projects account, the Interstate 405
15 express toll lanes operations account, the education construction fund,
16 the education legacy trust account, the election account, the energy
17 freedom account, the energy recovery act account, the essential rail
18 assistance account, The Evergreen State College capital projects
19 account, the federal forest revolving account, the ferry bond
20 retirement fund, the freight congestion relief account, the freight
21 mobility investment account, the freight mobility multimodal account,
22 the grade crossing protective fund, the public health services account,
23 the high capacity transportation account, the state higher education
24 construction account, the higher education construction account, the
25 highway bond retirement fund, the highway infrastructure account, the
26 highway safety (~~(account-[fund])~~) fund, the high occupancy toll lanes
27 operations account, the hospital safety net assessment fund, the
28 industrial insurance premium refund account, the judges' retirement
29 account, the judicial retirement administrative account, the judicial
30 retirement principal account, the local leasehold excise tax account,
31 the local real estate excise tax account, the local sales and use tax
32 account, the marine resources stewardship trust account, the medical
33 aid account, the mobile home park relocation fund, the motor vehicle
34 fund, the motorcycle safety education account, the multimodal
35 transportation account, the municipal criminal justice assistance
36 account, the natural resources deposit account, the oyster reserve land
37 account, the pension funding stabilization account, the perpetual
38 surveillance and maintenance account, the public employees' retirement

1 system plan 1 account, the public employees' retirement system combined
2 plan 2 and plan 3 account, the public facilities construction loan
3 revolving account beginning July 1, 2004, the public health
4 supplemental account, the public transportation systems account, the
5 public works assistance account, the Puget Sound capital construction
6 account, the Puget Sound ferry operations account, the Puyallup tribal
7 settlement account, the real estate appraiser commission account, the
8 recreational vehicle account, the regional mobility grant program
9 account, the resource management cost account, the rural arterial trust
10 account, the rural mobility grant program account, the rural Washington
11 loan fund, the site closure account, the skilled nursing facility
12 safety net trust fund, the small city pavement and sidewalk account,
13 the special category C account, the special wildlife account, the state
14 employees' insurance account, the state employees' insurance reserve
15 account, the state investment board expense account, the state
16 investment board commingled trust fund accounts, the state patrol
17 highway account, the state route number 520 civil penalties account,
18 the state route number 520 corridor account, the state wildlife
19 account, the supplemental pension account, the Tacoma Narrows toll
20 bridge account, the teachers' retirement system plan 1 account, the
21 teachers' retirement system combined plan 2 and plan 3 account, the
22 tobacco prevention and control account, the tobacco settlement account,
23 the toll facility bond retirement account, the transportation 2003
24 account (nickel account), the transportation equipment fund, the
25 transportation fund, the transportation improvement account, the
26 transportation improvement board bond retirement account, the
27 transportation infrastructure account, the transportation partnership
28 account, the traumatic brain injury account, the tuition recovery trust
29 fund, the University of Washington bond retirement fund, the University
30 of Washington building account, the volunteer firefighters' and reserve
31 officers' relief and pension principal fund, the volunteer
32 firefighters' and reserve officers' administrative fund, the Washington
33 judicial retirement system account, the Washington law enforcement
34 officers' and firefighters' system plan 1 retirement account, the
35 Washington law enforcement officers' and firefighters' system plan 2
36 retirement account, the Washington public safety employees' plan 2
37 retirement account, the Washington school employees' retirement system
38 combined plan 2 and 3 account, the Washington state economic

1 development commission account, the Washington state health insurance
2 pool account, the Washington state patrol retirement account, the
3 Washington State University building account, the Washington State
4 University bond retirement fund, the water pollution control revolving
5 fund, and the Western Washington University capital projects account.
6 Earnings derived from investing balances of the agricultural permanent
7 fund, the normal school permanent fund, the permanent common school
8 fund, the scientific permanent fund, the state university permanent
9 fund, and the state reclamation revolving account shall be allocated to
10 their respective beneficiary accounts.

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

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

20 **Sec. 107.** RCW 46.09.520 and 2010 1st sp.s. c 37 s 936 and 2010 c
21 161 s 222 are each reenacted and amended to read as follows:

22 (1) From time to time, but at least once each year, the state
23 treasurer shall refund from the motor vehicle fund one percent of the
24 motor vehicle fuel tax revenues collected under chapter 82.36 RCW,
25 based on a tax rate of: (a) Nineteen cents per gallon of motor vehicle
26 fuel from July 1, 2003, through June 30, 2005; (b) twenty cents per
27 gallon of motor vehicle fuel from July 1, 2005, through June 30, 2007;
28 (c) twenty-one cents per gallon of motor vehicle fuel from July 1,
29 2007, through June 30, 2009; (d) twenty-two cents per gallon of motor
30 vehicle fuel from July 1, 2009, through June 30, 2011; (~~and~~) (e)
31 twenty-three cents per gallon of motor vehicle fuel beginning July 1,
32 2011; (f) twenty-eight cents per gallon of motor vehicle fuel beginning
33 August 1, 2013; (g) thirty cents per gallon of motor vehicle fuel
34 beginning July 1, 2014; (h) thirty-two cents per gallon of motor
35 vehicle fuel beginning July 1, 2015; (i) thirty-three cents per gallon
36 of motor vehicle fuel beginning July 1, 2016; and (j) forty-seven and

1 one-half cents per gallon of motor vehicle fuel beginning July 1, 2029,
2 and thereafter, less proper deductions for refunds and costs of
3 collection as provided in RCW 46.68.090.

4 (2) The treasurer shall place these funds in the general fund as
5 follows:

6 (a) Thirty-six percent shall be credited to the ORV and nonhighway
7 vehicle account and administered by the department of natural resources
8 solely for acquisition, planning, development, maintenance, and
9 management of ORV, nonmotorized, and nonhighway road recreation
10 facilities, and information programs and maintenance of nonhighway
11 roads;

12 (b) Three and one-half percent shall be credited to the ORV and
13 nonhighway vehicle account and administered by the department of fish
14 and wildlife solely for the acquisition, planning, development,
15 maintenance, and management of ORV, nonmotorized, and nonhighway road
16 recreation facilities and the maintenance of nonhighway roads;

17 (c) Two percent shall be credited to the ORV and nonhighway vehicle
18 account and administered by the parks and recreation commission solely
19 for the acquisition, planning, development, maintenance, and management
20 of ORV, nonmotorized, and nonhighway road recreation facilities; and

21 (d) Fifty-eight and one-half percent shall be credited to the
22 nonhighway and off-road vehicle activities program account to be
23 administered by the board for planning, acquisition, development,
24 maintenance, and management of ORV, nonmotorized, and nonhighway road
25 recreation facilities and for education, information, and law
26 enforcement programs. The funds under this subsection shall be
27 expended in accordance with the following limitations:

28 (i) Not more than thirty percent may be expended for education,
29 information, and law enforcement programs under this chapter;

30 (ii) Not less than seventy percent may be expended for ORV,
31 nonmotorized, and nonhighway road recreation facilities. Except as
32 provided in (d)(iii) of this subsection, of this amount:

33 (A) Not less than thirty percent, together with the funds the board
34 receives under RCW 46.68.045, may be expended for ORV recreation
35 facilities;

36 (B) Not less than thirty percent may be expended for nonmotorized
37 recreation facilities. Funds expended under this subsection

1 (2)(d)(ii)(B) shall be known as Ira Spring outdoor recreation
2 facilities funds; and

3 (C) Not less than thirty percent may be expended for nonhighway
4 road recreation facilities;

5 (iii) The board may waive the minimum percentage cited in (d)(ii)
6 of this subsection due to insufficient requests for funds or projects
7 that score low in the board's project evaluation. Funds remaining
8 after such a waiver must be allocated in accordance with board policy.

9 (3) On a yearly basis an agency may not, except as provided in RCW
10 46.68.045, expend more than ten percent of the funds it receives under
11 this chapter for general administration expenses incurred in carrying
12 out this chapter.

13 (4) During the 2009-2011 fiscal biennium, the legislature may
14 appropriate such amounts as reflect the excess fund balance in the NOVA
15 account to the department of natural resources to install consistent
16 off-road vehicle signage at department-managed recreation sites, and to
17 implement the recreation opportunities on department-managed lands in
18 the Reiter block and Ahtanum state forest, and to the state parks and
19 recreation commission. The legislature finds that the appropriation of
20 funds from the NOVA account during the 2009-2011 fiscal biennium for
21 maintenance and operation of state parks or to improve accessibility
22 for boaters and off-road vehicle users at state parks will benefit
23 boaters and off-road vehicle users and others who use nonhighway and
24 nonmotorized recreational facilities. The appropriations under this
25 subsection are not required to follow the specific distribution
26 specified in subsection (2) of this section.

27 **Sec. 108.** RCW 46.10.530 and 2003 c 361 s 408 are each amended to
28 read as follows:

29 From time to time, but at least once each four years, the
30 department shall determine the amount of moneys paid to it as motor
31 vehicle fuel tax that is tax on snowmobile fuel. Such determination
32 shall use one hundred thirty-five gallons as the average yearly fuel
33 usage per snowmobile, the number of registered snowmobiles during the
34 calendar year under determination, and a fuel tax rate of: (1)
35 Nineteen cents per gallon of motor vehicle fuel from July 1, 2003,
36 through June 30, 2005; (2) twenty cents per gallon of motor vehicle
37 fuel from July 1, 2005, through June 30, 2007; (3) twenty-one cents per

1 gallon of motor vehicle fuel from July 1, 2007, through June 30, 2009;
2 (4) twenty-two cents per gallon of motor vehicle fuel from July 1,
3 2009, through June 30, 2011; (~~and~~) (5) twenty-three cents per gallon
4 of motor vehicle fuel beginning July 1, 2011; (6) twenty-eight cents
5 per gallon of motor vehicle fuel beginning August 1, 2013; (7) thirty
6 cents per gallon of motor vehicle fuel beginning July 1, 2014; (8)
7 thirty-two cents per gallon of motor vehicle fuel beginning July 1,
8 2015; (9) thirty-three cents per gallon of motor vehicle fuel beginning
9 July 1, 2016; and (10) forty-seven and one-half cents per gallon of
10 motor vehicle fuel beginning July 1, 2029, and thereafter.

11 **Sec. 109.** RCW 79A.25.070 and 2010 c 23 s 3 are each amended to
12 read as follows:

13 Upon expiration of the time limited by RCW 82.36.330 for claiming
14 of refunds of tax on marine fuel, the state of Washington shall succeed
15 to the right to such refunds. The director of licensing, after taking
16 into account past and anticipated claims for refunds from and deposits
17 to the marine fuel tax refund account, shall request the state
18 treasurer to transfer monthly from the marine fuel tax refund account
19 an amount equal to the proportion of the moneys in the account
20 representing a motor vehicle fuel tax rate of: (1) Nineteen cents per
21 gallon of motor vehicle fuel from July 1, 2003, through June 30, 2005;
22 (2) twenty cents per gallon of motor vehicle fuel from July 1, 2005,
23 through June 30, 2007; (3) twenty-one cents per gallon of motor vehicle
24 fuel from July 1, 2007, through June 30, 2009; (4) twenty-two cents per
25 gallon of motor vehicle fuel from July 1, 2009, through June 30, 2011;
26 (~~and~~) (5) twenty-three cents per gallon of motor vehicle fuel
27 beginning July 1, 2011; (6) twenty-eight cents per gallon of motor
28 vehicle fuel beginning August 1, 2013; (7) thirty cents per gallon of
29 motor vehicle fuel beginning July 1, 2014; (8) thirty-two cents per
30 gallon of motor vehicle fuel beginning July 1, 2015; (9) thirty-three
31 cents per gallon of motor vehicle fuel beginning July 1, 2016; and (10)
32 forty-seven and one-half cents per gallon of motor vehicle fuel
33 beginning July 1, 2029, and thereafter, to the recreation resource
34 account and the remainder to the motor vehicle fund.

