
SENATE BILL 5695

State of Washington

69th Legislature

2025 Regular Session

By Senators Lias, King, and Nobles

Read first time 02/06/25. Referred to Committee on Transportation.

1 AN ACT Relating to improving young driver safety; amending RCW
2 46.20.100, 46.20.181, 46.82.280, 46.20.120, 46.20.055, 46.68.041,
3 46.17.025, 46.68.220, and 46.63.200; reenacting and amending RCW
4 28A.220.020, 43.84.092, and 43.84.092; adding new sections to chapter
5 46.20 RCW; adding new sections to chapter 46.82 RCW; adding a new
6 section to chapter 42.56 RCW; providing effective dates; and
7 providing an expiration date.

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

9 NEW SECTION. **Sec. 1.** A new section is added to chapter 46.20
10 RCW to read as follows:

11 (1)(a) To obtain an initial driver's license under this section,
12 the following persons must, in addition to other skills and
13 examination requirements as prescribed by the department,
14 satisfactorily complete a driver training education course as defined
15 in RCW 28A.220.020, a driver training education course as defined by
16 the department and offered by a driver training school licensed under
17 chapter 46.82 RCW, or an online, self-paced driver training education
18 course as defined by the department:

19 (i) A person at least 18 years of age but under 19 years of age,
20 beginning January 1, 2027;

1 (ii) A person at least 18 years of age but under 20 years of age,
2 beginning January 1, 2028;

3 (iii) A person at least 18 years of age but under 21 years of
4 age, beginning January 1, 2029;

5 (iv) A person at least 18 years of age but under 22 years of age,
6 beginning January 1, 2030;

7 (v) A person at least 18 years of age but under 23 years of age,
8 beginning January 1, 2031;

9 (vi) A person at least 18 years of age but under 24 years of age,
10 beginning January 1, 2032; and

11 (vii) A person at least 18 years of age but under 25 years of
12 age, beginning January 1, 2033.

13 (b) The course offered by a school district or an approved
14 private school must be part of a traffic safety education program
15 authorized by the office of the superintendent of public instruction
16 and certified under chapter 28A.220 RCW. The course offered by a
17 driver training school must meet the standards established by the
18 department under chapter 46.82 RCW. A school district, approved
19 private school, or driver training school may offer the behind-the-
20 wheel instruction portion for up to four hours in a single day, and
21 is encouraged to do so in cases where students must travel long
22 distances to take the course.

23 (c) An online, self-paced driver training education course must
24 meet the standards established by the department under chapter 46.82
25 RCW. Any person 18 through 21 years of age who satisfactorily
26 completes an online, self-paced driver training education course as
27 defined by the department must also complete at least six hours of
28 behind-the-wheel instruction as defined in chapter 46.82 or 28A.220
29 RCW. Any person 22 through 24 years of age who satisfactorily
30 completes an online, self-paced driver training education course as
31 defined by the department must also complete at least three hours of
32 behind-the-wheel instruction as defined in chapter 46.82 or 28A.220
33 RCW.

34 (2)(a) As an alternative to subsection (1) of this section, to
35 obtain a driver's license under this section, the following persons
36 must, in addition to other skills and examination requirements as
37 prescribed by the department, satisfactorily complete a condensed
38 traffic safety education course as defined in RCW 28A.220.020 for a
39 course offered by a school district or approved private school or a
40 condensed traffic safety education course as defined by the

1 department and offered by a driver training school licensed under
2 chapter 46.82 RCW:

3 (i) A person at least 22 years of age but under 23 years of age,
4 beginning January 1, 2031;

5 (ii) A person at least 22 years of age but under 24 years of age,
6 beginning January 1, 2032; and

7 (iii) A person at least 22 years of age but under 25 years of
8 age, beginning January 1, 2033.

9 (b) The course offered by a school district or an approved
10 private school must be part of a traffic safety education program
11 authorized by the office of the superintendent of public instruction
12 and certified under chapter 28A.220 RCW. The course offered by a
13 driver training school must meet the standards established by the
14 department under chapter 46.82 RCW.

15 (3) To meet the traffic safety education requirement for a
16 motorcycle endorsement under this section, the applicant must
17 successfully complete a motorcycle safety education course that meets
18 the standards established by the department.

19 (4)(a) The department may waive the driver training education
20 course requirement for a driver's license under subsection (1) or (2)
21 of this section if the applicant demonstrates to the department's
22 satisfaction that:

23 (i) The applicant was unable to take or complete a driver
24 training education course;

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

27 (iii) The applicant has the ability to operate a motor vehicle in
28 such a manner as not to jeopardize the safety of persons or property.

29 (b) The department may adopt rules to implement this subsection
30 (4) in coordination with the supervisor of the traffic safety
31 education section of the office of the superintendent of public
32 instruction.

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

38 (6) Beginning by January 1, 2026, and annually thereafter until
39 January 1, 2031, the department must report on the implementation of
40 the driver's education requirement under this section, including the

1 readiness of the driver education school system to accommodate
2 additional growth, to the transportation committees of the
3 legislature. No earlier than January 1, 2031, the department may, by
4 rule, pause or delay the requirements under subsection (1) of this
5 section if, upon an internal review, the department finds that there
6 is an insufficient number of driver education and traffic safety
7 education courses or instructors available for the pending age cohort
8 under subsection (1) of this section.

9 **Sec. 2.** RCW 46.20.100 and 2024 c 162 s 2 are each amended to
10 read as follows:

11 (1) **Application.** The application of a person under the age of 18
12 years for a driver's license or a motorcycle endorsement must be
13 signed by a parent, guardian, employer, or responsible adult as
14 defined in RCW 46.20.075.

