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**HOUSE BILL 1878**

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**State of Washington**

**69th Legislature**

**2025 Regular Session**

**By** Representative Donaghy

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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