
SENATE BILL 5920

State of Washington

63rd Legislature

2013 Regular Session

By Senators Eide and Conway

Read first time 04/22/13. Referred to Committee on Transportation.

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

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

13 **MOTOR VEHICLE AND SPECIAL FUEL TAXES**

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

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

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

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

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

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

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

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

26 (8) Beginning July 1, 2014, an additional and cumulative motor
27 vehicle fuel tax rate of two cents per gallon on motor vehicle fuel
28 shall be imposed on motor vehicle fuel licensees, other than motor
29 vehicle fuel distributors.

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

34 (10) Beginning July 1, 2016, an additional and cumulative motor
35 vehicle fuel tax rate of one cent per gallon on motor vehicle fuel
36 shall be imposed on motor vehicle fuel licensees, other than motor
37 vehicle fuel distributors.

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

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

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

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

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

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

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

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

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

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

11 (10) Beginning July 1, 2016, an additional and cumulative tax rate
12 of one cent per gallon of special fuel, or each one hundred cubic feet
13 of compressed natural gas, measured at standard pressure and
14 temperature shall be imposed on special fuel licensees, other than
15 special fuel distributors.

16 (11) Taxes are imposed when:

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

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

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

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

30 (c) Special fuel enters into this state for sale, consumption, use,
31 or storage, unless the fuel enters this state for direct delivery to an
32 international fuel tax agreement licensee under RCW 82.38.320, if
33 either of the following applies:

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

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

37 (d) Special fuel is sold or removed in this state to an unlicensed

1 entity unless there was a prior taxable removal, entry, or sale of the
2 special fuel;

3 (e) Blended special fuel is removed or sold in this state by the
4 blender of the fuel. The number of gallons of blended special fuel
5 subject to tax is the difference between the total number of gallons of
6 blended special fuel removed or sold and the number of gallons of
7 previously taxed special fuel used to produce the blended special fuel;

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

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

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

15 (i) Special fuel is sold by a licensed special fuel supplier to a
16 special fuel distributor, special fuel importer, or special fuel
17 blender and the special fuel is not removed from the bulk transfer-
18 terminal system.

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

21 (1) All moneys that have accrued or may accrue to the motor vehicle
22 fund from the motor vehicle fuel tax and special fuel tax shall be
23 first expended for purposes enumerated in (a) and (b) of this
24 subsection. The remaining net tax amount shall be distributed monthly
25 by the state treasurer in accordance with subsections (2) through
26 (~~((7))~~) (8) of this section.

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

29 (b) For payment of amounts to be expended pursuant to
30 appropriations for the administrative expenses of the offices of state
31 treasurer, state auditor, and the department of licensing of the state
32 of Washington in the administration of the motor vehicle fuel tax and
33 the special fuel tax, which sums shall be distributed monthly.

34 (2) All of the remaining net tax amount collected under RCW
35 82.36.025(1) and 82.38.030(1) shall be distributed as set forth in (a)
36 through (j) of this subsection.

1 (a) For distribution to the motor vehicle fund an amount equal to
2 44.387 percent to be expended for highway purposes of the state as
3 defined in RCW 46.68.130;

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

9 The following criteria, listed in order of priority, shall be used
10 in determining which special category C projects have the highest
11 priority:

12 (i) Accident experience;

13 (ii) Fatal accident experience;

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

16 (iv) Continuity of development of the highway transportation
17 network.

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

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

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

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

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

31 (g) For distribution to the cities and towns from the motor vehicle
32 fund an amount equal to 10.6961 percent in accordance with RCW
33 46.68.110;

34 (h) For distribution to the counties from the motor vehicle fund an
35 amount equal to 19.2287 percent: (i) Out of which there shall be
36 distributed from time to time, as directed by the department of
37 transportation, those sums as may be necessary to carry out the
38 provisions of RCW 47.56.725; and (ii) less any amounts appropriated to

1 the county road administration board to implement the provisions of RCW
2 47.56.725(4), with the balance of such county share to be distributed
3 monthly as the same accrues for distribution in accordance with RCW
4 46.68.120;

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

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

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

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

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

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

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

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

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

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

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

37 (6) The remaining net tax amount collected under RCW 82.36.025 (5)

1 and (6) and 82.38.030 (5) and (6) shall be distributed to the
2 transportation partnership account created in RCW 46.68.290.

