**5583-S.E AMH TR H1841.3 - NOT FOR FLOOR USE**

**ESSB 5583** - H COMM AMD

By Committee on Transportation

**NOT ADOPTED 04/12/2023**

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec.**  A new section is added to chapter 46.20 RCW to read as follows:

(1)(a) Beginning July 1, 2025, to obtain a driver's license under this section, a person at least 18 years of age but under 21 years of age must, in addition to other skills and examination requirements as prescribed by the department, satisfactorily complete one of the driver training education course options provided in (c) of this subsection.

(b) Beginning July 1, 2028, a person at least 21 years of age but under 25 years of age must, in addition to other skills and examination requirements as prescribed by the department, satisfactorily complete one of the driver training education course options provided in (c) of this subsection.

(c) To satisfy the driver training education course requirements under (a) or (b) of this subsection, a person must complete one of the following:

(i) A driver training education course as defined in RCW 28A.220.020;

(ii) A driver training education course as defined by the department and offered by a driver training school licensed under chapter 46.82 RCW;

(iii) A condensed traffic safety education course as defined by the department and offered by a driver training school licensed under chapter 46.82 RCW; or

(iv) An online, self-paced condensed traffic safety education course as defined by the department and offered by a driver training school licensed under chapter 46.82 RCW. A person that satisfactorily completes an online, self-paced condensed traffic safety education course under this subsection (1)(a)(iv) must complete at least three hours of behind-the-wheel instruction.

(d) The course offered by a school district or an approved private school must be part of a traffic safety education program authorized by the office of the superintendent of public instruction and certified under chapter 28A.220 RCW. The course offered by a driver training school and the online, self-paced condensed traffic safety education course must meet the standards established by the department under chapter 46.82 RCW.

(2) To meet the traffic safety education requirement for a motorcycle endorsement, the applicant must successfully complete a motorcycle safety education course that meets the standards established by the department.

(3)(a) The department may waive the driver training education course requirement for a driver's license under subsection (1) of this section if the applicant demonstrates to the department's satisfaction that:

(i) He or she was unable to take or complete a driver training education course;

(ii) A need exists for the applicant to operate a motor vehicle; and

(iii) He or she has the ability to operate a motor vehicle in such a manner as not to jeopardize the safety of persons or property.

(b) The department may adopt rules to implement this subsection (3) in concert with the supervisor of the traffic safety education section of the office of the superintendent of public instruction.

(4) The department may waive the driver training education course requirement if the applicant was licensed to drive a motor vehicle or motorcycle from a reciprocal jurisdiction outside this state or provides proof that they have had education, from a reciprocal jurisdiction, equivalent to that required under this section.

(5) The department is required to provide broad and accessible public outreach and education, to begin no later than January 1, 2025, to communicate to Washington state residents the driver training education requirements mandated under this section and to provide tools to assist them in accessing driver training education courses, condensed traffic safety education courses, and online, self-paced condensed traffic safety education courses, that satisfy the requirements of subsection (1) of this section.

(6) The department must provide updates on the implementation of these new requirements, including an assessment of progress made by the department on preparations for the new requirements taking effect and public and private resource availability for the expansion of driver training education requirements. These updates are required to include the total number of licensed driver training schools and traffic safety education programs in the state, by geographical region; the number of licensed driver trainer school instructors; the number of licensed driver trainer instructors; and plans for satisfying the public outreach and education requirements of subsection (5) of this section. These updates must be provided to the transportation committees of the legislature by January 2, 2024, and January 2, 2025.

(7) The department, in coordination with the Washington state traffic safety commission, must provide an annual report to the transportation committees of the legislature by July 1, 2027, and July 1, 2028. The annual reports must include updates on program implementation related to the new requirements; traffic safety impacts resulting from the new requirements; and feedback that the department has received from the public on the new requirements, including through public outreach efforts.

