SUBSTITUTE SENATE BILL 5483

State of Washington 67th Legislature 2021 Regular Session

By Senate Transportation (originally sponsored by Senators Hobbs, Cleveland, Das, Keiser, Kuderer, Randall, Sheldon, and Wilson, C.)

READ FIRST TIME 04/15/21.

AN ACT Relating to transportation revenue; amending 1 RCW 2 82.38.030, 46.68.090, 46.09.520, 46.10.530, 79A.25.070, 82.42.020, 3 82.42.055, 82.08.020, 82.12.020, 46.17.355, 46.17.365, 46.17.400, 46.68.455, 46.17.200, 46.17.100, 4 46.17.160, 46.68.025, 46.17.120, 5 46.17.015, 46.17.025, 46.17.345, 46.17.350, 46.68.035, 46.12.635, 46.12.630, 46.68.415, 46.20.202, 46.20.161, 46.20.161, 46.20.181, 6 7 46.20.117, 46.68.041, 46.68.041, 46.52.130, 46.20.200, 47.60.315, 8 47.60.322, 82.21.030, 46.70.180, 82.32.385, 47.56.850, and 47.46.100; 9 reenacting and amending RCW 46.20.117, 43.84.092, and 43.84.092; adding a new section to chapter 36.01 RCW; adding a new section to 10 11 chapter 46.01 RCW; adding a new section to chapter 82.02 RCW; adding 12 new sections to chapter 46.68 RCW; adding a new section to chapter 13 47.46 RCW; repealing RCW 47.46.190 and 47.46.200; repealing 2018 c 14 195 s 3; prescribing penalties; providing effective dates; providing 15 expiration dates; and declaring an emergency.

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

Part I

Motor Vehicle Fuel & Aircraft Fuel Taxes

19 **Sec. 101.** RCW 82.38.030 and 2015 3rd sp.s. c 44 s 103 are each 20 amended to read as follows:

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- 1 (1) There is levied and imposed upon fuel licensees a tax at the 2 rate of twenty-three cents per gallon of fuel.
 - (2) Beginning July 1, 2003, an additional and cumulative tax rate of five cents per gallon of fuel is imposed on fuel licensees. This subsection (2) expires when the bonds issued for transportation 2003 projects are retired.
 - (3) Beginning July 1, 2005, an additional and cumulative tax rate of three cents per gallon of fuel is imposed on fuel licensees.
- 9 (4) Beginning July 1, 2006, an additional and cumulative tax rate 10 of three cents per gallon of fuel is imposed on fuel licensees.
- 11 (5) Beginning July 1, 2007, an additional and cumulative tax rate 12 of two cents per gallon of fuel is imposed on fuel licensees.
- 13 (6) Beginning July 1, 2008, an additional and cumulative tax rate 14 of one and one-half cents per gallon of fuel is imposed on fuel 15 licensees.
- 16 (7) Beginning August 1, 2015, an additional and cumulative tax 17 rate of seven cents per gallon of fuel is imposed on fuel licensees.
 - (8) Beginning July 1, 2016, an additional and cumulative tax rate of four and nine-tenths cents per gallon of fuel is imposed on fuel licensees.
- 21 (9) <u>Beginning July 1, 2021, an additional and cumulative tax rate</u> 22 <u>of nine and eight-tenths cents per gallon of fuel is imposed on fuel</u> 23 licensees.
 - (10) Taxes are imposed when:

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- (a) Fuel is removed in this state from a terminal if the fuel is removed at the rack unless the removal is by a licensed supplier or distributor for direct delivery to a destination outside of the state, or the removal is by a fuel supplier for direct delivery to an international fuel tax agreement licensee under RCW 82.38.320;
- 30 (b) Fuel is removed in this state from a refinery if either of 31 the following applies:
- 32 (i) The removal is by bulk transfer and the refiner or the owner 33 of the fuel immediately before the removal is not a licensed 34 supplier; or
- (ii) The removal is at the refinery rack unless the removal is to a licensed supplier or distributor for direct delivery to a destination outside of the state, or the removal is to a licensed supplier for direct delivery to an international fuel tax agreement licensee under RCW 82.38.320;

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- 1 (c) Fuel enters into this state for sale, consumption, use, or storage, unless the fuel enters this state for direct delivery to an 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 licensed supplier; or
 - (ii) The entry is not by bulk transfer;

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- (d) Fuel enters this state by means outside the bulk transfer-8 terminal system and is delivered directly to a licensed terminal 9 unless the owner is a licensed distributor or supplier; 10
 - (e) Fuel is sold or removed in this state to an unlicensed entity unless there was a prior taxable removal, entry, or sale of the fuel;
 - (f) Blended fuel is removed or sold in this state by the blender of the fuel. The number of gallons of blended fuel subject to tax is the difference between the total number of gallons of blended fuel removed or sold and the number of gallons of previously taxed fuel used to produce the blended fuel;
- (g) Dyed special fuel is used on a highway, as authorized by the 18 internal revenue code, unless the use is exempt from the fuel tax; 19
 - (h) Dyed special fuel is held for sale, sold, used, or is intended to be used in violation of this chapter;
- 22 (i) Special fuel purchased by an international fuel tax agreement 23 licensee under RCW 82.38.320 is used on a highway; and
- 24 Fuel is sold by a licensed fuel supplier to a 25 distributor or fuel blender and the fuel is not removed from the bulk 26 transfer-terminal system.
- 27 Sec. 102. RCW 46.68.090 and 2015 3rd sp.s. c 44 s 105 are each amended to read as follows: 28
 - (1) All moneys that have accrued or may accrue to the motor vehicle fund from the fuel tax must be first expended for purposes enumerated in (a) and (b) of this subsection. The remaining net tax amount must be distributed monthly by the state treasurer in accordance with subsections (2) through $((\frac{8}{8}))$ of this section.
 - (a) For payment of refunds of fuel tax that has been paid and is refundable as provided by law;
 - For payment of amounts to be expended pursuant appropriations for the administrative expenses of the offices state treasurer, state auditor, and the department of licensing of

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- the state of Washington in the administration of the fuel tax, which sums must be distributed monthly.
- 3 (2) All of the remaining net tax amount collected under RCW 82.38.030(1) must be distributed as set forth in (a) through (j) of this subsection.
- 6 (a) For distribution to the motor vehicle fund an amount equal to 44.387 percent to be expended for highway purposes of the state as defined in RCW 46.68.130;
 - (b)(i) For distribution to the special category C account, hereby created in the motor vehicle fund, an amount equal to 3.2609 percent to be expended for special category C projects. Special category C projects are category C projects that, due to high cost only, will require bond financing to complete construction.
- (ii) The following criteria, listed in order of priority, must be used in determining which special category C projects have the highest priority:
 - (A) Accident experience;

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- (B) Fatal accident experience;
- 19 (C) Capacity to move people and goods safely and at reasonable 20 speeds without undue congestion; and
- 21 (D) Continuity of development of the highway transportation 22 network.
 - (iii) Moneys deposited in the special category C account in the motor vehicle fund may be used for payment of debt service on bonds the proceeds of which are used to finance special category C projects under this subsection (2)(b);
 - (c) For distribution to the Puget Sound ferry operations account in the motor vehicle fund an amount equal to 2.3283 percent;
 - (d) For distribution to the Puget Sound capital construction account in the motor vehicle fund an amount equal to 2.3726 percent;
- 31 (e) For distribution to the transportation improvement account in 32 the motor vehicle fund an amount equal to 7.5597 percent;
 - (f) For distribution to the transportation improvement account in the motor vehicle fund an amount equal to 5.6739 percent and expended in accordance with RCW 47.26.086;
- 36 (g) For distribution to the cities and towns from the motor vehicle fund an amount equal to 10.6961 percent in accordance with 38 RCW 46.68.110;
- 39 (h) For distribution to the counties from the motor vehicle fund 40 an amount equal to 19.2287 percent: (i) Out of which there must be

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distributed from time to time, as directed by the department of transportation, those sums as may be necessary to carry out the provisions of RCW 47.56.725; and (ii) less any amounts appropriated to the county road administration board to implement the provisions of RCW 47.56.725(4), with the balance of such county share to be distributed monthly as the same accrues for distribution in accordance with RCW 46.68.120;

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- (i) For distribution to the county arterial preservation account, hereby created in the motor vehicle fund an amount equal to 1.9565 percent. These funds must be distributed by the county road administration board to counties in proportions corresponding to the number of paved arterial lane miles in the unincorporated area of each county and must be used for improvements to sustain the structural, safety, and operational integrity of county arterials. The county road administration board must adopt reasonable rules and develop policies to implement this program and to assure that a pavement management system is used;
- (j) For distribution to the rural arterial trust account in the motor vehicle fund an amount equal to 2.5363 percent and expended in accordance with RCW 36.79.020.
- 21 (3) The remaining net tax amount collected under RCW 82.38.030(2) 22 must be distributed to the transportation 2003 account (nickel 23 account).
- 24 (4) The remaining net tax amount collected under RCW 82.38.030(3) 25 must be distributed as follows:
 - (a) 8.3333 percent must be distributed to the incorporated cities and towns of the state in accordance with RCW 46.68.110;
 - (b) 8.3333 percent must be distributed to counties of the state in accordance with RCW 46.68.120; and
- 30 (c) The remainder must be distributed to the transportation 31 partnership account created in RCW 46.68.290.
- 32 (5) The remaining net tax amount collected under RCW 82.38.030(4) 33 must be distributed as follows:
- 34 (a) 8.3333 percent must be distributed to the incorporated cities 35 and towns of the state in accordance with RCW 46.68.110;
- 36 (b) 8.3333 percent must be distributed to counties of the state 37 in accordance with RCW 46.68.120; and
- 38 (c) The remainder must be distributed to the transportation 39 partnership account created in RCW 46.68.290.

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1 (6) The remaining net tax amount collected under RCW 82.38.030 2 (5) and (6) must be distributed to the transportation partnership 3 account created in RCW 46.68.290.

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- (7) The remaining net tax amount collected under RCW 82.38.030 (7) and (8) must be distributed to the connecting Washington account created in RCW 46.68.395.
- (8) The remaining net tax amount collected under RCW 82.38.030(9) must be distributed to the forward Washington account created in section 701 of this act.
- (9) Nothing in this section or in RCW 46.68.130 may be construed so as to violate any terms or conditions contained in any highway construction bond issues now or hereafter authorized by statute and whose payment is by such statute pledged to be paid from any excise taxes on fuel.
- 15 **Sec. 103.** RCW 46.09.520 and 2015 3rd sp.s. c 44 s 110 are each 16 amended to read as follows:
- (1) From time to time, but at least once each year, the state 17 treasurer must refund from the motor vehicle fund one percent of the 18 motor vehicle fuel tax revenues collected under chapter 82.38 RCW, 19 based on: (a) A tax rate of: (i) Nineteen cents per gallon of motor 20 vehicle fuel from July 1, 2003, through June 30, 2005; (ii) twenty 21 cents per gallon of motor vehicle fuel from July 1, 2005, through 22 June 30, 2007; (iii) twenty-one cents per gallon of motor vehicle 23 24 fuel from July 1, 2007, through June 30, 2009; (iv) twenty-two cents per gallon of motor vehicle fuel from July 1, 2009, through June 30, 25 2011; (v) twenty-three cents per gallon of motor vehicle fuel from 26 27 July 1, 2011, through July 31, 2015; (vi) thirty cents per gallon of motor vehicle fuel from August 1, 2015, through June 30, 2016; 28 ((and)) (vii) thirty-four and nine-tenths cents per gallon of motor 29 30 vehicle fuel from July 1, 2016, through June 30, 2021; (viii) forty-31 four and seven-tenths cents per gallon of motor vehicle fuel from July 1, 2021, through June 30, 2031; and (b) beginning July 1, 2031, 32 and thereafter, the state's motor vehicle fuel tax rate in existence 33 34 at the time of the fuel purchase, less proper deductions for refunds 35 and costs of collection as provided in RCW 46.68.090.
- 36 (2) The treasurer must place these funds in the general fund as follows:
- 38 (a) Thirty-six percent must be credited to the ORV and nonhighway 39 vehicle account and administered by the department of natural

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resources solely for acquisition, planning, development, maintenance, and management of ORV, nonmotorized, and nonhighway road recreation facilities, and information programs and maintenance of nonhighway roads;

- (b) Three and one-half percent must be credited to the ORV and nonhighway vehicle account and administered by the department of fish and wildlife solely for the acquisition, planning, development, maintenance, and management of ORV, nonmotorized, and nonhighway road recreation facilities and the maintenance of nonhighway roads;
- (c) Two percent must be credited to the ORV and nonhighway vehicle account and administered by the parks and recreation commission solely for the acquisition, planning, development, maintenance, and management of ORV, nonmotorized, and nonhighway road recreation facilities; and
- (d) Fifty-eight and one-half percent must be credited to the nonhighway and off-road vehicle activities program account to be administered by the board for planning, acquisition, development, maintenance, and management of ORV, nonmotorized, and nonhighway road recreation facilities and for education, information, and law enforcement programs. The funds under this subsection must be expended in accordance with the following limitations:
- (i) Not more than thirty percent may be expended for education, information, and law enforcement programs under this chapter;
 - (ii) Not less than seventy percent may be expended for ORV, nonmotorized, and nonhighway road recreation facilities. Except as provided in (d)(iii) of this subsection, of this amount:
 - (A) Not less than thirty percent, together with the funds the board receives under RCW 46.68.045, may be expended for ORV recreation facilities;
- (B) Not less than thirty percent may be expended for nonmotorized recreation facilities. Funds expended under this subsection (2)(d)(ii)(B) are known as Ira Spring outdoor recreation facilities funds; and
- (C) Not less than thirty percent may be expended for nonhighway road recreation facilities;
- 36 (iii) The board may waive the minimum percentage cited in (d)(ii)
 37 of this subsection due to insufficient requests for funds or projects
 38 that score low in the board's project evaluation. Funds remaining
 39 after such a waiver must be allocated in accordance with board
 40 policy.

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

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

19 **Sec. 104.** RCW 46.10.530 and 2015 3rd sp.s. c 44 s 112 are each 20 amended to read as follows:

From time to time, but at least once each four years, the department shall determine the amount of moneys paid to it as motor vehicle fuel tax that is tax on snowmobile fuel. Such determination shall use one hundred thirty-five gallons as the average yearly fuel usage per snowmobile, the number of registered snowmobiles during the calendar year under determination, and: (1) A fuel tax rate of: (a) Nineteen cents per gallon of motor vehicle fuel from July 1, 2003, through June 30, 2005; (b) twenty cents per gallon of motor vehicle fuel from July 1, 2005, through June 30, 2007; (c) twenty-one cents per gallon of motor vehicle fuel from July 1, 2007, through June 30, 2009; (d) twenty-two cents per gallon of motor vehicle fuel from July 1, 2009, through June 30, 2011; (e) twenty-three cents per gallon of motor vehicle fuel from July 1, 2011, through July 31, 2015; (f) thirty cents per gallon of motor vehicle fuel from August 1, 2015, through June 30, 2016; ((and)) (g) thirty-four and nine-tenths cents per gallon of motor vehicle fuel from July 1, 2016, through June 30, 2021; (h) forty-four and seven-tenths cents per gallon of motor vehicle fuel from July 1, 2021, through June 30, 2031; and (2)

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1 beginning July 1, 2031, and thereafter, the state's motor vehicle

2 fuel tax rate in existence at the time of the fuel purchase.

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Sec. 105. RCW 79A.25.070 and 2015 3rd sp.s. c 44 s 113 are each amended to read as follows:

5 Upon expiration of the time limited by RCW 82.36.330 for claiming of refunds of tax on marine fuel, the state of Washington shall 6 succeed to the right to such refunds. The director of licensing, 7 after taking into account past and anticipated claims for refunds 8 from and deposits to the marine fuel tax refund account, shall 9 10 request the state treasurer to transfer monthly from the marine fuel 11 tax refund account an amount equal to the proportion of the moneys in the account representing: (1) A motor vehicle fuel tax rate of: (a) 12 13 Nineteen cents per gallon of motor vehicle fuel from July 1, 2003, through June 30, 2005; (b) twenty cents per gallon of motor vehicle 14 15 fuel from July 1, 2005, through June 30, 2007; (c) twenty-one cents 16 per gallon of motor vehicle fuel from July 1, 2007, through June 30, 17 2009; (d) twenty-two cents per gallon of motor vehicle fuel from July 1, 2009, through June 30, 2011; (e) twenty-three cents per gallon of 18 motor vehicle fuel from July 1, 2011, through July 31, 2015; (f) 19 thirty cents per gallon of motor vehicle fuel from August 1, 2015, 20 21 through June 30, 2016; ((and)) (g) thirty-four and nine-tenths cents 22 per gallon of motor vehicle fuel from July 1, 2016, through June 30, 2021; and (h) forty-four and seven-tenths cents per gallon of motor 23 vehicle fuel from July 1, 2021, through June 30, 2031; and (2) 24 beginning July 1, 2031, and thereafter, the state's motor vehicle 25 fuel tax rate in existence at the time of the fuel purchase, to the 26 27 recreation resource account and the remainder to the motor vehicle 28 fund.

29 **Sec. 106.** RCW 82.42.020 and 2013 c 225 s 302 are each amended to 30 read as follows:

There is levied upon every distributor of aircraft fuel, an excise tax at the rate of ((eleven)) 16 cents on each gallon of aircraft fuel sold, delivered, or used in this state. There must be collected from every user of aircraft fuel either the use tax imposed by RCW 82.12.020 or the retail sales tax imposed by RCW 82.08.020. The taxes imposed by this chapter must be collected and paid to the state but once in respect to any aircraft fuel.

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- 1 **Sec. 107.** RCW 82.42.055 and 2013 c 225 s 405 are each amended to read as follows:
 - (1) The tax must be computed by multiplying the tax rate per gallon by the number of gallons of fuel subject to the fuel tax.
- 5 (2) An aircraft fuel distributor is liable for and must pay the 6 tax imposed under RCW 82.42.020 to the department on or before the 7 twenty-fifth day of the month immediately following the reporting 8 period. The tax report required in RCW 82.42.140 must accompany the 9 remittance.
 - (3) If the tax is paid by electronic funds transfer, the tax must be paid on or before the twenty-sixth calendar day of the month immediately following the reporting period. If the payment due date falls on a Saturday, Sunday, or legal holiday, ((payment is due on the state business day immediately preceding)) the next business day is the payment due date.
- 16 (4) The tax must be paid by electronic funds transfer whenever 17 the amount due is fifty thousand dollars or more.

18 Part II

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Rental Car Tax, Sales and Use Taxes on Automobile Parts, Redirection of Sales and Use Tax on Electric, Hybrid, and Other Alternative Fuel Vehicles

- 22 **Sec. 201.** RCW 82.08.020 and 2014 c 140 s 12 are each amended to 23 read as follows:
- 24 (1) There is levied and collected a tax equal to six and five-25 tenths percent of the selling price on each retail sale in this state 26 of:
- 27 (a) Tangible personal property, unless the sale is specifically excluded from the RCW 82.04.050 definition of retail sale;
- 29 (b) Digital goods, digital codes, and digital automated services, 30 if the sale is included within the RCW 82.04.050 definition of retail 31 sale;
- 32 (c) Services, other than digital automated services, included 33 within the RCW 82.04.050 definition of retail sale;
 - (d) Extended warranties to consumers; and
- 35 (e) Anything else, the sale of which is included within the RCW 82.04.050 definition of retail sale.
- 37 (2) There is levied and collected an additional tax on each 38 retail car rental, regardless of whether the vehicle is licensed in

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this state, equal to ((five)) six and nine-tenths percent of the selling price. 14.5 percent of the revenues collected under this subsection must be deposited into the forward flexible account created in section 702 of this act and the remainder of the revenue collected under this subsection must be deposited in the multimodal transportation account created in RCW 47.66.070.