3 (7) The remaining net tax amount collected under RCW 82.36.025 (7),
4 (8), (9), and (10) and 82.38.030 (7), (8), (9), and (10) shall be
5 distributed as follows:

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

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

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

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

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

14 (8) Nothing in this section or in RCW 46.68.130 may be construed so
15 as to violate any terms or conditions contained in any highway
16 construction bond issues now or hereafter authorized by statute and
17 whose payment is by such statute pledged to be paid from any excise
18 taxes on motor vehicle fuel and special fuels.

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

21 The connecting Washington account is created in the motor vehicle
22 fund. All receipts from RCW 46.68.090(7)(e) and section 305 (1) and
23 (2)(c) of this act must be deposited into the account. Moneys in the
24 account may be spent only after appropriation. Expenditures from the
25 account must be used only for projects or improvements identified as
26 connecting Washington projects or improvements in the omnibus
27 transportation appropriations act, including any principal and interest
28 on bonds authorized for the projects or improvements, and for the
29 maintenance, operations, and preservation of the state highway system,
30 which is defined for purposes of this section as activities undertaken
31 to (1) provide, maintain, and operate serviceable roadways through
32 planned strategies of cost-effective treatments to existing roadways
33 and appurtenances that preserve the highway system, (2) retard future
34 deterioration, (3) preserve or improve safety, and (4) maintain the
35 functional condition of the existing highway system.

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

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

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

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

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

34 (a) The following accounts and funds shall receive their
35 proportionate share of earnings based upon each account's and fund's
36 average daily balance for the period: The aeronautics account, the
37 aircraft search and rescue account, the Alaskan Way viaduct replacement
38 project account, the budget stabilization account, the capital vessel

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

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

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

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

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

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

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

28 (2) The treasury income account shall be utilized to pay or receive
29 funds associated with federal programs as required by the federal cash
30 management improvement act of 1990. The treasury income account is
31 subject in all respects to chapter 43.88 RCW, but no appropriation is
32 required for refunds or allocations of interest earnings required by
33 the cash management improvement act. Refunds of interest to the
34 federal treasury required under the cash management improvement act
35 fall under RCW 43.88.180 and shall not require appropriation. The
36 office of financial management shall determine the amounts due to or
37 from the federal government pursuant to the cash management improvement

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

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

14 (4) Monthly, the state treasurer shall distribute the earnings
15 credited to the treasury income account. The state treasurer shall
16 credit the general fund with all the earnings credited to the treasury
17 income account except:

18 (a) The following accounts and funds shall receive their
19 proportionate share of earnings based upon each account's and fund's
20 average daily balance for the period: The aeronautics account, the
21 aircraft search and rescue account, the Alaskan Way viaduct replacement
22 project account, the budget stabilization account, the capital vessel
23 replacement account, the capitol building construction account, the
24 Cedar River channel construction and operation account, the Central
25 Washington University capital projects account, the charitable,
26 educational, penal and reformatory institutions account, the cleanup
27 settlement account, the Columbia river basin water supply development
28 account, the Columbia river basin taxable bond water supply development
29 account, the Columbia river basin water supply revenue recovery
30 account, the Columbia river crossing project account, the common school
31 construction fund, the connecting Washington account, the county
32 arterial preservation account, the county criminal justice assistance
33 account, the deferred compensation administrative account, the deferred
34 compensation principal account, the department of licensing services
35 account, the department of retirement systems expense account, the
36 developmental disabilities community trust account, the drinking water
37 assistance account, the drinking water assistance administrative
38 account, the drinking water assistance repayment account, the Eastern

1 Washington University capital projects account, the Interstate 405
2 express toll lanes operations account, the education construction fund,
3 the education legacy trust account, the election account, the energy
4 freedom account, the energy recovery act account, the essential rail
5 assistance account, The Evergreen State College capital projects
6 account, the federal forest revolving account, the ferry bond
7 retirement fund, the freight congestion relief account, the freight
8 mobility investment account, the freight mobility multimodal account,
9 the grade crossing protective fund, the public health services account,
10 the high capacity transportation account, the state higher education
11 construction account, the higher education construction account, the
12 highway bond retirement fund, the highway infrastructure account, the
13 highway safety (~~(account-[fund])~~) fund, the high occupancy toll lanes
14 operations account, the hospital safety net assessment fund, the
15 industrial insurance premium refund account, the judges' retirement
16 account, the judicial retirement administrative account, the judicial
17 retirement principal account, the local leasehold excise tax account,
18 the local real estate excise tax account, the local sales and use tax
19 account, the marine resources stewardship trust account, the medical
20 aid account, the mobile home park relocation fund, the motor vehicle
21 fund, the motorcycle safety education account, the multimodal
22 transportation account, the municipal criminal justice assistance
23 account, the natural resources deposit account, the oyster reserve land
24 account, the pension funding stabilization account, the perpetual
25 surveillance and maintenance account, the public employees' retirement
26 system plan 1 account, the public employees' retirement system combined
27 plan 2 and plan 3 account, the public facilities construction loan
28 revolving account beginning July 1, 2004, the public health
29 supplemental account, the public transportation systems account, the
30 public works assistance account, the Puget Sound capital construction
31 account, the Puget Sound ferry operations account, the Puyallup tribal
32 settlement account, the real estate appraiser commission account, the
33 recreational vehicle account, the regional mobility grant program
34 account, the resource management cost account, the rural arterial trust
35 account, the rural mobility grant program account, the rural Washington
36 loan fund, the site closure account, the skilled nursing facility
37 safety net trust fund, the small city pavement and sidewalk account,
38 the special category C account, the special wildlife account, the state