**Sec.**  RCW 46.20.075 and 2011 c 60 s 44 are each amended to read as follows:

(1) An intermediate license authorizes the holder to drive a motor vehicle under the conditions specified in this section. An applicant for an intermediate license must be at least ((~~sixteen~~)) 16 years of age and:

(a) Have possessed a valid instruction permit for a period of not less than six months;

(b) Have passed a driver licensing examination administered by the department;

(c) Have passed a course of driver's education in accordance with the standards established in RCW 46.20.100;

(d) Present certification by his or her parent, guardian, or employer to the department stating (i) that the applicant has had at least ((~~fifty~~)) 50 hours of driving experience, ((~~ten~~)) 10 of which were at night, during which the driver was supervised by a person at least ((~~twenty-one~~)) 21 years of age who has had a valid driver's license for at least three years, and (ii) that the applicant has not been issued a notice of traffic infraction or cited for a traffic violation that is pending at the time of the application for the intermediate license;

(e) Not have been convicted of or found to have committed a traffic violation within the last six months before the application for the intermediate license; and

(f) Not have been adjudicated for an offense involving the use of alcohol or drugs during the period the applicant held an instruction permit.

(2) For the first six months after the issuance of an intermediate license or until the holder reaches ((~~eighteen~~)) 18 years of age, whichever occurs first, the holder of the license may not operate a motor vehicle that is carrying any passengers under the age of ((~~twenty~~)) 20 who are not members of the holder's immediate family as defined in RCW 42.17A.005. For the remaining period of the intermediate license, the holder may not operate a motor vehicle that is carrying more than three passengers who are under the age of ((~~twenty~~)) 20 who are not members of the holder's immediate family.

(3) The holder of an intermediate license may not operate a motor vehicle between the hours of 1 a.m. and 5 a.m. except (a) when the holder is accompanied by ((~~a parent, guardian, or~~)) a licensed driver who is at least ((~~twenty-five~~)) 25 years of age, or (b) for school, religious, or employment activities for the holder or a member of the holder's immediate family as defined in RCW 42.17A.005.

(4) The holder of an intermediate license may not operate a moving motor vehicle while using a wireless communications device unless the holder is using the device to report illegal activity, summon medical or other emergency help, or prevent injury to a person or property.

(5) It is a traffic infraction for the holder of an intermediate license to operate a motor vehicle in violation of the restrictions imposed under this section.

(6) Except for a violation of subsection (4) of this section, enforcement of this section by law enforcement officers may be accomplished only as a secondary action when a driver of a motor vehicle has been detained for a suspected violation of this title or an equivalent local ordinance or some other offense.

(7) An intermediate licensee may drive at any hour without restrictions on the number of passengers in the vehicle if necessary for agricultural purposes.

(8) An intermediate licensee may drive at any hour without restrictions on the number of passengers in the vehicle if, for the ((~~twelve-month~~)) 12-month period following the issuance of the intermediate license, he or she:

(a) Has not been involved in an accident involving only one motor vehicle;

(b) Has not been involved in an accident where he or she was cited in connection with the accident or was found to have caused the accident;

(c) Has not been involved in an accident where no one was cited or was found to have caused the accident; and

(d) Has not been convicted of or found to have committed a traffic offense described in chapter 46.61 RCW or violated restrictions placed on an intermediate licensee under this section.

**Sec.**  RCW 46.20.100 and 2017 c 197 s 7 are each amended to read as follows:

(1) **Application**. The application of a person under the age of ((~~eighteen~~)) 18 years for a driver's license or a motorcycle endorsement must be signed by a parent or guardian with custody of the minor. If the person under the age of ((~~eighteen~~)) 18 has no father, mother, or guardian, then the application must be signed by the minor's employer.

(2) **Traffic safety education requirement**. For a person under the age of ((~~eighteen~~)) 18 years to obtain a driver's license, he or she must meet the traffic safety education requirements of this subsection.

(a) To meet the traffic safety education requirement for a driver's license, the applicant must satisfactorily complete a driver training education course as defined in RCW 28A.220.020 for a course offered by a school district or approved private school, or as defined by the department of licensing for a course offered by a driver training school licensed under chapter 46.82 RCW. The course offered by a school district or an approved private school must be part of a traffic safety education program authorized by the office of the superintendent of public instruction and certified under chapter 28A.220 RCW. The course offered by a driver training school must meet the standards established by the department of licensing under chapter 46.82 RCW. The driver training education course may be provided by:

(i) A secondary school within a school district or approved private school that establishes and maintains an approved and certified traffic safety education program under chapter 28A.220 RCW; or

(ii) A driver training school licensed under chapter 46.82 RCW that is annually approved by the department of licensing.

(b) To meet the traffic safety education requirement for a motorcycle endorsement, the applicant must successfully complete a motorcycle safety education course that meets the standards established by the department of licensing.