- (3) (a) Beginning July 1, 2003, there is levied and collected an additional tax of three-tenths of one percent of the selling price on each retail sale of a motor vehicle in this state, other than retail car rentals taxed under subsection (2) of this section. The revenue collected under this subsection must be deposited in the multimodal transportation account created in RCW 47.66.070.
- ((\(\frac{(4)}{)}\)) (b) For purposes of this subsection (3) ((\(\frac{\text{of this}}{\text{this}}\)) section)), "motor vehicle" has the meaning provided in RCW 46.04.320, but does not include:
- $((\frac{(a)}{(a)}))$ (i) Farm tractors or farm vehicles as defined in RCW 46.04.180 and 46.04.181, unless the farm tractor or farm vehicle is for use in the production of marijuana;
- $((\frac{b}{b}))$ (ii) Off-road vehicles as defined in RCW 46.04.365;
- $((\frac{(c)}{(c)}))$ (iii) Nonhighway vehicles as defined in RCW 46.09.310; 21 and
- $((\frac{d}{d}))$ (iv) Snowmobiles as defined in RCW 46.04.546.
- 23 (4) (a) Beginning October 1, 2021, there is levied and collected
 24 an additional tax equal to one percent of the selling price on each
 25 retail sale in this state of automobile parts and accessories. All
 26 revenues collected under this subsection must be deposited into the
 27 forward flexible account created in section 702 of this act.
 - (b) For the purposes of this subsection (4), "automobile parts and accessories" means any tangible personal property primarily used to improve, repair, replace, or serve as a component part of a motor vehicle, as defined in RCW 46.04.320. "Automobile parts and accessories" includes any tangible personal property designed to be attached to or used in connection with a motor vehicle to add to its utility or ornamentation, regardless of whether the tangible personal property is essential to the motor vehicles operation or use.
 - (5) (a) Beginning July 1, 2025, all revenue collected under subsection (1) of this section on each new and used retail sales in this state of an electric or hybrid vehicle that is a passenger car or light truck, including private-party sales, but excluding retail car rentals taxed under subsection (2) of this section, must be

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- deposited in the forward flexible account created in section 702 of this act.
 - (b) For purposes of this subsection (5):
 - (i) "Electric or hybrid vehicle" means:
- 5 (A) A light truck or passenger car that uses at least one method 6 of propulsion that is capable of being reenergized by an external
- 7 <u>source of electricity; or</u>

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- 8 <u>(B) A hybrid electric and gasoline vehicle that is not a plug-in</u> 9 hybrid; or
- 10 <u>(C) An alternative fuel vehicle, including those powered by an</u> 11 electric fuel cell.
- 12 <u>(ii) "Light truck" has the same meaning provided in RCW</u>
 13 46.04.271.
- 14 <u>(iii) "Passenger car" has the same meaning provided in RCW</u>
 15 <u>46.04.382.</u>
- 16 (6) Beginning on December 8, 2005, 0.16 percent of the taxes collected under subsection (1) of this section must be dedicated to funding comprehensive performance audits required under RCW 43.09.470. The revenue identified in this subsection must be deposited in the performance audits of government account created in RCW 43.09.475.
 - (((6))) (7) There is levied and collected an additional tax on personal vehicle sharing transactions equal to five percent of the selling price. The revenue collected under this subsection must be deposited in the forward flexible account created in section 702 of this act. For purposes of this subsection, "personal vehicle sharing" has the same meaning as in RCW 48.175.005 and does not mean a "retail car rental" as defined in RCW 82.08.011.
- 29 <u>(8)</u> The taxes imposed under this chapter apply to successive 30 retail sales of the same property.
- 31 $((\frac{(7)}{)})$ (9) The rates provided in this section apply to taxes 32 imposed under chapter 82.12 RCW as provided in RCW 82.12.020.
- 33 **Sec. 202.** RCW 82.12.020 and 2017 c 323 s 520 are each amended to read as follows:
- 35 (1) There is levied and collected from every person in this state 36 a tax or excise for the privilege of using within this state as a 37 consumer any:
- 38 (a) Article of tangible personal property acquired by the user in 39 any manner, including tangible personal property acquired at a casual

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- or isolated sale, and including by-products used by the manufacturer thereof, except as otherwise provided in this chapter, irrespective of whether the article or similar articles are manufactured or are available for purchase within this state;
 - (b) Prewritten computer software, regardless of the method of delivery, but excluding prewritten computer software that is either provided free of charge or is provided for temporary use in viewing information, or both;
- 9 (c) Services defined as a retail sale in RCW 82.04.050 (2) (a) or 10 (g) or (6)(c), excluding services defined as a retail sale in RCW 82.04.050(6)(c) that are provided free of charge;
 - (d) Extended warranty; or

- (e) (i) Digital good, digital code, or digital automated service, including the use of any services provided by a seller exclusively in connection with digital goods, digital codes, or digital automated services, whether or not a separate charge is made for such services.
- (ii) With respect to the use of digital goods, digital automated services, and digital codes acquired by purchase, the tax imposed in this subsection (1)(e) applies in respect to:
- (A) Sales in which the seller has granted the purchaser the right of permanent use;
- (B) Sales in which the seller has granted the purchaser a right of use that is less than permanent;
- (C) Sales in which the purchaser is not obligated to make continued payment as a condition of the sale; and
- (D) Sales in which the purchaser is obligated to make continued payment as a condition of the sale.
- (iii) With respect to digital goods, digital automated services, and digital codes acquired other than by purchase, the tax imposed in this subsection (1)(e) applies regardless of whether or not the consumer has a right of permanent use or is obligated to make continued payment as a condition of use.
- (2) The provisions of this chapter do not apply in respect to the use of any article of tangible personal property, extended warranty, digital good, digital code, digital automated service, or service taxable under RCW 82.04.050 (2) (a) or (g) or (6)(c), if the sale to, or the use by, the present user or the present user's bailor or donor has already been subjected to the tax under chapter 82.08 RCW or this chapter and the tax has been paid by the present user or by the present user's bailor or donor.

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- (3) (a) Except as provided in this section, payment of the tax imposed by this chapter or chapter 82.08 RCW by one purchaser or user of tangible personal property, extended warranty, digital good, digital code, digital automated service, or other service does not have the effect of exempting any other purchaser or user of the same property, extended warranty, digital good, digital code, digital automated service, or other service from the taxes imposed by such chapters.
 - (b) The tax imposed by this chapter does not apply:

- (i) If the sale to, or the use by, the present user or his or her bailor or donor has already been subjected to the tax under chapter 82.08 RCW or this chapter and the tax has been paid by the present user or by his or her bailor or donor;
- (ii) In respect to the use of any article of tangible personal property acquired by bailment and the tax has once been paid based on reasonable rental as determined by RCW 82.12.060 measured by the value of the article at time of first use multiplied by the tax rate imposed by chapter 82.08 RCW or this chapter as of the time of first use;
- (iii) In respect to the use of any article of tangible personal property acquired by bailment, if the property was acquired by a previous bailee from the same bailor for use in the same general activity and the original bailment was prior to June 9, 1961; or
- (iv) To the use of digital goods or digital automated services, which were obtained through the use of a digital code, if the sale of the digital code to, or the use of the digital code by, the present user or the present user's bailor or donor has already been subjected to the tax under chapter 82.08 RCW or this chapter and the tax has been paid by the present user or by the present user's bailor or donor.
- (4) (a) Except as provided in (b) of this subsection (4), the tax is levied and must be collected in an amount equal to the value of the article used, value of the digital good or digital code used, value of the extended warranty used, or value of the service used by the taxpayer, multiplied by the applicable rates in effect for the retail sales tax under RCW 82.08.020.
- (b) In the case of a seller required to collect use tax from the purchaser, the tax must be collected in an amount equal to the purchase price multiplied by the applicable rate in effect for the retail sales tax under RCW 82.08.020.

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- 1 (5) For purposes of the tax imposed in this section, "person" includes anyone within the definition of "buyer," "purchaser," and "consumer" in RCW 82.08.010.
- 4 (6) (a) Beginning July 1, 2026, all use tax revenue collected
 5 under subsection (1) of this section on the use of each new and used
 6 electric or hybrid vehicle in this state that is a passenger car or
 7 light truck, including private-party sales, but excluding retail car
 8 rentals taxed under RCW 82.08.020, must be deposited in the forward
 9 flexible account created in section 702 of this act.
 - (b) For purposes of this subsection (6):
 - (i) "Electric or hybrid vehicle" means:

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- 12 <u>(A) A light truck or passenger car that uses at least one method</u>
 13 <u>of propulsion that is capable of being reenergized by an external</u>
 14 <u>source of electricity; or</u>
- 15 <u>(B) A hybrid electric and gasoline vehicle that is not a plug-in</u> 16 hybrid; or
- 17 <u>(C) An alternative fuel vehicle, including those powered by an</u> 18 electric fuel cell.
- 19 <u>(ii) "Light truck" has the same meaning provided in RCW</u>
 20 <u>46.04.271.</u>
- 21 <u>(iii) "Passenger car" has the same meaning provided in RCW</u>
 22 46.04.382.

23 Part III

24 Special Transportation Benefit Assessment

- NEW SECTION. Sec. 301. A new section is added to chapter 36.01 RCW to read as follows:
 - (1) A statewide special transportation benefit assessment is imposed on developed parcels for the purposes of mitigating the impacts of growth on state transportation infrastructure throughout the state. The amount of the transportation benefit assessment is the increase in assessed value from the prior year for the parcel resulting from new construction multiplied by the applicable rate:
- 33 (a) For residential developed parcels the rate is \$1.50 per \$1,000 of assessed value resulting from new construction;
- 35 (b) For manufacturing developed parcels the rate is one dollar 36 per \$1,000 of assessed value resulting from new construction; and

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- (c) For all other developed parcels not otherwise described in (a) or (b) of this subsection (1), the rate is \$3 per \$1,000 of assessed value resulting from new construction.
- (2) Parcels that are classified as designated forestland under chapter 84.33 RCW or designated agriculture land or timberland under chapter 84.34 RCW are exempt from the transportation benefit assessment imposed in this section.
- (3) To determine the appropriate designation of the parcel for purposes of applying the rate under subsection (1) of this section, county assessors may use land use codes or data collected from parcel investigations, or both, obtained in their normal course of business with respect to administering property taxes. The amount of the transportation benefit assessment constitutes a lien against the property. The assessment is subject to the same provisions as those for property tax collections, as provided in RCW 84.56.020 and must be collected by the county treasurer under the authority in RCW 84.56.035. The transportation benefit assessment fee must be collected concurrently with property taxes levied for collection in calendar year 2023 and thereafter.
- (4) All revenues generated under this section must be transferred to the state treasurer to be deposited into the forward flexible account created in section 702 of this act.
 - (5) For the purposes of this section:

- (a) "Developed parcel" means any parcel altered from the natural state by the construction, creation, or addition of structures or other impervious surfaces.
- (b) "Land use code" means restrictions on the type of development for a specific parcel of land as identified by records maintained by the assessor or supplemented by information resulting from investigation and generally conforming with the department of revenue's two-digit land use codes in WAC 458-53-030.
- 32 (c) "Manufacturing developed parcel" means any developed parcel 33 used for manufacturing purposes.
 - (d) "Parcel" means the smallest separately segregated unit or plot of land having an identified owner, boundaries, and surface area that is documented for property tax purposes and given a tax lot number by the assessor.
 - (e) "Residence" means a building or structure or portion thereof, designed for and used to provide a place of abode for human beings.

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- "Residence" includes "residential" or "residential unit" as referring to the type of or intended use of a building or structure.
- (f) "Residential parcel" means any developed parcel that contains no more than four residences or four residential units within a single structure and used primarily for residential purposes.

Part IV Vehicle and Other Related Fees

- **Sec. 401.** RCW 46.17.355 and 2015 3rd sp.s. c 44 s 201 are each amended to read as follows:
- (1) (a) For vehicle registrations that are due or become due before July 1, 2016, in lieu of the vehicle license fee required under RCW 46.17.350 and before accepting an application for a vehicle registration for motor vehicles described in RCW 46.16A.455, the department, county auditor or other agent, or subagent appointed by the director ((shall)) must require the applicant, unless specifically exempt, to pay the following license fee by weight:

17	WEIGHT	SCHEDULE	SCHEDULE
18		A	В
19	4,000 pounds	\$ 38.00	\$ 38.00
20	6,000 pounds	\$ 48.00	\$ 48.00
21	8,000 pounds	\$ 58.00	\$ 58.00
22	10,000 pounds	\$ 60.00	\$ 60.00
23	12,000 pounds	\$ 77.00	\$ 77.00
24	14,000 pounds	\$ 88.00	\$ 88.00
25	16,000 pounds	\$ 100.00	\$ 100.00
26	18,000 pounds	\$ 152.00	\$ 152.00
27	20,000 pounds	\$ 169.00	\$ 169.00
28	22,000 pounds	\$ 183.00	\$ 183.00
29	24,000 pounds	\$ 198.00	\$ 198.00
30	26,000 pounds	\$ 209.00	\$ 209.00
31	28,000 pounds	\$ 247.00	\$ 247.00
32	30,000 pounds	\$ 285.00	\$ 285.00
33	32,000 pounds	\$ 344.00	\$ 344.00
34	34,000 pounds	\$ 366.00	\$ 366.00

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1	36	5,000 pounds	\$ 397.00	\$ 397.00
2	38	3,000 pounds	\$ 436.00	\$ 436.00
3	40	0,000 pounds	\$ 499.00	\$ 499.00
4	42	2,000 pounds	\$ 519.00	\$ 609.00
5	44	,000 pounds	\$ 530.00	\$ 620.00
6	46	5,000 pounds	\$ 570.00	\$ 660.00
7	48	3,000 pounds	\$ 594.00	\$ 684.00
8	50	0,000 pounds	\$ 645.00	\$ 735.00
9	52	2,000 pounds	\$ 678.00	\$ 768.00
10	54	,000 pounds	\$ 732.00	\$ 822.00
11	56	5,000 pounds	\$ 773.00	\$ 863.00
12	58	3,000 pounds	\$ 804.00	\$ 894.00
13	60	0,000 pounds	\$ 857.00	\$ 947.00
14	62	2,000 pounds	\$ 919.00	\$ 1,009.00
15	64	,000 pounds	\$ 939.00	\$ 1,029.00
16	66	5,000 pounds	\$ 1,046.00	\$ 1,136.00
17	68	3,000 pounds	\$ 1,091.00	\$ 1,181.00
18	70	0,000 pounds	\$ 1,175.00	\$ 1,265.00
19	72	2,000 pounds	\$ 1,257.00	\$ 1,347.00
20	74	,000 pounds	\$ 1,366.00	\$ 1,456.00
21	76	5,000 pounds	\$ 1,476.00	\$ 1,566.00
22	78	3,000 pounds	\$ 1,612.00	\$ 1,702.00
23	80	0,000 pounds	\$ 1,740.00	\$ 1,830.00
24	82	2,000 pounds	\$ 1,861.00	\$ 1,951.00
25	84	,000 pounds	\$ 1,981.00	\$ 2,071.00
26	86	5,000 pounds	\$ 2,102.00	\$ 2,192.00
27	88	3,000 pounds	\$ 2,223.00	\$ 2,313.00
28	90	0,000 pounds	\$ 2,344.00	\$ 2,434.00
29	92	2,000 pounds	\$ 2,464.00	\$ 2,554.00
30	94	,000 pounds	\$ 2,585.00	\$ 2,675.00
31	96	5,000 pounds	\$ 2,706.00	\$ 2,796.00
32	98	3,000 pounds	\$ 2,827.00	\$ 2,917.00

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1	100,000 pounds	\$ 2,947.00	\$ 3,037.00
2	102,000 pounds	\$ 3,068.00	\$ 3,158.00
3	104,000 pounds	\$ 3,189.00	\$ 3,279.00
4	105,500 pounds	\$ 3,310.00	\$ 3,400.00

(b) For vehicle registrations that are due or become due on or after July 1, 2016, in lieu of the vehicle license fee required under RCW 46.17.350 and before accepting an application for a vehicle registration for motor vehicles described in RCW 46.16A.455, the department, county auditor or other agent, or subagent appointed by the director ((shall)) must require the applicant, unless specifically exempt, to pay the following license fee by weight:

12	WEIGHT	SCHEDULE	SCHEDULE
13		A	В
14	4,000 pounds	\$ 53.00	\$ 53.00
15	6,000 pounds	\$ 73.00	\$ 73.00
16	8,000 pounds	\$ 93.00	\$ 93.00
17	10,000 pounds	\$ 93.00	\$ 93.00
18	12,000 pounds	\$ 81.00	\$ 81.00
19	14,000 pounds	\$ 88.00	\$ 88.00
20	16,000 pounds	\$ 100.00	\$ 100.00
21	18,000 pounds	\$ 152.00	\$ 152.00
22	20,000 pounds	\$ 169.00	\$ 169.00
23	22,000 pounds	\$ 183.00	\$ 183.00
24	24,000 pounds	\$ 198.00	\$ 198.00
25	26,000 pounds	\$ 209.00	\$ 209.00
26	28,000 pounds	\$ 247.00	\$ 247.00
27	30,000 pounds	\$ 285.00	\$ 285.00
28	32,000 pounds	\$ 344.00	\$ 344.00
29	34,000 pounds	\$ 366.00	\$ 366.00
30	36,000 pounds	\$ 397.00	\$ 397.00
31	38,000 pounds	\$ 436.00	\$ 436.00
32	40,000 pounds	\$ 499.00	\$ 499.00
33	42,000 pounds	\$ 519.00	\$ 609.00

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1	44,000 pounds	\$ 530.00	\$ 620.00
2	46,000 pounds	\$ 570.00	\$ 660.00
3	48,000 pounds	\$ 594.00	\$ 684.00
4	50,000 pounds	\$ 645.00	\$ 735.00
5	52,000 pounds	\$ 678.00	\$ 768.00
6	54,000 pounds	\$ 732.00	\$ 822.00
7	56,000 pounds	\$ 773.00	\$ 863.00
8	58,000 pounds	\$ 804.00	\$ 894.00
9	60,000 pounds	\$ 857.00	\$ 947.00
10	62,000 pounds	\$ 919.00	\$ 1,009.00
11	64,000 pounds	\$ 939.00	\$ 1,029.00
12	66,000 pounds	\$ 1,046.00	\$ 1,136.00
13	68,000 pounds	\$ 1,091.00	\$ 1,181.00
14	70,000 pounds	\$ 1,175.00	\$ 1,265.00
15	72,000 pounds	\$ 1,257.00	\$ 1,347.00
16	74,000 pounds	\$ 1,366.00	\$ 1,456.00
17	76,000 pounds	\$ 1,476.00	\$ 1,566.00
18	78,000 pounds	\$ 1,612.00	\$ 1,702.00
19	80,000 pounds	\$ 1,740.00	\$ 1,830.00
20	82,000 pounds	\$ 1,861.00	\$ 1,951.00
21	84,000 pounds	\$ 1,981.00	\$ 2,071.00
22	86,000 pounds	\$ 2,102.00	\$ 2,192.00
23	88,000 pounds	\$ 2,223.00	\$ 2,313.00
24	90,000 pounds	\$ 2,344.00	\$ 2,434.00
25	92,000 pounds	\$ 2,464.00	\$ 2,554.00
26	94,000 pounds	\$ 2,585.00	\$ 2,675.00
27	96,000 pounds	\$ 2,706.00	\$ 2,796.00
28	98,000 pounds	\$ 2,827.00	\$ 2,917.00
29	100,000 pounds	\$ 2,947.00	\$ 3,037.00
30	102,000 pounds	\$ 3,068.00	\$ 3,158.00
31	104,000 pounds	\$ 3,189.00	\$ 3,279.00
32	105,500 pounds	\$ 3,310.00	\$ 3,400.00