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

19 (a) To meet the traffic safety education requirement for a
20 driver's license, the applicant must satisfactorily complete a driver
21 training education course as defined in RCW 28A.220.020 for a course
22 offered by a school district or approved private school, (~~or~~) a
23 driver training education course as defined by the department of
24 licensing for a course offered by a driver training school licensed
25 under chapter 46.82 RCW, or, beginning January 1, 2027, an online,
26 self-paced driver training education course as defined by the
27 department. The course offered by a school district or an approved
28 private school must be part of a traffic safety education program
29 authorized by the office of the superintendent of public instruction
30 and certified under chapter 28A.220 RCW. The course offered by a
31 driver training school and the online, self-paced driver training
32 education course must meet the standards established by the
33 department of licensing under chapter 46.82 RCW. A school district,
34 approved private school, or driver training school may offer the
35 behind-the-wheel instruction portion for up to four hours in a single
36 day, and is encouraged to do so in cases where students must travel
37 long distances to take the course. The driver training education
38 course may be provided by:

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

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

7 (b) A person who satisfactorily completes an online, self-paced
8 driver training education course under (a) of this subsection must
9 complete at least six hours of behind-the-wheel instruction as
10 defined in chapter 46.82 or 28A.220 RCW.

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

15 ~~((e))~~ (d) The department may waive the driver training
16 education course requirement for a driver's license if the applicant
17 demonstrates to the department's satisfaction that:

18 (i) ~~((He or she))~~ The applicant was unable to take or complete a
19 driver training education course;

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

22 (iii) ~~((He or she))~~ The applicant has the ability to operate a
23 motor vehicle in such a manner as not to jeopardize the safety of
24 persons or property. The department may adopt rules to implement this
25 subsection (2) ~~((e))~~ (d) in ~~((concert))~~ collaboration with the
26 supervisor of the traffic safety education section of the office of
27 the superintendent of public instruction.

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

34 **Sec. 3.** RCW 46.20.181 and 2021 c 158 s 8 are each amended to
35 read as follows:

36 (1) Except as provided in subsection (4) or (5) of this section,
37 every driver's license expires on the eighth anniversary of the
38 licensee's birthdate following the issuance of the license.

1 (2) A person may renew a license on or before the expiration date
2 by submitting an application as prescribed by the department and
3 paying a fee of (~~seventy-two dollars~~) \$72. This fee includes the
4 fee for the required photograph.

5 (3) A person renewing a driver's license more than (~~sixty~~) 60
6 days after the license has expired shall pay a penalty fee of (~~ten~~
7 ~~dollars~~) \$10 in addition to the renewal fee, unless the license
8 expired when:

9 (a) The person was outside the state and the licensee renews the
10 license within (~~sixty~~) 60 days after returning to this state; or

11 (b) The person was incapacitated and the licensee renews the
12 license within (~~sixty~~) 60 days after the termination of the
13 incapacity.

14 (4) The department may issue or renew a driver's license for a
15 period other than eight years, or may extend by mail or electronic
16 commerce a license that has already been issued. The fee for a
17 driver's license issued or renewed for a period other than eight
18 years, or that has been extended by mail or electronic commerce, is
19 nine dollars for each year that the license is issued, renewed, or
20 extended. The department must offer the option to issue or renew a
21 driver's license for six years in addition to the eight year
22 issuance. The department may adopt any rules as are necessary to
23 carry out this subsection.

24 (5) A driver's license that includes a hazardous materials
25 endorsement under chapter 46.25 RCW may expire on an anniversary of
26 the licensee's birthdate other than the eighth year following
27 issuance or renewal of the license in order to match, as nearly as
28 possible, the validity of certification from the federal
29 transportation security administration that the licensee has been
30 determined not to pose a security risk. The fee for a driver's
31 license issued or renewed for a period other than eight years is
32 (~~nine dollars~~) \$9 for each year that the license is issued or
33 renewed, not including any endorsement fees. The department may
34 adjust the expiration date of a driver's license that has previously
35 been issued to conform to the provisions of this subsection if a
36 hazardous materials endorsement is added to the license subsequent to
37 its issuance. If the validity of the driver's license is extended,
38 the licensee must pay a fee of (~~nine dollars~~) \$9 for each year that
39 the license is extended.

1 (6) The department may require any person who has obtained a
2 driver's license pursuant to section 1 of this act to complete a
3 driver education refresher course, as determined by the department in
4 rule, at the time of the person's first driver's license renewal
5 pursuant to this section. For purposes of this subsection, "refresher
6 course" includes, but is not limited to, a focus on driver risk
7 management and hazard perception.

8 (7) The department may adopt any rules as are necessary to carry
9 out this section.

10 **Sec. 4.** RCW 46.82.280 and 2023 c 445 s 3 are each amended to
11 read as follows:

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

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

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

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

32 (4) "Condensed traffic safety education course" means a course of
33 instruction in traffic safety education, intended for novice drivers
34 between 22 and 25 years of age, approved and licensed by the
35 department that consists of at least eight hours of classroom
36 instruction and three hours of behind-the-wheel instruction that
37 follows the approved curriculum as determined in rule.

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

1 ~~((5))~~ (6) "Driver training education course" means a course of
2 instruction in traffic safety education approved and licensed by the
3 department of licensing that consists of classroom and behind-the-
4 wheel instruction that follows the approved curriculum.

5 ~~((6))~~ (7) "Driver training school" means a commercial driver
6 training school engaged in the business of giving instruction, for a
7 fee, in the operation of automobiles.

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

13 ~~((8))~~ (9) "Fraudulent practices" means any conduct or
14 representation on the part of a driver training school owner or
15 instructor including:

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

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

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

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

34 ~~((9))~~ (10) "Instructor" means any person employed by or
35 otherwise associated with a driver training school to instruct
36 persons in the operation of an automobile.

37 ~~((10))~~ (11) "Owner" means an individual, partnership,
38 corporation, association, or other person or group that holds a
39 substantial interest in a driver training school.

1 (~~(11)~~) (12) "Person" means any individual, firm, corporation,
2 partnership, or association.

3 (~~(12)~~) (13) "Place of business" means a designated location at
4 which the business of a driver training school is transacted or its
5 records are kept.

6 (~~(13)~~) (14) "Student" means any person enrolled in an approved
7 driver training course.

8 (~~(14)~~) (15) "Substantial interest holder" means a person who
9 has actual or potential influence over the management or operation of
10 any driver training school. Evidence of substantial interest
11 includes, but is not limited to, one or more of the following:

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

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

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

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

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

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

28 **Sec. 5.** RCW 28A.220.020 and 2017 c 197 s 2 are each reenacted
29 and amended to read as follows:

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

32 (1) "Appropriate course delivery standards" means the classroom
33 and behind-the-wheel student learning experiences considered
34 acceptable to the superintendent of public instruction under RCW
35 28A.220.030 that must be satisfactorily accomplished by the student
36 in order to successfully complete the driver training education
37 course.