(c) The department may waive the driver training education course requirement for a driver's license if the applicant demonstrates to the department's satisfaction that:

(i) He or she was unable to take or complete a driver training education course;

(ii) A need exists for the applicant to operate a motor vehicle; and

(iii) He or she has the ability to operate a motor vehicle in such a manner as not to jeopardize the safety of persons or property.

The department may adopt rules to implement this subsection (2)(c) in concert with the supervisor of the traffic safety education section of the office of the superintendent of public instruction.

(d) The department may waive the driver training education course requirement if the applicant was licensed to drive a motor vehicle or motorcycle from a reciprocal jurisdiction outside this state ((~~and~~)) or provides proof that he or she has had education equivalent, from a reciprocal jurisdiction, to that required under this subsection.

**Sec.**  RCW 46.82.280 and 2017 c 197 s 8 are each amended to read as follows:

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

(1) "Behind-the-wheel instruction" means instruction in an approved driver training school instruction vehicle according to and inclusive of the required curriculum. Behind-the-wheel instruction is characterized by driving experience.

(2) "Classroom" means a space dedicated to and used exclusively by a driver training instructor for the instruction of students. With prior department approval, a branch office classroom may be located within alternative facilities, such as a public or private library, school, community college, college or university, or a business training facility.

(3) "Classroom instruction" means that portion of a traffic safety education course that is characterized by in-person classroom‑based student instruction or virtual classroom-based student instruction with a live instructor using the required curriculum conducted by or under the direct supervision of a licensed instructor or licensed instructors. Classroom instruction may include self-paced, online components as authorized and certified by the department of licensing.

(4) "Condensed traffic safety education course" means a course of instruction in traffic safety education, intended for novice drivers at least 18 years of age but under 25 years of age, approved and licensed by the department of licensing that consists of at least eight hours of classroom instruction and three hours of behind-the-wheel instruction that follows the approved curriculum as determined in rule.

(5) "Director" means the director of the department of licensing of the state of Washington.

((~~(5)~~)) (6) "Driver training education course" means a course of instruction in traffic safety education approved and licensed by the department of licensing that consists of classroom and behind-the-wheel instruction that follows the approved curriculum.

((~~(6)~~)) (7) "Driver training school" means a commercial driver training school engaged in the business of giving instruction, for a fee, in the operation of automobiles.

((~~(7)~~)) (8) "Enrollment" means the collecting of a fee or the signing of a contract for a driver training education course. "Enrollment" does not include the collecting of names and contact information for enrolling students once a driver training school is licensed to instruct.

((~~(8)~~)) (9) "Fraudulent practices" means any conduct or representation on the part of a driver training school owner or instructor including:

(a) Inducing anyone to believe, or to give the impression, that a license to operate a motor vehicle or any other license granted by the director may be obtained by any means other than those prescribed by law, or furnishing or obtaining the same by illegal or improper means, or requesting, accepting, or collecting money for such purposes;

(b) Operating a driver training school without a license, providing instruction without an instructor's license, verifying enrollment prior to being licensed, misleading or false statements on applications for a commercial driver training school license or instructor's license or on any required records or supporting documentation;

(c) Failing to fully document and maintain all required driver training school records of instruction, school operation, and instructor training;

(d) Issuing a driver training course certificate without requiring completion of the necessary behind-the-wheel and classroom instruction.

((~~(9)~~)) (10) "Instructor" means any person employed by or otherwise associated with a driver training school to instruct persons in the operation of an automobile.

((~~(10)~~)) (11) "Owner" means an individual, partnership, corporation, association, or other person or group that holds a substantial interest in a driver training school.

((~~(11)~~)) (12) "Person" means any individual, firm, corporation, partnership, or association.

((~~(12)~~)) (13) "Place of business" means a designated location at which the business of a driver training school is transacted or its records are kept.

((~~(13)~~)) (14) "Student" means any person enrolled in an approved driver training course.

((~~(14)~~)) (15) "Substantial interest holder" means a person who has actual or potential influence over the management or operation of any driver training school. Evidence of substantial interest includes, but is not limited to, one or more of the following:

(a) Directly or indirectly owning, operating, managing, or controlling a driver training school or any part of a driver training school;

(b) Directly or indirectly profiting from or assuming liability for debts of a driver training school;

(c) Is an officer or director of a driver training school;

(d) Owning ((~~ten~~)) 10 percent or more of any class of stock in a privately or closely held corporate driver training school, or five percent or more of any class of stock in a publicly traded corporate driver training school;

(e) Furnishing ((~~ten~~)) 10 percent or more of the capital, whether in cash, goods, or services, for the operation of a driver training school during any calendar year; or

(f) Directly or indirectly receiving a salary, commission, royalties, or other form of compensation from the activity in which a driver training school is or seeks to be engaged.