35 **DISTRIBUTION OF EXISTING FEES**

1 **Sec. 201.** RCW 46.17.100 and 2012 c 74 s 1 are each amended to read
2 as follows:

3 Before accepting an application for a certificate of title as
4 required in this title, the department, county auditor or other agent,
5 or subagent appointed by the director shall require the applicant to
6 pay a fifteen dollar application fee in addition to any other fees and
7 taxes required by law.

8 (~~((1) Five dollars of))~~ The certificate of title application fee
9 must be distributed under RCW 46.68.020.

10 (~~((2) Ten dollars of the certificate of title application fee must
11 be credited to the transportation 2003 account (nickel account) created
12 in RCW 46.68.280.))~~)

13 **Sec. 202.** RCW 46.17.200 and 2012 c 74 s 3 are each amended to read
14 as follows:

15 (1) In addition to all other fees and taxes required by law, the
16 department, county auditor or other agent, or subagent appointed by the
17 director shall charge:

18 (a) The following license plate fees for each license plate, unless
19 the owner or type of vehicle is exempt from payment:

FEE TYPE	FEE	DISTRIBUTION
Original issue	\$ 10.00	RCW 46.68.070
Reflectivity	\$ 2.00	RCW 46.68.070
Replacement	\$ 10.00	RCW 46.68.070
Original issue, motorcycle	\$ 4.00	RCW 46.68.070
Replacement, motorcycle	\$ 4.00	RCW 46.68.070
Original issue, moped	\$ 1.50	RCW 46.68.070

29 (b) A license plate retention fee, as required under RCW
30 46.16A.200(10)(c), of twenty dollars if the owner wishes to retain the
31 current license plate number upon license plate replacement, unless the
32 owner or type of vehicle is exempt from payment. The twenty dollar fee
33 must be deposited in the multimodal transportation account created in
34 RCW 47.66.070.

1 (c) A ten dollar license plate transfer fee, as required under RCW
2 46.16A.200(8)(a), when transferring standard issue license plates from
3 one vehicle to another, unless the owner or type of vehicle is exempt
4 from payment. The ten dollar license plate transfer fee must be
5 deposited in the motor vehicle fund created in RCW 46.68.070.

6 (d) Former prisoner of war license plates, as described in RCW
7 46.18.235, may be transferred to a replacement vehicle upon payment of
8 a five dollar license plate fee, in addition to any other fee required
9 by law.

10 (2) Each original issue license plate fee and original issue
11 motorcycle license plate fee paid under subsection (1)(a) of this
12 section and two dollars of each replacement motorcycle license plate
13 fee paid under subsection (1)(a) of this section is for the sole use of
14 the department of transportation for the removal of fish passage
15 barriers related to the transportation system.

16 (3) The department may, upon request, provide license plates that
17 have been used and returned to the department to individuals for
18 nonvehicular use. The department may charge a fee of up to five
19 dollars per license plate to cover costs or recovery for postage and
20 handling. The department may waive the fee for license plates used in
21 educational projects and may, by rule, provide standards for the fee
22 waiver and restrictions on the number of license plates provided to any
23 one person. The fee must be deposited in the motor vehicle fund
24 created in RCW 46.68.070.

25 **Sec. 203.** RCW 46.20.293 and 2012 c 74 s 4 are each amended to read
26 as follows:

27 The department is authorized to provide juvenile courts with the
28 department's record of traffic charges compiled under RCW 46.52.101 and
29 13.50.200, against any minor upon the request of any state juvenile
30 court or duly authorized officer of any juvenile court of this state.
31 Further, the department is authorized to provide any juvenile court
32 with any requested service which the department can reasonably perform
33 which is not inconsistent with its legal authority which substantially
34 aids juvenile courts in handling traffic cases and which promotes
35 highway safety.

36 The department is authorized to furnish to the parent, parents, or
37 guardian of any person under eighteen years of age who is not

1 emancipated from such parent, parents, or guardian, the department
2 records of traffic charges compiled against the person and shall
3 collect for the copy a fee of thirteen dollars, (~~(fifty)~~) thirty-eight
4 and one-half percent of which must be deposited in the highway safety
5 fund and (~~(fifty)~~) sixty-one and one-half percent of which must be
6 deposited according to RCW 46.68.038.

7 **Sec. 204.** RCW 46.29.050 and 2012 c 74 s 5 are each amended to read
8 as follows:

9 (1) The department shall upon request furnish any person or his or
10 her attorney a certified abstract of his or her driving record, which
11 abstract shall include enumeration of any motor vehicle accidents in
12 which such person has been involved. Such abstract shall (a) indicate
13 the total number of vehicles involved, whether the vehicles were
14 legally parked or moving, and whether the vehicles were occupied at the
15 time of the accident; and (b) contain reference to any convictions of
16 the person for violation of the motor vehicle laws as reported to the
17 department, reference to any findings that the person has committed a
18 traffic infraction which have been reported to the department, and a
19 record of any vehicles registered in the name of the person. The
20 department shall collect for each abstract the sum of thirteen dollars,
21 (~~(fifty)~~) thirty-eight and one-half percent of which shall be deposited
22 in the highway safety fund and (~~(fifty)~~) sixty-one and one-half percent
23 of which must be deposited according to RCW 46.68.038.

24 (2) The department shall upon request furnish any person who may
25 have been injured in person or property by any motor vehicle, with an
26 abstract of all information of record in the department pertaining to
27 the evidence of the ability of any driver or owner of any motor vehicle
28 to respond in damages. The department shall collect for each abstract
29 the sum of thirteen dollars, (~~(fifty)~~) thirty-eight and one-half
30 percent of which shall be deposited in the highway safety fund and
31 (~~(fifty)~~) sixty-one and one-half percent of which must be deposited
32 according to RCW 46.68.038.

33 **Sec. 205.** RCW 46.52.130 and 2012 c 74 s 6 and 2012 c 73 s 1 are
34 each reenacted and amended to read as follows:

35 Upon a proper request, the department may furnish an abstract of a
36 person's driving record as permitted under this section.

1 (1) **Contents of abstract of driving record.** An abstract of a
2 person's driving record, whenever possible, must include:

3 (a) An enumeration of motor vehicle accidents in which the person
4 was driving, including:

5 (i) The total number of vehicles involved;

6 (ii) Whether the vehicles were legally parked or moving;

7 (iii) Whether the vehicles were occupied at the time of the
8 accident; and

9 (iv) Whether the accident resulted in a fatality;

10 (b) Any reported convictions, forfeitures of bail, or findings that
11 an infraction was committed based upon a violation of any motor vehicle
12 law;

13 (c) The status of the person's driving privilege in this state; and

14 (d) Any reports of failure to appear in response to a traffic
15 citation or failure to respond to a notice of infraction served upon
16 the named individual by an arresting officer.

17 (2) **Release of abstract of driving record.** An abstract of a
18 person's driving record may be furnished to the following persons or
19 entities:

20 (a) **Named individuals.** (i) An abstract of the full driving record
21 maintained by the department may be furnished to the individual named
22 in the abstract.

23 (ii) Nothing in this section prevents a court from providing a copy
24 of the driver's abstract to the individual named in the abstract,
25 provided that the named individual has a pending or open infraction or
26 criminal case in that court. A pending case includes criminal cases
27 that have not reached a disposition by plea, stipulation, trial, or
28 amended charge. An open infraction or criminal case includes cases on
29 probation, payment agreement or subject to, or in collections. Courts
30 may charge a reasonable fee for the production and copying of the
31 abstract for the individual.

32 (b) **Employers or prospective employers.** (i)(A) An abstract of the
33 full driving record maintained by the department may be furnished to an
34 employer or prospective employer or an agent acting on behalf of an
35 employer or prospective employer of the named individual for purposes
36 related to driving by the individual as a condition of employment or
37 otherwise at the direction of the employer.

1 (B) Release of an abstract of the driving record of an employee or
2 prospective employee requires a statement signed by: (I) The employee
3 or prospective employee that authorizes the release of the record; and
4 (II) the employer attesting that the information is necessary for
5 employment purposes related to driving by the individual as a condition
6 of employment or otherwise at the direction of the employer. If the
7 employer or prospective employer authorizes an agent to obtain this
8 information on their behalf, this must be noted in the statement.

9 (C) Upon request of the person named in the abstract provided under
10 this subsection, and upon that same person furnishing copies of court
11 records ruling that the person was not at fault in a motor vehicle
12 accident, the department must indicate on any abstract provided under
13 this subsection that the person was not at fault in the motor vehicle
14 accident.

15 (ii) In addition to the methods described in (b)(i) of this
16 subsection, the director may enter into a contractual agreement with an
17 employer or its agent for the purpose of reviewing the driving records
18 of existing employees for changes to the record during specified
19 periods of time. The department shall establish a fee for this
20 service, which must be deposited in the highway safety fund. The fee
21 for this service must be set at a level that will not result in a net
22 revenue loss to the state. Any information provided under this
23 subsection must be treated in the same manner and is subject to the
24 same restrictions as driving record abstracts.

25 (c) **Volunteer organizations.** (i) An abstract of the full driving
26 record maintained by the department may be furnished to a volunteer
27 organization or an agent for a volunteer organization for which the
28 named individual has submitted an application for a position that would
29 require driving by the individual at the direction of the volunteer
30 organization.

31 (ii) Release of an abstract of the driving record of a prospective
32 volunteer requires a statement signed by: (A) The prospective
33 volunteer that authorizes the release of the record; and (B) the
34 volunteer organization attesting that the information is necessary for
35 purposes related to driving by the individual at the direction of the
36 volunteer organization. If the volunteer organization authorizes an
37 agent to obtain this information on their behalf, this must be noted in
38 the statement.

1 (d) **Transit authorities.** An abstract of the full driving record
2 maintained by the department may be furnished to an employee or agent
3 of a transit authority checking prospective volunteer vanpool drivers
4 for insurance and risk management needs.

5 (e) **Insurance carriers.** (i) An abstract of the driving record
6 maintained by the department covering the period of not more than the
7 last three years may be furnished to an insurance company or its agent:

8 (A) That has motor vehicle or life insurance in effect covering the
9 named individual;

10 (B) To which the named individual has applied; or

11 (C) That has insurance in effect covering the employer or a
12 prospective employer of the named individual.

13 (ii) The abstract provided to the insurance company must:

14 (A) Not contain any information related to actions committed by law
15 enforcement officers or firefighters, as both terms are defined in RCW
16 41.26.030, or by Washington state patrol officers, while driving
17 official vehicles in the performance of their occupational duty. This
18 does not apply to any situation where the vehicle was used in the
19 commission of a misdemeanor or felony;

20 (B) Include convictions under RCW 46.61.5249 and 46.61.525, except
21 that the abstract must report the convictions only as negligent driving
22 without reference to whether they are for first or second degree
23 negligent driving; and

24 (C) Exclude any deferred prosecution under RCW 10.05.060, except
25 that if a person is removed from a deferred prosecution under RCW
26 10.05.090, the abstract must show the deferred prosecution as well as
27 the removal.