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

- (3) If the resultant gross weight is not listed in the table provided in subsection (1) of this section, it must be increased to the next higher weight.
- (4) The license fees provided in subsection (1) of this section and the freight project ((fee provided in subsection (6))) fees provided in subsections (6) and (7) of this section are in addition to the filing fee required under RCW 46.17.005 and any other fee or tax required by law.
- (5) The license fee based on declared gross weight as provided in subsection (1) of this section must be distributed under RCW 46.68.035.
- (6) For vehicle registrations that are due or become due on or after July 1, 2016, in addition to the license fee based on declared gross weight as provided in subsection (1) of this section, the department, county auditor or other agent, or subagent appointed by the director must require an applicant with a vehicle with a declared gross weight of more than 10,000 pounds, unless specifically exempt, to pay a freight project fee equal to fifteen percent of the license fee provided in subsection (1) of this section, rounded to the nearest whole dollar, which must be distributed under RCW 46.68.035.
- (7) (a) For vehicle registrations that are due or become due on or after October 1, 2021, in addition to the license fee based on declared gross weight as provided in subsection (1) of this section and the freight project fee as provided in subsection (6) of this section, the department, county auditor or other agent, or subagent appointed by the director must require an applicant with a vehicle with a declared gross weight of more than 10,000 pounds, unless specifically exempt, to pay a freight project fee equal to five percent of the license fee provided in subsection (1) of this section, rounded to the nearest whole dollar.
- (b) All proceeds from the freight project fee imposed pursuant to this subsection (7) must be deposited in the forward Washington account created in section 701 of this act.
- (8) For vehicle registrations that are due or become due on or after July 1, ((2022)) 2021, in addition to the license fee based on declared gross weight as provided in subsection (1) of this section, the department, county auditor or other agent, or subagent appointed

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- 1 by the director must require an applicant with a vehicle with a
- 2 declared gross weight of less than or equal to 12,000 pounds, unless
- 3 specifically exempt, to pay an additional weight fee of ten dollars,
- 4 which ((must be distributed under RCW 46.68.035)) until June 30,
- 5 2022, must be deposited in the forward Washington account created in
- 6 section 701 of this act and must be distributed under RCW 46.68.035
- 7 after June 30, 2023.

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- 8 **Sec. 402.** RCW 46.17.365 and 2015 3rd sp.s. c 44 s 202 are each 9 amended to read as follows:
- (1) A person applying for a motor vehicle registration and paying the vehicle license fee required in RCW 46.17.350(1) (a), (d), (e), (h), (j), (n), and (o) ((shall)) must pay a motor vehicle weight fee in addition to all other fees and taxes required by law.
- 14 (a) For vehicle registrations that are due or become due before 15 July 1, 2016, the motor vehicle weight fee:
 - (i) Must be based on the motor vehicle scale weight;
 - (ii) Is the difference determined by subtracting the vehicle license fee required in RCW 46.17.350 from the license fee in Schedule B of RCW 46.17.355, plus two dollars; and
- 20 (iii) Must be distributed under RCW 46.68.415.
- 21 (b) For vehicle registrations that are due or become due on or 22 after July 1, 2016, the motor vehicle weight fee:
- 23 (i) Must be based on the motor vehicle scale weight as follows:

24	WEIGHT	FEE
25	4,000 pounds	\$ 25.00
26	6,000 pounds	\$ 45.00
27	8,000 pounds	\$ 65.00
28	16,000 pounds and over	\$ 72.00;

- (ii) If the resultant motor vehicle scale weight is not listed in the table provided in (b)(i) of this subsection, must be increased to the next highest weight; and
- 32 (iii) Must be distributed under RCW 46.68.415 unless prior to 33 July 1, 2023, the actions described in (b)(iii)(A) or (B) of this 34 subsection occur, in which case the portion of the revenue that is 35 the result of the fee increased in this subsection must be 36 distributed to the connecting Washington account created under RCW 46.68.395.

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(A) Any state agency files a notice of rule making under chapter 34.05 RCW for a rule regarding a fuel standard based upon or defined by the carbon intensity of fuel, including a low carbon fuel standard or clean fuel standard.

- (B) Any state agency otherwise enacts, adopts, orders, or in any way implements a fuel standard based upon or defined by the carbon intensity of fuel, including a low carbon fuel standard or clean fuel standard.
- (C) Nothing in this subsection acknowledges, establishes, or creates legal authority for the department of ecology or any other state agency to enact, adopt, order, or in any way implement a fuel standard based upon or defined by the carbon intensity of fuel, including a low carbon fuel standard or clean fuel standard.
- (2) A person applying for a motor home vehicle registration ((shall)) must, in lieu of the motor vehicle weight fee required in subsection (1) of this section, pay a motor home vehicle weight fee of ((seventy-five dollars)) \$75 until October 1, 2021, and \$95 after October 1, 2021, in addition to all other fees and taxes required by law. The motor home vehicle weight fee must be distributed under RCW 46.68.415.
- (3) Beginning July 1, ((2022)) 2021, in addition to the motor vehicle weight fee as provided in subsection (1) of this section, the department, county auditor or other agent, or subagent appointed by the director must require an applicant to pay an additional weight fee of ten dollars, which must be distributed to the multimodal transportation account under RCW 47.66.070 unless prior to July 1, 2023, the actions described in (a) or (b) of this subsection occur, in which case the portion of the revenue that is the result of the fee increased in this subsection must be distributed to the ((connecting Washington account created under RCW 46.68.395)) forward Washington account created under section 701 of this act.
- (a) Any state agency files a notice of rule making under chapter 34.05 RCW for a rule regarding a fuel standard based upon or defined by the carbon intensity of fuel, including a low carbon fuel standard or clean fuel standard.
- 36 (b) Any state agency otherwise enacts, adopts, orders, or in any 37 way implements a fuel standard based upon or defined by the carbon 38 intensity of fuel, including a low carbon fuel standard or clean fuel 39 standard.

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- (c) Nothing in this subsection acknowledges, establishes, or creates legal authority for the department of ecology or any other state agency to enact, adopt, order, or in any way implement a fuel standard based upon or defined by the carbon intensity of fuel, including a low carbon fuel standard or clean fuel standard.
 - (4) The department ((shall)) must:

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- (a) Rely on motor vehicle empty scale weights provided by vehicle manufacturers, or other sources defined by the department, to determine the weight of each motor vehicle; and
- 10 (b) Adopt rules for determining weight for vehicles without 11 manufacturer empty scale weights.
- 12 **Sec. 403.** RCW 46.17.400 and 2011 c 171 s 62 are each amended to 13 read as follows:
 - (1) Before accepting an application for one of the following permits, the department, county auditor or other agent, or subagent appointed by the director ((shall)) <u>must</u> require the applicant to pay the following permit fee by permit type in addition to any other fee or tax required by law:

19	PERMIT TYPE		FEE	AUTHORITY	DISTRIBUTION
20	(a) Dealer temporary	\$	15.00	RCW 46.16A.300	RCW 46.68.030
21	(b) Department	\$.50	RCW 46.16A.305	RCW 46.68.450
22	temporary				
23	(c) Farm vehicle trip	\$	6.25	RCW 46.16A.330	RCW 46.68.035
24	(d) Nonresident military	\$	10.00	RCW 46.16A.340	RCW 46.68.070
25	(e) Nonresident	\$	5.00	RCW 46.10.450	RCW 46.68.350
26	temporary				
27	snowmobile				
28	(f) Special fuel trip	\$	30.00	RCW 82.38.100	RCW 46.68.460
29	(g) Temporary ORV use	\$	7.00	RCW 46.09.430	RCW 46.68.045
30	(h) Vehicle trip	((25.00))	RCW 46.16A.320	RCW 46.68.455
31		\$	<u>45.00</u>		

- 32 (2) Permit fees as provided in subsection (1) of this section are 33 in addition to the filing fee required under RCW 46.17.005, except an 34 additional filing fee may not be charged for:
 - (a) Dealer temporary permits;
 - (b) Special fuel trip permits; and

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- 1 (c) Vehicle trip permits.
- 2 (3) Five dollars of the fifteen dollar dealer temporary permit
- 3 fee provided in subsection (1)(a) of this section must be credited to
- 4 the payment of vehicle license fees at the time application for
- 5 registration is made. The remainder must be deposited to the state
- 6 patrol highway account created in RCW 46.68.030.
- 7 **Sec. 404.** RCW 46.68.455 and 2011 c 171 s 89 are each amended to 8 read as follows:
- 9 <u>(1)</u> The vehicle trip permit fee imposed under RCW 46.17.400(1)(h) must be distributed as follows:
- 11 $((\frac{1}{1}))$ <u>(a)</u> Five dollars to the state patrol highway account for commercial motor vehicle inspections;
- 13 $((\frac{(2)}{(2)}))$ (b) Five dollars to the motor vehicle fund created in RCW 46.68.070 to be distributed as follows:
- 15 (((a))) <u>(i)</u> If paid by motor carriers, to be used for supporting 16 vehicle weigh stations, weigh-in-motion programs, and the commercial 17 vehicle information systems and networks programs; and
- 18 (((b))) <u>(ii)</u> If paid by a person other than a motor carrier, to 19 be used for supporting congestion relief programs;
- 20 $((\frac{3}{3}))$ (c) A one dollar excise tax to the state general fund;
- 21 $((\frac{4}{}))$ (d) The amount of the filing fee imposed under RCW
- 46.17.005(1) to be credited as required under RCW 46.68.400; (($\frac{and}{a}$)
- 23 (5))) (e) \$20 to the forward Washington account created in section 701 of this act; and
- 25 <u>(f)</u> The remainder to the credit of the motor vehicle fund created 26 in RCW 46.68.070 as an administrative fee.
- 27 (2) The administrative fee must be increased or decreased in an equal amount if the amount of the filing fee imposed under RCW 46.17.005(1) increases or decreases, so that the total trip permit
- 30 fee is adjusted equally to compensate.
- 31 **Sec. 405.** RCW 46.17.200 and 2014 c 80 s 4 are each amended to 32 read as follows:
- 33 (1) In addition to all other fees and taxes required by law, the 34 department, county auditor or other agent, or subagent appointed by 35 the director shall charge:
- 36 (a) The following license plate fees for each license plate, 37 unless the owner or type of vehicle is exempt from payment:

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1	FEE TYPE	FEE	DISTRIBUTION
2	Original issue	((10.00))	RCW 46.68.070
3		\$ <u>15.00</u>	
4	Reflectivity	\$ 2.00	RCW 46.68.070
5	Replacement	((10.00))	RCW 46.68.070
6		\$ <u>15.00</u>	
7	Original issue,	((4.00))	RCW 46.68.070
8	motorcycle	\$ <u>6.00</u>	
9	Replacement,	((4.00))	RCW 46.68.070
10	motorcycle	\$ <u>6.00</u>	
11	Original issue,	\$ 1.50	RCW 46.68.070
12	moped		

- (b) A license plate retention fee, as required under RCW 46.16A.200(9)(a), of twenty dollars if the owner wishes to retain the current license plate number upon license plate replacement, unless the owner or type of vehicle is exempt from payment. The twenty dollar fee must be deposited in the multimodal transportation account created in RCW 47.66.070.
 - (c) A ten dollar license plate transfer fee, as required under RCW 46.16A.200(8)(a), when transferring standard issue license plates from one vehicle to another, unless the owner or type of vehicle is exempt from payment. The ten dollar license plate transfer fee must be deposited in the motor vehicle fund created in RCW 46.68.070.
 - (d) Former prisoner of war license plates, as described in RCW 46.18.235, may be transferred to a replacement vehicle upon payment of a five dollar license plate fee, in addition to any other fee required by law.
 - (2) The department may, upon request, provide license plates that have been used and returned to the department to individuals for nonvehicular use. The department may charge a fee of up to five dollars per license plate to cover costs or recovery for postage and handling. The department may waive the fee for license plates used in educational projects and may, by rule, provide standards for the fee waiver and restrictions on the number of license plates provided to any one person. The fee must be deposited in the motor vehicle fund created in RCW 46.68.070.

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- 1 (3) \$5 of the original issue and replacement license plate fees
 2 imposed under RCW 46.17.200(1)(a) and \$2 of the original issue
 3 motorcycle and replacement motorcycle license plate fees imposed
 4 under RCW 46.17.200(1)(a) must be deposited in the forward Washington
 5 account created under section 701 of this act.
- 6 **Sec. 406.** RCW 46.17.100 and 2012 c 74 s 1 are each amended to 7 read as follows:
- Before accepting an application for a certificate of title as required in this title, the department, county auditor or other agent, or subagent appointed by the director shall require the applicant to pay a ((fifteen dollar)) \$16 application fee in addition to any other fees and taxes required by law.
- 13 (1) Five dollars of the certificate of title application fee must 14 be distributed under RCW 46.68.020.
- 15 (2) Ten dollars of the certificate of title application fee must 16 be credited to the transportation 2003 account (nickel account) 17 created in RCW 46.68.280.
- 18 <u>(3) \$1 must be deposited in the forward Washington account</u> 19 created in section 701 of this act.
- 20 **Sec. 407.** RCW 46.17.160 and 2011 c 326 s 2 are each amended to 21 read as follows:

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- Before accepting an application for a quick title of a vehicle under RCW 46.12.555, the department, participating county auditor or other agent, or subagent appointed by the director shall require the applicant to pay a ((fifty dollar)) \$55 quick title service fee in addition to any other fees and taxes required by law. The quick title service fee must be distributed under RCW 46.68.025.
- 28 **Sec. 408.** RCW 46.68.025 and 2015 2nd sp.s. c 1 s 1 are each 29 amended to read as follows:
- 30 (1) The quick title service fee imposed under RCW 46.17.160 must 31 be distributed as follows: The first \$5 must be deposited in the 32 forward Washington account created in section 701 of this act with 33 the remaining amounts distributed as follows:
- 34 (a) If the fee is paid to the director, the fee must be deposited 35 to the motor vehicle fund established under RCW 46.68.070.
- 36 (b) If the fee is paid to the participating county auditor or 37 other agent appointed by the director, twenty-five dollars must be

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- deposited to the motor vehicle fund established under RCW 46.68.070.

 The remainder must be retained by the county treasurer in the same manner as other fees collected by the county auditor.
- 4 (c) If the fee is paid to a subagent appointed by the director, 5 twenty-five dollars must be deposited to the motor vehicle fund 6 established under RCW 46.68.070. The remaining twenty-five dollars 7 must be distributed as follows: Twelve dollars and fifty cents must 8 be retained by the county treasurer in the same manner as other fees 9 collected by the county auditor and twelve dollars and fifty cents 10 must be retained by the subagent.
- 11 (2) For the purposes of this section, "quick title" has the same 12 meaning as in RCW 46.12.555.
- 13 **Sec. 409.** RCW 46.17.120 and 2020 c 239 s 1 are each amended to 14 read as follows:
- 15 (1) Before accepting an application for a certificate of title 16 for a vehicle previously registered in any other state or country, 17 the department, county auditor or other agent, or subagent appointed 18 by the director shall require the applicant to pay a fee of ((fifteen 19 dollars. The fifteen dollar fee)) \$25.
- 20 <u>(a) \$15 of the fee required by this section</u> must be distributed 21 under RCW 46.68.020.
- 22 (b) \$10 of the fee required by this section must be deposited in the forward Washington account created in section 701 of this act.
- (2) An applicant is exempt from the ((fifteen dollar)) \$25 fee if the applicant previously registered the vehicle in Washington state and maintained ownership of the vehicle while registered in another state or country.
- 28 **Sec. 410.** RCW 46.17.015 and 2010 c 161 s 502 are each amended to 29 read as follows:

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- (1) A person who applies for a vehicle registration or for any other right to operate a vehicle on the highways of this state shall pay a twenty-five cent license plate technology fee in addition to any other fees and taxes required by law. The license plate technology fee must be distributed under RCW 46.68.370.
- 35 (2) A vehicle registered under RCW 46.16A.455 or 46.17.330 is not 36 subject to the license plate technology fee, except for a vehicle 37 registered under RCW 46.16A.455(3).

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- 1 (3) The revenue from the license plate technology fee imposed on vehicles registered under RCW 46.16A.455(3) must be deposited in the forward flexible account created in section 702 of this act.
- 4 **Sec. 411.** RCW 46.17.025 and 2010 c 161 s 503 are each amended to read as follows:

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- (1) A person who applies for a vehicle registration or for any other right to operate a vehicle on the highways of this state shall pay a fifty cent license service fee in addition to any other fees and taxes required by law. The license service fee must be distributed under RCW 46.68.220.
- 11 (2) A vehicle registered under RCW 46.16A.455 or 46.17.330 is not 12 subject to the license service fee, except for a vehicle registered 13 under RCW 46.16A.455(3).
- 14 (3) The revenue from the license service fee imposed on vehicles
 15 registered under RCW 46.16A.455(3) must be deposited into the forward
 16 Washington account created in section 701 of this act.
- 17 **Sec. 412.** RCW 46.17.345 and 2015 c 200 s 2 are each amended to 18 read as follows:

Before accepting an application for a permanent registration authorized under RCW 46.16A.428, the department, county auditor or other agent, or subagent appointed by the director must require an applicant to pay a ((one hundred eighty-seven dollar and fifty cent)) \$200 fee, of which \$12.50 must be deposited in the forward Washington account created in section 701 of this act, and with the remainder

- 26 **Sec. 413.** RCW 46.17.350 and 2019 c 44 s 4 are each amended to read as follows:
- 28 (1) Before accepting an application for a vehicle registration, 29 the department, county auditor or other agent, or subagent appointed 30 by the director shall require the applicant, unless specifically 31 exempt, to pay the following vehicle license fee by vehicle type:

VEHICLE TYPE INITIAL RENEWAL DISTRIBUTED

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deposited and distributed under RCW 46.68.030.