38 (2) "Approved private school" means a private school approved by
39 the board of education under chapter 28A.195 RCW.

1 (3) "Condensed traffic safety education course" means a course of
2 instruction in traffic safety education, intended for novice drivers
3 between 22 and 25 years of age, authorized by the superintendent of
4 public instruction and licensed by the department of licensing that
5 consists of at least eight hours of classroom instruction and three
6 hours of behind-the-wheel instruction that follows the approved
7 curriculum as determined in rule.

8 (4) "Director" means the director of the department of licensing.

9 (~~(4)~~) (5) "Driver training education course" means a course of
10 instruction in traffic safety education (a) offered as part of a
11 traffic safety education program authorized by the superintendent of
12 public instruction and certified by the department of licensing and
13 (b) taught by a qualified teacher of driver training education that
14 consists of classroom and behind-the-wheel instruction using
15 curriculum that meets joint superintendent of public instruction and
16 department of licensing standards and the course requirements
17 established by the superintendent of public instruction under RCW
18 28A.220.030. Behind-the-wheel instruction is characterized by driving
19 experience.

20 (~~(5)~~) (6) "Qualified teacher of driver training education"
21 means an instructor who:

22 (a) Is certificated under chapter 28A.410 RCW and has obtained a
23 traffic safety endorsement or a letter of approval to teach traffic
24 safety education from the superintendent of public instruction or is
25 certificated by the superintendent of public instruction to teach a
26 driver training education course; or

27 (b) Is an instructor provided by a driver training school that
28 has contracted with a school district's or districts' board of
29 directors under RCW 28A.220.030(3) to teach driver education for the
30 school district.

31 (~~(6)~~) (7) "Superintendent" or "state superintendent" means the
32 superintendent of public instruction.

33 (~~(7)~~) (8) "Traffic safety education program" means the
34 administration and provision of driver training education courses
35 offered by secondary schools of a school district or vocational-
36 technical schools that are conducted by such schools in a like manner
37 to their other regular courses.

38 NEW SECTION. Sec. 6. A new section is added to chapter 46.82
39 RCW to read as follows:

1 (1) Subject to the availability of amounts appropriated in the
2 omnibus transportation appropriations act for this specific purpose,
3 the department must establish a program to expand education
4 opportunities for driver training school instructors, specifically
5 certification training programs.

6 (2) As part of the program, the department must:

7 (a) Implement a comprehensive traffic safety education program to
8 train driver training school instructors;

9 (b) Establish mentorship programs and offer specialized grant
10 programs or financial incentives to encourage diversity within the
11 driver training school industry;

12 (c) Collaborate with the office of the superintendent of public
13 instruction to align instructor requirements under the department and
14 office of the superintendent of public instruction rules to
15 streamline the process of obtaining a driver training school
16 instructor certification; and

17 (d) Facilitate partnerships between private driver training
18 schools and high schools, vocational-technical schools, colleges, or
19 universities to enable private driver training school instructors to
20 teach driver training education courses in school facilities. Such
21 courses are not eligible for school credit.

22 (3) The department must submit an annual report to the
23 appropriate committees of the legislature every July 1st, beginning
24 July 1, 2026, detailing program activities. The report due July 1,
25 2030, must also provide a programmatic and funding needs assessment
26 and any recommendations to support the program.

27 NEW SECTION. **Sec. 7.** A new section is added to chapter 46.82
28 RCW to read as follows:

29 (1) Beginning January 1, 2027, and subject to the availability of
30 funds appropriated in the omnibus transportation appropriations act
31 for this specific purpose, the department must establish a program to
32 provide vouchers to cover the average cost of driver training
33 education courses for novice drivers who reside in low-income
34 households, with the goal of assisting as many people as possible
35 with the greatest need, measured both by income and mobility needs
36 otherwise unserved, to access driver training education.

37 (2) In consultation with the Washington traffic safety
38 commission, the department shall adopt rules establishing eligibility

1 criteria and application and award procedures, and any other
2 necessary rules, for implementing this section.

3 (3) An applicant who has previously received financial support to
4 complete a driver training program under RCW 74.13.338(2)(b) or
5 49.04.290 is deemed ineligible for a voucher under this section.

6 (4) A driver training school may not inflate driver training
7 education course costs or fees to offset any voucher amounts provided
8 by school applicants. The department may evaluate such course pricing
9 to determine if costs or fees have been inflated for this purpose.

10 (5) By December 1, 2025, the department, in consultation with the
11 Washington traffic safety commission and the department of social and
12 health services, shall provide to the appropriate committees of the
13 legislature a policy framework and guidelines for the voucher
14 program, to include the following considerations:

15 (a) Targeted demographics, including individuals or families who
16 are cost burdened or eligible to receive funds under economic and
17 community services programs;

18 (b) Consideration of the need for a vehicle by geography, taking
19 into account mobility needs and other mobility options available in a
20 community;

21 (c) An approach to reach young adults over the age of 18,
22 especially for those enrolled in community or technical colleges; and

23 (d) Recommended voucher funding levels for projected or
24 anticipated eligible individuals.

25 (6) Beginning January 1, 2028, the department shall annually
26 report to the transportation committees of the legislature the
27 following:

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

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

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

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

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

35 (f) The community average income of voucher recipients during the
36 reporting period; and

37 (g) The number of eligible applicants who did not receive or
38 could not use a voucher.

39 (7) This section does not create an entitlement to receive
40 voucher program funds.

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

4 NEW SECTION. **Sec. 8.** A new section is added to chapter 42.56
5 RCW to read as follows:

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

10 NEW SECTION. **Sec. 9.** A new section is added to chapter 46.82
11 RCW to read as follows:

12 (1) Beginning July 1, 2026, and subject to the availability of
13 funds appropriated in the omnibus transportation appropriations act
14 for this specific purpose, the department must establish a program to
15 partner with tribal governments to provide young driver education and
16 training in tribal communities.

17 (2) By January 1, 2026, the department must provide to the
18 appropriate committees of the legislature an implementation plan for
19 the program. On a biennial basis beginning July 1, 2027, the
20 department must report to the appropriate committees of the
21 legislature on program activities.