1 employees' insurance account, the state employees' insurance reserve
2 account, the state investment board expense account, the state
3 investment board commingled trust fund accounts, the state patrol
4 highway account, the state route number 520 civil penalties account,
5 the state route number 520 corridor account, the state wildlife
6 account, the supplemental pension account, the Tacoma Narrows toll
7 bridge account, the teachers' retirement system plan 1 account, the
8 teachers' retirement system combined plan 2 and plan 3 account, the
9 tobacco prevention and control account, the tobacco settlement account,
10 the toll facility bond retirement account, the transportation 2003
11 account (nickel account), the transportation equipment fund, the
12 transportation fund, the transportation improvement account, the
13 transportation improvement board bond retirement account, the
14 transportation infrastructure account, the transportation partnership
15 account, the traumatic brain injury account, the tuition recovery trust
16 fund, the University of Washington bond retirement fund, the University
17 of Washington building account, the volunteer firefighters' and reserve
18 officers' relief and pension principal fund, the volunteer
19 firefighters' and reserve officers' administrative fund, the Washington
20 judicial retirement system account, the Washington law enforcement
21 officers' and firefighters' system plan 1 retirement account, the
22 Washington law enforcement officers' and firefighters' system plan 2
23 retirement account, the Washington public safety employees' plan 2
24 retirement account, the Washington school employees' retirement system
25 combined plan 2 and 3 account, the Washington state economic
26 development commission account, the Washington state health insurance
27 pool account, the Washington state patrol retirement account, the
28 Washington State University building account, the Washington State
29 University bond retirement fund, the water pollution control revolving
30 fund, and the Western Washington University capital projects account.
31 Earnings derived from investing balances of the agricultural permanent
32 fund, the normal school permanent fund, the permanent common school
33 fund, the scientific permanent fund, the state university permanent
34 fund, and the state reclamation revolving account shall be allocated to
35 their respective beneficiary accounts.

36 (b) Any state agency that has independent authority over accounts
37 or funds not statutorily required to be held in the state treasury that
38 deposits funds into a fund or account in the state treasury pursuant to

1 an agreement with the office of the state treasurer shall receive its
2 proportionate share of earnings based upon each account's or fund's
3 average daily balance for the period.

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

7 **Sec. 107.** RCW 46.09.520 and 2010 1st sp.s. c 37 s 936 and 2010 c
8 161 s 222 are each reenacted and amended to read as follows:

9 (1) From time to time, but at least once each year, the state
10 treasurer shall refund from the motor vehicle fund one percent of the
11 motor vehicle fuel tax revenues collected under chapter 82.36 RCW,
12 based on a tax rate of: (a) Nineteen cents per gallon of motor vehicle
13 fuel from July 1, 2003, through June 30, 2005; (b) twenty cents per
14 gallon of motor vehicle fuel from July 1, 2005, through June 30, 2007;
15 (c) twenty-one cents per gallon of motor vehicle fuel from July 1,
16 2007, through June 30, 2009; (d) twenty-two cents per gallon of motor
17 vehicle fuel from July 1, 2009, through June 30, 2011; (~~and~~) (e)
18 twenty-three cents per gallon of motor vehicle fuel beginning July 1,
19 2011; (f) twenty-eight cents per gallon of motor vehicle fuel beginning
20 August 1, 2013; (g) thirty cents per gallon of motor vehicle fuel
21 beginning July 1, 2014; (h) thirty-two cents per gallon of motor
22 vehicle fuel beginning July 1, 2015; and (i) thirty-three cents per
23 gallon of motor vehicle fuel beginning July 1, 2016, and thereafter,
24 less proper deductions for refunds and costs of collection as provided
25 in RCW 46.68.090.