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1	(b) Camper	\$ 4.90	3.50 RCW 46.68.030
2	(c) Commercial trailer	\$ 34.00 \$ 3	34.00 RCW 46.68.035
3	(d) For hire vehicle, six	x \$30.00 \$3	80.00 RCW 46.68.030
4	seats or less		
5	(e) Mobile home (if	\$ 30.00 \$ 3	30.00 RCW 46.68.030
6	registered)		
7	(f) Moped	\$ 30.00 \$ 3	80.00 RCW 46.68.030
8	(g) Motor home	\$ 30.00 \$ 3	80.00 RCW 46.68.030
9	(h) Motorcycle	\$ 30.00 \$ 3	80.00 RCW 46.68.030
10	(i) Off-road vehicle	\$ 18.00 \$ 1	8.00 RCW 46.68.045
11	(j) Passenger car	\$ 30.00 \$ 3	80.00 RCW 46.68.030
12	(k) Private use single-a	axle ((\$ 15.00)) ((\$ 1	e.5.00)) RCW 46.68.035
13	trailer	<u>\$20.00</u> <u>\$2</u>	0.00
14	(l) Snowmobile	\$ 50.00 \$ 5	60.00 RCW 46.68.350
15	(m) Snowmobile, vinta	nge \$ 12.00 \$ 1	2.00 RCW 46.68.350
16	(n) Sport utility vehicle	e \$ 30.00 \$ 3	80.00 RCW 46.68.030
17	(o) Tow truck	\$ 30.00 \$ 3	80.00 RCW 46.68.030
18	(p) Trailer, over 2000	\$ 30.00 \$ 3	80.00 RCW 46.68.030
19	pounds		
20	(q) Travel trailer	\$ 30.00 \$ 3	30.00 RCW 46.68.030
21	(r) Wheeled all-terrain	\$ 12.00 \$ 1	2.00 RCW 46.09.540
22	vehicle, on-road	use	
23	(s) Wheeled all-terrain	\$ 18.00 \$ 1	8.00 RCW 46.09.510
24	vehicle, off-road	use	

25 (2) The vehicle license fee required in subsection (1) of this 26 section is in addition to the filing fee required under RCW 27 46.17.005, and any other fee or tax required by law.

28 **Sec. 414.** RCW 46.68.035 and 2017 c 147 s 10 are each amended to 29 read as follows:

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((The)) Except as otherwise provided in subsection (6) of this section, the director shall forward all proceeds from vehicle license fees received by the director for vehicles registered under RCW 46.17.330, 46.17.350(1) (c) and (k), 46.17.355, and 46.17.400(1)(c)

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to the state treasurer to be distributed into accounts according to the following method:

- (1) 22.36 percent must be deposited into the state patrol highway account of the motor vehicle fund;
- (2) 1.375 percent must be deposited into the Puget Sound ferry operations account of the motor vehicle fund;
- (3) 5.237 percent must be deposited into the transportation 2003 account (nickel account);
- 9 (4) 11.533 percent must be deposited into the transportation 10 partnership account created in RCW 46.68.290; and
- 11 (5) The remaining proceeds must be deposited into the motor 12 vehicle fund.
- 13 (6) \$5 of the private use single-axle trailer initial and renewal
 14 vehicle license fees imposed under RCW 46.17.350 must be deposited in
 15 the forward Washington account created in section 701 of this act,
 16 with the remainder distributed in accordance with this section.
- **Sec. 415.** RCW 46.12.635 and 2019 c 278 s 1 are each amended to 18 read as follows:
 - (1) Notwithstanding the provisions of chapter 42.56 RCW, the name or address of an individual vehicle or vessel owner shall not be released by the department, county auditor, or agency or firm authorized by the department except under the following circumstances:
 - (a) The requesting party is a business entity that requests the information for use in the course of business;
 - (b) The request is a written request that is signed by the person requesting disclosure that contains the full legal name and address of the requesting party, that specifies the purpose for which the information will be used; and
 - (c) The requesting party enters into a disclosure agreement with the department in which the party promises that the party will use the information only for the purpose stated in the request for the information; and that the party does not intend to use, or facilitate the use of, the information for the purpose of making any unsolicited business contact with a person named in the disclosed information. The term "unsolicited business contact" means a contact that is intended to result in, or promote, the sale of any goods or services to a person named in the disclosed information. The term does not apply to situations where the requesting party and such person have

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been involved in a business transaction prior to the date of the disclosure request and where the request is made in connection with the transaction.

- (2) Where both a mailing address and residence address are recorded on the vehicle or vessel record and are different, only the mailing address will be disclosed. Both addresses will be disclosed in response to requests for disclosure from courts, law enforcement agencies, or government entities with enforcement, investigative, or taxing authority and only for use in the normal course of conducting their business.
- (3) The disclosing entity shall retain the request for disclosure for three years.
- (4) (a) Whenever the disclosing entity grants a request for information under this section by an attorney or private investigator, the disclosing entity shall provide notice to the vehicle or vessel owner, to whom the information applies, that the request has been granted. The notice must only include: (i) That the disclosing entity has disclosed the vehicle or vessel owner's name and address pursuant to a request made under this section; (ii) the date that the disclosure was made; and (iii) that the vehicle or vessel owner has five days from receipt of the notice to contact the disclosing entity to determine the occupation of the requesting party.
- (b) Except as provided in (c) of this subsection, the only information about the requesting party that the disclosing entity may disclose in response to a request made by a vehicle or vessel owner under (a) of this subsection is whether the requesting party was an attorney or private investigator. The request by the vehicle or vessel owner must be submitted to the disclosing entity within five days of receipt of the original notice.
- (c) In the case of a vehicle or vessel owner who submits to the disclosing entity a copy of a valid court order restricting another person from contacting the vehicle or vessel owner or his or her family or household member, the disclosing entity shall provide the vehicle or vessel owner with the name and address of the requesting party.
- (5) Any person who is furnished vehicle or vessel owner information under this section shall be responsible for assuring that the information furnished is not used for a purpose contrary to the agreement between the person and the department.

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(6) This section shall not apply to requests for information by governmental entities or requests that may be granted under any other provision of this title expressly authorizing the disclosure of the names or addresses of vehicle or vessel owners. Requests from law enforcement officers for vessel record information must be granted. The disclosure agreement with law enforcement entities must provide that law enforcement may redisclose a vessel owner's name or address when trying to locate the owner of or otherwise deal with a vessel that has become a hazard.

- 10 (7) The department shall disclose vessel records for any vessel 11 owned by a governmental entity upon request.
 - (8) This section shall not apply to title history information under RCW 19.118.170.
 - (9) The department shall charge a fee of ((two dollars)) §4 for each record returned pursuant to a request made by a business entity under subsection (1) of this section and deposit 50 percent of the fee revenue into the highway safety ((account [fund])) fund and 50 percent in the forward flexible account created in section 702 of this act.
 - (10) The department, county auditor, or agency or firm authorized by the department shall not release the name, any address, vehicle make, vehicle model, vehicle year, vehicle identification number, vessel make and model, vessel model year, hull identification number, vessel document number, vessel registration number, vessel decal number, or license plate number associated with an individual vehicle or vessel owner who is a participant in the address confidentiality program under chapter 40.24 RCW except as allowed in subsection (6) of this section and RCW 40.24.075.
- **Sec. 416.** RCW 46.12.630 and 2016 c 80 s 1 are each amended to 30 read as follows:
- (1) The department of licensing must furnish lists of registered and legal owners of: (a) Motor vehicles only for the purposes specified in this subsection (1)(a) to the manufacturers of motor vehicles or motor vehicle components, or their authorized agents, to enable those manufacturers to carry out the provisions of Titles I and IV of the anti car theft act of 1992, the automobile information disclosure act (15 U.S.C. Sec. 1231 et seq.), the clean air act (42 Sec. 7401 et seq.), and 49 U.S.C. Secs. 30101-30183, 30501-30505, and 32101-33118, as these acts existed on January 1,

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2014, or such subsequent date as may be provided by the department by rule, consistent with the purposes of this section. However, the department may only provide a vehicle or vehicle component manufacturer, or its authorized agent, lists of registered or legal owners who purchased or leased a vehicle manufactured by that manufacturer or a vehicle containing a component manufactured by that component manufacturer. Manufacturers or authorized agents receiving information on behalf of one manufacturer must not disclose this information to any other third party that is not necessary to carry out the purposes of this section; and (b) vessels only for the purposes of this subsection (1)(b) to the manufacturers of vessels, or their authorized agents, to enable those manufacturers to carry out the provisions of 46 U.S.C. Sec. 4310 and any relevant Code of Federal ((Regulation[s])) Regulations adopted by the United States coast guard, as these provisions and rules existed on January 1, 2015, or such subsequent date as may be provided by the department by rule, consistent with the purposes of this section.

(2) The department of licensing may furnish lists of registered and legal owners of motor vehicles or vessels, only to the entities and only for the purposes specified in this section, to:

- (a) The manufacturers of motor vehicles or vessels, legitimate businesses as defined by the department in rule, or their authorized agents, for purposes of using lists of registered and legal owner information to conduct research activities and produce statistical reports, as long as the entity does not allow personal information received under this section to be published, redisclosed, or used to contact individuals. For purposes of this subsection (2)(a), the department of licensing may only provide the manufacturer of a motor vehicle or vessel, or the manufacturer of components contained in a motor vehicle or vessel, the lists of registered or legal owners who purchased or leased a vehicle or vessel manufactured by that manufacturer or a vehicle or vessel containing components manufactured by that component manufacturer;
- (b) Any governmental agency of the United States or Canada, or political subdivisions thereof, to be used by it or by its authorized commercial agents or contractors only in connection with the enforcement of: (i) Motor vehicle or traffic laws by, or programs related to traffic safety of, that government agency; or (ii) the laws governing vessels, vessel operation, or vessel safety programs administered by that government agency or as otherwise provided by

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- law. Only such parts of the list under <u>(b)</u>(i) and (ii) of this subsection (2)(((b))) as are required for completion of the work required of the agent or contractor shall be provided to such agent or contractor;
- 5 (c) Any insurer or insurance support organization, a self-insured 6 entity, or its agents, employees, or contractors for use in 7 connection with claims investigation activities, antifraud 8 activities, rating, or underwriting;

- (d) Any local governmental entity or its agents for use in providing notice to owners of towed and impounded vehicles, or to any law enforcement entity for use, as may be necessary, in locating the owner of or otherwise dealing with a vessel that has become a hazard;
- (e) A government agency, commercial parking company, or its agents requiring the names and addresses of registered owners to notify them of outstanding parking violations. Subject to the disclosure agreement provisions of RCW 46.12.635 and the requirements of Executive Order 97-01, the department may provide only the parts of the list that are required for completion of the work required of the company;
- (f) An authorized agent or contractor of the department, to be used only in connection with providing motor vehicle or vessel excise tax, licensing, title, and registration information to motor vehicle or vessel dealers;
- (g) Any business regularly making loans to other persons to finance the purchase of motor vehicles or vessels, to be used to assist the person requesting the list to determine ownership of specific vehicles or vessels for the purpose of determining whether or not to provide such financing; or
- (h) A company or its agents operating a toll facility under chapter 47.46 RCW or other applicable authority requiring the names, addresses, and vehicle information of motor vehicle registered owners to identify toll violators.
- (3) Personal information received by an entity listed in subsection (1) or (2) of this section may not be released for direct marketing purposes.
- (4) Prior to the release of any lists of vehicle or vessel owners under subsection (1) or (2) of this section, the department must enter into a contract with the entity authorized to receive the data. The contract must include:

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(a) A requirement that the department or its agent conduct both regular permissible use and data security audits subject to the following conditions and limitations:

- (i) The data security audits must demonstrate compliance with the data security standards adopted by the office of the chief information officer.
- (ii) When determining whether to conduct an audit under this subsection, the department must first take into consideration any independent third-party audit a data recipient has had before requiring that any additional audits be performed. If the independent third-party audit is a data security audit and it meets both recognized national or international standards and the standards adopted by the office of the chief information officer pursuant to (a)(i) of this subsection, the department must accept the audit and the audit is deemed to satisfy the conditions set out in this subsection (4)(a). If the independent third-party audit is a permissible use audit and it meets recognized national or international standards, the department must accept the audit and the audit is deemed to satisfy the conditions set out in this subsection (4)(a); and
 - (b) A provision that the cost of the audits performed pursuant to this subsection must be borne by the data recipient. A new data recipient must bear the initial cost to set up a system to disburse the data to the data recipient.
 - (5) (a) (i) Beginning January 1, 2015, the department must collect a fee of ten dollars per one thousand individual registered or legal owners included on a list requested by a private entity under subsection (1) or (2) of this section.
 - (ii) Beginning January 1, 2016, the department must collect a fee of twenty dollars per one thousand individual registered or legal vehicle or vessel owners included on a list requested by a private entity under subsection (1) or (2) of this section.
- (iii) Beginning January 1, 2021, the department must collect a fee of twenty-five dollars per one thousand individual registered or legal owners included on a list requested by a private entity under subsection (1) or (2) of this section.
- (iv) Beginning July 1, 2025, the department must collect a fee of \$50 per 1,000 individual registered or legal owners included on a list requested by a private entity under subsection (1) or (2) of this section.

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(v) The department must prorate the fee <u>imposed by this</u> <u>subsection</u> when the request is for less than a full one thousand records.

- (b) In lieu of the fee specified in (a) of this subsection, if the request requires a daily, weekly, monthly, or other regular update of those vehicle or vessel records that have changed:
- (i) Beginning January 1, 2015, the department must collect a fee of one cent per individual registered or legal vehicle or vessel owner record provided to the private entity;
- (ii) Beginning January 1, 2016, the department must collect a fee of two cents per individual registered or legal vehicle or vessel owner record provided to the private entity;
- (iii) Beginning January 1, 2021, the department must collect a fee of two and one-half cents per individual registered or legal vehicle or vessel owner record provided to the private entity.
- (iv) Beginning July 1, 2025, the department must collect a fee of 5 cents per individual registered or legal vehicle or vessel owner record provided to the private entity.
- (c) The department must deposit <u>50 percent of</u> any moneys collected under this subsection to the department of licensing technology improvement and data management account created in RCW 46.68.063 <u>and the remainder to the forward flexible account created in section 702 of this act</u>.
- (6) Where both a mailing address and residence address are recorded on the vehicle or vessel record and are different, only the mailing address will be disclosed. Both addresses will be disclosed in response to requests for disclosure from courts, law enforcement agencies, or government entities with enforcement, investigative, or taxing authority and only for use in the normal course of conducting their business.
- (7) If a list of registered and legal owners of motor vehicles or vessels is used for any purpose other than that authorized in this section, the manufacturer, governmental agency, commercial parking company, contractor, financial institution, insurer, insurance support organization, self-insured entity, legitimate business entity, toll facility operator, or any authorized agent or contractor responsible for the unauthorized disclosure or use will be denied further access to such information by the department of licensing.
- (8) For purposes of this section, "personal information" means information that identifies an individual, including an individual's

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- 1 photograph, social security number, driver identification number,
- 2 name, address (but not the five-digit zip code), telephone number, or
- 3 medical or disability information. However, an individual's
- 4 photograph, social security number, and any medical or disability-
- 5 related information is considered highly restricted personal
- 6 information and may not be released under this section.
- 7 **Sec. 417.** RCW 46.68.415 and 2010 c 161 s 813 are each amended to 8 read as follows:
- 9 (1) The motor vehicle weight fee imposed under RCW 46.17.365(1) 10 must be deposited every July 1st as follows:
- 11 (a) Three million dollars to the freight mobility multimodal account created in RCW 46.68.310; and
- 13 (b) The remainder to the multimodal transportation account 14 created in RCW 47.66.070.
 - (2) The motor vehicle weight fee:

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- (a) Must be used for transportation purposes;
- 17 (b) May not be used for the general support of state government; 18 and
 - (c) Is imposed to provide funds to mitigate the impact of vehicle loads on the state roads and highways and is separate and distinct from other vehicle license fees. Proceeds from the fee may be used for transportation purposes, or for facilities and activities that reduce the number of vehicles or load weights on the state roads and highways.
- 25 (3) ((The)) (a) Until October 1, 2021, the motor home vehicle 26 weight fee imposed under RCW 46.17.365(2) must be deposited in the 27 multimodal transportation account created in RCW 47.66.070.
- 28 (b) After October 1, 2021, \$20 of the motor home vehicle weight
 29 fee imposed under RCW 46.17.365(2) must be deposited in the forward
 30 flexible account created in section 702 of this act, and the
 31 remainder must be deposited in the multimodal transportation account
 32 created in RCW 47.66.070.
- 33 Part V
- Driver's License and Identicard Fees and Other Driver Fees,

 For Hire Vehicle Per Trip Fees, Third-Party Food Delivery Fees
- 36 **Sec. 501.** RCW 46.20.202 and 2017 c 310 s 3 are each amended to read as follows:

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

- (2) The department may enter into an agreement with the Canadian province of British Columbia for the purposes of implementing a border-crossing initiative.
- (3) (a) The department may issue an enhanced driver's license or identicard for the purposes of crossing the border between the state of Washington and the Canadian province of British Columbia to an applicant who provides the department with proof of: United States citizenship, identity, and state residency. The department ((shall)) must continue to offer a standard driver's license and identicard. If the department chooses to issue an enhanced driver's license, the department must allow each applicant to choose between a standard driver's license or identicard, or an enhanced driver's license or identicard.
- (b) The department ((shall)) must implement a one-to-many biometric matching system for the enhanced driver's license or identicard. An applicant for an enhanced driver's license or identicard ((shall)) must submit a biometric identifier as designated by the department. The biometric identifier must be used solely for the purpose of verifying the identity of the holders and for any purpose set out in RCW 46.20.037. Applicants are required to sign a declaration acknowledging their understanding of the one-to-many biometric match.
- (c) The enhanced driver's license or identicard must include reasonable security measures to protect the privacy of Washington state residents, including reasonable safeguards to protect against unauthorized disclosure of data about Washington state residents. If the enhanced driver's license or identicard includes a radio frequency identification chip, or similar technology, the department ((shall)) must ensure that the technology is encrypted or otherwise secure from unauthorized data access.
- (d) The requirements of this subsection are in addition to the requirements otherwise imposed on applicants for a driver's license or identicard. The department ((shall)) must adopt such rules as necessary to meet the requirements of this subsection. From time to time the department ((shall)) must review technological innovations related to the security of identity cards and amend the rules related

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to enhanced driver's licenses and identicards as the director deems consistent with this section and appropriate to protect the privacy of Washington state residents.

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- (e) Notwithstanding RCW 46.20.118, the department may make images associated with enhanced drivers' licenses or identicards from the negative file available to United States customs and border agents for the purposes of verifying identity.
- (4) Beginning on July 23, 2017, and until September 30, 2021, the fee for an enhanced driver's license or enhanced identicard is twenty-four dollars, which is in addition to the fees for any regular driver's license or identicard. Beginning October 1, 2021, the fee for an enhanced driver's license or enhanced identicard is \$42, which is in addition to the fees for any regular driver's license or identicard. Beginning July 23, 2017, and until September 30, 2021, if the enhanced driver's license or enhanced identicard is issued, renewed, or extended for a period other than six years, the fee for each class is four dollars for each year that the enhanced driver's license or enhanced identicard is issued, renewed, or extended. Beginning October 1, 2021, if the enhanced driver's license or enhanced identicard is issued, renewed, or extended for a period less than six years, the fee for each class is \$7 for each year that the enhanced driver's license or enhanced identicard is issued, renewed, or extended.
 - (5) (a) The <u>first \$24 of the</u> enhanced driver's license and enhanced identicard fee under this section must be deposited into the highway safety fund unless ((prior to July 1, 2023,)) the actions described in (a) (i) or (((b))) (ii) of this subsection occur, in which case the portion of the revenue that is the result of the fee increased in section 209, chapter 44, Laws of 2015 3rd sp. sess. must be distributed to the connecting Washington account created under RCW 46.68.395.
- $((\frac{1}{2}))$ (i) Any state agency files a notice of rule making under chapter 34.05 RCW for a rule regarding a fuel standard based upon or defined by the carbon intensity of fuel, including a low carbon fuel standard or clean fuel standard.
- (((b))) <u>(ii)</u> Any state agency otherwise enacts, adopts, orders, or in any way implements a fuel standard based upon or defined by the carbon intensity of fuel, including a low carbon fuel standard or clean fuel standard.