22 **Sec. 10.** RCW 46.20.120 and 2021 c 158 s 6 are each amended to
23 read as follows:

24 An applicant for a new or renewed driver's license must
25 successfully pass a driver licensing examination to qualify for a
26 driver's license. The department must ensure that examinations are
27 given at places and times reasonably available to the people of this
28 state. If the department does not administer driver licensing
29 examinations as a routine part of its licensing services within a
30 department region because adequate testing sites are provided by
31 driver training schools or school districts within that region, the
32 department shall, at a minimum, administer driver licensing
33 examinations by appointment to applicants (~~(eighteen)~~) 18 years of
34 age and older in at least one licensing office within that region.

35 (1) **Waiver.** The department may waive:

36 (a) All or any part of the examination of any person applying for
37 the renewal of a driver's license unless the department determines

1 that the applicant is not qualified to hold a driver's license under
2 this title; or

3 (b) All or any part of the examination involving operating a
4 motor vehicle if the applicant:

5 (i) Surrenders a valid driver's license issued by the person's
6 previous home state; or

7 (ii) Provides for verification a valid driver's license issued by
8 a foreign driver licensing jurisdiction with which the department has
9 an informal agreement under RCW 46.20.125; and

10 (iii) Is otherwise qualified to be licensed.

11 (2) **Fee.** (~~Each~~) Prior to January 1, 2026, each applicant for a
12 new license must pay an examination fee of (~~thirty-five dollars~~)
13 \$35. On or after January 1, 2026, each applicant for a new license
14 must pay an examination fee of \$50.

15 (a) The examination fee is in addition to the fee charged for
16 issuance of the license.

17 (b) "New license" means a license issued to a driver:

18 (i) Who has not been previously licensed in this state; or

19 (ii) Whose last previous Washington license has been expired for
20 more than eight years.

21 (3) An application for driver's license renewal may be submitted
22 by means of:

23 (a) Personal appearance before the department;

24 (b) Mail or electronic commerce, if permitted by rule of the
25 department and if the applicant did not renew the license by mail or
26 by electronic commerce when it last expired; or

27 (c) From January 1, 2022, to June 30, 2024, electronic commerce,
28 if permitted by rule of the department.

29 (4) A person whose license expired or will expire while the
30 licensee is living outside the state, may:

31 (a) Apply to the department to extend the validity of the license
32 for no more than (~~twelve~~) 12 months. If the person establishes to
33 the department's satisfaction that the licensee is unable to return
34 to Washington before the date the license expires, the department
35 shall extend the person's license. The department may grant
36 consecutive extensions, but in no event may the cumulative total of
37 extensions exceed (~~twelve~~) 12 months. An extension granted under
38 this section does not change the expiration date of the license for
39 purposes of RCW 46.20.181. The department shall charge a fee of
40 (~~five dollars~~) \$5 for each license extension;

1 (b) Apply to the department to renew the license by mail or, if
2 permitted by rule of the department, by electronic commerce even if
3 subsection (3)(b) of this section would not otherwise allow renewal
4 by that means. If the person establishes to the department's
5 satisfaction that the licensee is unable to return to Washington
6 within (~~twelve~~) 12 months of the date that the license expires, the
7 department shall renew the person's license by mail or, if permitted
8 by rule of the department, by electronic commerce.

9 (5)(a) If a qualified person submits an application for renewal
10 under subsection (3)(b) or (c) or (4)(b) of this section, the
11 applicant is not required to pass an examination and only needs to
12 provide an updated photograph:

13 (i) At least every 16 years, except that persons under 30 must
14 provide an updated photograph every eight years; and

15 (ii) Beginning January 1, 2023, persons renewing through
16 electronic commerce must provide an updated photograph in a form and
17 manner approved by the department with each renewal unless they are
18 unable to provide a photograph that meets the department's
19 requirements and the most recent photograph on file with the
20 department is not more than 10 years old at the time of renewal.

21 (b) A license renewed by mail or by electronic commerce that does
22 not include a photograph of the licensee must be labeled "not valid
23 for identification purposes."

24 (6) Driver training schools licensed by the department under
25 chapter 46.82 RCW may administer the portions of the driver licensing
26 examination that test the applicant's knowledge of traffic laws and
27 ability to safely operate a motor vehicle.

28 (7) School districts that offer a traffic safety education
29 program under chapter 28A.220 RCW may administer the portions of the
30 driver licensing examination that test the applicant's knowledge of
31 traffic laws and ability to safely operate a motor vehicle.

32 **Sec. 11.** RCW 46.20.055 and 2021 c 158 s 3 are each amended to
33 read as follows:

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

1 ~~dollars~~) \$25 prior to January 1, 2026, and \$35 on or after January
2 1, 2026, and meets the following requirements:

- 3 (a) Is at least (~~fifteen and one-half~~) 15.5 years of age; or
4 (b) Is at least (~~fifteen~~) 15 years of age and:
5 (i) Has submitted a proper application; and
6 (ii) Is enrolled in a driver training education course offered as
7 part of a traffic safety education program authorized by the office
8 of the superintendent of public instruction and certified under
9 chapter 28A.220 RCW or offered by a driver training school licensed
10 and inspected by the department of licensing under chapter 46.82 RCW,
11 that includes practice driving.

12 (2) **Waiver of written examination for instruction permit.** The
13 department may waive the written examination, if, at the time of
14 application, an applicant is enrolled in a driver training education
15 course or condensed traffic safety education course as defined in RCW
16 46.82.280 or 28A.220.020.

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

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

- 22 (a) The person has immediate possession of the permit;
23 (b) The person is not using a wireless communications device,
24 unless the person is using the device to report illegal activity,
25 summon medical or other emergency help, or prevent injury to a person
26 or property; and

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

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

- 33 (a) The department may issue one additional one-year permit.
34 (b) The department may issue a third driver's instruction permit
35 if it finds after an investigation that the permittee is diligently
36 seeking to improve driving proficiency.