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

28 (a) Thirty-six percent shall be credited to the ORV and nonhighway
29 vehicle account and administered by the department of natural resources
30 solely for acquisition, planning, development, maintenance, and
31 management of ORV, nonmotorized, and nonhighway road recreation
32 facilities, and information programs and maintenance of nonhighway
33 roads;

34 (b) Three and one-half percent shall be credited to the ORV and
35 nonhighway vehicle account and administered by the department of fish
36 and wildlife solely for the acquisition, planning, development,

1 maintenance, and management of ORV, nonmotorized, and nonhighway road
2 recreation facilities and the maintenance of nonhighway roads;

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

7 (d) Fifty-eight and one-half percent shall be credited to the
8 nonhighway and off-road vehicle activities program account to be
9 administered by the board for planning, acquisition, development,
10 maintenance, and management of ORV, nonmotorized, and nonhighway road
11 recreation facilities and for education, information, and law
12 enforcement programs. The funds under this subsection shall be
13 expended in accordance with the following limitations:

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

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

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

22 (B) Not less than thirty percent may be expended for nonmotorized
23 recreation facilities. Funds expended under this subsection
24 (2)(d)(ii)(B) shall be known as Ira Spring outdoor recreation
25 facilities funds; and

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

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

32 (3) On a yearly basis an agency may not, except as provided in RCW
33 46.68.045, expend more than ten percent of the funds it receives under
34 this chapter for general administration expenses incurred in carrying
35 out this chapter.

36 (4) During the 2009-2011 fiscal biennium, the legislature may
37 appropriate such amounts as reflect the excess fund balance in the NOVA
38 account to the department of natural resources to install consistent

1 off-road vehicle signage at department-managed recreation sites, and to
2 implement the recreation opportunities on department-managed lands in
3 the Reiter block and Ahtanum state forest, and to the state parks and
4 recreation commission. The legislature finds that the appropriation of
5 funds from the NOVA account during the 2009-2011 fiscal biennium for
6 maintenance and operation of state parks or to improve accessibility
7 for boaters and off-road vehicle users at state parks will benefit
8 boaters and off-road vehicle users and others who use nonhighway and
9 nonmotorized recreational facilities. The appropriations under this
10 subsection are not required to follow the specific distribution
11 specified in subsection (2) of this section.

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

14 From time to time, but at least once each four years, the
15 department shall determine the amount of moneys paid to it as motor
16 vehicle fuel tax that is tax on snowmobile fuel. Such determination
17 shall use one hundred thirty-five gallons as the average yearly fuel
18 usage per snowmobile, the number of registered snowmobiles during the
19 calendar year under determination, and a fuel tax rate of: (1)
20 Nineteen cents per gallon of motor vehicle fuel from July 1, 2003,
21 through June 30, 2005; (2) twenty cents per gallon of motor vehicle
22 fuel from July 1, 2005, through June 30, 2007; (3) twenty-one cents per
23 gallon of motor vehicle fuel from July 1, 2007, through June 30, 2009;
24 (4) twenty-two cents per gallon of motor vehicle fuel from July 1,
25 2009, through June 30, 2011; (~~and~~) (5) twenty-three cents per gallon
26 of motor vehicle fuel beginning July 1, 2011; (6) twenty-eight cents
27 per gallon of motor vehicle fuel beginning August 1, 2013; (7) thirty
28 cents per gallon of motor vehicle fuel beginning July 1, 2014; (8)
29 thirty-two cents per gallon of motor vehicle fuel beginning July 1,
30 2015; and (9) thirty-three cents per gallon of motor vehicle fuel
31 beginning July 1, 2016, and thereafter.

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

34 Upon expiration of the time limited by RCW 82.36.330 for claiming
35 of refunds of tax on marine fuel, the state of Washington shall succeed
36 to the right to such refunds. The director of licensing, after taking