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(((c))) <u>(iii)</u> Nothing in this subsection acknowledges, establishes, or creates legal authority for the department of ecology or any other state agency to enact, adopt, order, or in any way implement a fuel standard based upon or defined by the carbon intensity of fuel, including a low carbon fuel standard or clean fuel standard.

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- 7 (b) \$18 of the enhanced driver's license and enhanced identicard 8 fee under this section must be deposited into the forward flexible 9 account created in section 702 of this act.
- 10 **Sec. 502.** RCW 46.20.161 and 2018 c 69 s 1 are each amended to 11 read as follows:
 - (1) The department, upon receipt of a fee of forty-five dollars from October 1, 2012, to June 30, 2013, and ((fifty-four dollars)) \$60 after June 30, 2013, unless the driver's license is issued for a period other than five years from October 1, 2012, to June 30, 2013, or six years after June 30, 2013, in which case the fee shall be ((nine dollars)) \$10 for each year that the license is issued, which includes the fee for the required photograph, shall issue to every qualifying applicant a driver's license. A driver's license issued to a person under the age of eighteen is an intermediate license, subject to the restrictions imposed under RCW 46.20.075, until the person reaches the age of eighteen. The license must include a distinguishing number assigned to the licensee, the name of record, date of birth, Washington residence address, photograph, a brief description of the licensee, either a facsimile of the signature of the licensee or a space upon which the licensee shall write his or her usual signature with pen and ink immediately upon receipt of the license, and, if applicable, the person's status as a veteran as provided in subsection (2) of this section. No license is valid until it has been so signed by the licensee.
 - (2) A veteran, as defined in RCW 41.04.007, or an individual who otherwise meets the criteria of RCW 41.04.007 but who has received a general discharge under honorable conditions, may apply to the department to obtain a veteran designation on a driver's license issued under this section by providing:
- 36 (a) A United States department of veterans affairs identification 37 card or proof of service letter;
- 38 (b) A United States department of defense discharge document, DD 39 Form 214 or DD Form 215, as it exists on June 7, 2018, or such

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subsequent date as may be provided by the department by rule, consistent with the purposes of this section, or equivalent or successor discharge paperwork, that shows a discharge status of "honorable" or "general under honorable conditions" that establishes the person's service in the armed forces of the United States;

- (c) A national guard state-issued report of separation and military service, NGB Form 22, as it exists on June 7, 2018, or such subsequent date as may be provided by the department by rule, consistent with the purposes of this section, or equivalent or successor discharge paperwork, that shows a discharge status of "honorable" or "general under honorable conditions" that establishes the person's active duty or reserve service in the national guard; or
- (d) A United States uniformed services identification card, DD Form 2, that displays on its face that it has been issued to a retired member of any of the armed forces of the United States, including the national guard and armed forces reserves.

The department may permit a veteran, as defined in RCW 41.04.007, or an individual who otherwise meets the criteria of RCW 41.04.007 but who has received a general discharge under honorable conditions, to submit an alternate form of documentation to apply to obtain a veteran designation on a driver's license, as specified by rule, that requires a discharge status of "honorable" or "general under honorable conditions" and that establishes the person's service as required under RCW 41.04.007.

- Sec. 503. RCW 46.20.161 and 2020 c 261 s 3 are each amended to read as follows:
 - (1) The department, upon receipt of a fee of forty-five dollars from October 1, 2012, to June 30, 2013, and ((fifty-four dollars)) \$60 after June 30, 2013, unless the driver's license is issued for a period other than five years from October 1, 2012, to June 30, 2013, or six years after June 30, 2013, in which case the fee shall be ((nine dollars)) \$10 for each year that the license is issued, which includes the fee for the required photograph, shall issue to every qualifying applicant a driver's license. A driver's license issued to a person under the age of eighteen is an intermediate license, subject to the restrictions imposed under RCW 46.20.075, until the person reaches the age of eighteen.
 - (2) The license must include:
 - (a) A distinguishing number assigned to the licensee;

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- 1 (b) The name of record;
- 2 (c) Date of birth;
- 3 (d) Washington residence address;
 - (e) Photograph;

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- (f) A brief description of the licensee;
- (g) Either a facsimile of the signature of the licensee or a space upon which the licensee shall write his or her usual signature with pen and ink immediately upon receipt of the license;
- 9 (h) If applicable, the person's status as a veteran as provided 10 in subsection (4) of this section; and
- 11 (i) If applicable, a medical alert designation as provided in 12 subsection (5) of this section.
 - (3) No license is valid until it has been signed by the licensee.
 - (4) (a) A veteran, as defined in RCW 41.04.007, or an individual who otherwise meets the criteria of RCW 41.04.007 but who has received a general discharge under honorable conditions, may apply to the department to obtain a veteran designation on a driver's license issued under this section by providing:
 - (i) A United States department of veterans affairs identification card or proof of service letter;
 - (ii) A United States department of defense discharge document, DD Form 214 or DD Form 215, as it exists on June 7, 2018, or such subsequent date as may be provided by the department by rule, consistent with the purposes of this section, or equivalent or successor discharge paperwork, that shows a discharge status of "honorable" or "general under honorable conditions" that establishes the person's service in the armed forces of the United States;
 - (iii) A national guard state-issued report of separation and military service, NGB Form 22, as it exists on June 7, 2018, or such subsequent date as may be provided by the department by rule, consistent with the purposes of this section, or equivalent or successor discharge paperwork, that shows a discharge status of "honorable" or "general under honorable conditions" that establishes the person's active duty or reserve service in the national guard; or
 - (iv) A United States uniformed services identification card, DD Form 2, that displays on its face that it has been issued to a retired member of any of the armed forces of the United States, including the national guard and armed forces reserves.
- 39 (b) The department may permit a veteran, as defined in RCW 41.04.007, or an individual who otherwise meets the criteria of RCW

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- 41.04.007 but who has received a general discharge under honorable conditions, to submit an alternate form of documentation to apply to obtain a veteran designation on a driver's license, as specified by rule, that requires a discharge status of "honorable" or "general under honorable conditions" and that establishes the person's service as required under RCW 41.04.007.
 - (5) Any person may apply to the department to obtain a medical alert designation, a developmental disability designation, or a deafness designation on a driver's license issued under this chapter by providing:
 - (a) Self-attestation that the individual:
- 12 (i) Has a medical condition that could affect communication or account for a driver health emergency;
 - (ii) Is deaf or hard of hearing; or

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- 15 (iii) Has a developmental disability as defined in RCW 16 71A.10.020;
- 17 (b) A statement from the person that they have voluntarily 18 provided the self-attestation and other information verifying the 19 condition; and
- 20 (c) For persons under eighteen years of age or who have a 21 developmental disability, the signature of a parent or legal 22 guardian.
- 23 (6) A self-attestation or data contained in a self-attestation 24 provided under this section:
 - (a) Shall not be disclosed;
 - (b) Is for the confidential use of the director, the chief of the Washington state patrol, and law enforcement and emergency medical service providers as designated by law; and
- 29 (c) Is subject to the privacy protections of the driver's privacy 30 protection act, 18 U.S.C. Sec. 2725.
- 31 **Sec. 504.** RCW 46.20.181 and 2012 c 80 s 9 are each amended to 32 read as follows:
- 33 (1) Except as provided in subsection (4) or (5) of this section, 34 every driver's license expires on the sixth anniversary of the 35 licensee's birthdate following the issuance of the license.
- 36 (2) A person may renew his or her license on or before the 37 expiration date by submitting an application as prescribed by the 38 department and paying a fee of forty-five dollars from October 1,

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2012, to June 30, 2013, and ((fifty-four dollars)) \$60 after June 30, 2013. This fee includes the fee for the required photograph.

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- (3) A person renewing his or her driver's license more than sixty days after the license has expired shall pay a penalty fee of ten dollars in addition to the renewal fee, unless his or her license expired when:
- (a) The person was outside the state and he or she renews the license within sixty days after returning to this state; or
- (b) The person was incapacitated and he or she renews the license within sixty days after the termination of the incapacity.
- (4) The department may issue or renew a driver's license for a period other than five years from October 1, 2012, to June 30, 2013, or six years after June 30, 2013, or may extend by mail or electronic commerce a license that has already been issued, in order to evenly distribute, as nearly as possible, the yearly renewal rate of licensed drivers. The fee for a driver's license issued or renewed for a period other than five years from October 1, 2012, to June 30, 2013, or six years after June 30, 2013, or that has been extended by mail or electronic commerce, is ((nine dollars)) §10 for each year that the license is issued, renewed, or extended. The department may adopt any rules as are necessary to carry out this subsection.
- 22 (5) A driver's license that includes a hazardous materials 23 endorsement under chapter 46.25 RCW may expire on an anniversary of the licensee's birthdate other than the sixth year following issuance 24 25 or renewal of the license in order to match, as nearly as possible, the validity of certification from the federal transportation 26 security administration that the licensee has been determined not to 27 pose a security risk. The fee for a driver's license issued or 28 renewed for a period other than five years from October 1, 2012, to 29 June 30, 2013, or six years after June 30, 2013, is ((nine dollars)) 30 31 \$10 for each year that the license is issued or renewed, not 32 including any endorsement fees. The department may adjust the expiration date of a driver's license that has previously been issued 33 to conform to the provisions of this subsection if a hazardous 34 materials endorsement is added to the license subsequent to its 35 issuance. If the validity of the driver's license is extended, the 36 licensee must pay a fee of ((nine dollars)) \$10 for each year that 37 the license is extended. 38
- 39 (6) The department may adopt any rules as are necessary to carry 40 out this section.

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- 1 **Sec. 505.** RCW 46.20.117 and 2020 c 124 s 2 are each amended to read as follows:
- 3 (1) **Issuance**. The department shall issue an identicard, 4 containing a picture, if the applicant:
 - (a) Does not hold a valid Washington driver's license;

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- (b) Proves his or her identity as required by RCW 46.20.035; and
- 7 (c) Pays the required fee. Except as provided in subsection (5) 8 of this section, the fee is ((fifty-four dollars)) \$60, unless an 9 applicant is:
- 10 (i) A recipient of continuing public assistance grants under 11 Title 74 RCW, who is referred in writing by the secretary of social 12 and health services;
 - (ii) Under the age of twenty-five and does not have a permanent residence address as determined by the department by rule; or
 - (iii) An individual who is scheduled to be released from an institution as defined in RCW 13.40.020, a community facility as defined in RCW 72.05.020, or other juvenile rehabilitation facility operated by the department of social and health services or the department of children, youth, and families; or an individual who has been released from such an institution or facility within thirty calendar days before the date of the application.
- For those persons under (c)(i) through (iii) of this subsection, the fee must be the actual cost of production of the identicard.
 - (2) (a) **Design and term**. The identicard must:
 - (i) Be distinctly designed so that it will not be confused with the official driver's license; and
 - (ii) Except as provided in subsection (5) of this section, expire on the sixth anniversary of the applicant's birthdate after issuance.
- 29 (b) The identicard may include the person's status as a veteran, 30 consistent with RCW 46.20.161(2).
- 31 (3) **Renewal.** An application for identicard renewal may be 32 submitted by means of:
 - (a) Personal appearance before the department; or
 - (b) Mail or electronic commerce, if permitted by rule of the department and if the applicant did not renew his or her identicard by mail or by electronic commerce when it last expired.
- An identicard may not be renewed by mail or by electronic 38 commerce unless the renewal issued by the department includes a 39 photograph of the identicard holder.

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- 1 (4) Cancellation. The department may cancel an identicard if the 2 holder of the identicard used the card or allowed others to use the 3 card in violation of RCW 46.20.0921.
- (5) Alternative issuance/renewal/extension. The department may 4 issue or renew an identicard for a period other than six years, or 5 6 may extend by mail or electronic commerce an identicard that has 7 already been issued, in order to evenly distribute, as nearly as possible, the yearly renewal rate of identicard holders. The fee for 8 an identicard issued or renewed for a period other than six years, or 9 that has been extended by mail or electronic commerce, is nine 10 11 dollars for each year that the identicard is issued, renewed, or extended. The department may adopt any rules as are necessary to 12 13 carry out this subsection.
- 14 Sec. 506. RCW 46.20.117 and 2020 c 261 s 2 and 2020 c 124 s 2 15 are each reenacted and amended to read as follows:
- 16 (1) **Issuance**. The department shall issue an identicard, 17 containing a picture, if the applicant:
 - (a) Does not hold a valid Washington driver's license;

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- (b) Proves his or her identity as required by RCW 46.20.035; and
- (c) Pays the required fee. Except as provided in subsection (7) of this section, the fee is ((fifty-four dollars)) \$60, unless an applicant is:
- 23 (i) A recipient of continuing public assistance grants under 24 Title 74 RCW, who is referred in writing by the secretary of social 25 and health services;
 - (ii) Under the age of twenty-five and does not have a permanent residence address as determined by the department by rule; or
 - (iii) An individual who is scheduled to be released from an institution as defined in RCW 13.40.020, a community facility as defined in RCW 72.05.020, or other juvenile rehabilitation facility operated by the department of social and health services or the department of children, youth, and families; or an individual who has been released from such an institution or facility within thirty calendar days before the date of the application.
- For those persons under (c)(i) through (iii) of this subsection, the fee must be the actual cost of production of the identicard.
 - (2) (a) **Design and term**. The identicard must:
- 38 (i) Be distinctly designed so that it will not be confused with 39 the official driver's license; and

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- 1 (ii) Except as provided in subsection (7) of this section, expire 2 on the sixth anniversary of the applicant's birthdate after issuance.
- 3 (b) The identicard may include the person's status as a veteran, 4 consistent with RCW 46.20.161(4).
 - (c) If applicable, the identicard may include a medical alert designation as provided in subsection (5) of this section.
 - (3) **Renewal.** An application for identicard renewal may be submitted by means of:
 - (a) Personal appearance before the department; or
- 10 (b) Mail or electronic commerce, if permitted by rule of the 11 department and if the applicant did not renew his or her identicard 12 by mail or by electronic commerce when it last expired.
- An identicard may not be renewed by mail or by electronic commerce unless the renewal issued by the department includes a photograph of the identicard holder.
 - (4) **Cancellation**. The department may cancel an identicard if the holder of the identicard used the card or allowed others to use the card in violation of RCW 46.20.0921.
- 19 (5) Any person may apply to the department to obtain a medical alert designation, a developmental disability designation, or a deafness designation on an identicard issued under this chapter by providing:
 - (a) Self-attestation that the individual:
- 24 (i) Has a medical condition that could affect communication or account for a health emergency;
 - (ii) Is deaf or hard of hearing; or

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- 27 (iii) Has a developmental disability as defined in RCW 28 71A.10.020;
- 29 (b) A statement from the person that they have voluntarily 30 provided the self-attestation and other information verifying the 31 condition; and
- 32 (c) For persons under eighteen years of age or who have a 33 developmental disability, the signature of a parent or legal 34 guardian.
- 35 (6) A self-attestation or data contained in a self-attestation 36 provided under this section:
 - (a) Shall not be disclosed; and
- 38 (b) Is for the confidential use of the director, the chief of the 39 Washington state patrol, and law enforcement and emergency medical service providers as designated by law.

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- (7) Alternative issuance/renewal/extension. The department may 1 issue or renew an identicard for a period other than six years, or 2 may extend by mail or electronic commerce an identicard that has 3 already been issued, in order to evenly distribute, as nearly as 4 possible, the yearly renewal rate of identicard holders. The fee for 5 6 an identicard issued or renewed for a period other than six years, or 7 that has been extended by mail or electronic commerce, is nine dollars for each year that the identicard is issued, renewed, or 8 9 extended. The department may adopt any rules as are necessary to carry out this subsection. 10
- 11 **Sec. 507.** RCW 46.68.041 and 2004 c 95 s 15 are each amended to 12 read as follows:

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- (1) Except as provided in ((subsection (2))) subsections (2) through (4) of this section and RCW 46.20.202(5), the department ((shall)) must forward all funds accruing under the provisions of chapter 46.20 RCW together with a proper identifying, detailed report to the state treasurer who ((shall)) must deposit such moneys to the credit of the highway safety fund.
- 19 (2) Sixty-three percent of each fee collected by the department 20 under RCW 46.20.311 (1)(e)(ii), (2)(b)(ii), and (3)(b) ((shall)) must 21 be deposited in the impaired driving safety account.
- 22 (3) \$6 of the driver's license fees collected under RCW 46.20.161
 23 and 46.20.181 and \$6 of the identicard fee collected under RCW
 24 46.20.117 must be deposited in the forward flexible account created
 25 in section 702 of this act.
- 26 (4) Fifty percent of the revenue from the revenue from the fees 27 imposed under section 502(2), chapter . . ., Laws of 2021 (section 28 502(2) of this act) must be deposited in the forward flexible account 29 created in section 702 of this act.
- 30 **Sec. 508.** RCW 46.68.041 and 2020 c 330 s 18 are each amended to read as follows:
- (1) Except as provided in ((subsection (2))) subsections (2) through (4) of this section and RCW 46.20.202(5), the department ((shall)) must forward all funds accruing under the provisions of chapter 46.20 RCW together with a proper identifying, detailed report to the state treasurer who ((shall)) must deposit such moneys to the credit of the highway safety fund.

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- 1 (2) Fifty-six percent of each fee collected by the department 2 under RCW 46.20.311 (1)(e)(ii), (2)(b)(ii), and (3)(b) ((shall)) must 3 be deposited in the impaired driving safety account.
- 4 (3) \$6 of the driver's license fees collected under RCW 46.20.161
 5 and 46.20.181 and \$6 of the identicard fee collected under RCW
 6 46.20.117 must be deposited into the forward flexible account created
 7 in section 702 of this act with the remainder deposited in accordance
 8 with this section.
- 9 (4) Fifty percent of the revenue from the revenue from the fees
 10 imposed under section 510(2), chapter . . ., Laws of 2021 (section
 11 510(2) of this act) must be deposited in the forward flexible account
 12 created in section 702 of this act with the remainder deposited in
 13 accordance with this section.
- 14 **Sec. 509.** RCW 46.52.130 and 2019 c 99 s 1 are each amended to 15 read as follows:

Upon a proper request, the department may furnish an abstract of a person's driving record as permitted under this section. For the purposes of this section, an "agent" means a representative of an authorized recipient that has contracted with the recipient to request driving records on its behalf and insurance pools established under RCW 48.62.031 of which the authorized recipient is a member.

- 22 (1) Contents of abstract of driving record. An abstract of a person's driving record, whenever possible, must include:
 - (a) An enumeration of motor vehicle accidents in which the person was driving, including:
 - (i) The total number of vehicles involved;

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- (ii) Whether the vehicles were legally parked or moving;
- 28 (iii) Whether the vehicles were occupied at the time of the 29 accident; and
 - (iv) Whether the accident resulted in a fatality;
- 31 (b) Any reported convictions, forfeitures of bail, or findings 32 that an infraction was committed based upon a violation of any motor 33 vehicle law;
- 34 (c) The status of the person's driving privilege in this state; 35 and
- 36 (d) Any reports of failure to appear in response to a traffic 37 citation or failure to respond to a notice of infraction served upon 38 the named individual by an arresting officer.