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

1 **Sec. 12.** RCW 46.68.041 and 2022 c 182 s 210 are each amended to
2 read as follows:

3 (1) Except as provided in subsections (2) (~~(and (3))~~) through (4)
4 of this section, the department must forward all funds accruing under
5 the provisions of chapter 46.20 RCW together with a proper
6 identifying, detailed report to the state treasurer who must deposit
7 such moneys to the credit of the highway safety fund.

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

11 (3) Fifty percent of the revenue from the fees imposed under RCW
12 46.20.200(2) must be deposited in the move ahead WA flexible account
13 created in RCW 46.68.520.

14 (4)(a) Beginning January 1, 2026, \$15 of the driver's examination
15 fee imposed under RCW 46.20.120(2) must be deposited into the driver
16 education safety improvement account created in section 16 of this
17 act.

18 (b) Beginning January 1, 2026, \$10 of the driver's instruction
19 permit application fee imposed under RCW 46.20.055(1) must be
20 deposited into the driver education safety improvement account
21 created in section 16 of this act.

22 **Sec. 13.** RCW 46.17.025 and 2023 c 431 s 3 are each amended to
23 read as follows:

24 (1) A person who applies for a vehicle registration or for any
25 other right to operate a vehicle on the highways of this state shall
26 pay a (~~50~~) 75 cent license service fee in addition to any other
27 fees and taxes required by law. (~~The~~) Except as provided in
28 subsection (3) of this section, the license service fee must be
29 distributed under RCW 46.68.220.

30 (2) A vehicle registered under RCW 46.16A.455 or 46.17.330 is not
31 subject to the license service fee, except for a vehicle subject to
32 the fee under RCW 46.17.355.

33 (~~The~~) (a) Two-thirds of the revenue generated from
34 subsection (2) of this section must be deposited in the move ahead WA
35 account created in RCW 46.68.510.

36 (b) One-third of the revenue generated from subsections (1) and
37 (2) of this section must be deposited into the driver education
38 safety improvement account created in section 16 of this act.

1 **Sec. 14.** RCW 46.68.220 and 2011 c 367 s 719 are each amended to
2 read as follows:

3 The department of licensing services account is created in the
4 motor vehicle fund. ~~((All))~~ Except as provided in RCW 46.17.025, all
5 receipts from service fees received under RCW 46.17.025 must be
6 deposited into the account. Moneys in the account may be spent only
7 after appropriation. Expenditures from the account may be used only
8 for:

- 9 (1) Information and service delivery systems for the department;
- 10 (2) Reimbursement of county licensing activities; and
- 11 (3) County auditor or other agent and subagent support including,
12 but not limited to, the replacement of department-owned equipment in
13 the possession of county auditors or other agents and subagents
14 appointed by the director. ~~((During the 2011-2013 fiscal biennium,
15 the legislature may transfer from the department of licensing
16 services account such amounts as reflect the excess fund balance of
17 the account.))~~

18 **Sec. 15.** RCW 46.63.200 and 2024 c 308 s 4 are each amended to
19 read as follows:

20 (1) This section applies to the use of speed safety camera
21 systems in state highway work zones.

22 (2) Nothing in this section prohibits a law enforcement officer
23 from issuing a notice of infraction to a person in control of a
24 vehicle at the time a violation occurs under RCW 46.63.030(1) (a),
25 (b), or (c).

26 (3)(a) The department of transportation is responsible for all
27 actions related to the operation and administration of speed safety
28 camera systems in state highway work zones including, but not limited
29 to, the procurement and administration of contracts necessary for the
30 implementation of speed safety camera systems, the mailing of notices
31 of infraction, and the development and maintenance of a public-facing
32 website for the purpose of educating the traveling public about the
33 use of speed safety camera systems in state highway work zones. Prior
34 to the use of a speed safety camera system to capture a violation
35 established in this section for enforcement purposes, the department
36 of transportation, in consultation with the Washington state patrol,
37 department of licensing, office of administrative hearings,
38 Washington traffic safety commission, and other organizations

1 committed to protecting civil rights, must adopt rules addressing
2 such actions and take all necessary steps to implement this section.

3 (b) The Washington state patrol is responsible for all actions
4 related to the enforcement and adjudication of speed violations under
5 this section including, but not limited to, notice of infraction
6 verification and issuance authorization, and determining which types
7 of emergency vehicles are exempt from being issued notices of
8 infraction under this section. Prior to the use of a speed safety
9 camera system to capture a violation established in this section for
10 enforcement purposes, the Washington state patrol, in consultation
11 with the department of transportation, department of licensing,
12 office of administrative hearings, Washington traffic safety
13 commission, and other organizations committed to protecting civil
14 rights, must adopt rules addressing such actions and take all
15 necessary steps to implement this section.

16 (c) When establishing rules under this subsection (3), the
17 department of transportation and the Washington state patrol may also
18 consult with other public and private agencies that have an interest
19 in the use of speed safety camera systems in state highway work
20 zones.

21 (4) (a) No person may drive a vehicle in a state highway work zone
22 at a speed greater than that allowed by traffic control devices.

23 (b) A notice of infraction may only be issued under this section
24 if a speed safety camera system captures a speed violation in a state
25 highway work zone when workers are present.

26 (5) The penalty for a speed safety camera system violation is:
27 (a) \$0 for the first violation; and (b) \$248 for the second
28 violation, and for each violation thereafter.

29 (6) During the 30-day period after the first speed safety camera
30 system is put in place, the department is required to conduct a
31 public awareness campaign to inform the public of the use of speed
32 safety camera systems in state highway work zones.

33 (7) (a) A notice of infraction issued under this section may be
34 mailed to the registered owner of the vehicle within 30 days of the
35 violation, or to the renter of a vehicle within 30 days of
36 establishing the renter's name and address. The law enforcement
37 officer issuing the notice of infraction shall include with it a
38 certificate or facsimile thereof, based upon inspection of
39 photographs, microphotographs, or electronic images produced by a
40 speed safety camera stating the facts supporting the notice of

1 infraction. This certificate or facsimile is prima facie evidence of
2 the facts contained in it and is admissible in a proceeding charging
3 a violation under this section. The photographs, microphotographs, or
4 electronic images evidencing the violation must be available for
5 inspection and admission into evidence in a proceeding to adjudicate
6 the liability for the violation.

7 (b) A notice of infraction represents a determination that an
8 infraction has been committed, and the determination will be final
9 unless contested as provided under this section.