28 (iii) Any policy of insurance may not be canceled, nonrenewed,
29 denied, or have the rate increased on the basis of information
30 regarding an accident included in the abstract of a driving record,
31 unless the policyholder was determined to be at fault.

32 (iv) Any insurance company or its agent, for underwriting purposes
33 relating to the operation of commercial motor vehicles, may not use any
34 information contained in the abstract relative to any person's
35 operation of motor vehicles while not engaged in such employment. Any
36 insurance company or its agent, for underwriting purposes relating to
37 the operation of noncommercial motor vehicles, may not use any

1 information contained in the abstract relative to any person's
2 operation of commercial motor vehicles.

3 (v) The director may enter into a contractual agreement with an
4 insurance company or its agent for the limited purpose of reviewing the
5 driving records of existing policyholders for changes to the record
6 during specified periods of time. The department shall establish a fee
7 for this service, which must be deposited in the highway safety fund.
8 The fee for this service must be set at a level that will not result in
9 a net revenue loss to the state. Any information provided under this
10 subsection must be treated in the same manner and is subject to the
11 same restrictions as driving record abstracts.

12 (f) **Alcohol/drug assessment or treatment agencies.** An abstract of
13 the driving record maintained by the department covering the period of
14 not more than the last five years may be furnished to an alcohol/drug
15 assessment or treatment agency approved by the department of social and
16 health services to which the named individual has applied or been
17 assigned for evaluation or treatment, for purposes of assisting
18 employees in making a determination as to what level of treatment, if
19 any, is appropriate, except that the abstract must:

20 (i) Also include records of alcohol-related offenses, as defined in
21 RCW 46.01.260(2), covering a period of not more than the last ten
22 years; and

23 (ii) Indicate whether an alcohol-related offense was originally
24 charged as a violation of either RCW 46.61.502 or 46.61.504.

25 (g) **City attorneys and county prosecuting attorneys.** An abstract
26 of the full driving record maintained by the department, including
27 whether a recorded violation is an alcohol-related offense, as defined
28 in RCW 46.01.260(2), that was originally charged as a violation of
29 either RCW 46.61.502 or 46.61.504, may be furnished to city attorneys
30 or county prosecuting attorneys. City attorneys and county prosecuting
31 attorneys may provide the driving record to alcohol/drug assessment or
32 treatment agencies approved by the department of social and health
33 services to which the named individual has applied or been assigned for
34 evaluation or treatment.

35 (h) **State colleges, universities, or agencies, or units of local**
36 **government.** An abstract of the full driving record maintained by the
37 department may be furnished to (i) state colleges, universities, or

1 agencies for employment and risk management purposes or (ii) units of
2 local government authorized to self-insure under RCW 48.62.031 for
3 employment and risk management purposes.

4 (i) **Superintendent of public instruction.** An abstract of the full
5 driving record maintained by the department may be furnished to the
6 superintendent of public instruction for review of public school bus
7 driver records. The superintendent or superintendent's designee may
8 discuss information on the driving record with an authorized
9 representative of the employing school district for employment and risk
10 management purposes.

11 (3) **Release to third parties prohibited.** Any person or entity
12 receiving an abstract of a person's driving record under subsection
13 (2)(b) through (i) of this section shall use the abstract exclusively
14 for his, her, or its own purposes or as otherwise expressly permitted
15 under this section, and shall not divulge any information contained in
16 the abstract to a third party.

17 (4) **Fee.** The director shall collect a thirteen dollar fee for each
18 abstract of a person's driving record furnished by the department.
19 (~~Fifty~~) Thirty-eight and one-half percent of the fee must be
20 deposited in the highway safety fund, and (~~fifty~~) sixty-one and one-
21 half percent of the fee must be deposited according to RCW 46.68.038.

22 (5) **Violation.** (a) Any negligent violation of this section is a
23 gross misdemeanor.

24 (b) Any intentional violation of this section is a class C felony.

25 **Sec. 206.** RCW 46.68.041 and 2004 c 95 s 15 are each amended to
26 read as follows:

27 (1) Except as provided in subsection (2) of this section, the
28 department (~~shall~~) must forward all funds accruing under (~~the~~
29 ~~provisions of~~) chapter 46.20 RCW together with a proper identifying,
30 detailed report to the state treasurer who (~~shall~~) must deposit such
31 moneys to the credit of the highway safety fund.

32 (2)(a) Sixty-three percent of each fee collected by the department
33 under RCW 46.20.311 (1)(e)(ii), (2)(b)(ii), and (3)(b) (~~shall~~) must
34 be deposited in the impaired driving safety account.

35 (b)(i)(A) \$2.88 of each driver's license issuance fee paid under
36 RCW 46.20.161 must be deposited in the state patrol highway account.

1 (B) If the driver's license issuance fee paid under RCW 46.20.161
2 is for a driver's license with a term of less than six years, the
3 amount to be deposited in the state patrol highway account is \$0.48
4 multiplied by the number of years in the term of the driver's license.

5 (ii)(A) \$21.12 of each driver's license issuance fee paid under RCW
6 46.20.161 is for the sole use of the transportation improvement board.

7 (B) If the driver's license issuance fee paid under RCW 46.20.161
8 is for a driver's license with a term of less than six years, the
9 amount for the sole use of the transportation improvement board is
10 \$3.52 multiplied by the number of years in the term of the driver's
11 license.

12 (C)(I) Ninety percent of moneys received under this subsection
13 (2)(b)(ii) must be deposited in the transportation improvement account
14 for the transportation improvement board urban arterial program.

15 (II) Ten percent of moneys received under this subsection
16 (2)(b)(ii) must be deposited in the small city pavement and sidewalk
17 account for the transportation improvement board small city pavement
18 and sidewalk program.

19 (c)(i) \$4.28 of each driver's license renewal fee paid under RCW
20 46.20.181(2) be deposited in the motor vehicle fund.

21 (ii)(A) \$6.02 of each driver's license renewal fee paid under RCW
22 46.20.181(2) is for the sole use of the department of transportation
23 for local programs.

24 (B)(I) Twenty-five percent of moneys received under this subsection
25 (2)(c)(ii) must be deposited in the freight mobility investment account
26 for the freight mobility strategic investment board to meet urgent
27 freight corridor improvement and preservation needs.

28 (II) Seventy-five percent of moneys received under this subsection
29 (2)(c)(ii) must be deposited in the pedestrian, bicycle, and safe
30 routes to school account created in section 212 of this act for safe
31 routes to school program projects.

32 (iii) \$7.01 of each driver's license renewal fee paid under RCW
33 46.20.181(2) must be deposited in the Puget Sound ferry operations
34 account.

35 (iv) \$6.69 of each driver's license renewal fee paid under RCW
36 46.20.181(2) must be deposited in the county arterial preservation
37 account for the sole use of the county road administration board for
38 the county arterial preservation program.

1 (d) If the driver's license renewal fee paid under RCW 46.20.181(4)
2 is for a driver's license with a term of less than six years, the
3 amount to be deposited in the motor vehicle fund is four dollars
4 multiplied by the number of years in the term of the driver's license.

5 (e) If the driver's license renewal fee paid under RCW 46.20.181(5)
6 is for a driver's license with a term of less than six years, the
7 amount to be deposited in the state patrol highway account is four
8 dollars multiplied by the number of years in the term of the driver's
9 license.

10 (f) Thirty dollars of each identicard fee paid under RCW 46.20.117
11 must be deposited in the Puget Sound ferry operations account.

12 (g) Five dollars of each driver's instruction permit fee paid under
13 RCW 46.20.055 must be deposited in the state patrol highway account.

14 (h) Fifteen dollars of each driver's licensing examination fee paid
15 under RCW 46.20.120(2) must be deposited in the Puget Sound ferry
16 operations account.

17 (i) Five dollars of each duplicate or replacement fee paid under
18 RCW 46.20.200 must be deposited in the state patrol highway account.

19 (j) One hundred seventy-five dollars of each hearing request fee
20 paid under RCW 46.20.308 must be deposited in the state patrol highway
21 account.

22 **Sec. 207.** RCW 46.70.061 and 2012 c 74 s 7 are each amended to read
23 as follows:

24 (1) The annual fees for original licenses issued for twelve
25 consecutive months from the date of issuance under this chapter shall
26 be:

27 (a) Vehicle dealers, principal place of business for each and every
28 license classification: Nine hundred seventy-five dollars;

29 (b) Vehicle dealers, each subagency, and temporary subagency: One
30 hundred dollars;

31 (c) Vehicle manufacturers: Five hundred dollars.

32 (2) The annual fee for renewal of any license issued pursuant to
33 this chapter shall be:

34 (a) Vehicle dealers, principal place of business for each and every
35 license classification: Three hundred twenty-five dollars;

36 (b) Vehicle dealer, each and every subagency: Twenty-five dollars;

37 (c) Vehicle manufacturers: Two hundred fifty dollars.

1 If any licensee fails or neglects to apply for such renewal within
2 thirty days after the expiration of the license, or assigned renewal
3 date under a staggered licensing system, the license shall be declared
4 canceled by the director, in which case the licensee will be required
5 to apply for an original license and pay the fee required for the
6 original license.

7 (3) The fee for the transfer to another location of any license
8 classification issued pursuant to this chapter shall be twenty-five
9 dollars.

10 (4) The fee for vehicle dealer license plates and manufacturer
11 license plates shall be the amount required by law for vehicle license
12 plates exclusive of excise tax and gross weight and tonnage fees.

13 (5)(a) All fees collected under this chapter shall be deposited in
14 the state treasury and credited to the motor vehicle fund.

15 (b) Two hundred twenty-five dollars of each fee paid under
16 subsection (1)(a) of this section is for the sole use of the department
17 of transportation for the removal of fish passage barriers related to
18 the transportation system.

19 (c) Seventy-five dollars of each fee paid under subsection (2)(a)
20 of this section is for the sole use of the department of transportation
21 for the removal of fish passage barriers related to the transportation
22 system.

23 (6) The fees prescribed in this section are in addition to any
24 excise taxes imposed by chapter 82.44 RCW.

25 **Sec. 208.** RCW 46.68.020 and 2011 c 171 s 84 are each amended to
26 read as follows:

27 The director shall forward all fees for certificates of title or
28 other moneys accruing under chapters 46.12 and 46.17 RCW to the state
29 treasurer, together with a proper identifying detailed report. The
30 state treasurer shall credit these moneys as follows:

31 FEE	REQUIRED IN	ESTABLISHED IN	DISTRIBUTION
32 ORV certificate of title fee	RCW 46.09.320	RCW 46.17.100	RCW 47.66.070
33 Original certificate of title	RCW 46.12.530	RCW 46.17.100	RCW 47.66.070
34 Penalty for late transfer	RCW 46.12.650	RCW 46.17.140	RCW 47.66.070

1	Motor change	RCW 46.12.590	RCW 46.17.100	RCW ((46.68.280))
2				<u>47.66.070</u>
3	Transfer certificate of title	RCW 46.12.650	RCW 46.17.100	RCW ((46.68.280))
4				<u>47.66.070</u>
5	Security interest changes	RCW 46.12.675	RCW 46.17.100	RCW ((46.68.280))
6				<u>47.66.070</u>
7	Duplicate certificate of title	RCW 46.12.580	RCW 46.17.100	RCW ((46.68.280))
8				<u>47.66.070</u>
9	Stolen vehicle check	RCW 46.12.570	RCW 46.17.120	RCW 46.68.070
10	Vehicle identification	RCW 46.12.560	RCW 46.17.135	RCW 46.68.070
11	number assignment			

12 **Sec. 209.** RCW 46.68.280 and 2003 c 361 s 601 are each amended to
13 read as follows:

14 (1) The transportation 2003 account (nickel account) is hereby
15 created in the motor vehicle fund. Money in the account may be spent
16 only after appropriation. Expenditures from the account must be used
17 only for projects or improvements identified as transportation 2003
18 projects or improvements in the omnibus transportation budget and to
19 pay the principal and interest on the bonds authorized for
20 transportation 2003 projects or improvements. Upon completion of the
21 projects or improvements identified as transportation 2003 projects or
22 improvements, moneys deposited in this account must only be used to pay
23 the principal and interest on the bonds authorized for transportation
24 2003 projects or improvements, and any funds in the account in excess
25 of the amount necessary to make the principal and interest payments may
26 be used for maintenance on the completed projects or improvements.