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(2) Release of abstract of driving record. Unless otherwise required in this section, the release of an abstract does not require a signed statement by the subject of the abstract. An abstract of a person's driving record may be furnished to the following persons or entities:

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- (a) Named individuals. (i) An abstract of the full driving record maintained by the department may be furnished to the individual named in the abstract.
- (ii) Nothing in this section prevents a court from providing a copy of the driver's abstract to the individual named in the abstract or that named individual's attorney, provided that the named individual has a pending or open infraction or criminal case in that court. A pending case includes criminal cases that have not reached a disposition by plea, stipulation, trial, or amended charge. An open infraction or criminal case includes cases on probation, payment agreement or subject to, or in collections. Courts may charge a reasonable fee for the production and copying of the abstract for the individual.
- (b) Employers or prospective employers. (i) (A) An abstract of the full driving record maintained by the department may be furnished to an employer or prospective employer or an agent acting on behalf of an employer or prospective employer of the named individual for purposes related to driving by the individual as a condition of employment or otherwise at the direction of the employer.
- (B) Release of an abstract of the driving record of an employee or prospective employee requires a statement signed by: (I) The employee or prospective employee that authorizes the release of the record; and (II) the employer attesting that the information is necessary for employment purposes related to driving by the individual as a condition of employment or otherwise at the direction of the employer. If the employer or prospective employer authorizes an agent to obtain this information on their behalf, this must be noted in the statement. The statement must also note that any information contained in the abstract related to an adjudication that is subject to a court order sealing the juvenile record of an employee or prospective employee may not be used by the employer or prospective employer, or an agent authorized to obtain this information on their behalf, unless required by federal regulation or law. The employer or prospective employer must afford the employee or prospective employee an opportunity to demonstrate that

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adjudication contained in the abstract is subject to a court order sealing the juvenile record.

- (C) Upon request of the person named in the abstract provided under this subsection, and upon that same person furnishing copies of court records ruling that the person was not at fault in a motor vehicle accident, the department must indicate on any abstract provided under this subsection that the person was not at fault in the motor vehicle accident.
- (D) No employer or prospective employer, nor any agent of an employer or prospective employer, may use information contained in the abstract related to an adjudication that is subject to a court order sealing the juvenile record of an employee or prospective employee for any purpose unless required by federal regulation or law. The employee or prospective employee must furnish a copy of the court order sealing the juvenile record to the employer or prospective employer, or the agent of the employer or prospective employer, as may be required to ensure the application of this subsection.
- (ii) In addition to the methods described in (b)(i) of this subsection, the director may enter into a contractual agreement with an employer or its agent for the purpose of reviewing the driving records of existing employees for changes to the record during specified periods of time. The department shall establish a fee for this service, which must be deposited in the highway safety fund. The fee for this service must be set at a level that will not result in a net revenue loss to the state, and must be at least eight cents for each record and distributed as specified in subsection (7) of this section. Any information provided under this subsection must be treated in the same manner and is subject to the same restrictions as driving record abstracts.
- (c) **Volunteer organizations**. (i) An abstract of the full driving record maintained by the department may be furnished to a volunteer organization or an agent for a volunteer organization for which the named individual has submitted an application for a position that would require driving by the individual at the direction of the volunteer organization.
- (ii) Release of an abstract of the driving record of a prospective volunteer requires a statement signed by: (A) The prospective volunteer that authorizes the release of the record; and (B) the volunteer organization attesting that the information is

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necessary for purposes related to driving by the individual at the direction of the volunteer organization. If the volunteer organization authorizes an agent to obtain this information on their behalf, this must be noted in the statement.

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

The director may enter into a contractual agreement with a transit authority or its agent for the purpose of reviewing the driving records of existing vanpool drivers for changes to the record during specified periods of time. The department shall establish a fee for this service, which must be deposited in the highway safety fund. The fee for this service must be set at a level that does not result in a net revenue loss to the state, and must be at least eight cents for each record and distributed as specified in subsection (7) of this section. Any information provided under this subsection must be treated in the same manner and is subject to the same restrictions as driving record abstracts.

- (e) **Insurance carriers.** (i) An abstract of the driving record maintained by the department covering the period of not more than the last three years may be furnished to an insurance company or its agent:
- (A) That has motor vehicle or life insurance in effect covering the named individual;
 - (B) To which the named individual has applied; or
- 27 (C) That has insurance in effect covering the employer or a 28 prospective employer of the named individual.
 - (ii) The abstract provided to the insurance company must:
 - (A) Not contain any information related to actions committed by law enforcement officers or firefighters, as both terms are defined in RCW 41.26.030, or by Washington state patrol officers, while driving official vehicles in the performance of their occupational duty, or by registered tow truck operators as defined in RCW 46.55.010 in the performance of their occupational duties while at the scene of a roadside impound or recovery so long as they are not issued a citation. This does not apply to any situation where the vehicle was used in the commission of a misdemeanor or felony;
- 39 (B) Include convictions under RCW 46.61.5249 and 46.61.525, 40 except that the abstract must report the convictions only as

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negligent driving without reference to whether they are for first or second degree negligent driving; and

- (C) Exclude any deferred prosecution under RCW 10.05.060, except that if a person is removed from a deferred prosecution under RCW 10.05.090, the abstract must show the deferred prosecution as well as the removal.
- (iii) Any policy of insurance may not be canceled, nonrenewed, denied, or have the rate increased on the basis of information regarding an accident included in the abstract of a driving record, unless the policyholder was determined to be at fault.
- (iv) Any insurance company or its agent, for underwriting purposes relating to the operation of commercial motor vehicles, may not use any information contained in the abstract relative to any person's operation of motor vehicles while not engaged in such employment. Any insurance company or its agent, for underwriting purposes relating to the operation of noncommercial motor vehicles, may not use any information contained in the abstract relative to any person's operation of commercial motor vehicles.
- (v) The director may enter into a contractual agreement with an insurance company or its agent for the limited purpose of reviewing the driving records of existing policyholders for changes to the record during specified periods of time. The department shall establish a fee for this service, which must be deposited in the highway safety fund. The fee for this service must be set at a level that will not result in a net revenue loss to the state, and must be at least eight cents for each record and distributed as specified in subsection (7) of this section. Any information provided under this subsection must be treated in the same manner and is subject to the same restrictions as driving record abstracts.
- (f) Alcohol/drug assessment or treatment agencies. An abstract of the driving record maintained by the department covering the period of not more than the last five years may be furnished to an alcohol/drug assessment or treatment agency approved by the department of social and health services to which the named individual has applied or been assigned for evaluation or treatment, for purposes of assisting employees in making a determination as to what level of treatment, if any, is appropriate, except that the abstract must:
- (i) Also include records of alcohol-related offenses, as defined in RCW 46.01.260(2), covering a period of not more than the last ten years; and

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

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- named individual's attorney of record. An abstract of the full driving record maintained by the department, including whether a recorded violation is an alcohol-related offense, as defined in RCW 46.01.260(2), that was originally charged as a violation of either RCW 46.61.502 or 46.61.504, may be furnished to city attorneys, county prosecuting attorneys, or the named individual's attorney of record. City attorneys, county prosecuting attorneys attorneys, or the named individual's attorney of record may provide the driving record to alcohol/drug assessment or treatment agencies approved by the department of social and health services to which the named individual has applied or been assigned for evaluation or treatment.
- (h) State colleges, universities, or agencies, or units of local government. An abstract of the full driving record maintained by the department may be furnished to (i) state colleges, universities, or agencies for employment and risk management purposes or (ii) units of local government authorized to self-insure under RCW 48.62.031, or their agents, for employment and risk management purposes. The director may enter into a contractual agreement with a unit of local government, or its agent, for the purpose of reviewing the driving records of existing employees for changes to the record during specified periods of time. The department shall establish a fee for this service, which must be deposited in the highway safety fund. The fee for this service must be set at a level that will not result in a net revenue loss to the state, and must be at least eight cents for each record and distributed as specified in subsection (7) of this section. Any information provided under this subsection must be treated in the same manner and is subject to the same restrictions as driving record abstracts. "Unit of local government" includes an insurance pool established under RCW 48.62.031.
- (i) Superintendent of public instruction. An abstract of the full driving record maintained by the department may be furnished to the superintendent of public instruction for review of public school bus driver records. The superintendent or superintendent's designee may discuss information on the driving record with an authorized representative of the employing school district for employment and risk management purposes.

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

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- (4) **Fee.** The director shall collect a ((thirteen dollar)) \$14 fee for each abstract of a person's driving record furnished by the department. After depositing \$1 of the driver's abstract fee in the forward flexible account created in section 702 of this act, the remainder shall be distributed as follows:
- 12 <u>(i)</u> Fifty percent ((of the fee)) must be deposited in the highway 13 safety fund((τ)); and ((fifty))
- 14 <u>(ii) Fifty percent ((of the fee))</u> must be deposited according to 15 RCW 46.68.038.
- 16 (5) **Violation.** (a) Any negligent violation of this section is a gross misdemeanor.
- 18 (b) Any intentional violation of this section is a class C 19 felony.
 - (6) Effective July 1, 2019, the contents of a driving abstract pursuant to this section shall not include any information related to sealed juvenile records unless that information is required by federal law or regulation.
- 24 (7) Driver record monitoring fee. Seventy-five percent of the fee 25 must be deposited in the highway safety fund and 25 percent must be 26 deposited in the forward flexible account created in section 702 of 27 this act.
- 28 **Sec. 510.** RCW 46.20.200 and 2012 c 80 s 10 are each amended to 29 read as follows:
- 30 (1) If an instruction permit, identicard, or a driver's license 31 is lost or destroyed, the person to whom it was issued may obtain a 32 duplicate of it upon furnishing proof of such fact satisfactory to 33 the department and payment of a fee of twenty dollars to the 34 department.
- 35 (2) A replacement permit, identicard, or driver's license may be 36 obtained to change or correct material information upon payment of a 37 fee of ((ten dollars)) \$20 and surrender of the permit, identicard, 38 or driver's license being replaced.

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NEW SECTION. Sec. 511. A new section is added to chapter 46.01 RCW to read as follows:

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- (1) The state of Washington occupies and preempts the charging of per trip fees on prearranged rides by transportation network company drivers operating in the state of Washington as provided in this section. Local laws and ordinances that are inconsistent with this subsection may not be enacted and are hereby preempted and repealed. However, this subsection does not apply to local laws and ordinances enacted regarding per trip fees enacted prior to January 1, 2021.
- (2) Beginning January 1, 2023, the department must charge a 50 cent per trip fee on prearranged and nonprearranged rides by for hire vehicles operating in the state of Washington. However, in a county with a population greater than 2,000,000, the per trip fee is 25 cents.
- 15 (3) The director must adopt rules to implement this section. The 16 rules may include, but are not limited to, the:
 - (a) Administration, enforcement, and collection of the fee in the most efficient manner deemed by the director;
 - (b) Imposition of audit requirements to ensure compliance;
- 20 (c) Establishment of penalties on drivers and companies for 21 noncompliance; and
- 22 (d) Implementation of cooperative arrangements with cities, 23 counties, or port districts for the collection and remittance of this 24 fee.
 - (4) All revenues generated under this section must be deposited into the forward flexible account created in section 702 of this act. Of the amount deposited pursuant to this subsection, 20 percent shall be used to enhance department of transportation, public transportation division programs as follows:
- 30 (a) Fifty percent must be for funding the special needs 31 transportation grant program; and
- 32 (b) Fifty percent must be for funding the transit coordination 33 grant program.
 - (5) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.
 - (a) "For hire vehicle" means vehicles used for the transportation of passengers for compensation including, taxicab transportation services provided under chapter 46.72 or 81.72 RCW, or a transportation network company driver providing prearranged trips through a digital network. The term excludes auto stages, school

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- buses operating exclusively under a contract to a school district, ride-sharing vehicles under chapter 46.74 RCW, limousine carriers licensed under chapter 46.72A RCW, vehicles used by nonprofit transportation providers for elderly or persons with disabilities and their attendants under chapter 81.66 RCW, vehicles used by auto transportation companies licensed under chapter 81.68 RCW, vehicles used to provide courtesy transportation at no charge to and from parking lots, hotels, and rental offices, and vehicles used by charter party carriers of passengers and excursion service carriers licensed under chapter 81.70 RCW.
 - (b) "Transportation network company" means a corporation, partnership, sole proprietorship, or other entity that is operating in Washington state and uses a digital network to connect transportation network company riders to transportation network company drivers who provide prearranged rides.
- 16 (c) "Transportation network company driver" means an individual 17 who:

- (i) Receives connections to potential transportation network company riders and related services from a transportation network company; and
- (ii) Uses a transportation network company vehicle to offer or provide a prearranged ride to transportation network company riders upon connection through a digital network controlled by a transportation network company in exchange for compensation or payment of a fee.
- (6)(a) By August 1, 2021, the department must convene a work group to negotiate and develop a comprehensive framework and recommendations for:
- 29 (i) The regulation of transportation network companies within the 30 state of Washington; and
- 31 (ii) Coordinated linkages with existing systems for taxi and for 32 hire services regulated by state and local governments.
 - (b) (i) In convening this work group, the department must involve relevant representatives of the utilities and transportation commission, local governments involved in the regulation of transportation network companies and for hire vehicles, entities providing transportation network services, entities providing taxicab services and other for hire services, and other relevant parties. The work group must periodically provide updates to the joint

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transportation committee and allow opportunities for interested members to attend meetings of the work group and provide feedback.

- (ii) The work group must attempt to develop a comprehensive framework and recommendations for regulatory fees, the most effective and efficient state and local regulatory structure or structures, the most effective public safety aspects including the type of required background checks, appropriate driver compensation policies, and other ways to improve the consistency and overall effectiveness and competitive fairness of the current regulatory systems.
- 10 (iii) The department must issue a report of its agreed to 11 framework and recommendations, including draft legislation, to the 12 house and senate transportation committees by December 1, 2022.
- NEW SECTION. Sec. 512. A new section is added to chapter 82.02
 RCW to read as follows:
 - (1) (a) The state of Washington occupies and preempts the charging of per trip fees on prearranged food delivery trips by third-party food delivery service providers operating in the state of Washington as provided in this section. Local laws and ordinances that are inconsistent with this subsection may not be enacted and are hereby preempted and repealed.
 - (b) Beginning January 1, 2022, the department must charge a 25 cent per trip fee on prearranged food delivery trips operating in the state of Washington. This fee shall be assessed on and paid by the third-party food delivery service provider on each order processed.
 - (2) Chapter 82.32 RCW applies to the administration of the per trip fee on prearranged food delivery trips in this section.
 - (3) All revenues generated under this section must be deposited in the forward flexible account created in section 702 of this act.
 - (4) For the purposes of this section:
 - (a) "Food delivery contractor" means an individual who:
 - (i) Receives connections to potential food deliveries through a telephonic or digital network, including a website; and
 - (ii) Uses that telephonic or digital network, including a website, to offer or provide a prearranged food delivery in exchange for compensation or payment of a fee.
 - (b) "Food delivery trips" means a trip by a food delivery contractor where the order is placed by telephone, or website or digital network provided by a third-party corporation, partnership, sole proprietorship, or other entity in which the driver is connected

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- with a restaurant or other similar business requesting delivery of prepared food product or meal. However, food delivery trips do not include deliveries provided by delivery drivers exclusively employed by a (i) grocery store, (ii) mini-market, (iii) convenience store, or (iv) restaurant or other similar business actually preparing the food product or meal. A trip shall be defined as drop-off or delivery of a prepared food order at one geographic location.
- 8 (c) "Restaurant" has the same meaning as provided in RCW 9 82.08.9995, but excludes prepared food deliveries made by a nonprofit organization to senior citizens.
- 11 (d) "Third-party food delivery service provider" means the third12 party corporation, partnership, sole proprietorship, or other entity
 13 that connects a driver to a restaurant or other similar business
 14 requesting delivery of a prepared food product or meal through a
 15 website, digital network, or using a telephone.

16 Part VI

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Capital Vessel Surcharge, Watercraft Excise Tax

- 18 **Sec. 601.** RCW 47.60.315 and 2019 c 431 s 3 are each amended to 19 read as follows:
- 20 (1) The commission ((shall)) <u>must</u> adopt fares and pricing 21 policies by rule, under chapter 34.05 RCW, according to the following 22 schedule:
 - (a) Each year the department ((shall)) <u>must</u> provide the commission a report of its review of fares and pricing policies, with recommendations for the revision of fares and pricing policies for the ensuing year;
 - (b) By September 1st of each year, beginning in 2008, the commission shall adopt by rule fares and pricing policies for the ensuing year.
 - (2) The commission may adopt by rule fares that are effective for more or less than one year for the purposes of transitioning to the fare schedule in subsection (1) of this section.
 - (3) The commission may increase ferry fares included in the schedule of charges adopted under this section by a percentage that exceeds the fiscal growth factor.
 - (4) The chief executive officer of the ferry system may authorize the use of promotional, discounted, and special event fares to the general public and commercial enterprises for the purpose of

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maximizing capacity use and the revenues collected by the ferry system. The department shall report to the commission a summary of the promotional, discounted, and special event fares offered during each fiscal year and the financial results from these activities.

- (5) Fare revenues and other revenues deposited in the Puget Sound ferry operations account created in RCW 47.60.530 may not be used to support the Puget Sound capital construction account created in RCW 47.60.505, unless the support for capital is separately identified in the fare.
- 10 (6) The commission may not raise fares until the fare rules 11 contain pricing policies developed under RCW 47.60.290, or September 12 1, 2009, whichever is later.
 - (7) The commission shall impose a vessel replacement surcharge of twenty-five cents on every one-way and round-trip ferry fare sold, including multiride and monthly pass fares. This surcharge must be clearly indicated to ferry passengers and drivers and, if possible, on the fare media itself.
 - (8) Except as provided in subsection (10) of this section, beginning May 1, 2020, the commission shall impose an additional vessel replacement surcharge in an amount sufficient to fund twenty-five year debt service on one 144-auto hybrid vessel taking into account funds provided in chapter 417, Laws of 2019 or chapter . . . (SSB 5419), Laws of 2019. The department of transportation shall provide to the commission vessel and debt service cost estimates. Information on vessels constructed or purchased with revenue from the surcharges must be publicly posted including, but not limited to, the commission website.
 - (9) The vessel replacement surcharges imposed in this section must be deposited into the capital vessel replacement account created in RCW 47.60.322 and may only be used for the construction or purchase of ferry vessels and to pay the principal and interest on bonds authorized for the construction or purchase of new ferry vessels.
 - (10) The commission shall not impose the additional vessel replacement surcharge in subsection (8) of this section if doing so would increase fares by more than ten percent.
- 37 (11) Beginning October 1, 2021, the commission must impose an 38 additional vessel replacement surcharge of 25 cents on every one-way 39 and round-trip ferry fare sold, including multiride and monthly pass 40 fares.