**Sec.**  RCW 46.82.330 and 2017 c 197 s 10 are each amended to read as follows:

(1) The application for an instructor's license shall document the applicant's fitness, knowledge, skills, and abilities to teach the classroom and behind-the-wheel instruction portions of a driver training education program in a commercial driver training school.

(2) An applicant shall be eligible to apply for an original instructor's certificate if the applicant possesses and meets the following qualifications and conditions:

(a) Has been licensed to drive for five or more years and possesses a current and valid Washington driver's license or is a resident of a jurisdiction immediately adjacent to Washington state and possesses a current and valid license issued by such jurisdiction, and does not have on his or her driving record any of the violations or penalties set forth in (a)(i), (ii), or (iii) of this subsection. The director shall have the right to examine the driving record of the applicant from the department of licensing and from other jurisdictions and from these records determine if the applicant has had:

(i) Not more than one moving traffic violation within the preceding twelve months or more than two moving traffic violations in the preceding ((~~twenty-four~~)) 24 months;

(ii) No drug or alcohol-related traffic violation or incident within the preceding three years. If there are two or more drug or alcohol-related traffic violations in the applicant's driving history, the applicant is no longer eligible to be a driving instructor; and

(iii) No driver's license suspension, cancellation, revocation, or denial within the preceding two years, or no more than two of these occurrences in the preceding five years;

(b) Is a high school graduate or the equivalent and at least ((~~twenty-one~~)) 21 years of age;

(c) Has completed an acceptable application on a form prescribed by the director;

(d) Has satisfactorily completed a course of instruction in the training of drivers acceptable to the director that is no less than ((~~sixty~~)) 60 hours in length and includes instruction in classroom and behind-the-wheel teaching methods and supervised practice behind-the-wheel teaching of driving techniques; and

(e) Has paid an examination fee as set by rule of the department and has successfully completed an instructor's examination.

(3) The department may develop rules to establish alternative pathways to licensure to substitute for subsection (2) of this section provided the alternative pathways enable the department to assess the applicant's fitness, knowledge, skill, and ability to teach the classroom and behind-the-wheel instruction portions of a driver training education program and behind-the-wheel instructor certification include behind-the-wheel teaching methods and supervised practice behind-the-wheel teaching of driving techniques.

NEW SECTION. **Sec.**  A new section is added to chapter 46.82 RCW to read as follows:

(1) The department must publish on its website an interactive map of all driver training education course providers and providers of a traffic safety education program as defined in RCW 28A.220.020, including driver, motorcyclist, and commercial driver training and testing providers certified by the department. The interactive map, at a minimum, must provide training and testing provider names, locations, contact information, course and program pricing, and services offered by language.

(2) Each driving training education course and traffic safety education program provider must report course and program pricing to the department on an annual basis.

NEW SECTION. **Sec.**  A new section is added to chapter 46.82 RCW to read as follows:

(1) Beginning July 1, 2025, and subject to the availability of funds appropriated in the omnibus transportation appropriations act for this specific purpose, the department must establish a program to provide vouchers to cover the average cost of driver training education courses for novice drivers who reside in low-income households.

(2) In consultation with the Washington traffic safety commission, the department shall adopt rules establishing eligibility criteria and application and award procedures, and any other necessary rules, for implementing this section.

(3) An applicant who has previously received financial support to complete a driver training program under RCW 74.13.338(2)(b) or 49.04.290 is deemed ineligible for a voucher under this section.

(4) A driver training school may not increase driver training education course costs or fees to offset any voucher amounts provided by school applicants.

(5) By January 1, 2024, the department shall provide to the appropriate committees of the legislature an implementation plan for the voucher program. On a biennial basis beginning June 30, 2026, the department shall report to the appropriate committees of the legislature the following:

(a) The income criteria used to determine voucher awards for driver training education courses;

(b) The number of applicants for driver training education vouchers annually by county;

(c) The number of vouchers awarded annually by county;

(d) The number of vouchers redeemed annually by county;

(e) The dollar amount of vouchers redeemed annually by county; and

(f) The community average income of voucher recipients during the reporting period.

(6) For the purposes of this section, "novice driver" means a person who has not previously obtained a license to drive a motor vehicle.