1 into account past and anticipated claims for refunds from and deposits
2 to the marine fuel tax refund account, shall request the state
3 treasurer to transfer monthly from the marine fuel tax refund account
4 an amount equal to the proportion of the moneys in the account
5 representing a motor vehicle fuel tax rate of: (1) Nineteen cents per
6 gallon of motor vehicle fuel from July 1, 2003, through June 30, 2005;
7 (2) twenty cents per gallon of motor vehicle fuel from July 1, 2005,
8 through June 30, 2007; (3) twenty-one cents per gallon of motor vehicle
9 fuel from July 1, 2007, through June 30, 2009; (4) twenty-two cents per
10 gallon of motor vehicle fuel from July 1, 2009, through June 30, 2011;
11 ~~((and))~~ (5) twenty-three cents per gallon of motor vehicle fuel
12 beginning July 1, 2011; (6) twenty-eight cents per gallon of motor
13 vehicle fuel beginning August 1, 2013; (7) thirty cents per gallon of
14 motor vehicle fuel beginning July 1, 2014; (8) thirty-two cents per
15 gallon of motor vehicle fuel beginning July 1, 2015; and (9) thirty-
16 three cents per gallon of motor vehicle fuel beginning July 1, 2016,
17 and thereafter, to the recreation resource account and the remainder to
18 the motor vehicle fund.

19 DISTRIBUTION OF EXISTING FEES

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

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

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

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

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

34 (1) In addition to all other fees and taxes required by law, the

1 department, county auditor or other agent, or subagent appointed by the
2 director shall charge:

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

5	FEE TYPE	FEE	DISTRIBUTION
6	Original issue	\$ 10.00	RCW 46.68.070
7	Reflectivity	\$ 2.00	RCW 46.68.070
8	Replacement	\$ 10.00	RCW 46.68.070
9	Original issue,	\$ 4.00	RCW 46.68.070
10	motorcycle		
11	Replacement,	\$ 4.00	RCW 46.68.070
12	motorcycle		
13	Original issue, moped	\$ 1.50	RCW 46.68.070

14 (b) A license plate retention fee, as required under RCW
15 46.16A.200(10)(c), of twenty dollars if the owner wishes to retain the
16 current license plate number upon license plate replacement, unless the
17 owner or type of vehicle is exempt from payment. The twenty dollar fee
18 must be deposited in the multimodal transportation account created in
19 RCW 47.66.070.

20 (c) A ten dollar license plate transfer fee, as required under RCW
21 46.16A.200(8)(a), when transferring standard issue license plates from
22 one vehicle to another, unless the owner or type of vehicle is exempt
23 from payment. The ten dollar license plate transfer fee must be
24 deposited in the motor vehicle fund created in RCW 46.68.070.

25 (d) Former prisoner of war license plates, as described in RCW
26 46.18.235, may be transferred to a replacement vehicle upon payment of
27 a five dollar license plate fee, in addition to any other fee required
28 by law.

29 (2) Each original issue license plate fee and original issue
30 motorcycle license plate fee paid under subsection (1)(a) of this
31 section and two dollars of each replacement motorcycle license plate
32 fee paid under subsection (1)(a) of this section is for the sole use of
33 the department of transportation for the removal of fish passage
34 barriers related to the transportation system.

1 time of the accident; and (b) contain reference to any convictions of
2 the person for violation of the motor vehicle laws as reported to the
3 department, reference to any findings that the person has committed a
4 traffic infraction which have been reported to the department, and a
5 record of any vehicles registered in the name of the person. The
6 department shall collect for each abstract the sum of thirteen dollars,
7 ((fifty)) thirty-eight and one-half percent of which shall be deposited
8 in the highway safety fund and ((fifty)) sixty-one and one-half percent
9 of which must be deposited according to RCW 46.68.038.

10 (2) The department shall upon request furnish any person who may
11 have been injured in person or property by any motor vehicle, with an
12 abstract of all information of record in the department pertaining to
13 the evidence of the ability of any driver or owner of any motor vehicle
14 to respond in damages. The department shall collect for each abstract
15 the sum of thirteen dollars, ((fifty)) thirty-eight and one-half
16 percent of which shall be deposited in the highway safety fund and
17 ((fifty)) sixty-one and one-half percent of which must be deposited
18 according to RCW 46.68.038.

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

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

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

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

27 (i) The total number of vehicles involved;

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

29 (iii) Whether the vehicles were occupied at the time of the
30 accident; and

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

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

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

36 (d) Any reports of failure to appear in response to a traffic

1 citation or failure to respond to a notice of infraction served upon
2 the named individual by an arresting officer.

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

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

9 (ii) Nothing in this section prevents a court from providing a copy
10 of the driver's abstract to the individual named in the abstract,
11 provided that the named individual has a pending or open infraction or
12 criminal case in that court. A pending case includes criminal cases
13 that have not reached a disposition by plea, stipulation, trial, or
14 amended charge. An open infraction or criminal case includes cases on
15 probation, payment agreement or subject to, or in collections. Courts
16 may charge a reasonable fee for the production and copying of the
17 abstract for the individual.