27 (2) The "nickel account" means the transportation 2003 account.

28 (3) Beginning September 2015, by the last day of September,
29 December, March, and June of each year, the state treasurer shall
30 transfer four million seven hundred thousand dollars from the
31 multimodal transportation account to the nickel account.

32 **Sec. 210.** RCW 46.68.390 and 2012 c 74 s 9 are each amended to read
33 as follows:

34 (1) The public transportation grant program account is created in
35 the state treasury. Moneys in the account may be spent only after

1 appropriation. Expenditures from the account may be used only for
2 grants to aid transit authorities with operations.

3 (2) Beginning September 2015, by the last day of September,
4 December, March, and June of each year, the state treasurer shall
5 transfer three million two hundred fifty thousand dollars from the
6 multimodal transportation account to the public transportation grant
7 program account.

8 NEW SECTION. Sec. 211. 2012 c 74 s 18 (uncodified) is repealed.

9 NEW SECTION. Sec. 212. A new section is added to chapter 46.68
10 RCW to read as follows:

11 (1) The pedestrian, bicycle, and safe routes to school account is
12 created in the state treasury. Moneys in the account may be spent only
13 after appropriation. Expenditures from the account may be used only
14 for pedestrian, bicycle, and safe routes to school projects.

15 (2) Beginning September 2015, by the last day of September,
16 December, March, and June of each year, the state treasurer shall
17 transfer from the multimodal transportation account to the pedestrian,
18 bicycle, and safe routes to school account two million dollars.

19 (3) Beginning September 2015, by the last day of September,
20 December, March, and June of each year, the state treasurer shall
21 transfer from the motor vehicle account to the pedestrian, bicycle, and
22 safe routes to school account six hundred fifty thousand dollars.

23 **FEES**

24 **Sec. 301.** RCW 46.17.355 and 2011 c 171 s 61 are each amended to
25 read as follows:

26 (1) In lieu of the vehicle license fee required under RCW 46.17.350
27 and before accepting an application for a vehicle registration for
28 motor vehicles described in RCW 46.16A.455, the department, county
29 auditor or other agent, or subagent appointed by the director shall
30 require the applicant, unless specifically exempt, to pay the following
31 license fee by weight:

	WEIGHT	SCHEDULE A	SCHEDULE B
1			
2			
3	4,000 pounds	((\$ 38.00)) <u>\$ 53.00</u>	((\$ 38.00)) <u>\$ 53.00</u>
4	6,000 pounds	((\$ 48.00)) <u>\$ 73.00</u>	((\$ 48.00)) <u>\$ 73.00</u>
5	8,000 pounds	((\$ 58.00)) <u>\$ 93.00</u>	((\$ 58.00)) <u>\$ 93.00</u>
6	10,000 pounds	((\$ 60.00)) <u>\$ 93.00</u>	((\$ 60.00)) <u>\$ 93.00</u>
7	12,000 pounds	\$ 77.00	\$ 77.00
8	14,000 pounds	\$ 88.00	\$ 88.00
9	16,000 pounds	\$ 100.00	\$ 100.00
10	18,000 pounds	\$ 152.00	\$ 152.00
11	20,000 pounds	\$ 169.00	\$ 169.00
12	22,000 pounds	\$ 183.00	\$ 183.00
13	24,000 pounds	\$ 198.00	\$ 198.00
14	26,000 pounds	\$ 209.00	\$ 209.00
15	28,000 pounds	\$ 247.00	\$ 247.00
16	30,000 pounds	\$ 285.00	\$ 285.00
17	32,000 pounds	\$ 344.00	\$ 344.00
18	34,000 pounds	\$ 366.00	\$ 366.00
19	36,000 pounds	\$ 397.00	\$ 397.00
20	38,000 pounds	\$ 436.00	\$ 436.00
21	40,000 pounds	\$ 499.00	\$ 499.00
22	42,000 pounds	\$ 519.00	\$ 609.00
23	44,000 pounds	\$ 530.00	\$ 620.00
24	46,000 pounds	\$ 570.00	\$ 660.00
25	48,000 pounds	\$ 594.00	\$ 684.00
26	50,000 pounds	\$ 645.00	\$ 735.00
27	52,000 pounds	\$ 678.00	\$ 768.00
28	54,000 pounds	\$ 732.00	\$ 822.00
29	56,000 pounds	\$ 773.00	\$ 863.00
30	58,000 pounds	\$ 804.00	\$ 894.00
31	60,000 pounds	\$ 857.00	\$ 947.00
32	62,000 pounds	\$ 919.00	\$ 1,009.00
33	64,000 pounds	\$ 939.00	\$ 1,029.00
34	66,000 pounds	\$ 1,046.00	\$ 1,136.00
35	68,000 pounds	\$ 1,091.00	\$ 1,181.00

1	70,000 pounds	\$ 1,175.00	\$ 1,265.00
2	72,000 pounds	\$ 1,257.00	\$ 1,347.00
3	74,000 pounds	\$ 1,366.00	\$ 1,456.00
4	76,000 pounds	\$ 1,476.00	\$ 1,566.00
5	78,000 pounds	\$ 1,612.00	\$ 1,702.00
6	80,000 pounds	\$ 1,740.00	\$ 1,830.00
7	82,000 pounds	\$ 1,861.00	\$ 1,951.00
8	84,000 pounds	\$ 1,981.00	\$ 2,071.00
9	86,000 pounds	\$ 2,102.00	\$ 2,192.00
10	88,000 pounds	\$ 2,223.00	\$ 2,313.00
11	90,000 pounds	\$ 2,344.00	\$ 2,434.00
12	92,000 pounds	\$ 2,464.00	\$ 2,554.00
13	94,000 pounds	\$ 2,585.00	\$ 2,675.00
14	96,000 pounds	\$ 2,706.00	\$ 2,796.00
15	98,000 pounds	\$ 2,827.00	\$ 2,917.00
16	100,000 pounds	\$ 2,947.00	\$ 3,037.00
17	102,000 pounds	\$ 3,068.00	\$ 3,158.00
18	104,000 pounds	\$ 3,189.00	\$ 3,279.00
19	105,500 pounds	\$ 3,310.00	\$ 3,400.00

20 (2) Schedule A applies to vehicles either used exclusively for
21 hauling logs or that do not tow trailers. Schedule B applies to
22 vehicles that tow trailers and are not covered under Schedule A.

23 (3) If the resultant gross weight is not listed in the table
24 provided in subsection (1) of this section, it must be increased to the
25 next higher weight.

26 (4) The license fees provided in subsection (1) of this section and
27 the freight project fee provided in subsection (6) of this section are
28 in addition to the filing fee required under RCW 46.17.005 and any
29 other fee or tax required by law.

30 (5) The license fee based on declared gross weight as provided in
31 subsection (1) of this section must be distributed under RCW 46.68.035.

32 (6) In addition to the license fee based on declared gross weight
33 as provided in subsection (1) of this section, the department, county
34 auditor or other agent, or subagent appointed by the director must
35 require an applicant with a vehicle with a declared gross weight of
36 more than 10,000 pounds, unless specifically exempt, to pay a freight
37 project fee equal to fifteen percent of the license fee provided in

1 subsection (1) of this section, rounded to the nearest whole dollar,
2 which must be deposited in the connecting Washington account created in
3 section 104 of this act to be used exclusively for major freight
4 corridors.

5 NEW SECTION. Sec. 302. Section 301 of this act applies to vehicle
6 registrations that are due or become due on or after August 1, 2013.

7 **Sec. 303.** RCW 81.77.160 and 1997 c 434 s 1 are each amended to
8 read as follows:

9 (1) The commission, in fixing and altering collection rates charged
10 by every solid waste collection company under this section, shall
11 include in the base for the collection rates:

12 (a) All charges for the disposal of solid waste at the facility or
13 facilities designated by a local jurisdiction under a local
14 comprehensive solid waste management plan or ordinance; (~~and~~)

15 (b) All known and measurable costs related to implementation of the
16 approved county or city comprehensive solid waste management plan; and

17 (c) All taxes and fees imposed or increased under this act.

18 (2) If a solid waste collection company files a tariff to recover
19 the costs specified under this section, and the commission suspends the
20 tariff, the portion of the tariff covering costs specified in this
21 section shall be placed in effect by the commission at the request of
22 the company on an interim basis as of the originally filed effective
23 date, subject to refund, pending the commission's final order. The
24 commission may adopt rules to implement this section.

25 (3) This section applies to a solid waste collection company that
26 has an affiliated interest under chapter 81.16 RCW with a facility, if
27 the total cost of disposal, including waste transfer, transport, and
28 disposal charges, at the facility is equal to or lower than any other
29 reasonable and currently available option.

30 **Sec. 304.** RCW 47.60.322 and 2011 1st sp.s. c 16 s 2 are each
31 amended to read as follows:

32 (1) The capital vessel replacement account is created in the motor
33 vehicle fund. All revenues generated from the vessel replacement
34 surcharge under RCW 47.60.315(7) and the amount of service fees
35 required under section 305(2) of this act must be deposited into the

1 account. Moneys in the account may be spent only after appropriation.
2 Expenditures from the account may be used only for the construction or
3 purchase of ferry vessels and to pay the principal and interest on
4 bonds authorized for the construction or purchase of ferry vessels.
5 However, expenditures from the account must first be used to support
6 the construction or purchase, including any applicable financing costs,
7 of a ferry vessel with a carrying capacity of at least one hundred
8 forty-four cars.

9 (2) The state treasurer may not transfer any moneys from the
10 capital vessel replacement account except to the transportation 2003
11 account (nickel account) for debt service on bonds issued for the
12 construction of ((a)) 144-car class ferry vessels.

13 NEW SECTION. **Sec. 305.** A new section is added to chapter 46.17
14 RCW to read as follows:

15 (1) The department and a county auditor or other agent appointed by
16 the director shall collect a service fee of five dollars for each
17 vehicle registration renewal processed by the department or that county
18 auditor's or other agent's office. The service fee must be deposited
19 into the connecting Washington account created in section 104 of this
20 act.

21 (2)(a) The department and a county auditor or other agent appointed
22 by the director shall collect a service fee of twelve dollars for each
23 certificate of title transaction processed by the department or that
24 county auditor's or other agent's office.

25 (b) Each fiscal year, the service fees collected under (a) of this
26 subsection must be deposited into the capital vessel replacement
27 account as authorized in RCW 47.60.322, except as required in (c) of
28 this subsection.

29 (c) Any service fees collected under (a) of this subsection that
30 are in excess of seven million dollars per fiscal year must be
31 deposited into the connecting Washington account created in section 104
32 of this act.

33 NEW SECTION. **Sec. 306.** Sections 304 and 305 of this act apply to
34 vehicle registrations that are due or become due on or after January 1,
35 2014.