NEW SECTION. **Sec.**  A new section is added to chapter 28A.220 RCW to read as follows:

(1) Beginning July 1, 2025, and subject to the availability of funds appropriated in the omnibus transportation appropriations act for this specific purpose, including for program development and implementation activities, the superintendent of public instruction must establish a grant program to allow schools to initiate or reinitiate traffic safety education programs as part of their course offerings, as well as to support existing traffic safety education programs in schools.

(2) The superintendent shall adopt rules establishing eligibility criteria, and the grant application and award procedures, for implementing this section. The eligibility criteria must prioritize school districts in overburdened communities as defined in RCW 70A.02.010 and school districts with above average concentrations of students eligible for free or reduced-price lunches. The superintendent must include as a condition of grant eligibility agreement by the school district to provide the office of the superintendent of public instruction with the information, in a form and manner specified by the office, required by the office to comply with subsection (3) of this section.

(3) By January 1, 2024, the superintendent shall provide to the appropriate committees of the legislature an implementation plan for the grant program. On a biennial basis beginning June 30, 2026, the superintendent shall report to the appropriate committees of the legislature on the following:

(a) The grant amounts provided to each school district or school;

(b) The number of school districts or schools offering traffic safety education programs;

(c) The number of students receiving traffic safety instruction in those programs;

(d) The number of students eligible for free or reduced-price lunch receiving traffic safety instruction in those programs; and

(e) An assessment of the equity impacts in overburdened communities resulting from this section.

NEW SECTION. **Sec.**  A new section is added to chapter 28A.220 RCW to read as follows:

Subject to the availability of funds appropriated in the omnibus transportation appropriations act for this specific purpose, the legislature encourages educational service districts to facilitate the coordination between school districts or secondary schools of a school district and driver training schools to increase access to driver training education courses by students who reside within the boundaries of the applicable school district.

NEW SECTION. **Sec.**  A new section is added to chapter 42.56 RCW to read as follows:

Any recipient income data collected by the department of licensing as part of the driver training education course voucher program established under section 7 of this act is exempt from disclosure under this chapter.

NEW SECTION. **Sec.**  A new section is added to chapter 43.06D RCW to read as follows:

Subject to the availability of funds appropriated in the omnibus transportation appropriations act for this specific purpose, the office shall prepare an assessment of opportunities to improve access to driver training education for young drivers to meet the requirements of section 1 of this act. The assessment must address potential obstacles to meeting this requirement including, but not limited to, obstacles for young drivers for whom the cost of driver training education may pose a hardship, obstacles related to accessibility for young drivers who reside in rural areas, and obstacles for young drivers whose primary language is not English. The assessment must also recommend strategies through which these potential obstacles may be mitigated.

NEW SECTION. **Sec.**  A new section is added to chapter 39.19 RCW to read as follows:

Subject to the availability of funds appropriated in the omnibus transportation appropriations act for this specific purpose, the office shall develop a program to foster the development of women, minority-owned, and veteran-owned licensed driver training schools in the state, including through instruction on topics relevant to owning and operating a licensed driver training school.

**Sec.**  RCW 46.20.1201 and 2021 c 240 s 13 are each amended to read as follows:

(1) An additional $1 fee shall be imposed on each application for an original or renewal of a regular driver's license, regular identicard, enhanced driver's license, or enhanced identicard. The entire amount of the fee shall be used to pay for processing costs for driver's license issuance and reinstatements, and information technology upgrades and the ongoing costs to maintain the driver's license and identicard record and issuance system.

(2) Beginning October 1, 2023, an additional $7.50 fee shall be imposed on each application for an original or renewal of a regular driver's license, regular identicard, enhanced driver's license, or enhanced identicard. The department shall forward all funds accruing under this ((~~section~~)) subsection to the state treasurer who shall deposit the moneys ((~~to the credit of the highway safety fund~~)) as specified in RCW 46.68.041.

**Sec.**  RCW 46.20.055 and 2021 c 158 s 3 are each amended to read as follows:

(1) **Driver's instruction permit**. The department may issue a driver's instruction permit online or in person with or without a photograph to an applicant who has successfully passed all parts of the examination other than the driving test, provided the information required by RCW 46.20.091, paid an application fee of ((~~twenty-five dollars~~)) $25, and meets the following requirements:

(a) Is at least ((~~fifteen and one-half~~)) 15.5 years of age; or

(b) Is at least ((~~fifteen~~)) 15 years of age and:

(i) Has submitted a proper application; and

(ii) Is enrolled in a driver training education course offered as part of a traffic safety education program authorized by the office of the superintendent of public instruction and certified under chapter 28A.220 RCW or offered by a driver training school licensed and inspected by the department of licensing under chapter 46.82 RCW, that includes practice driving.