18 (b) **Employers or prospective employers.** (i)(A) An abstract of the
19 full driving record maintained by the department may be furnished to an
20 employer or prospective employer or an agent acting on behalf of an
21 employer or prospective employer of the named individual for purposes
22 related to driving by the individual as a condition of employment or
23 otherwise at the direction of the employer.

24 (B) Release of an abstract of the driving record of an employee or
25 prospective employee requires a statement signed by: (I) The employee
26 or prospective employee that authorizes the release of the record; and
27 (II) the employer attesting that the information is necessary for
28 employment purposes related to driving by the individual as a condition
29 of employment or otherwise at the direction of the employer. If the
30 employer or prospective employer authorizes an agent to obtain this
31 information on their behalf, this must be noted in the statement.

32 (C) Upon request of the person named in the abstract provided under
33 this subsection, and upon that same person furnishing copies of court
34 records ruling that the person was not at fault in a motor vehicle
35 accident, the department must indicate on any abstract provided under
36 this subsection that the person was not at fault in the motor vehicle
37 accident.

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

11 (c) **Volunteer organizations.** (i) An abstract of the full driving
12 record maintained by the department may be furnished to a volunteer
13 organization or an agent for a volunteer organization for which the
14 named individual has submitted an application for a position that would
15 require driving by the individual at the direction of the volunteer
16 organization.

17 (ii) Release of an abstract of the driving record of a prospective
18 volunteer requires a statement signed by: (A) The prospective
19 volunteer that authorizes the release of the record; and (B) the
20 volunteer organization attesting that the information is necessary for
21 purposes related to driving by the individual at the direction of the
22 volunteer organization. If the volunteer organization authorizes an
23 agent to obtain this information on their behalf, this must be noted in
24 the statement.

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

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

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

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

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

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

1 (A) Not contain any information related to actions committed by law
2 enforcement officers or firefighters, as both terms are defined in RCW
3 41.26.030, or by Washington state patrol officers, while driving
4 official vehicles in the performance of their occupational duty. This
5 does not apply to any situation where the vehicle was used in the
6 commission of a misdemeanor or felony;

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

11 (C) Exclude any deferred prosecution under RCW 10.05.060, except
12 that if a person is removed from a deferred prosecution under RCW
13 10.05.090, the abstract must show the deferred prosecution as well as
14 the removal.

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

19 (iv) Any insurance company or its agent, for underwriting purposes
20 relating to the operation of commercial motor vehicles, may not use any
21 information contained in the abstract relative to any person's
22 operation of motor vehicles while not engaged in such employment. Any
23 insurance company or its agent, for underwriting purposes relating to
24 the operation of noncommercial motor vehicles, may not use any
25 information contained in the abstract relative to any person's
26 operation of commercial motor vehicles.

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

36 (f) **Alcohol/drug assessment or treatment agencies.** An abstract of
37 the driving record maintained by the department covering the period of
38 not more than the last five years may be furnished to an alcohol/drug

1 assessment or treatment agency approved by the department of social and
2 health services to which the named individual has applied or been
3 assigned for evaluation or treatment, for purposes of assisting
4 employees in making a determination as to what level of treatment, if
5 any, is appropriate, except that the abstract must:

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

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

11 (g) **City attorneys and county prosecuting attorneys.** An abstract
12 of the full driving record maintained by the department, including
13 whether a recorded violation is an alcohol-related offense, as defined
14 in RCW 46.01.260(2), that was originally charged as a violation of
15 either RCW 46.61.502 or 46.61.504, may be furnished to city attorneys
16 or county prosecuting attorneys. City attorneys and county prosecuting
17 attorneys may provide the driving record to alcohol/drug assessment or
18 treatment agencies approved by the department of social and health
19 services to which the named individual has applied or been assigned for
20 evaluation or treatment.

21 (h) **State colleges, universities, or agencies, or units of local**
22 **government.** An abstract of the full driving record maintained by the
23 department may be furnished to (i) state colleges, universities, or
24 agencies for employment and risk management purposes or (ii) units of
25 local government authorized to self-insure under RCW 48.62.031 for
26 employment and risk management purposes.

27 (i) **Superintendent of public instruction.** An abstract of the full
28 driving record maintained by the department may be furnished to the
29 superintendent of public instruction for review of public school bus
30 driver records. The superintendent or superintendent's designee may
31 discuss information on the driving record with an authorized
32 representative of the employing school district for employment and risk
33 management purposes.