1 **Sec. 307.** RCW 46.17.323 and 2012 c 74 s 10 are each amended to
2 read as follows:

3 (1) Before accepting an application for an annual vehicle
4 registration renewal for ~~((an electric))~~ a vehicle that uses
5 ~~((propulsion units powered solely by))~~ at least one method of
6 propulsion that is capable of being reenergized by an external source
7 of electricity, the department, county auditor or other agent, or
8 subagent appointed by the director must require the applicant to pay a
9 one hundred dollar fee in addition to any other fees and taxes required
10 by law. The one hundred dollar fee is due only at the time of annual
11 registration renewal.

12 (2) This section only applies to:

13 (a) A vehicle that is designed to have the capability to drive at
14 a speed of more than thirty-five miles per hour; and

15 (b) An annual vehicle registration renewal that is due on or after
16 February 1, 2013.

17 (3)(a) The fee under this section is imposed to provide funds to
18 mitigate the impact of vehicles on state roads and highways and for the
19 purpose of evaluating the feasibility of transitioning from a revenue
20 collection system based on fuel taxes to a road user assessment system,
21 and is separate and distinct from other vehicle license fees. Proceeds
22 from the fee must be ~~((used for highway purposes, and))~~ deposited into
23 the transportation innovative partnership account created in RCW
24 47.29.230 for the purpose of creating and funding the Washington
25 electric vehicle infrastructure bank as provided in section 501 of this
26 act. Once the total number of electric vehicles subject to this fee
27 has reached one-half of one percent of the state's total registered
28 vehicle fleet, proceeds must be deposited in the motor vehicle fund
29 created in RCW 46.68.070 ~~((, subject to))~~ and distributed in the manner
30 provided in (b) of this subsection.

31 (b) ~~((If in any year the amount of proceeds from the fee collected~~
32 ~~under this section exceeds one million dollars, the excess amount over~~
33 ~~one million dollars must be deposited))~~ Any fee proceeds eligible for
34 deposit in the motor vehicle fund must be distributed as follows:

35 (i) Seventy percent to the motor vehicle fund created in RCW
36 46.68.070;

37 (ii) Fifteen percent to the transportation improvement account
38 created in RCW 47.26.084; and

1 (iii) Fifteen percent to the rural arterial trust account created
2 in RCW 36.79.020.

3 **Sec. 308.** RCW 46.17.050 and 2010 c 161 s 505 are each amended to
4 read as follows:

5 Before accepting a report of sale filed under RCW 46.12.650(2), the
6 department, county auditor or other agent, or subagent appointed by the
7 director shall require the applicant to pay(~~(+~~
8 ~~(1))~~) the filing fee under RCW 46.17.005(1), the license plate
9 technology fee under RCW 46.17.015, (~~(and)~~) the license service fee
10 under RCW 46.17.025 (~~(to the county auditor or other agent; and~~
11 ~~(2) The subagent~~), and the service fee under RCW 46.17.040(2) (~~(to~~
12 ~~the subagent)~~). Any service fees collected by the department under
13 this section must be deposited in the multimodal transportation account
14 created in RCW 47.66.070.

15 **Sec. 309.** RCW 46.17.060 and 2010 c 161 s 507 are each amended to
16 read as follows:

17 Before accepting a transitional ownership record filed under RCW
18 46.12.660, the department, county auditor or other agent, or subagent
19 appointed by the director shall require the applicant to pay(~~(+~~
20 ~~(1))~~) the filing fee under RCW 46.17.005(1), the license plate
21 technology fee under RCW 46.17.015, (~~(and)~~) the license service fee
22 under RCW 46.17.025 (~~(to the county auditor or other agent; and~~
23 ~~(2) The subagent~~), and the service fee under RCW 46.17.040(2) (~~(to~~
24 ~~the subagent)~~). Any service fees collected by the department under
25 this section must be deposited in the multimodal transportation account
26 created in RCW 47.66.070.

27 **Sec. 310.** RCW 46.20.202 and 2007 c 7 s 1 are each amended to read
28 as follows:

29 (1) The department may enter into a memorandum of understanding
30 with any federal agency for the purposes of facilitating the crossing
31 of the border between the state of Washington and the Canadian province
32 of British Columbia.

33 (2) The department may enter into an agreement with the Canadian
34 province of British Columbia for the purposes of implementing a border-
35 crossing initiative.

1 (3)(a) The department may issue an enhanced driver's license or
2 identicard for the purposes of crossing the border between the state of
3 Washington and the Canadian province of British Columbia to an
4 applicant who provides the department with proof of: United States
5 citizenship, identity, and state residency. The department shall
6 continue to offer a standard driver's license and identicard. If the
7 department chooses to issue an enhanced driver's license, the
8 department must allow each applicant to choose between a standard
9 driver's license or identicard, or an enhanced driver's license or
10 identicard.

11 (b) The department shall implement a one-to-many biometric matching
12 system for the enhanced driver's license or identicard. An applicant
13 for an enhanced driver's license or identicard shall submit a biometric
14 identifier as designated by the department. The biometric identifier
15 must be used solely for the purpose of verifying the identity of the
16 holders and for any purpose set out in RCW 46.20.037. Applicants are
17 required to sign a declaration acknowledging their understanding of the
18 one-to-many biometric match.

19 (c) The enhanced driver's license or identicard must include
20 reasonable security measures to protect the privacy of Washington state
21 residents, including reasonable safeguards to protect against
22 unauthorized disclosure of data about Washington state residents. If
23 the enhanced driver's license or identicard includes a radio frequency
24 identification chip, or similar technology, the department shall ensure
25 that the technology is encrypted or otherwise secure from unauthorized
26 data access.

27 (d) The requirements of this subsection are in addition to the
28 requirements otherwise imposed on applicants for a driver's license or
29 identicard. The department shall adopt such rules as necessary to meet
30 the requirements of this subsection. From time to time the department
31 shall review technological innovations related to the security of
32 identity cards and amend the rules related to enhanced driver's
33 licenses and identicards as the director deems consistent with this
34 section and appropriate to protect the privacy of Washington state
35 residents.

36 (e) Notwithstanding RCW 46.20.118, the department may make images
37 associated with enhanced drivers' licenses or identicards from the

1 negative file available to United States customs and border agents for
2 the purposes of verifying identity.

3 ~~(4) ((The department may set a fee for the issuance of enhanced~~
4 ~~drivers' licenses and identicards under this section.))~~ (a) The fee for
5 an enhanced driver's license or enhanced identicard is fifty-four
6 dollars, which is in addition to the fees for any regular driver's
7 license or identicard. If the enhanced driver's license or enhanced
8 identicard is issued, renewed, or extended for a period other than six
9 years, the fee for each class is nine dollars for each year that the
10 enhanced driver's license or enhanced identicard is issued, renewed, or
11 extended.

12 (b) Thirty-nine dollars of each enhanced driver's license or
13 identicard fee, or six dollars and fifty cents of the fee for each
14 class for each year if the enhanced driver's license or enhanced
15 identicard is issued, renewed, or extended for a period other than six
16 years, must be deposited in the multimodal transportation account
17 created in RCW 47.66.070.

18 LOCAL REVENUE OPTIONS

19 NEW SECTION. Sec. 401. (1) It is the intent of the legislature to
20 provide diversified local revenue options that may be tailored to the
21 needs of each jurisdiction, in addition to any increases in funding
22 provided through already existing partnerships between the state and
23 local communities, such as the motor vehicle fuel taxes. In the case
24 of public transit systems in particular, there is a need for additional
25 revenue sources beyond the current sales and use tax options, which
26 may, on their own, not be sufficient to meet the funding challenges of
27 a particular system.

28 (2) It is also the intent that local governments coordinate with
29 other municipalities, transit systems, transportation benefit
30 districts, planning organizations, and other transportation agencies.
31 It is critical that all transportation infrastructure is well planned,
32 coordinated, and maintained at the local levels to provide a seamless
33 transportation infrastructure to enable people and goods to move safely
34 and efficiently throughout the state and to bolster and improve the
35 state's economy.

1 (3) The legislature finds that the purchasing power of funds to pay
2 for local transportation needs continues to decline while costs have
3 risen. Without additional funding, counties and cities will continue
4 to struggle financially to preserve and maintain county roads, city
5 streets, and bridges; pavement conditions will to continue to decline;
6 and public transit systems will be forced to cut services at a time
7 when demand for transit services is increasing.

8 **Sec. 402.** RCW 36.73.015 and 2012 c 152 s 1 are each amended to
9 read as follows:

10 The definitions in this section apply throughout this chapter
11 unless the context clearly requires otherwise.

12 (1) "City" means a city or town.

13 (2) "District" means a transportation benefit district created
14 under this chapter.

15 (3) "Low-income" means household income that is at or below forty-
16 five percent of the median household income, adjusted for household
17 size, for the district in which the fees, taxes, or tolls were imposed.

18 (4) "Rebate program" means an optional program established by a
19 transportation benefit district that includes a city with a population
20 of five hundred thousand persons or more for the purpose of providing
21 rebates to low-income individuals for fees, taxes, and/or tolls imposed
22 by such transportation benefit district for: (a) Vehicle fees imposed
23 under RCW 36.73.040(3)(b); (b) sales and use taxes imposed under RCW
24 36.73.040(3)(a); and/or (c) tolls imposed under RCW 36.73.040(3)(d).

25 (5) "Supplemental transportation improvement" or "supplemental
26 improvement" means any project, work, or undertaking to provide public
27 transportation service, in addition to a district's existing or planned
28 voter-approved transportation improvements, proposed by a participating
29 city member of the district under RCW 36.73.180.

30 (6) "Transportation improvement" means a project contained in the
31 transportation plan of the state, a regional transportation planning
32 organization, city, county, or eligible jurisdiction as identified in
33 RCW 36.73.020(2). A project may include, but is not limited to,
34 investment in new or existing highways of statewide significance,
35 principal arterials of regional significance, high capacity
36 transportation, public transportation, and other transportation
37 projects and programs of local, regional, or statewide significance

1 including transportation demand management. Projects may also include
2 the operation, preservation, and maintenance of these facilities or
3 programs.

4 **Sec. 403.** RCW 36.73.020 and 2010 c 250 s 1 are each amended to
5 read as follows:

6 (1) The legislative authority of a county or city may establish a
7 transportation benefit district within the county or city area or
8 within the area specified in subsection (2) of this section, for the
9 purpose of acquiring, constructing, improving, providing, and funding
10 a transportation improvement within the district that is consistent
11 with any existing state, regional, or local transportation plans and
12 necessitated by existing or reasonably foreseeable congestion levels.
13 The transportation improvements shall be owned by the county of
14 jurisdiction if located in an unincorporated area, by the city of
15 jurisdiction if located in an incorporated area, or by the state in
16 cases where the transportation improvement is or becomes a state
17 highway. However, if deemed appropriate by the governing body of the
18 transportation benefit district, a transportation improvement may be
19 owned by a participating port district or transit district, unless
20 otherwise prohibited by law. Transportation improvements shall be
21 administered and maintained as other public streets, roads, highways,
22 and transportation improvements. To the extent practicable, the
23 district shall consider the following criteria when selecting
24 transportation improvements:

- 25 (a) Reduced risk of transportation facility failure and improved
26 safety;
- 27 (b) Improved travel time;
- 28 (c) Improved air quality;
- 29 (d) Increases in daily and peak period trip capacity;
- 30 (e) Improved modal connectivity;
- 31 (f) Improved freight mobility;
- 32 (g) Cost-effectiveness of the investment;
- 33 (h) Optimal performance of the system through time;
- 34 (i) Improved accessibility for, or other benefits to, persons with
35 special transportation needs as defined in RCW 47.06B.012; and
- 36 (j) Other criteria, as adopted by the governing body.