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- 1 **Sec. 602.** RCW 47.60.322 and 2019 c 416 s 716 are each amended to read as follows:
- (1) The capital vessel replacement account is created in the 3 fund. All revenues generated from the vessel 4 motor vehicle replacement (($\frac{\text{surcharge}}{\text{ond}}$)) $\frac{\text{surcharges}}{\text{ond}}$ under RCW 47.60.315(($\frac{\text{(}7)}{\text{(}}$))) and 5 6 service fees collected by the department of licensing or county 7 auditor or other agent appointed by the director under RCW 46.17.040, 46.17.050, and 46.17.060 must be deposited into the account. Moneys 8 9 in the account may be spent only after appropriation. Expenditures from the account may be used only for the construction or purchase of 10 11 ferry vessels and to pay the principal and interest on bonds 12 authorized for the construction or purchase of ferry vessels. However, expenditures from the account must first be used to support 13 14 the construction or purchase, including any applicable financing costs, of a ferry vessel with a carrying capacity of at least one 15 16 hundred forty-four cars.
 - (2) The state treasurer may transfer moneys from the capital vessel replacement account to the transportation 2003 account (nickel account) for debt service on bonds issued for the construction of 144-car class ferry vessels.
 - (3) The legislature may transfer from the capital vessel replacement account to the connecting Washington account created under RCW 46.68.395 such amounts as reflect the excess fund balance of the capital vessel replacement account to be used for ferry terminal construction and preservation.
- 26 (4) During the 2019-2021 fiscal biennium, the legislature may 27 direct the state treasurer to make transfers of moneys in the capital 28 vessel replacement account to the transportation partnership account.

29 Part VII 30 Other Provisions

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NEW SECTION. Sec. 701. A new section is added to chapter 46.68 RCW to read as follows:

The forward Washington account is created in the motor vehicle fund. Moneys in the account may be spent only after appropriation. Expenditures from the account must be used only for projects or improvements identified as forward Washington projects or improvements in an omnibus transportation appropriations act,

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- 1 including any principal and interest on bonds authorized for the
- 2 projects or improvements.
- 3 <u>NEW SECTION.</u> **Sec. 702.** A new section is added to chapter 46.68 4 RCW to read as follows:
- 5 The forward flexible account is created in the state treasury.
- 6 Moneys in the account may be spent only after appropriation.
- 7 Expenditures from the account may be used only for transportation
- 8 projects, programs, or activities identified as forward flexible
- 9 projects, programs, or activities in an omnibus transportation
- 10 appropriations act.

control capital account.

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- 11 **Sec. 703.** RCW 82.21.030 and 2020 c 20 s 1483 are each amended to read as follows:
- (1) (a) A tax is imposed on the privilege of possession of hazardous substances in this state. Except as provided in (b) of this subsection, the rate of the tax is seven-tenths of one percent multiplied by the wholesale value of the substance. Moneys collected under this subsection (1)(a) must be deposited in the model toxics
- 19 (b) Beginning July 1, 2019, the rate of the tax on petroleum 20 products is one dollar and nine cents per barrel. The tax collected 21 under this subsection (1)(b) on petroleum products must be deposited 22 as follows, after first depositing the tax as provided in (c) of this 23 subsection (1):
 - (i) Sixty percent to the model toxics control operating account created under RCW 70A.305.180;
- 26 (ii) Twenty-five percent to the model toxics control capital account created under RCW 70A.305.190; and
- 28 (iii) Fifteen percent to the model toxics control stormwater 29 account created under RCW 70A.305.200.
- 30 (c) ((Until the beginning of the ensuing biennium after the 31 enactment of an additive transportation funding act, fifty)) Fifty million dollars per biennium to the motor vehicle fund to be used 32 exclusively for transportation stormwater activities and projects. 33 ((For purposes of this subsection, "additive transportation funding 34 act" means an act in which the combined total of new revenues 35 deposited into the motor vehicle fund and the multimodal 36 transportation account exceed two billion dollars per biennium 37

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attributable solely to an increase in revenue from the enactment of the act.

- (d))) The department must compile a list of petroleum products that are not easily measured on a per barrel basis. Petroleum products identified on the list are subject to the rate under (a) of this subsection in lieu of the volumetric rate under (b) of this subsection. The list will be made in a form and manner prescribed by the department and must be made available on the department's internet website. In compiling the list, the department may accept technical assistance from persons that sell, market, or distribute petroleum products and consider any other resource the department finds useful in compiling the list.
- (2) Chapter 82.32 RCW applies to the tax imposed in this chapter. The tax due dates, reporting periods, and return requirements applicable to chapter 82.04 RCW apply equally to the tax imposed in this chapter.
- (3) Beginning July 1, 2020, and every July 1st thereafter, the rate specified in subsection (1)(b) of this section must be adjusted to reflect the percentage change in the implicit price deflator for nonresidential structures as published by the United States department of commerce, bureau of economic analysis for the most recent twelve-month period ending December 31st of the prior year.
- Sec. 704. RCW 43.84.092 and 2020 c 354 s 11, 2020 c 221 s 5, 24 2020 c 148 s 3, 2020 c 103 s 7, and 2020 c 18 s 3 are each reenacted and amended to read as follows:
 - (1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.
 - (2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may

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direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.

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- (3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.
- (4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:
- The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The abandoned recreational vehicle disposal account, the aeronautics account, the Alaskan Way viaduct replacement project account, the ambulance transport fund, brownfield redevelopment trust fund account, the stabilization account, the capital vessel replacement account, the capitol building construction account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the Chehalis basin account, the Chehalis basin taxable account, the cleanup settlement account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the common school construction fund, the community forest trust account, the connecting Washington account, the county arterial preservation account, the county criminal justice assistance account, deferred compensation administrative account, the compensation principal account, the department of licensing services account, the department of retirement systems expense account, the developmental disabilities community ((trust)) services account, the diesel idle reduction account, the drinking water assistance account,

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

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

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investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state university permanent fund shall be allocated to their respective beneficiary accounts.

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- (b) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the state treasury that deposits funds into a fund or account in the state treasury pursuant to an agreement with the office of the state treasurer shall receive its proportionate share of earnings based upon each account's or fund's average daily balance for the period.
- (5) In conformance with Article II, section 37 of the state Constitution, no treasury accounts or funds shall be allocated earnings without the specific affirmative directive of this section.
- Sec. 705. RCW 43.84.092 and 2020 c 221 s 5, 2020 c 148 s 3, 2020 c 103 s 7, and 2020 c 18 s 3 are each reenacted and amended to read as follows:
 - (1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.
 - (2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.
 - (3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state

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treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.

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- (4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:
- The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The abandoned recreational vehicle disposal account, the aeronautics account, the Alaskan Way viaduct replacement project account, the brownfield redevelopment trust fund account, the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the Chehalis basin account, the Chehalis basin taxable account, the cleanup settlement account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the common school construction fund, community forest trust account, the connecting Washington account, the county arterial preservation account, the county criminal justice assistance account, the deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of retirement systems expense account, the developmental disabilities community ((trust)) services account, the diesel idle reduction account, the drinking water assistance account, the administrative subaccount of the drinking water assistance account, the early learning facilities development account, the early facilities revolving account, the Eastern Washington University capital projects account, the education construction fund, the education legacy trust account, the election account, the electric vehicle account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the ferry bond retirement fund, the fish, wildlife, and conservation account, the forward flexible

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1 account, the forward Washington account, the freight mobility investment account, the freight mobility multimodal account, the 2 grade crossing protective fund, the public health services account, 3 the state higher education construction account, the higher education 4 construction account, the higher education retirement plan 5 6 supplemental benefit fund, the highway bond retirement fund, the 7 highway infrastructure account, the highway safety fund, the hospital safety net assessment fund, the Interstate 405 and state route number 8 167 express toll lanes account, the judges' retirement account, the 9 judicial retirement administrative account, the judicial retirement 10 11 principal account, the limited fish and wildlife account, the local 12 leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources 13 stewardship trust account, the medical aid account, the money-14 purchase retirement savings administrative account, the money-15 16 purchase retirement savings principal account, the motor vehicle 17 fund, the motorcycle safety education account, the multimodal 18 transportation account, the multiuse roadway safety account, the municipal criminal justice assistance account, the oyster reserve 19 land account, the pension funding stabilization account, the 20 21 perpetual surveillance and maintenance account, the pilotage account, 22 the pollution liability insurance agency underground storage tank revolving account, the public employees' retirement system plan 1 23 account, the public employees' retirement system combined plan 2 and 24 25 plan 3 account, the public facilities construction loan revolving 26 account, the public health supplemental account, the public works assistance account, the Puget Sound capital construction account, the 27 Puget Sound ferry operations account, the Puget Sound Gateway 28 29 facility account, the Puget Sound taxpayer accountability account, real estate appraiser commission account, the recreational 30 31 vehicle account, the regional mobility grant program account, the resource management cost account, the rural arterial trust account, 32 the rural mobility grant program account, the rural Washington loan 33 fund, the sexual assault prevention and response account, the site 34 35 closure account, the skilled nursing facility safety net trust fund, 36 the small city pavement and sidewalk account, the special category C account, the special wildlife account, the state investment board 37 expense account, the state investment board commingled trust fund 38 39 accounts, the state patrol highway account, the state reclamation 40 revolving account, the state route number 520 civil penalties

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account, the state route number 520 corridor account, the statewide broadband account, the statewide tourism marketing account, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the toll facility bond retirement account, the transportation 2003 account (nickel account), the transportation equipment fund, the transportation future funding program account, the transportation improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the transportation partnership account, the traumatic brain injury account, the University of Washington bond retirement fund, the University of Washington building account, the voluntary cleanup account, the volunteer firefighters' and reserve officers' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the vulnerable roadway user education account, the Washington judicial retirement system account, the Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law enforcement officers' and firefighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving administration account, the water pollution control revolving fund, the Western Washington University capital projects account, the Yakima integrated implementation account, the Yakima integrated implementation revenue recovery account, and the Yakima integrated plan implementation taxable bond account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, scientific permanent fund, and the state university permanent fund shall be allocated to their respective beneficiary accounts.

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(b) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the state treasury that deposits funds into a fund or account in the state treasury pursuant to an agreement with the office of the state treasurer shall

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- receive its proportionate share of earnings based upon each account's or fund's average daily balance for the period.
- 3 (5) In conformance with Article II, section 37 of the state 4 Constitution, no treasury accounts or funds shall be allocated 5 earnings without the specific affirmative directive of this section.
- **Sec. 706.** RCW 46.70.180 and 2017 c 41 s 1 are each amended to read as follows:

8 Each of the following acts or practices is unlawful:

- (1) To cause or permit to be advertised, printed, displayed, published, distributed, broadcasted, televised, or disseminated in any manner whatsoever, any statement or representation with regard to the sale, lease, or financing of a vehicle which is false, deceptive, or misleading, including but not limited to the following:
- (a) That no down payment is required in connection with the sale of a vehicle when a down payment is in fact required, or that a vehicle may be purchased for a smaller down payment than is actually required;
- (b) That a certain percentage of the sale price of a vehicle may be financed when such financing is not offered in a single document evidencing the entire security transaction;
- (c) That a certain percentage is the amount of the service charge to be charged for financing, without stating whether this percentage charge is a monthly amount or an amount to be charged per year;
- (d) That a new vehicle will be sold for a certain amount above or below cost without computing cost as the exact amount of the factory invoice on the specific vehicle to be sold;
- (e) That a vehicle will be sold upon a monthly payment of a certain amount, without including in the statement the number of payments of that same amount which are required to liquidate the unpaid purchase price.
- (2) (a) (i) To incorporate within the terms of any purchase and sale or lease agreement any statement or representation with regard to the sale, lease, or financing of a vehicle which is false, deceptive, or misleading, including but not limited to terms that include as an added cost to the selling price or capitalized cost of a vehicle an amount for licensing or transfer of title of that vehicle which is not actually due to the state, unless such amount has in fact been paid by the dealer prior to such sale.

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(ii) However, an amount not to exceed ((one hundred fifty dollars)) \$200 per vehicle sale or lease may be charged by a dealer to recover administrative costs for collecting motor vehicle excise taxes, licensing and registration fees and other agency fees, verifying and clearing titles, transferring titles, perfecting, releasing, or satisfying liens or other security interests, and other administrative and documentary services rendered by a dealer in connection with the sale or lease of a vehicle and in carrying out the requirements of this chapter or any other provisions of state law.

- (b) A dealer may charge the documentary service fee in (a) of this subsection under the following conditions:
- (i) The documentary service fee is disclosed in writing to a prospective purchaser or lessee before the execution of a purchase and sale or lease agreement;
- (ii) The dealer discloses to the purchaser or lessee in writing that the documentary service fee is a negotiable fee. The disclosure must be written in a typeface that is at least as large as the typeface used in the standard text of the document that contains the disclosure and that is bold faced, capitalized, underlined, or otherwise set out from the surrounding material so as to be conspicuous. The dealer shall not represent to the purchaser or lessee that the fee or charge is required by the state to be paid by either the dealer or prospective purchaser or lessee;
- (iii) The documentary service fee is separately designated from the selling price or capitalized cost of the vehicle and from any other taxes, fees, or charges; and
- (iv) Dealers disclose in any advertisement that a documentary service fee in an amount up to one hundred fifty dollars may be added to the sale price or the capitalized cost.

For the purposes of this subsection (2), the term "documentary service fee" means the optional amount charged by a dealer to provide the services specified in (a) of this subsection.

(3) To set up, promote, or aid in the promotion of a plan by which vehicles are to be sold or leased to a person for a consideration and upon further consideration that the purchaser or lessee agrees to secure one or more persons to participate in the plan by respectively making a similar purchase and in turn agreeing to secure one or more persons likewise to join in said plan, each purchaser or lessee being given the right to secure money, credits,

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goods, or something of value, depending upon the number of persons joining the plan.

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- (4) To commit, allow, or ratify any act of "bushing" which is defined as follows: Entering into a written contract, written purchase order or agreement, retail installment sales agreement, note and security agreement, or written lease agreement, hereinafter collectively referred to as contract or lease, signed by the prospective buyer or lessee of a vehicle, which:
- (a) Is subject to any conditions or the dealer's or his or her authorized representative's future acceptance, and the dealer fails or refuses within the "bushing" period, which is four calendar days, exclusive of Saturday, Sunday, or legal holiday, and prior to any further negotiations with said buyer or lessee to inform the buyer or lessee either: (i) That the dealer unconditionally accepts the contract or lease, having satisfied, removed, or waived all conditions to acceptance or performance, including, but not limited to, financing, assignment, or lease approval; or (ii) that the dealer rejects the contract or lease, thereby automatically voiding the long as such voiding does not negate contract or lease, as commercially reasonable contract or lease provisions pertaining to the return of the subject vehicle and any physical damage, excessive mileage after the demand for return of the vehicle, and attorneys' fees authorized by law, and tenders the refund of any initial payment or security made or given by the buyer or lessee, including, but not limited to, any down payment, and tenders return of the trade-in vehicle, key, other trade-in, or certificate of title to a trade-in. Tender may be conditioned on return of the subject vehicle if previously delivered to the buyer or lessee.

The provisions of this subsection (4)(a) do not impair, prejudice, or abrogate the rights of a dealer to assert a claim against the buyer or lessee for misrepresentation or breach of contract and to exercise all remedies available at law or in equity, including those under chapter 62A.9A RCW, if the dealer, bank, or other lender or leasing company discovers that approval of the contract or financing or approval of the lease was based upon material misrepresentations made by the buyer or lessee, including, but not limited to, misrepresentations regarding income, employment, or debt of the buyer or lessee, as long as the dealer, or his or her staff, has not, with knowledge of the material misrepresentation, aided, assisted, encouraged, or participated, directly or indirectly,

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in the misrepresentation. A dealer shall not be in violation of this subsection (4)(a) if the buyer or lessee made a material misrepresentation to the dealer, as long as the dealer, or his or her staff, has not, with knowledge of the material misrepresentation, aided, assisted, encouraged, or participated, directly or indirectly, in the misrepresentation.

A dealer may inform a buyer or lessee under this subsection (4)(a) regarding the unconditional acceptance or rejection of the contract, lease, or financing by sending an email message to the buyer's or lessee's supplied email address, by phone call, by leaving a voice message or sending a text message to a phone number provided by the buyer or lessee, by in-person oral communication, by mailing a letter by first-class mail if the buyer or lessee expresses a preference for a letter or declines to provide an email address and a phone number capable of receiving a free text message, or by another means agreed to by the buyer or lessee or approved by the department, effective upon the execution, mailing, or sending of the communication and before expiration of the "bushing" period;

- (b) Permits the dealer to renegotiate a dollar amount specified as trade-in allowance on a vehicle delivered or to be delivered by the buyer or lessee as part of the purchase price or lease, for any reason except:
- (i) Failure to disclose that the vehicle's certificate of title has been branded for any reason, including, but not limited to, status as a rebuilt vehicle as provided in RCW 46.12.540 and 46.12.560; or
- (ii) Substantial physical damage or latent mechanical defect occurring before the dealer took possession of the vehicle and which could not have been reasonably discoverable at the time of the taking of the order, offer, or contract; or
- "Excessive additional miles" means the addition of five hundred miles or more, as reflected on the vehicle's odometer, between the time the vehicle was first valued by the dealer for purposes of determining its trade-in value and the time of actual delivery of the vehicle to the dealer. "A discrepancy in the mileage" means (A) a discrepancy between the mileage reflected on the vehicle's odometer and the stated mileage on the signed odometer statement; or (B) a discrepancy between the mileage stated on the signed odometer statement and the actual mileage on the vehicle; or

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(c) Fails to comply with the obligation of any written warranty or guarantee given by the dealer requiring the furnishing of services or repairs within a reasonable time.