10 (c) A person receiving a notice of infraction based on evidence
11 detected by a speed safety camera system must, within 30 days of
12 receiving the notice of infraction: (i) Except for a first violation
13 under subsection (5)(a) of this section, remit payment in the amount
14 of the penalty assessed for the violation; (ii) contest the
15 determination that the infraction occurred by following the
16 instructions on the notice of infraction; or (iii) admit to the
17 infraction but request a hearing to explain mitigating circumstances
18 surrounding the infraction.

19 (d) If a person fails to respond to a notice of infraction, a
20 final order shall be entered finding that the person committed the
21 infraction and assessing monetary penalties required under subsection
22 (5)(b) of this section.

23 (e) If a person contests the determination that the infraction
24 occurred or requests a mitigation hearing, the notice of infraction
25 shall be referred to the office of administrative hearings for
26 adjudication consistent with chapter 34.05 RCW.

27 (f) At a hearing to contest an infraction, the agency issuing the
28 infraction has the burden of proving, by a preponderance of the
29 evidence, that the infraction was committed.

30 (g) A person may request a payment plan at any time for the
31 payment of any penalty or other monetary obligation associated with
32 an infraction under this section. The agency issuing the infraction
33 shall provide information about how to submit evidence of inability
34 to pay, how to obtain a payment plan, and that failure to pay or
35 enter into a payment plan may result in collection action or
36 nonrenewal of the vehicle registration. The office of administrative
37 hearings may authorize a payment plan if it determines that a person
38 is not able to pay the monetary obligation, and it may modify a
39 payment plan at any time.

1 (8) (a) Speed safety camera systems may only take photographs,
2 microphotographs, or electronic images of the vehicle and vehicle
3 license plate and only while a speed violation is occurring. The
4 photograph, microphotograph, or electronic image must not reveal the
5 face of the driver or any passengers in the vehicle. The department
6 of transportation shall consider installing speed safety camera
7 systems in a manner that minimizes the impact of camera flash on
8 drivers.

9 (b) The registered owner of a vehicle is responsible for a
10 traffic infraction under RCW 46.63.030 unless the registered owner
11 overcomes the presumption in RCW 46.63.075 or, in the case of a
12 rental car business, satisfies the conditions under (f) of this
13 subsection. If appropriate under the circumstances, a renter
14 identified under (f)(i) of this subsection is responsible for the
15 traffic infraction.

16 (c) Notwithstanding any other provision of law, all photographs,
17 microphotographs, or electronic images, or any other personally
18 identifying data prepared under this section are for the exclusive
19 use of the Washington state patrol and department of transportation
20 in the discharge of duties under this section and are not open to the
21 public and may not be used in court in a pending action or proceeding
22 unless the action or proceeding relates to a speed violation under
23 this section. This data may be used in administrative appeal
24 proceedings relative to a violation under this section.

25 (d) All locations where speed safety camera systems are used must
26 be clearly marked before activation of the camera system by placing
27 signs in locations that clearly indicate to a driver that they are
28 entering a state highway work zone where posted speed limits are
29 monitored by a speed safety camera system. Additionally, where
30 feasible and constructive, radar speed feedback signs will be placed
31 in advance of the speed safety camera system to assist drivers in
32 complying with posted speed limits. Signs placed in these locations
33 must follow the specifications and guidelines under the manual of
34 uniform traffic control devices for streets and highways as adopted
35 by the department of transportation under chapter 47.36 RCW.

36 (e) Imposition of a penalty for a speed violation detected
37 through the use of speed safety camera systems shall not be deemed a
38 conviction as defined in RCW 46.25.010, and shall not be part of the
39 registered owner's driving record under RCW 46.52.101 and 46.52.120.
40 Additionally, infractions generated by the use of speed safety camera

1 systems under this section shall be processed in the same manner as
2 parking infractions, including for the purposes of RCW 46.16A.120 and
3 46.20.270(2).

4 (f) If the registered owner of the vehicle is a rental car
5 business, the department of transportation shall, before a notice of
6 infraction may be issued under this section, provide a written notice
7 to the rental car business that a notice of infraction may be issued
8 to the rental car business if the rental car business does not,
9 within 30 days of receiving the written notice, provide to the
10 issuing agency by return mail:

11 (i)(A) A statement under oath stating the name and known mailing
12 address of the individual driving or renting the vehicle when the
13 speed violation occurred;

14 (B) A statement under oath that the business is unable to
15 determine who was driving or renting the vehicle at the time the
16 speed violation occurred because the vehicle was stolen at the time
17 of the violation. A statement provided under this subsection
18 (8)(f)(i)(B) must be accompanied by a copy of a filed police report
19 regarding the vehicle theft; or

20 (C) In lieu of identifying the vehicle operator, payment of the
21 applicable penalty.

22 (ii) Timely mailing of a statement to the department of
23 transportation relieves a rental car business of any liability under
24 this chapter for the notice of infraction.

25 (9) Revenue generated from the deployment of speed safety camera
26 systems must be deposited into the highway safety fund and first used
27 exclusively for the operating and administrative costs under this
28 section. The operation of speed safety camera systems is intended to
29 increase safety in state highway work zones by changing driver
30 behavior. ~~((Consequently, any))~~ Any revenue generated that exceeds
31 the operating and administrative costs under this section must be
32 ~~((distributed for the purpose of traffic safety including, but not
33 limited to, driver training education and local DUI emphasis
34 patrols))~~ transferred to the driver education safety improvement
35 account created in section 16 of this act as designated in the
36 omnibus transportation appropriations act.

37 (10) The Washington state patrol and department of
38 transportation, in collaboration with the Washington traffic safety
39 commission, must report to the transportation committees of the
40 legislature by July 1, 2025, and biennially thereafter, on the data

1 and efficacy of speed safety camera system use in state highway work
2 zones. The final report due on July 1, 2029, must include a
3 recommendation on whether or not to continue such speed safety camera
4 system use beyond June 30, 2030.

5 (11) For the purposes of this section:

6 (a) "Speed safety camera system" means employing the use of speed
7 measuring devices and cameras synchronized to automatically record
8 one or more sequenced photographs, microphotographs, or other
9 electronic images of a motor vehicle that exceeds a posted state
10 highway work zone speed limit as detected by the speed measuring
11 devices.