1 (2) Subject to subsection (6) of this section, the district may
2 include area within more than one county, city, port district, county
3 transportation authority, reservation of a federally recognized tribe,
4 or public transportation benefit area, if the legislative authority of
5 each participating jurisdiction has agreed to the inclusion as provided
6 in an interlocal agreement adopted pursuant to chapter 39.34 RCW.
7 However, the boundaries of the district need not include all territory
8 within the boundaries of the participating jurisdictions comprising the
9 district.

10 (3) The members of the legislative authority proposing to establish
11 the district, acting ex officio and independently, shall constitute the
12 governing body of the district: PROVIDED, That where a district
13 includes area within more than one jurisdiction under subsection (2) of
14 this section, the district shall be governed under an interlocal
15 agreement adopted pursuant to chapter 39.34 RCW, with the governing
16 body being composed of (a) at least five members including at least one
17 elected official from the legislative authority of each participating
18 jurisdiction or (b) the governing body of the metropolitan planning
19 organization serving the district, but only if the district boundaries
20 are identical to the boundaries of the metropolitan planning
21 organization serving the district.

22 (4) The treasurer of the jurisdiction proposing to establish the
23 district shall act as the ex officio treasurer of the district, unless
24 an interlocal agreement states otherwise.

25 (5) The electors of the district shall all be registered voters
26 residing within the district.

27 (6) Prior to December 1, 2007, the authority under this section,
28 regarding the establishment of or the participation in a district,
29 shall not apply to:

30 (a) Counties with a population greater than one million five
31 hundred thousand persons and any adjoining counties with a population
32 greater than five hundred thousand persons;

33 (b) Cities with any area within the counties under (a) of this
34 subsection; and

35 (c) Other jurisdictions with any area within the counties under (a)
36 of this subsection.

1 **Sec. 404.** RCW 36.73.065 and 2012 c 152 s 3 are each amended to
2 read as follows:

3 (1) Except as provided in subsection (4) of this section, taxes,
4 fees, charges, and tolls may not be imposed by a district without
5 approval of a majority of the voters in the district voting on a
6 proposition at a general or special election. The proposition must
7 include a specific description of: (a) The transportation improvement
8 or improvements proposed by the district; (b) any rebate program
9 proposed to be established under RCW 36.73.067; and (c) the proposed
10 taxes, fees, charges, and the range of tolls imposed by the district to
11 raise revenue to fund the improvement or improvements or rebate
12 program, as applicable.

13 (2) Voter approval under this section must be accorded substantial
14 weight regarding the validity of a transportation improvement as
15 defined in RCW 36.73.015.

16 (3) A district may not increase any taxes, fees, charges, or range
17 of tolls imposed or change a rebate program under this chapter once the
18 taxes, fees, charges, tolls, or rebate program takes effect, unless
19 authorized by the district voters pursuant to RCW 36.73.160 or up to
20 forty dollars of the vehicle fee authorized in RCW 82.80.140 by the
21 governing board of the district.

22 (4)(a) A district that includes all the territory within the
23 boundaries of the jurisdiction, or jurisdictions, establishing the
24 district, but not including territory in which a fee is currently being
25 collected under RCW 82.80.140, may impose by a majority vote of the
26 governing board of the district the following fees and charges:

27 (i) Up to (~~twenty~~) forty dollars of the vehicle fee authorized in
28 RCW 82.80.140; or

29 (ii) A fee or charge in accordance with RCW 36.73.120.

30 (b) The vehicle fee authorized in (a) of this subsection may only
31 be imposed for a passenger-only ferry transportation improvement if the
32 vehicle fee is first approved by a majority of the voters within the
33 jurisdiction of the district.

34 (c)(i) A district solely comprised of a city or cities (~~shall~~)
35 may not impose the fees or charges identified in (a) of this subsection
36 within one hundred eighty days after July 22, 2007, unless the county
37 in which the city or cities reside, by resolution, declares that it

1 will not impose the fees or charges identified in (a) of this
2 subsection within the one hundred eighty-day period; or

3 (ii) A district solely comprised of a city or cities identified in
4 RCW 36.73.020(6)(b) may not impose the fees or charges until after May
5 22, 2008, unless the county in which the city or cities reside, by
6 resolution, declares that it will not impose the fees or charges
7 identified in (a) of this subsection through May 22, 2008.

8 (5) If the interlocal agreement in RCW 82.80.140(2)(a) cannot be
9 reached, a district that includes only the unincorporated territory of
10 a county may impose by a majority vote of the governing body of the
11 district up to (~~twenty~~) forty dollars of the vehicle fee authorized
12 in RCW 82.80.140.

13 NEW SECTION. **Sec. 405.** A new section is added to chapter 82.80
14 RCW to read as follows:

15 (1) A county with a population of one million or more may impose,
16 by approval of a majority of the registered voters of the county voting
17 on the proposition at a general or special election, a local motor
18 vehicle excise tax of up to one and one-half percent annually on the
19 value of every motor vehicle registered to a person residing within the
20 county based on any guidebook, report, or compendium of recognized
21 standing in the automotive industry, such as the Kelley Blue Book or
22 the National Automobile Dealers' Association Guide. A motor vehicle
23 excise tax may not be imposed on vehicles licensed under RCW 46.17.355,
24 except for motor vehicles with an unladen weight of six thousand pounds
25 or less, RCW 46.16A.425, 46.17.335, or 46.17.350(1)(c).

26 (2) A county imposing a tax under this section must contract,
27 before the effective date of the resolution or ordinance imposing the
28 local motor vehicle excise tax, administration and collection to the
29 department of licensing, as appropriate, which must deduct an amount,
30 as provided by contract, for administration and collection expenses
31 incurred by the department.

32 (3) If the department of licensing determines a value for a vehicle
33 pursuant to subsection (1) of this section, any person who pays a
34 locally imposed motor vehicle excise tax for that vehicle may appeal
35 the valuation to the department of licensing under chapter 34.05 RCW.
36 If the taxpayer is successful on appeal, the department must refund the
37 excess tax.

1 (4) The tax imposed under this section applies only when renewing
2 a vehicle registration, and is effective upon the registration renewal
3 date as provided by the department of licensing.

4 (5)(a) A county imposing a tax under this section must use sixty
5 percent of the net funds, after any deductions pursuant to subsection
6 (2) of this section, for the operation, maintenance, or capital needs
7 of public transportation systems.

8 (b) The remaining forty percent of the net funds, after any
9 deductions pursuant to subsection (2) of this section, must be used for
10 the operations and maintenance of local roads and must be distributed
11 on a pro rata basis to the county imposing the local motor vehicle
12 excise tax and to incorporated cities and towns within the county based
13 upon the population of the unincorporated portion of the county, the
14 population of an incorporated city, or the population of an
15 incorporated town as a percentage of the total population of the
16 county.

17 (6) For purposes of this section, the population of an incorporated
18 city or town is the most recent population determined by the office of
19 financial management.

20 **Sec. 406.** RCW 82.14.045 and 2008 c 86 s 102 are each amended to
21 read as follows:

22 (1) The legislative body of any city pursuant to RCW 35.92.060, of
23 any county which has created an unincorporated transportation benefit
24 area pursuant to RCW 36.57.100 and 36.57.110, of any public
25 transportation benefit area pursuant to RCW 36.57A.080 and 36.57A.090,
26 of any county transportation authority established pursuant to chapter
27 36.57 RCW, (~~and~~) of any metropolitan municipal corporation within a
28 county with a population of one million or more pursuant to chapter
29 35.58 RCW, and of any enhanced public transportation zone pursuant to
30 section 408 of this act, may, by resolution or ordinance for the sole
31 purpose of providing funds for the operation, maintenance, or capital
32 needs of public transportation systems or public transportation limited
33 to persons with special needs under RCW 36.57.130 and 36.57A.180, and
34 in lieu of the excise taxes authorized by RCW 35.95.040, submit an
35 authorizing proposition to the voters or include such authorization in
36 a proposition to perform the function of public transportation or
37 public transportation limited to persons with special needs under RCW

1 36.57.130 and 36.57A.180, and if approved by a majority of persons
2 voting thereon, impose a sales and use tax in accordance with the terms
3 of this chapter. Where an authorizing proposition is submitted by a
4 county on behalf of an unincorporated transportation benefit area, it
5 shall be voted upon by the voters residing within the boundaries of
6 such unincorporated transportation benefit area and, if approved, the
7 sales and use tax shall be imposed only within such area.
8 Notwithstanding any provisions of this section to the contrary, any
9 county in which a county public transportation plan has been adopted
10 pursuant to RCW 36.57.070 and the voters of such county have authorized
11 the imposition of a sales and use tax pursuant to the provisions of
12 section 10, chapter 167, Laws of 1974 ex. sess., prior to July 1, 1975,
13 shall be authorized to fix and impose a sales and use tax as provided
14 in this section at not to exceed the rate so authorized without
15 additional approval of the voters of such county as otherwise required
16 by this section.

17 The tax authorized by this section shall be in addition to the tax
18 authorized by RCW 82.14.030 and shall be collected from those persons
19 who are taxable by the state under chapters 82.08 and 82.12 RCW upon
20 the occurrence of any taxable event within such city, public
21 transportation benefit area, county, (~~(or)~~) metropolitan municipal
22 corporation, or enhanced public transportation zone as the case may be.
23 The rate of such tax shall be one-tenth, two-tenths, three-tenths,
24 four-tenths, five-tenths, six-tenths, seven-tenths, eight-tenths, or
25 nine-tenths of one percent of the selling price (in the case of a sales
26 tax) or value of the article used (in the case of a use tax). The rate
27 of such tax shall not exceed the rate authorized by the voters unless
28 such increase shall be similarly approved.

29 (2)(a) In the event a metropolitan municipal corporation imposes a
30 sales and use tax pursuant to this chapter no city, county which has
31 created an unincorporated transportation benefit area, public
32 transportation benefit area authority, or county transportation
33 authority wholly within such metropolitan municipal corporation shall
34 be empowered to impose and/or collect taxes under RCW 35.95.040 or this
35 section, but nothing herein shall prevent such city or county from
36 imposing sales and use taxes pursuant to any other authorization.

37 (b) In the event a county transportation authority imposes a sales
38 and use tax under this section, no city, county which has created an

1 unincorporated transportation benefit area, public transportation
2 benefit area, or metropolitan municipal corporation, located within the
3 territory of the authority, shall be empowered to impose or collect
4 taxes under RCW 35.95.040 or this section.

5 (c) In the event a public transportation benefit area imposes a
6 sales and use tax under this section, no city, county which has created
7 an unincorporated transportation benefit area, or metropolitan
8 municipal corporation, located wholly or partly within the territory of
9 the public transportation benefit area, shall be empowered to impose or
10 collect taxes under RCW 35.95.040 or this section.

11 (3) The legislative body of a public transportation benefit area
12 located in a county with a population of seven hundred thousand or more
13 that also contains a city with a population of seventy-five thousand or
14 more operating a transit system pursuant to chapter 35.95 RCW may
15 submit an authorizing proposition to the voters and, if approved by a
16 majority of persons voting on the proposition, impose a sales and use
17 tax in accordance with the terms of this chapter of one-tenth, two-
18 tenths, or three-tenths of one percent of the selling price, in the
19 case of a sales tax, or value of the article used, in the case of a use
20 tax, in addition to the rate in subsection (1) of this section.