- (5) To commit any offense relating to odometers, as such offenses are defined in RCW 46.37.540, 46.37.550, 46.37.560, and 46.37.570. A violation of this subsection is a class C felony punishable under chapter 9A.20 RCW.
- (6) For any vehicle dealer or vehicle salesperson to refuse to furnish, upon request of a prospective purchaser or lessee, for vehicles previously registered to a business or governmental entity, the name and address of the business or governmental entity.
- 12 (7) To commit any other offense under RCW 46.37.423, 46.37.424, 13 or 46.37.425.
 - (8) To commit any offense relating to a dealer's temporary license permit, including but not limited to failure to properly complete each such permit, or the issuance of more than one such permit on any one vehicle. However, a dealer may issue a second temporary permit on a vehicle if the following conditions are met:
 - (a) The lienholder fails to deliver the vehicle title to the dealer within the required time period;
 - (b) The dealer has satisfied the lien; and
 - (c) The dealer has proof that payment of the lien was made within two calendar days, exclusive of Saturday, Sunday, or a legal holiday, after the sales contract has been executed by all parties and all conditions and contingencies in the sales contract have been met or otherwise satisfied.
- (9) For a dealer, salesperson, or mobile home manufacturer, having taken an instrument or cash "on deposit" from a purchaser or lessee prior to the delivery of the bargained-for vehicle, to commingle the "on deposit" funds with assets of the dealer, salesperson, or mobile home manufacturer instead of holding the "on deposit" funds as trustee in a separate trust account until the purchaser or lessee has taken delivery of the bargained-for vehicle. Delivery of a manufactured home shall be deemed to occur in accordance with RCW 46.70.135(5). Failure, immediately upon receipt, to endorse "on deposit" instruments to such a trust account, or to set aside "on deposit" cash for deposit in such trust account, and failure to deposit such instruments or cash in such trust account by the close of banking hours on the day following receipt thereof, shall be evidence of intent to commit this unlawful practice:

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1 PROVIDED, HOWEVER, That a motor vehicle dealer may keep a separate trust account which equals his or her customary total customer 2 3 deposits for vehicles for future delivery. For purposes of this section, "on deposit" funds received from a purchaser of 4 manufactured home means those funds that a seller requires 5 6 purchaser to advance before ordering the manufactured home, but does 7 not include any loan proceeds or moneys that might have been paid on an installment contract. 8

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- (10) For a dealer or manufacturer to fail to comply with the obligations of any written warranty or guarantee given by the dealer or manufacturer requiring the furnishing of goods and services or repairs within a reasonable period of time, or to fail to furnish to a purchaser or lessee, all parts which attach to the manufactured unit including but not limited to the undercarriage, and all items specified in the terms of a sales or lease agreement signed by the seller and buyer or lessee.
- (11) For a vehicle dealer to pay to or receive from any person, firm, partnership, association, or corporation acting, either directly or through a subsidiary, as a buyer's agent for consumers, any compensation, fee, purchase moneys or funds that have been deposited into or withdrawn out of any account controlled or used by any buyer's agent, gratuity, or reward in connection with the purchase, sale, or lease of a new motor vehicle.
- (12) For a buyer's agent, acting directly or through a subsidiary, to pay to or to receive from any motor vehicle dealer any compensation, fee, gratuity, or reward in connection with the purchase, sale, or lease of a new motor vehicle. In addition, it is unlawful for any buyer's agent to engage in any of the following acts on behalf of or in the name of the consumer:
- 30 (a) Receiving or paying any purchase moneys or funds into or out 31 of any account controlled or used by any buyer's agent;
- 32 (b) Signing any vehicle purchase orders, sales contracts, leases, 33 odometer statements, or title documents, or having the name of the 34 buyer's agent appear on the vehicle purchase order, sales contract, 35 lease, or title; or
- 36 (c) Signing any other documentation relating to the purchase, 37 sale, lease, or transfer of any new motor vehicle.
- It is unlawful for a buyer's agent to use a power of attorney obtained from the consumer to accomplish or effect the purchase, sale, lease, or transfer of ownership documents of any new motor

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vehicle by any means which would otherwise be prohibited under (a) through (c) of this subsection. However, the buyer's agent may use a power of attorney for physical delivery of motor vehicle license plates to the consumer.

Further, it is unlawful for a buyer's agent to engage in any false, deceptive, or misleading advertising, disseminated in any manner whatsoever, including but not limited to making any claim or statement that the buyer's agent offers, obtains, or guarantees the lowest price on any motor vehicle or words to similar effect.

- (13) For a buyer's agent to arrange for or to negotiate the purchase, or both, of a new motor vehicle through an out-of-state dealer without disclosing in writing to the customer that the new vehicle would not be subject to chapter 19.118 RCW. This subsection also applies to leased vehicles. In addition, it is unlawful for any buyer's agent to fail to have a written agreement with the customer that: (a) Sets forth the terms of the parties' agreement; (b) discloses to the customer the total amount of any fees or other compensation being paid by the customer to the buyer's agent for the agent's services; and (c) further discloses whether the fee or any portion of the fee is refundable.
- (14) Being a manufacturer, other than a motorcycle manufacturer governed by chapter 46.93 RCW, to:
 - (a) Coerce or attempt to coerce any vehicle dealer to order or accept delivery of any vehicle or vehicles, parts or accessories, or any other commodities which have not been voluntarily ordered by the vehicle dealer: PROVIDED, That recommendation, endorsement, exposition, persuasion, urging, or argument are not deemed to constitute coercion;
- (b) Cancel or fail to renew the franchise or selling agreement of any vehicle dealer doing business in this state without fairly compensating the dealer at a fair going business value for his or her capital investment which shall include but not be limited to tools, equipment, and parts inventory possessed by the dealer on the day he or she is notified of such cancellation or termination and which are still within the dealer's possession on the day the cancellation or termination is effective, if: (i) The capital investment has been entered into with reasonable and prudent business judgment for the purpose of fulfilling the franchise; and (ii) the cancellation or nonrenewal was not done in good faith. Good faith is defined as the duty of each party to any franchise to act in a fair and equitable

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manner towards each other, so as to guarantee one party freedom from coercion, intimidation, or threats of coercion or intimidation from the other party: PROVIDED, That recommendation, endorsement, exposition, persuasion, urging, or argument are not deemed to constitute a lack of good faith;

- (c) Encourage, aid, abet, or teach a vehicle dealer to sell or lease vehicles through any false, deceptive, or misleading sales or financing practices including but not limited to those practices declared unlawful in this section;
- (d) Coerce or attempt to coerce a vehicle dealer to engage in any practice forbidden in this section by either threats of actual cancellation or failure to renew the dealer's franchise agreement;
- (e) Refuse to deliver any vehicle publicly advertised for immediate delivery to any duly licensed vehicle dealer having a franchise or contractual agreement for the retail sale or lease of new and unused vehicles sold or distributed by such manufacturer within sixty days after such dealer's order has been received in writing unless caused by inability to deliver because of shortage or curtailment of material, labor, transportation, or utility services, or by any labor or production difficulty, or by any cause beyond the reasonable control of the manufacturer;
- (f) To provide under the terms of any warranty that a purchaser or lessee of any new or unused vehicle that has been sold or leased, distributed for sale or lease, or transferred into this state for resale or lease by the vehicle manufacturer may only make any warranty claim on any item included as an integral part of the vehicle against the manufacturer of that item.

Nothing in this section may be construed to impair the obligations of a contract or to prevent a manufacturer, distributor, representative, or any other person, whether or not licensed under this chapter, from requiring performance of a written contract entered into with any licensee hereunder, nor does the requirement of such performance constitute a violation of any of the provisions of this section if any such contract or the terms thereof requiring performance, have been freely entered into and executed between the contracting parties. This paragraph and subsection (14)(b) of this section do not apply to new motor vehicle manufacturers governed by chapter 46.96 RCW.

(15) Unlawful transfer of an ownership interest in a motor vehicle as defined in RCW 19.116.050.

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- (16) To knowingly and intentionally engage in collusion with a registered owner of a vehicle to repossess and return or resell the vehicle to the registered owner in an attempt to avoid a suspended license impound under chapter 46.55 RCW. However, compliance with chapter 62A.9A RCW in repossessing, selling, leasing, or otherwise disposing of the vehicle, including providing redemption rights to the debtor, is not a violation of this section.
- (17) (a) For a dealer to enter into a new motor vehicle sales contract without disclosing in writing to a buyer of the new motor vehicle, or to a dealer in the case of an unregistered motor vehicle, any known damage and repair to the new motor vehicle if the damage exceeds five percent of the manufacturer's suggested retail price as calculated at the dealer's authorized warranty rate for labor and parts, or one thousand dollars, whichever amount is greater. A manufacturer or new motor vehicle dealer is not required to disclose to a dealer or buyer that glass, tires, bumpers, or cosmetic parts of a new motor vehicle were damaged at any time if the damaged item has been replaced with original or comparable equipment. A replaced part is not part of the cumulative damage required to be disclosed under this subsection.
- 21 (b) A manufacturer is required to provide the same disclosure to 22 a dealer of any known damage or repair as required in (a) of this 23 subsection.
 - (c) If disclosure of any known damage or repair is not required under this section, a buyer may not revoke or rescind a sales contract due to the fact that the new motor vehicle was damaged and repaired before completion of the sale.
 - (d) As used in this section:

- (i) "Cosmetic parts" means parts that are attached by and can be replaced in total through the use of screws, bolts, or other fasteners without the use of welding or thermal cutting, and includes windshields, bumpers, hoods, or trim panels.
- (ii) "Manufacturer's suggested retail price" means the retail price of the new motor vehicle suggested by the manufacturer, and includes the retail delivered price suggested by the manufacturer for each accessory or item of optional equipment physically attached to the new motor vehicle at the time of delivery to the new motor vehicle dealer that is not included within the retail price suggested by the manufacturer for the new motor vehicle.

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- NEW SECTION. Sec. 707. The following acts or parts of acts are each repealed:
- 3 (1) RCW 47.46.190 (Tacoma Narrows bridge facility funding—Intent 4 —State contribution loans—Private right of action not created) and 5 2018 c 195 s 1;
 - (2) RCW 47.46.200 (Reports—Determination of contribution amount from nontoll sources—Maintenance of debt service plan repayment schedule—Annual expected toll revenue information to be used for repayment of state contribution loans—Private right of action not created) and 2018 c 195 s 2; and
- 11 (3) 2018 c 195 s 3.

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- NEW SECTION. Sec. 708. A new section is added to chapter 47.46
 RCW to read as follows:
 - (1) The legislature finds that the users of the Tacoma Narrows bridge deserve toll relief and an equitable plan to address the rapidly escalating costs of debt service used to finance construction of the bridge. Rather than loans, the state should simply provide the funds to keep the tolls at the level as of January 1, 2021, thus keeping the promises that the state made regarding the term of the tolls on the Tacoma Narrows bridge and providing an appropriate amount of toll relief to the users of the bridge.
- (2) (a) On July 1, 2021, for fiscal year 2022 costs, the state treasurer must transfer from the forward Washington account created in section 701 of this act to the Tacoma Narrows toll bridge account created in RCW 47.56.165, \$28,715,000.
 - (b) On July 1, 2022, for fiscal year 2023 costs, the state treasurer must transfer from the forward Washington account created in section 701 of this act to the Tacoma Narrows toll bridge account created in RCW 47.56.165, \$16,643,000.
 - (c) On July 1, 2023, for fiscal year 2024 costs, the state treasurer must transfer from the forward Washington account created in section 701 of this act to the Tacoma Narrows toll bridge account created in RCW 47.56.165, \$13,334,000.
- 34 (d) On July 1, 2024, for fiscal year 2025 costs, the state 35 treasurer must transfer from the forward Washington account created 36 in section 701 of this act to the Tacoma Narrows toll bridge account 37 created in RCW 47.56.165, \$15,750,000.

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(e) On July 1, 2025, for fiscal year 2026 costs, the state treasurer must transfer from the forward Washington account created in section 701 of this act to the Tacoma Narrows toll bridge account created in RCW 47.56.165, \$11,715,000.

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- (f) On July 1, 2026, for fiscal year 2027 costs, the state treasurer must transfer from the forward Washington account created in section 701 of this act to the Tacoma Narrows toll bridge account created in RCW 47.56.165, \$12,975,000.
- 9 (g) On July 1, 2027, for fiscal year 2028 costs, the state 10 treasurer must transfer from the forward Washington account created 11 in section 701 of this act to the Tacoma Narrows toll bridge account 12 created in RCW 47.56.165, \$13,421,000.
 - (h) On July 1, 2028, for fiscal year 2029 costs, the state treasurer must transfer from the forward Washington account created in section 701 of this act to the Tacoma Narrows toll bridge account created in RCW 47.56.165, \$13,169,000.
- (i) On July 1, 2029, for fiscal year 2030 costs, the state treasurer must transfer from the forward Washington account created in section 701 of this act to the Tacoma Narrows toll bridge account created in RCW 47.56.165, \$7,908,000.
- 21 (j) On July 1, 2030, for fiscal year 2031 costs, the state 22 treasurer must transfer from the forward Washington account created 23 in section 701 of this act to the Tacoma Narrows toll bridge account 24 created in RCW 47.56.165, \$12,543,000.
- 25 **Sec. 709.** RCW 82.32.385 and 2020 c 219 s 703 are each amended to 26 read as follows:
 - (1) Beginning September 2019 and ending December 2019, by the last day of September and December, the state treasurer must transfer from the general fund to the connecting Washington account created in RCW 46.68.395 thirteen million six hundred eighty thousand dollars.
 - (2) Beginning March 2020 and ending June 2021, by the last day of September, December, March, and June of each year, the state treasurer must transfer from the general fund to the multimodal transportation account created in RCW 47.66.070 thirteen million six hundred eighty thousand dollars.
- 36 (3) Beginning September 2021 and ending June 2023, by the last 37 day of September, December, March, and June of each year, the state 38 treasurer must transfer from the general fund to the connecting

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1 Washington account created in RCW 46.68.395 thirteen million eight 2 hundred five thousand dollars.

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- (4) Beginning September 2023 and ending June 2025, by the last day of September, December, March, and June of each year, the state treasurer must transfer from the general fund to the connecting Washington account created in RCW 46.68.395 thirteen million nine hundred eighty-seven thousand dollars.
- (5) Beginning September 2025 and ending June 2027, by the last day of September, December, March, and June of each year, the state treasurer must transfer from the general fund to the connecting Washington account created in RCW 46.68.395 eleven million six hundred fifty-eight thousand dollars.
- (6) Beginning September 2027 and ending June 2029, by the last day of September, December, March, and June of each year, the state treasurer must transfer from the general fund to the connecting Washington account created in RCW 46.68.395 seven million five hundred sixty-four thousand dollars.
- 18 (7) Beginning September 2029 and ending June 2031, by the last day of September, December, March, and June of each year, the state treasurer must transfer from the general fund to the connecting Washington account created in RCW 46.68.395 four million fifty-six thousand dollars.
- 23 (8) For fiscal year 2026 through fiscal year 2037, the state
 24 treasurer must transfer from the general fund to the forward flexible
 25 account created in section 702 of this act \$46,969,000 each fiscal
 26 year in four equal quarterly transfers.
- 27 **Sec. 710.** RCW 47.56.850 and 2009 c 498 s 15 are each amended to 28 read as follows:
- 29 (1) Unless these powers are otherwise delegated by the 30 legislature, the transportation commission is the tolling authority 31 for the state. The tolling authority shall:
 - (a) (i) Set toll rates, (ii) establish appropriate exemptions, if any, except as provided otherwise in this section, and (iii) make adjustments as conditions warrant on eligible toll facilities;
- 35 (b) Review toll collection policies, toll operations policies, 36 and toll revenue expenditures on the eligible toll facilities and 37 report annually on this review to the legislature.
- 38 (2) The tolling authority, in determining toll rates, shall consider the policy guidelines established in RCW 47.56.830.

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(3) Unless otherwise directed by the legislature, in setting and periodically adjusting toll rates, the tolling authority must ensure that toll rates will generate revenue sufficient to:

- (a) Meet the operating costs of the eligible toll facilities, including necessary maintenance, preservation, renewal, replacement, administration, and toll enforcement by public law enforcement;
- (b) Meet obligations for the timely payment of debt service on bonds issued for eligible toll facilities, and any other associated financing costs including, but not limited to, required reserves, minimum debt coverage or other appropriate contingency funding, insurance, and compliance with all other financial and other covenants made by the state in the bond proceedings;
- (c) Meet obligations to reimburse the motor vehicle fund for excise taxes on motor vehicle and special fuels applied to the payment of bonds issued for eligible toll facilities; and
- (d) Meet any other obligations of the tolling authority to provide its proportionate share of funding contributions for any projects or operations of the eligible toll facilities.
- (4) The established toll rates may include variable pricing, and should be set to optimize system performance, recognizing necessary trade-offs to generate revenue for the purposes specified in subsection (3) of this section. Tolls may vary for type of vehicle, time of day, traffic conditions, or other factors designed to improve performance of the system.
- (5) In fixing and adjusting toll rates under this section, the only toll revenue to be taken into account must be toll revenue pledged to bonds that includes toll receipts, and the only debt service requirements to be taken into account must be debt service on bonds payable from and secured by toll revenue that includes toll receipts.
- (6) The legislature pledges to appropriate toll revenue as necessary to carry out the purposes of this section. When the legislature has specifically identified and designated an eligible toll facility and authorized the issuance of bonds for the financing of the eligible toll facility that are payable from and secured by a pledge of toll revenue, the legislature further agrees for the benefit of the owners of outstanding bonds issued by the state for eligible toll facilities to continue in effect and not to impair or withdraw the authorization of the tolling authority to fix and adjust tolls as provided in this section. The state finance committee shall

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- 1 pledge the state's obligation to impose and maintain tolls, together
- 2 with the application of toll revenue as described in this section, to
- 3 the owners of any bonds.

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- 4 (7) The tolling authority may not exempt the following vehicles
 5 from tolls on toll bridges:
 - (a) Publicly owned or operated transit buses;
- 7 (b) Passenger motor vehicles licensed for ride sharing as 8 described in RCW 46.18.285;
- 9 (c) School buses; and
- 10 <u>(d) Privately owned and operated passenger buses meeting annual</u> 11 <u>certification requirements of the department.</u>
- 12 **Sec. 711.** RCW 47.46.100 and 2002 c 114 s 7 are each amended to 13 read as follows:
- 14 (1) The commission shall fix the rates of toll and other charges 15 for all toll bridges built under this chapter that are financed 16 primarily by bonds issued by the state. Subject to RCW 47.46.090, the 17 commission may impose and modify toll charges from time to time as 18 conditions warrant. However, the commission may not exempt the 19 following vehicles from tolls:
- 20 (a) Publicly owned or operated transit buses;
- 21 <u>(b) Passenger motor vehicles licensed for ride sharing as</u> 22 described in RCW 46.18.285;
 - (c) School buses; and
- 24 (d) Privately owned and operated passenger buses meeting annual
 25 certification requirements of the department.
 - (2) In establishing toll charges, the commission shall give due consideration to any required costs for operating and maintaining the toll bridge or toll bridges, including the cost of insurance, and to any amount required by law to meet the redemption of bonds and interest payments on them.
 - (3) The toll charges must be imposed in amounts sufficient to:
- 32 (a) Provide annual revenue sufficient to provide for annual 33 operating and maintenance expenses, except as provided in RCW 47.56.245;
- 35 (b) Make payments required under RCW 47.56.165 and 47.46.140, 36 including insurance costs and the payment of principal and interest 37 on bonds issued for any particular toll bridge or toll bridges; and
- 38 (c) Repay the motor vehicle fund under RCW 47.46.110, 47.56.165, and 47.46.140.

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- 1 (4) The bond principal and interest payments, including repayment 2 of the motor vehicle fund for amounts transferred from that fund to 3 provide for such principal and interest payments, constitute a first 4 direct and exclusive charge and lien on all tolls and other revenues 5 from the toll bridge concerned, subject to operating and maintenance 6 expenses.
- 7 Part VIII

8 Miscellaneous Provisions

- 9 <u>NEW SECTION.</u> **Sec. 801.** Sections 101 through 105, 401, 402, 511,
- 10 512, 601, 602, and 701 through 711 of this act are necessary for the
- 11 immediate preservation of the public peace, health, or safety, or
- 12 support of the state government and its existing public institutions,
- 13 and take effect July 1, 2021.
- 14 <u>NEW SECTION.</u> **Sec. 802.** Section 704 of this act expires July 1,
- 15 2024.
- 16 <u>NEW SECTION.</u> **Sec. 803.** Section 705 of this act takes effect
- 17 July 1, 2024.
- 18 <u>NEW SECTION.</u> Sec. 804. Sections 502, 505, and 507 of this act
- 19 expire January 1, 2022.
- NEW SECTION. Sec. 805. Sections 503, 506, and 508 of this act
- 21 take effect January 1, 2022.
- 22 NEW SECTION. Sec. 806. Sections 106, 201 through 301, 403
- 23 through 502, 504, 505, 507, 509, and 510 of this act take effect
- 24 October 1, 2021.

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