12 (b) "State highway work zone" means an area of any highway with
13 construction, maintenance, utility work, or incident response
14 activities authorized by the department of transportation. A state
15 highway work zone is identified by the placement of temporary traffic
16 control devices that may include signs, channelizing devices,
17 barriers, pavement markings, and/or work vehicles with warning
18 lights. It extends from the first warning sign or high intensity
19 rotating, flashing, oscillating, or strobe lights on a vehicle to the
20 end road work sign or the last temporary traffic control device or
21 vehicle.

22 (12) This section expires June 30, 2030.

23 NEW SECTION. **Sec. 16.** A new section is added to chapter 46.20
24 RCW to read as follows:

25 The driver education safety improvement account is created in the
26 state treasury. The portion of the driver's examination fee
27 prescribed under RCW 46.68.041(4)(a), the portion of the driver's
28 instruction permit application fee prescribed under RCW
29 46.68.041(4)(b), and the portion of the license service fee
30 prescribed under RCW 46.17.025 must be deposited in the account. The
31 account may also receive a portion of the revenue from traffic
32 infraction fines as described under RCW 46.63.200(9) and the portion
33 of the LeMay-America's car museum special license plate fee revenue
34 as designated in chapter . . ., Laws of 2025 (Senate Bill No. 5444)
35 or chapter . . ., Laws of 2025 (House Bill No. 1368). Moneys in the
36 account may be spent only after appropriation. Expenditures from the
37 account may only be used for expanding and improving driver's
38 education programs and activities including, but not limited to, the
39 driver training school instructor education opportunities program

1 established in section 6 of this act, the driver training education
2 course voucher program established in section 7 of this act, and the
3 tribal partnership program established in section 9 of this act.

4 **Sec. 17.** RCW 43.84.092 and 2024 c 210 s 4 and 2024 c 168 s 12
5 are each reenacted and amended to read as follows:

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

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

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

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

38 (a) The following accounts and funds shall receive their
39 proportionate share of earnings based upon each account's and fund's

1 average daily balance for the period: The abandoned recreational
2 vehicle disposal account, the aeronautics account, the Alaskan Way
3 viaduct replacement project account, the ambulance transport fund,
4 the budget stabilization account, the capital vessel replacement
5 account, the capitol building construction account, the Central
6 Washington University capital projects account, the charitable,
7 educational, penal and reformatory institutions account, the Chehalis
8 basin account, the Chehalis basin taxable account, the clean fuels
9 credit account, the clean fuels transportation investment account,
10 the cleanup settlement account, the climate active transportation
11 account, the climate transit programs account, the Columbia river
12 basin water supply development account, the Columbia river basin
13 taxable bond water supply development account, the Columbia river
14 basin water supply revenue recovery account, the common school
15 construction fund, the community forest trust account, the connecting
16 Washington account, the county arterial preservation account, the
17 county criminal justice assistance account, the covenant
18 homeownership account, the deferred compensation administrative
19 account, the deferred compensation principal account, the department
20 of licensing services account, the department of retirement systems
21 expense account, the developmental disabilities community services
22 account, the diesel idle reduction account, the opioid abatement
23 settlement account, the drinking water assistance account, the
24 administrative subaccount of the drinking water assistance account,
25 the driver education safety improvement account, the early learning
26 facilities development account, the early learning facilities
27 revolving account, the Eastern Washington University capital projects
28 account, the education construction fund, the education legacy trust
29 account, the election account, the electric vehicle account, the
30 energy freedom account, the energy recovery act account, the
31 essential rail assistance account, The Evergreen State College
32 capital projects account, the fair start for kids account, the family
33 medicine workforce development account, the ferry bond retirement
34 fund, the fish, wildlife, and conservation account, the freight
35 mobility investment account, the freight mobility multimodal account,
36 the grade crossing protective fund, the higher education retirement
37 plan supplemental benefit fund, the Washington student loan account,
38 the highway bond retirement fund, the highway infrastructure account,
39 the highway safety fund, the hospital safety net assessment fund, the
40 Interstate 5 bridge replacement project account, the Interstate 405

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

1 tobacco prevention and control account, the tobacco settlement
2 account, the toll facility bond retirement account, the
3 transportation 2003 account (nickel account), the transportation
4 equipment fund, the JUDY transportation future funding program
5 account, the transportation improvement account, the transportation
6 improvement board bond retirement account, the transportation
7 infrastructure account, the transportation partnership account, the
8 traumatic brain injury account, the tribal opioid prevention and
9 treatment account, the University of Washington bond retirement fund,
10 the University of Washington building account, the voluntary cleanup
11 account, the volunteer firefighters' relief and pension principal
12 fund, the volunteer firefighters' and reserve officers'
13 administrative fund, the vulnerable roadway user education account,
14 the Washington judicial retirement system account, the Washington law
15 enforcement officers' and firefighters' system plan 1 retirement
16 account, the Washington law enforcement officers' and firefighters'
17 system plan 2 retirement account, the Washington public safety
18 employees' plan 2 retirement account, the Washington school
19 employees' retirement system combined plan 2 and 3 account, the
20 Washington state patrol retirement account, the Washington State
21 University building account, the Washington State University bond
22 retirement fund, the water pollution control revolving administration
23 account, the water pollution control revolving fund, the Western
24 Washington University capital projects account, the Yakima integrated
25 plan implementation account, the Yakima integrated plan
26 implementation revenue recovery account, and the Yakima integrated
27 plan implementation taxable bond account. Earnings derived from
28 investing balances of the agricultural permanent fund, the normal
29 school permanent fund, the permanent common school fund, the
30 scientific permanent fund, and the state university permanent fund
31 shall be allocated to their respective beneficiary accounts.