(2) **Waiver of written examination for instruction permit**. The department may waive the written examination, if, at the time of application, an applicant is enrolled in a driver training education course or condensed traffic safety education course as defined in RCW 46.82.280 ((~~or 28A.220.020~~)).

The department may require proof of registration in such a course as it deems necessary.

(3) **Effect of instruction permit**. A person holding a driver's instruction permit may drive a motor vehicle, other than a motorcycle, upon the public highways if:

(a) The person has immediate possession of the permit;

(b) The person is not using a wireless communications device, unless the person is using the device to report illegal activity, summon medical or other emergency help, or prevent injury to a person or property; and

(c) A driver training education course instructor who meets the qualifications of chapter 46.82 or 28A.220 RCW, or a licensed driver with at least five years of driving experience, occupies the seat beside the driver.

(4) **Term of instruction permit**. A driver's instruction permit is valid for one year from the date of issue.

(a) The department may issue one additional one-year permit.

(b) The department may issue a third driver's permit if it finds after an investigation that the permittee is diligently seeking to improve driving proficiency.

(c) A person applying for an additional instruction permit must submit the application to the department and pay an application fee of ((~~twenty-five dollars~~)) $25 for each issuance.

**Sec.**  RCW 46.68.041 and 2022 c 182 s 210 are each amended to read as follows:

(1) Except as provided in subsections (2) ((~~and (3)~~)) through (4) of this section, the department 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 must deposit such moneys to the credit of the highway safety fund.

(2) Fifty-six percent of each fee collected by the department under RCW 46.20.311 (1)(e)(ii), (2)(b)(ii), and (3)(b) must be deposited in the impaired driving safety account.

(3) Fifty percent of the revenue from the fees imposed under RCW 46.20.200(2) must be deposited in the move ahead WA flexible account created in RCW 46.68.520.

(4) Beginning October 1, 2023, $7.50 of the fee imposed under RCW 46.20.1201 must be deposited into the driver's education safety improvement account created in section 16 of this act.

NEW SECTION. **Sec.**  A new section is added to chapter 46.20 RCW to read as follows:

The driver's education safety improvement account is created in the state treasury. A portion of the fee imposed under RCW 46.20.1201 must be deposited in the account. The account may also receive a portion of the revenue from traffic infraction fines as designated by the legislature. Moneys in the account may be spent only after appropriation. Expenditures from the account may only be used for the support of driver education programs and activities that primarily serve people under the age of 25, including for efforts to increase young driver access to driver education.

**Sec.**  RCW 43.84.092 and 2022 c 182 s 403 are each 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 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:

(a) 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, 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 climate active transportation account, the climate transit programs 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, 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 services account, the diesel idle reduction account, the drinking water assistance account, the administrative subaccount of the drinking water assistance account, the driver's education safety improvement account, the early learning facilities development account, the early learning 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 fair start for kids account, the ferry bond retirement fund, the fish, wildlife, and conservation account, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the public health services account, the state higher education construction account, the higher education construction account, the higher education retirement plan supplemental benefit fund, the highway bond retirement fund, the highway infrastructure account, the highway safety fund, the hospital safety net assessment fund, the Interstate 405 and state route number 167 express toll lanes account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the limited fish and wildlife account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources stewardship trust account, the medical aid account, the money-purchase retirement savings administrative account, the money-purchase retirement savings principal account, the motor vehicle fund, the motorcycle safety education account, the move ahead WA account, the move ahead WA flexible account, the multimodal transportation account, the multiuse roadway safety account, the municipal criminal justice assistance account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the pilotage account, the pollution liability insurance agency underground storage tank revolving account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account, the public health supplemental account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the Puget Sound Gateway facility account, the Puget Sound taxpayer accountability account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the resource management cost account, the rural arterial trust account, the rural mobility grant program account, the rural Washington loan fund, the sexual assault prevention and response account, the site closure account, the skilled nursing facility safety net trust fund, the small city pavement and sidewalk account, the special category C account, the special wildlife account, the state investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state reclamation revolving account, the state route number 520 civil penalties 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 plan implementation account, the Yakima integrated plan 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, the scientific permanent fund, and the state university permanent fund shall be allocated to their respective beneficiary accounts.