34 (3) **Release to third parties prohibited.** Any person or entity
35 receiving an abstract of a person's driving record under subsection
36 (2)(b) through (i) of this section shall use the abstract exclusively
37 for his, her, or its own purposes or as otherwise expressly permitted

1 under this section, and shall not divulge any information contained in
2 the abstract to a third party.

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

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

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

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

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

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

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

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

27 (ii)(A) \$21.12 of each driver's license issuance fee paid under RCW
28 46.20.161 is for the sole use of the transportation improvement board.

29 (B) If the driver's license issuance fee paid under RCW 46.20.161
30 is for a driver's license with a term of less than six years, the
31 amount for the sole use of the transportation improvement board is
32 \$3.52 multiplied by the number of years in the term of the driver's
33 license.

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

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

5 (c)(i) \$4.28 of each driver's license renewal fee paid under RCW
6 46.20.181(2) be deposited in the motor vehicle fund.

7 (ii)(A) \$6.02 of each driver's license renewal fee paid under RCW
8 46.20.181(2) is for the sole use of the department of transportation
9 for local programs.

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

14 (II) Seventy-five percent of moneys received under this subsection
15 (2)(c)(ii) must be deposited in the highway safety fund for safe routes
16 to school program projects.

17 (iii) \$7.01 of each driver's license renewal fee paid under RCW
18 46.20.181(2) must be deposited in the Puget Sound ferry operations
19 account.

20 (iv) \$6.69 of each driver's license renewal fee paid under RCW
21 46.20.181(2) must be deposited in the county arterial preservation
22 account for the sole use of the county road administration board for
23 the county arterial preservation program.

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

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

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

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

37 (h) Fifteen dollars of each driver's licensing examination fee paid

1 under RCW 46.20.120(2) must be deposited in the Puget Sound ferry
2 operations account.

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

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

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

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

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

15 (b) Vehicle dealers, each subagency, and temporary subagency: One
16 hundred dollars;

17 (c) Vehicle manufacturers: Five hundred dollars.

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

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

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

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

24 If any licensee fails or neglects to apply for such renewal within
25 thirty days after the expiration of the license, or assigned renewal
26 date under a staggered licensing system, the license shall be declared
27 canceled by the director, in which case the licensee will be required
28 to apply for an original license and pay the fee required for the
29 original license.

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

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

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

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

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

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

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

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

FEE	REQUIRED IN	ESTABLISHED IN	DISTRIBUTION
ORV certificate of title fee	RCW 46.09.320	RCW 46.17.100	RCW 47.66.070
Original certificate of title	RCW 46.12.530	RCW 46.17.100	RCW 47.66.070
Penalty for late transfer	RCW 46.12.650	RCW 46.17.140	RCW 47.66.070
Motor change	RCW 46.12.590	RCW 46.17.100	RCW ((46.68.280)) <u>47.66.070</u>
Transfer certificate of title	RCW 46.12.650	RCW 46.17.100	RCW ((46.68.280)) <u>47.66.070</u>
Security interest changes	RCW 46.12.675	RCW 46.17.100	RCW ((46.68.280)) <u>47.66.070</u>
Duplicate certificate of title	RCW 46.12.580	RCW 46.17.100	RCW ((46.68.280)) <u>47.66.070</u>
Stolen vehicle check	RCW 46.12.570	RCW 46.17.120	RCW 46.68.070
Vehicle identification number assignment	RCW 46.12.560	RCW 46.17.135	RCW 46.68.070

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

34 (1) The transportation 2003 account (nickel account) is hereby
35 created in the motor vehicle fund. Money in the account may be spent

1 only after appropriation. Expenditures from the account must be used
2 only for projects or improvements identified as transportation 2003
3 projects or improvements in the omnibus transportation budget and to
4 pay the principal and interest on the bonds authorized for
5 transportation 2003 projects or improvements. Upon completion of the
6 projects or improvements identified as transportation 2003 projects or
7 improvements, moneys deposited in this account must only be used to pay
8 the principal and interest on the bonds authorized for transportation
9 2003 projects or improvements, and any funds in the account in excess
10 of the amount necessary to make the principal and interest payments may
11 be used for maintenance on the completed projects or improvements.

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

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

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

19 (1) The public transportation grant program account is created in
20 the state treasury. Moneys in the account may be spent only after
21 appropriation. Expenditures from the account may be used only for
22 grants to aid transit authorities with operations.

23 (2) Beginning September 2015, by the last day of September,
24 December, March, and June of each year, the state treasurer shall
25 transfer three million two hundred fifty thousand dollars from the
26 multimodal transportation account to the public transportation grant
27 program account.