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

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

1 **Sec. 18.** RCW 43.84.092 and 2024 c 210 s 5 and 2024 c 168 s 13
2 are each reenacted and amended to read as follows:

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

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

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

31 (4) Monthly, the state treasurer shall distribute the earnings
32 credited to the treasury income account. The state treasurer shall
33 credit the general fund with all the earnings credited to the
34 treasury income account except:

35 (a) The following accounts and funds shall receive their
36 proportionate share of earnings based upon each account's and fund's
37 average daily balance for the period: The abandoned recreational
38 vehicle disposal account, the aeronautics account, the Alaskan Way
39 viaduct replacement project account, the budget stabilization
40 account, the capital vessel replacement account, the capitol building

1 construction account, the Central Washington University capital
2 projects account, the charitable, educational, penal and reformatory
3 institutions account, the Chehalis basin account, the Chehalis basin
4 taxable account, the clean fuels credit account, the clean fuels
5 transportation investment account, the cleanup settlement account,
6 the climate active transportation account, the climate transit
7 programs account, the Columbia river basin water supply development
8 account, the Columbia river basin taxable bond water supply
9 development account, the Columbia river basin water supply revenue
10 recovery account, the common school construction fund, the community
11 forest trust account, the connecting Washington account, the county
12 arterial preservation account, the county criminal justice assistance
13 account, the covenant homeownership account, the deferred
14 compensation administrative account, the deferred compensation
15 principal account, the department of licensing services account, the
16 department of retirement systems expense account, the developmental
17 disabilities community services account, the diesel idle reduction
18 account, the opioid abatement settlement account, the drinking water
19 assistance account, the administrative subaccount of the drinking
20 water assistance account, the driver education safety improvement
21 account, the early learning facilities development account, the early
22 learning facilities revolving account, the Eastern Washington
23 University capital projects account, the education construction fund,
24 the education legacy trust account, the election account, the
25 electric vehicle account, the energy freedom account, the energy
26 recovery act account, the essential rail assistance account, The
27 Evergreen State College capital projects account, the fair start for
28 kids account, the family medicine workforce development account, the
29 ferry bond retirement fund, the fish, wildlife, and conservation
30 account, the freight mobility investment account, the freight
31 mobility multimodal account, the grade crossing protective fund, the
32 higher education retirement plan supplemental benefit fund, the
33 Washington student loan account, the highway bond retirement fund,
34 the highway infrastructure account, the highway safety fund, the
35 hospital safety net assessment fund, the Interstate 5 bridge
36 replacement project account, the Interstate 405 and state route
37 number 167 express toll lanes account, the judges' retirement
38 account, the judicial retirement administrative account, the judicial
39 retirement principal account, the limited fish and wildlife account,
40 the local leasehold excise tax account, the local real estate excise

1 tax account, the local sales and use tax account, the marine
2 resources stewardship trust account, the medical aid account, the
3 money-purchase retirement savings administrative account, the money-
4 purchase retirement savings principal account, the motor vehicle
5 fund, the motorcycle safety education account, the move ahead WA
6 account, the move ahead WA flexible account, the multimodal
7 transportation account, the multiuse roadway safety account, the
8 municipal criminal justice assistance account, the oyster reserve
9 land account, the pension funding stabilization account, the
10 perpetual surveillance and maintenance account, the pilotage account,
11 the pollution liability insurance agency underground storage tank
12 revolving account, the public employees' retirement system plan 1
13 account, the public employees' retirement system combined plan 2 and
14 plan 3 account, the public facilities construction loan revolving
15 account, the public health supplemental account, the public works
16 assistance account, the Puget Sound capital construction account, the
17 Puget Sound ferry operations account, the Puget Sound Gateway
18 facility account, the Puget Sound taxpayer accountability account,
19 the real estate appraiser commission account, the recreational
20 vehicle account, the regional mobility grant program account, the
21 reserve officers' relief and pension principal fund, the resource
22 management cost account, the rural arterial trust account, the rural
23 mobility grant program account, the rural Washington loan fund, the
24 second injury fund, the sexual assault prevention and response
25 account, the site closure account, the skilled nursing facility
26 safety net trust fund, the small city pavement and sidewalk account,
27 the special category C account, the special wildlife account, the
28 state hazard mitigation revolving loan account, the state investment
29 board expense account, the state investment board commingled trust
30 fund accounts, the state patrol highway account, the state
31 reclamation revolving account, the state route number 520 civil
32 penalties account, the state route number 520 corridor account, the
33 statewide broadband account, the statewide tourism marketing account,
34 the supplemental pension account, the Tacoma Narrows toll bridge
35 account, the teachers' retirement system plan 1 account, the
36 teachers' retirement system combined plan 2 and plan 3 account, the
37 tobacco prevention and control account, the tobacco settlement
38 account, the toll facility bond retirement account, the
39 transportation 2003 account (nickel account), the transportation
40 equipment fund, the JUDY transportation future funding program

1 account, the transportation improvement account, the transportation
2 improvement board bond retirement account, the transportation
3 infrastructure account, the transportation partnership account, the
4 traumatic brain injury account, the tribal opioid prevention and
5 treatment account, the University of Washington bond retirement fund,
6 the University of Washington building account, the voluntary cleanup
7 account, the volunteer firefighters' relief and pension principal
8 fund, the volunteer firefighters' and reserve officers'
9 administrative fund, the vulnerable roadway user education account,
10 the Washington judicial retirement system account, the Washington law
11 enforcement officers' and firefighters' system plan 1 retirement
12 account, the Washington law enforcement officers' and firefighters'
13 system plan 2 retirement account, the Washington public safety
14 employees' plan 2 retirement account, the Washington school
15 employees' retirement system combined plan 2 and 3 account, the
16 Washington state patrol retirement account, the Washington State
17 University building account, the Washington State University bond
18 retirement fund, the water pollution control revolving administration
19 account, the water pollution control revolving fund, the Western
20 Washington University capital projects account, the Yakima integrated
21 plan implementation account, the Yakima integrated plan
22 implementation revenue recovery account, and the Yakima integrated
23 plan implementation taxable bond account. Earnings derived from
24 investing balances of the agricultural permanent fund, the normal
25 school permanent fund, the permanent common school fund, the
26 scientific permanent fund, and the state university permanent fund
27 shall be allocated to their respective beneficiary accounts.

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

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

37 NEW SECTION. **Sec. 19.** Sections 13 and 14 of this act take
38 effect January 1, 2026.

1 NEW SECTION. **Sec. 20.** Section 17 of this act expires July 1,
2 2028.

3 NEW SECTION. **Sec. 21.** Section 18 of this act takes effect July
4 1, 2028.

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