21 **Sec. 407.** RCW 82.80.140 and 2010 c 161 s 917 are each amended to
22 read as follows:

23 (1) Subject to the provisions of RCW 36.73.065, a transportation
24 benefit district under chapter 36.73 RCW may fix and impose an annual
25 vehicle fee, not to exceed one hundred dollars per vehicle registered
26 in the district, for each vehicle subject to vehicle license fees under
27 RCW 46.17.350(1) (a), (c), (d), (e), (g), (h), (j), or (n) through (q)
28 and for each vehicle subject to gross weight license fees under RCW
29 46.17.355 with a scale weight of six thousand pounds or less.

30 (2)(a) A district that includes all the territory within the
31 boundaries of the jurisdiction, or jurisdictions, establishing the
32 district, but not including territory in which a fee is currently being
33 collected under this section, may impose by a majority vote of the
34 governing board of the district up to (~~twenty~~) forty dollars of the
35 vehicle fee authorized in subsection (1) of this section.

36 (i) If the district is countywide, the revenues of the fee
37 (~~shall~~) must be distributed to each city within the (~~county~~)

1 district by interlocal agreement that must be effective prior to
2 imposition of the fee. The interlocal agreement is effective when
3 approved by the ((~~county~~)) district and sixty percent of the cities
4 representing seventy-five percent of the population of the cities
5 within the ((~~county~~)) district in which the countywide fee is
6 collected.

7 (ii) If the district is less than countywide, the revenues of the
8 fee must be distributed to each city within the district by interlocal
9 agreement that must be effective prior to imposition of the fee.

10 (b) A district may not impose a fee under this subsection (2):

11 (i) For a passenger-only ferry transportation improvement unless
12 the vehicle fee is first approved by a majority of the voters within
13 the jurisdiction of the district; or

14 (ii) That, if combined with the fees previously imposed by another
15 district within its boundaries under RCW 36.73.065(4)(a)(i), exceeds
16 ((~~twenty~~)) forty dollars.

17 If a district imposes or increases a fee under this subsection (2)
18 that, if combined with the fees previously imposed by another district
19 within its boundaries, exceeds ((~~twenty~~)) forty dollars, the district
20 shall provide a credit for the previously imposed fees so that the
21 combined vehicle fee does not exceed ((~~twenty~~)) forty dollars.

22 (3) The department of licensing shall administer and collect the
23 fee. The department shall deduct a percentage amount, as provided by
24 contract, not to exceed one percent of the fees collected, for
25 administration and collection expenses incurred by it. The department
26 shall remit remaining proceeds to the custody of the state treasurer.
27 The state treasurer shall distribute the proceeds to the district on a
28 monthly basis.

29 (4) No fee under this section may be collected until six months
30 after approval under RCW 36.73.065.

31 (5) The vehicle fee under this section applies only when renewing
32 a vehicle registration, and is effective upon the registration renewal
33 date as provided by the department of licensing.

34 (6) The following vehicles are exempt from the fee under this
35 section:

36 (a) Campers, as defined in RCW 46.04.085;

37 (b) Farm tractors or farm vehicles, as defined in RCW 46.04.180 and
38 46.04.181;

- 1 (c) Mopeds, as defined in RCW 46.04.304;
- 2 (d) Off-road and nonhighway vehicles, as defined in RCW 46.04.365;
- 3 (e) Private use single-axle trailer, as defined in RCW 46.04.422;
- 4 (f) Snowmobiles, as defined in RCW 46.04.546; and
- 5 (g) Vehicles registered under chapter 46.87 RCW and the
- 6 international registration plan.

7 NEW SECTION. **Sec. 408.** A new section is added to chapter 82.14
8 RCW to read as follows:

9 (1)(a) The tax authorized under RCW 82.14.045 may also be imposed
10 by the legislative body of an enhanced public transportation zone
11 established under subsection (2) of this section if approved by the
12 voters in the enhanced public transportation zone in the manner
13 provided for in this section. The establishing transit agency must
14 consult with the department on sales tax collection methods when
15 establishing the boundaries of the enhanced public transportation zone.

16 (b) A tax imposed under (a) of this subsection, when combined with
17 the rate of tax imposed by the establishing transit agency under RCW
18 82.14.045, may not exceed the maximum rate allowed under RCW 82.14.045,
19 and expires either (i) five years after imposition, unless reauthorized
20 by the voters in the enhanced public transportation zone in the manner
21 provided for in this section, or (ii) upon failure of a
22 reauthorization. Prior to reauthorization, the enhanced public
23 transportation zone boundaries must be readjusted, if necessary, to
24 meet the provisions under subsection (2)(c) of this section. A tax
25 imposed under (a) of this subsection must be imposed only in the
26 territory of the enhanced public transportation zone. The revenue from
27 the tax imposed under (a) of this subsection must be expended only for
28 public transportation service within the enhanced public transportation
29 zone and must not supplant existing revenues allocated to the enhanced
30 public transportation zone.

31 (c) Six months prior to the voter authorization or reauthorization
32 of the tax authorized under (a) of this subsection, the establishing
33 transit agency must determine a baseline level of fixed-route public
34 transportation service. This baseline level of service must be
35 publicly posted on the web site of the establishing transit agency.
36 Upon the collection of the tax imposed under (a) of this subsection,
37 fixed-route public transportation service within the enhanced public

1 transportation zone must increase proportionally to additional revenue
2 generated within the enhanced public transportation zone. Service
3 hours within the enhanced public transportation zone must increase from
4 the baseline level in accordance with the establishing transit agency's
5 most recent cost of fixed-route public transportation per service hour,
6 as approved by the national transit database. A report on the increase
7 in public transportation service must be publicly posted annually on
8 the establishing transit agency's web site.

9 (2)(a) The legislative body of a transit agency may establish an
10 enhanced public transportation zone within a portion of the boundaries
11 of the transit agency establishing the enhanced public transportation
12 zone. An enhanced public transportation zone may include all or a
13 portion of any county, city, or town as long as all or a portion of the
14 county, city, or town is within the territory of the establishing
15 transit agency. However, the legislative body of a city, town, or
16 county may pass a resolution removing all or a portion of its
17 jurisdiction from the enhanced public transportation zone, prior to
18 creation of the zone, or at the time of reauthorization of the zone.
19 The boundaries of any enhanced public transportation zone must follow
20 election precinct lines as far as practicable. When creating the zone
21 boundaries, the establishing transit agency must attempt to include a
22 significant amount of the population that the establishing transit
23 agency designated as low income or minority for purposes of Title VI of
24 the federal civil rights act of 1964. An enhanced public
25 transportation zone may not include more than forty-nine percent of the
26 population of the establishing transit agency.

27 (b) The members of the legislative body of the transit agency
28 proposing to establish the enhanced public transportation zone, acting
29 ex officio and independently, constitutes the legislative body of the
30 enhanced public transportation zone.

31 (c) An enhanced public transportation zone may establish, finance,
32 and provide a public transportation system within its boundaries in the
33 same manner as authorized for the transit agency establishing the
34 enhanced public transportation zone. However, the establishing transit
35 agency must adopt a resolution or ordinance finding that the enhanced
36 public transportation zone warrants consistent and sustainable
37 transportation service levels of passenger capacity, speed, and service

1 frequency to serve persons within the enhanced public transportation
2 zone that would otherwise be substantially disadvantaged if the
3 enhanced public transportation zone were not created.

4 (d) An enhanced public transportation zone constitutes a body
5 corporate and possesses all the usual powers of a corporation for
6 public purposes as well as all other powers that may be conferred by
7 statute including, but not limited to, the authority to hire employees,
8 staff, and services, to enter into contracts, to acquire, hold, and
9 dispose of real and personal property, and to sue and be sued. Public
10 works contract limits applicable to the transit agency that established
11 the enhanced public transportation zone also apply to the enhanced
12 public transportation zone.

13 (e) An enhanced public transportation zone may be dissolved by a
14 majority vote of its legislative body when all contractual obligations
15 of the enhanced public transportation zone have either been discharged
16 or assumed by another governmental entity.

17 (3) For the purposes of this section:

18 (a) "Enhanced public transportation zone" means a quasi-municipal
19 corporation and independent taxing authority within the meaning of
20 Article VII, section 1 of the state Constitution, and a taxing district
21 within the meaning of Article VII, section 2 of the state Constitution,
22 created by the legislative body of a transit agency.

23 (b) "Transit agency" means a city-owned transit system, an
24 unincorporated transportation benefit area, a county transportation
25 authority, a metropolitan municipal corporation within a county with a
26 population of one million or more, and a public transportation benefit
27 area.

28 NEW SECTION. **Sec. 409.** A new section is added to chapter 36.57A
29 RCW to read as follows:

30 (1) A governing body of a public transportation benefit area may
31 establish one or more passenger-only ferry service districts within all
32 or a portion of the boundaries of the public transportation benefit
33 area establishing the passenger-only ferry service district. A
34 passenger-only ferry service district may include all or a portion of
35 a city or town as long as all or a portion of the city or town
36 boundaries are within the boundaries of the establishing public
37 transportation benefit area. The members of the public transportation

1 benefit area governing body proposing to establish the passenger-only
2 ferry service district, acting ex officio and independently, shall
3 constitute the governing body of the passenger-only ferry service
4 district.

5 (2) A passenger-only ferry service district may establish, finance,
6 and provide passenger-only ferry service, and associated services to
7 support and augment passenger-only ferry service operation, within its
8 boundaries in the same manner as authorized for public transportation
9 benefit areas under this chapter.

10 (3) A passenger-only ferry service district constitutes a body
11 corporate and possesses all the usual powers of a corporation for
12 public purposes as well as all other powers that may be conferred by
13 statute including, but not limited to, the authority to hire employees,
14 staff, and services, to enter into contracts, to acquire, hold, and
15 dispose of real and personal property, and to sue and be sued. Public
16 works contract limits applicable to the public transportation benefit
17 area that established the passenger-only ferry service district apply
18 to the area. For purposes of this section, "passenger-only ferry
19 service district" means a quasi-municipal corporation and independent
20 taxing authority within the meaning of Article VII, section 1 of the
21 state Constitution, and a taxing district within the meaning of Article
22 VII, section 2 of the state Constitution, created by the legislative
23 body of a public transportation benefit area.

24 (4) A passenger-only ferry service district may exercise the power
25 of eminent domain to obtain property for its authorized purposes in the
26 same manner as authorized for the public transportation benefit area
27 that established the passenger-only ferry service district.

28 (5) Before a passenger-only ferry service district may provide
29 passenger-only ferry service, it must develop a passenger-only ferry
30 investment plan including elements to operate or contract for the
31 operation of passenger-only ferry services; to purchase, lease, or rent
32 ferry vessels and dock facilities for the provision of transit service;
33 and to identify other activities necessary to implement the plan. The
34 plan must set forth terminal locations to be served, projected costs of
35 providing services, and revenues to be generated from tolls, locally
36 collected tax revenues, and other revenue sources. The plan must
37 ensure that services provided under the plan are for the benefit of the
38 residents of the passenger-only ferry service district. The passenger-

1 only ferry service district may use any of its powers to carry out this
2 purpose, unless otherwise prohibited by law. In addition, the
3 passenger-only ferry service district may enter into contracts and
4 agreements to operate passenger-only ferry service and public-private
5 partnerships and design-build, general contractor/construction
6 management, or other alternative procurement processes substantially
7 consistent with chapter 39.10 RCW.

8 (6) A passenger-only ferry service district may be dissolved by a
9 majority vote of the governing body when all obligations under any
10 general obligation bonds issued by the passenger-only ferry service
11 district have been discharged and any other contractual obligations of
12 the passenger-only ferry service district have either been discharged
13 or assumed by another governmental entity.