(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.**  RCW 43.84.092 and 2022 c 182 s 404 are each 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 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:

(a) 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 climate active transportation account, the climate transit programs 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, 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 services account, the diesel idle reduction account, the drinking water assistance account, the administrative subaccount of the drinking water assistance account, the driver's education safety improvement account, the early learning facilities development account, the early learning 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 fair start for kids account, the ferry bond retirement fund, the fish, wildlife, and conservation account, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the public health services account, the state higher education construction account, the higher education construction account, the higher education retirement plan supplemental benefit fund, the highway bond retirement fund, the highway infrastructure account, the highway safety fund, the hospital safety net assessment fund, the Interstate 405 and state route number 167 express toll lanes account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the limited fish and wildlife account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources stewardship trust account, the medical aid account, the money-purchase retirement savings administrative account, the money-purchase retirement savings principal account, the motor vehicle fund, the motorcycle safety education account, the move ahead WA account, the move ahead WA flexible account, the multimodal transportation account, the multiuse roadway safety account, the municipal criminal justice assistance account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the pilotage account, the pollution liability insurance agency underground storage tank revolving account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account, the public health supplemental account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations 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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 plan implementation account, the Yakima integrated plan 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, the scientific permanent fund, and the state university permanent fund shall be allocated to their respective beneficiary accounts.

(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.

NEW SECTION. **Sec.**  Section 17 of this act expires July 1, 2024.

NEW SECTION. **Sec.**  Section 18 of this act takes effect July 1, 2024."

Correct the title.

EFFECT: (1) Modifies the effective date for the new driver training education requirement, moving it back six months to July 1, 2025, for people age 18 to 20, and moving it to July 1, 2028, for people age 21 to 24.

(2) Includes completion of a condensed traffic safety course or an online, self-paced condensed traffic safety education course as options to meet the driver training education requirement for people age 18 to 21.

(3) Mandates that DOL provide broad and accessible public outreach and education to communicate to state residents the new driver training education requirements and provide tools to assist them in accessing courses that meet the new requirement, to begin no later than January 1, 2025.

(4) Requires DOL to provide updates on implementation of the new requirements, including data on driver training schools and traffic safety education programs in the state, by January 2, 2024, and January 2, 2025.

(5) Modifies the due date of the first annual report from January 1, 2026, to July 1, 2027, and requires that the report include updates on program implementation, traffic safety impacts, and public feedback.

(6) Authorizes DOL to develop rules to establish alternative pathways to driver training instructor licensing.

(7) Removes the authorization for school districts to offer condensed traffic safety education courses.

(8) Modifies the start date of the driver training education voucher and grant programs established in the bill to July 1, 2025, to correspond to the new date when the driver training education requirements in the bill take effect.

(9) Augments the condition that the driver training education grant program created in the bill be subject to appropriations to add a requirement that program development and implementation activities must be funded.

(10) Removes the requirement that OSPI collaborate with DOL in establishing the driver training education grant program.

(11) Clarifies that students of existing traffic safety education programs in schools are also eligible for the driver training education grant program.

(12) Requires OSPI to include as a condition of grant eligibility agreement by the school district to provide OSPI with the information needed by OSPI to comply with grant program reporting requirements.

(13) States that the legislature encourages educational service districts (ESDs), subject to appropriations, facilitate the coordination between school districts or secondary schools and driver training schools to increase access to driver training education courses by students in the school district.

(14) Requires the Office of Equity, subject to appropriations, to prepare an assessment of opportunities to improve young driver access to driver training education.

(15) Mandates that the Office of Minority and Women's Business Enterprises (OMWBE), subject to appropriations, develop a program to foster the development of women, minority-owned, and veteran-owned licensed driver training schools.

(16) Raises the additional fee for an original and renewal standard driver's licenses, a regular identicard, an enhanced driver's license, and an enhanced identicard by $7.50, and directs the revenue to the driver's education safety improvement account.

(17) Eliminates the additional $12 in fees for a driver's instruction permit and the additional $16 in fees for a new driver's license exam.

(18) Clarifies that expenditures from the driver's education safety improvement account may be used for the support of young driver education program and activities, including for efforts to increase young driver access to driver training education, and removes legislative intent language regarding splitting expenditures from the account evenly between the driver training education voucher and grant programs.