14 NEW SECTION. **Sec. 410.** A new section is added to chapter 36.57A
15 RCW to read as follows:

16 (1) A passenger-only ferry service district may, as part of a
17 passenger-only ferry investment plan, recommend some or all of the
18 following revenue sources as provided in this chapter:

- 19 (a) A sales and use tax, as provided in section 411 of this act;
- 20 (b) A parking tax, as provided in RCW 82.80.030;
- 21 (c) Tolls for passengers and packages and, where applicable,
22 parking; and
- 23 (d) Charges or licensing fees for advertising, leasing space for
24 services to ferry passengers, and other revenue generating activities.

25 (2) Taxes may not be imposed without an affirmative vote of the
26 majority of the voters within the boundaries of the passenger-only
27 ferry service district voting on a single ballot proposition to both
28 approve a passenger-only ferry investment plan and to approve taxes to
29 implement the plan. Revenues from these taxes and fees may be used
30 only to implement the plan and must be used for the benefit of the
31 residents of the passenger-only ferry service district. A district may
32 contract with the state department of revenue or other appropriate
33 entities for administration and collection of any of the taxes or
34 charges authorized in this section.

35 NEW SECTION. **Sec. 411.** A new section is added to chapter 82.14
36 RCW to read as follows:

1 Passenger-only ferry service districts providing passenger-only
2 ferry service as provided in section 409 of this act may submit an
3 authorizing proposition to the voters and, if approved by a majority of
4 persons voting, fix and impose a sales and use tax in accordance with
5 the terms of this chapter, solely for the purpose of providing
6 passenger-only ferry service and associated services to support and
7 augment passenger-only ferry service operation.

8 The tax authorized by this section is in addition to other taxes
9 authorized by law and must be collected from those persons who are
10 taxable by the state under chapters 82.08 and 82.12 RCW upon the
11 occurrence of a taxable event within the taxing district. The maximum
12 rate of the tax must be approved by the voters and may not exceed six-
13 tenths of one percent of the selling price in the case of a sales tax
14 or value of the article used in the case of a use tax.

15 **Sec. 412.** RCW 82.80.005 and 2002 c 56 s 415 are each amended to
16 read as follows:

17 For the purposes of this chapter, "district" means a regional
18 transportation investment district created under chapter 36.120 RCW or
19 a passenger-only ferry service district created under chapter 36.57A
20 RCW.

21 NEW SECTION. **Sec. 413.** A new section is added to chapter 36.57A
22 RCW to read as follows:

23 (1) A passenger-only ferry service district may form a local
24 improvement district to provide any transportation improvement it has
25 the authority to provide, impose special assessments on all property
26 specially benefited by the transportation improvements, and issue
27 special assessment bonds or revenue bonds to fund the costs of the
28 transportation improvement. Local improvement districts shall be
29 created and assessments shall be made and collected pursuant to
30 chapters 35.43, 35.44, 35.49, 35.50, 35.51, 35.53, and 35.54 RCW.

31 (2) The governing body of the passenger-only ferry service district
32 shall by resolution establish for each special assessment bond issue
33 the amount, date, terms, conditions, denominations, maximum fixed or
34 variable interest rate or rates, maturity or maturities, redemption
35 rights, registration privileges, if any, covenants, and form, including
36 registration as to principal and interest, registration as to principal

1 only, or bearer. Registration may include, but not be limited to: (a)
2 A book entry system of recording the ownership of a bond whether or not
3 physical bonds are issued; or (b) recording the ownership of a bond
4 together with the requirement that the transfer of ownership may only
5 be effected by the surrender of the old bond and either the reissuance
6 of the old bond or the issuance of a new bond to the new owner.
7 Facsimile signatures may be used on the bonds and any coupons. The
8 maximum term of any special assessment bonds shall not exceed thirty
9 years beyond the date of issue. Special assessment bonds issued
10 pursuant to this section shall not be an indebtedness of the passenger-
11 only ferry service district issuing the bonds, and the interest and
12 principal on the bonds shall only be payable from special assessments
13 made for the improvement for which the bonds were issued and any local
14 improvement guaranty fund that the passenger-only ferry service
15 district has created. The owner or bearer of a special assessment bond
16 or any interest coupon issued pursuant to this section shall not have
17 any claim against the passenger-only ferry service district arising
18 from the bond or coupon except for the payment from special assessments
19 made for the improvement for which the bonds were issued and any local
20 improvement guaranty fund the passenger-only ferry service district has
21 created. The passenger-only ferry service district issuing the special
22 assessment bonds is not liable to the owner or bearer of any special
23 assessment bond or any interest coupon issued pursuant to this section
24 for any loss occurring in the lawful operation of its local improvement
25 guaranty fund. The substance of the limitations included in this
26 subsection shall be plainly printed, written, or engraved on each
27 special assessment bond issued pursuant to this section.

28 (3) Assessments shall reflect any credits given by the passenger-
29 only ferry service district for real property or property right
30 donations made pursuant to RCW 47.14.030.

31 (4) The governing body of the passenger-only ferry service district
32 may establish and pay moneys into a local improvement guaranty fund to
33 guarantee special assessment bonds issued by the passenger-only ferry
34 service district.

35 NEW SECTION. **Sec. 414.** A new section is added to chapter 36.57A
36 RCW to read as follows:

37 (1) To carry out the purposes of this chapter, a passenger-only

1 ferry service district may issue general obligation bonds, not to
2 exceed an amount, together with any other outstanding nonvoter-approved
3 general obligation indebtedness, equal to one and one-half percent of
4 the value of the taxable property within the area, as the term "value
5 of the taxable property" is defined in RCW 39.36.015. A passenger-only
6 ferry service district may also issue general obligation bonds for
7 capital purposes only, together with any outstanding general obligation
8 indebtedness, not to exceed an amount equal to five percent of the
9 value of the taxable property within the area, as the term "value of
10 the taxable property" is defined in RCW 39.36.015, when authorized by
11 the voters of the area pursuant to Article VIII, section 6 of the state
12 Constitution.

13 (2) General obligation bonds with a maturity in excess of twenty-
14 five years shall not be issued. The governing body of the passenger-
15 only ferry service district shall by resolution determine for each
16 general obligation bond issue the amount, date, terms, conditions,
17 denominations, maximum fixed or variable interest rate or rates,
18 maturity or maturities, redemption rights, registration privileges,
19 manner of execution, manner of sale, callable provisions, if any,
20 covenants, and form, including registration as to principal and
21 interest, registration as to principal only, or bearer. Registration
22 may include, but not be limited to: (a) A book entry system of
23 recording the ownership of a bond whether or not physical bonds are
24 issued; or (b) recording the ownership of a bond together with the
25 requirement that the transfer of ownership may only be effected by the
26 surrender of the old bond and either the reissuance of the old bond or
27 the issuance of a new bond to the new owner. Facsimile signatures may
28 be used on the bonds and any coupons. Refunding general obligation
29 bonds may be issued in the same manner as general obligation bonds are
30 issued.

31 (3) Whenever general obligation bonds are issued to fund specific
32 projects or enterprises that generate revenues, charges, user fees, or
33 special assessments, the passenger-only ferry service district may
34 specifically pledge all or a portion of the revenues, charges, user
35 fees, or special assessments to refund the general obligation bonds.
36 The passenger-only ferry service district may also pledge any other
37 revenues that may be available to the area.

1 (4) In addition to general obligation bonds, a passenger-only ferry
2 service district may issue revenue bonds to be issued and sold in
3 accordance with chapter 39.46 RCW.

4 **MISCELLANEOUS**

5 NEW SECTION. **Sec. 501.** A new section is added to chapter 47.46
6 RCW to read as follows:

7 (1) A Washington electric vehicle infrastructure bank is hereby
8 established. The Washington electric vehicle infrastructure bank shall
9 provide financial assistance for the installation of publicly
10 accessible electric vehicle charging stations within the state.

11 (2) Electric vehicle infrastructure receiving financial assistance
12 must include both DC fast-charging stations and level 1 or 2 electric
13 vehicle supply equipment. The department must confer with the
14 Washington department of commerce, and seek input from experts
15 representing local government, public utilities, electric vehicle
16 manufacturer representatives, and current Washington state electric
17 vehicle drivers to review information and advise the department on
18 policies and priorities for deployment of public charging station
19 locations.

20 (3) The department's public-private partnerships office must
21 administer all funds dispersed and received, including any funds
22 received under RCW 46.17.323 and deposited into the transportation
23 innovative partnership account created under RCW 47.29.230. Prior to
24 providing any financial assistance for electric vehicle infrastructure
25 projects, the department must submit a business plan to the house of
26 representatives and senate transportation committees of the legislature
27 and to the governor's office.

28 (4) Annual progress reports must be transmitted to the legislature
29 and governor as of December 1st of each year.

30 (5) This section expires July 1, 2023.

31 NEW SECTION. **Sec. 502.** If any provision of this act or its
32 application to any person or circumstance is held invalid, the
33 remainder of the act or the application of the provision to other
34 persons or circumstances is not affected.

1 NEW SECTION. **Sec. 503.** Sections 101 through 105, 107 through 109,
2 and 301 through 310 of this act take effect August 1, 2013.

3 NEW SECTION. **Sec. 504.** Sections 201 through 212 of this act take
4 effect July 1, 2015.

5 NEW SECTION. **Sec. 505.** Sections 401 through 414 of this act take
6 effect January 1, 2014.

7 NEW SECTION. **Sec. 506.** Section 105 of this act expires on the
8 date the requirements set out in section 7, chapter 36, Laws of 2012
9 are met.

10 NEW SECTION. **Sec. 507.** Section 106 of this act takes effect on
11 the date the requirements set out in section 7, chapter 36, Laws of
12 2012 are met.

13 NEW SECTION. **Sec. 508.** Section 307 of this act expires on the
14 effective date of legislation enacted by the legislature that imposes
15 a vehicle miles traveled fee or tax.

16 NEW SECTION. **Sec. 509.** The additional and cumulative tax rates in
17 section 101(10) and 102(10) of this act shall be imposed beginning July
18 1, 2015, unless the secretary of transportation certifies to the
19 governor that the department of transportation has received
20 satisfactory evidence that sufficient funding will be available to
21 complete construction on state route number 520 between Interstate 5
22 and the state route number 520 floating bridge in a manner consistent
23 with the record of decision published on August 4, 2011. If the
24 secretary of transportation determines that insufficient funding will
25 be available to complete construction on state route number 520 between
26 Interstate 5 and the state route number 520 floating bridge in a manner
27 consistent with the record of decision published on August 4, 2011, the
28 secretary must determine the motor vehicle fuel and special fuel tax
29 rates, of up to three cents per gallon, that are necessary to fund
30 sufficient general obligation bonds authorized by chapter . . .
31 (Substitute House Bill No. 1956), Laws of 2013 (authorizing bonds for
32 transportation funding) to complete construction on state route number

1 520 between Interstate 5 and the state route number 520 floating bridge
2 in a manner consistent with the record of decision published on August
3 4, 2011, and certify that amount to the governor, which are the motor
4 fuel and special fuel tax rates that take effect July 1, 2015.

5 NEW SECTION. **Sec. 510.** The secretary of transportation must
6 provide notice that the governor has received the certification of
7 sufficient funding as described in section 509 of this act to the chief
8 clerk of the house of representatives, the secretary of the senate, the
9 office of the code reviser, and others as deemed appropriate by the
10 secretary.

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