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

29 **FEES**

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

32 (1) In lieu of the vehicle license fee required under RCW 46.17.350
33 and before accepting an application for a vehicle registration for
34 motor vehicles described in RCW 46.16A.455, the department, county

1 auditor or other agent, or subagent appointed by the director shall
2 require the applicant, unless specifically exempt, to pay the following
3 license fee by weight:

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

1	64,000 pounds	\$ 939.00	\$ 1,029.00
2	66,000 pounds	\$ 1,046.00	\$ 1,136.00
3	68,000 pounds	\$ 1,091.00	\$ 1,181.00
4	70,000 pounds	\$ 1,175.00	\$ 1,265.00
5	72,000 pounds	\$ 1,257.00	\$ 1,347.00
6	74,000 pounds	\$ 1,366.00	\$ 1,456.00
7	76,000 pounds	\$ 1,476.00	\$ 1,566.00
8	78,000 pounds	\$ 1,612.00	\$ 1,702.00
9	80,000 pounds	\$ 1,740.00	\$ 1,830.00
10	82,000 pounds	\$ 1,861.00	\$ 1,951.00
11	84,000 pounds	\$ 1,981.00	\$ 2,071.00
12	86,000 pounds	\$ 2,102.00	\$ 2,192.00
13	88,000 pounds	\$ 2,223.00	\$ 2,313.00
14	90,000 pounds	\$ 2,344.00	\$ 2,434.00
15	92,000 pounds	\$ 2,464.00	\$ 2,554.00
16	94,000 pounds	\$ 2,585.00	\$ 2,675.00
17	96,000 pounds	\$ 2,706.00	\$ 2,796.00
18	98,000 pounds	\$ 2,827.00	\$ 2,917.00
19	100,000 pounds	\$ 2,947.00	\$ 3,037.00
20	102,000 pounds	\$ 3,068.00	\$ 3,158.00
21	104,000 pounds	\$ 3,189.00	\$ 3,279.00
22	105,500 pounds	\$ 3,310.00	\$ 3,400.00

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

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

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

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

35 (6) In addition to the license fee based on declared gross weight
36 as provided in subsection (1) of this section, the department, county
37 auditor or other agent, or subagent appointed by the director must

1 require an applicant with a vehicle with a declared gross weight of
2 more than 10,000 pounds, unless specifically exempt, to pay a freight
3 project fee equal to fifteen percent of the license fee provided in
4 subsection (1) of this section, rounded to the nearest whole dollar,
5 which must be deposited in the connecting Washington account created in
6 section 104 of this act to be used exclusively for major freight
7 corridors.

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

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

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

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

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

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

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

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

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

35 (1) The capital vessel replacement account is created in the motor

1 vehicle fund. All revenues generated from the vessel replacement
2 surcharge under RCW 47.60.315(7) and the amount of service fees
3 required under section 305(2) of this act must be deposited into the
4 account. Moneys in the account may be spent only after appropriation.
5 Expenditures from the account may be used only for the construction or
6 purchase of ferry vessels and to pay the principal and interest on
7 bonds authorized for the construction or purchase of ferry vessels.
8 However, expenditures from the account must first be used to support
9 the construction or purchase, including any applicable financing costs,
10 of a ferry vessel with a carrying capacity of at least one hundred
11 forty-four cars.

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

16 NEW SECTION. Sec. 305. A new section is added to chapter 46.17
17 RCW to read as follows:

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

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

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

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

1 NEW SECTION. **Sec. 306.** Sections 304 and 305 of this act apply to
2 vehicle registrations that are due or become due on or after January 1,
3 2014.

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

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

15 (2) This section only applies to:

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

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

20 (3)(a) The fee under this section is imposed to provide funds to
21 mitigate the impact of vehicles on state roads and highways and for the
22 purpose of evaluating the feasibility of transitioning from a revenue
23 collection system based on fuel taxes to a road user assessment system,
24 and is separate and distinct from other vehicle license fees. Proceeds
25 from the fee must be used for highway purposes, and must be deposited
26 in the motor vehicle fund created in RCW 46.68.070, subject to (b) of
27 this subsection.

28 (b) If in any year the amount of proceeds from the fee collected
29 under this section exceeds one million dollars, the excess amount over
30 one million dollars must be deposited as follows:

31 (i) Seventy percent to the motor vehicle fund created in RCW
32 46.68.070;

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

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

1 LOCAL REVENUE OPTIONS

2 NEW SECTION. **Sec. 401.** (1) It is the intent of the legislature to
3 provide diversified local revenue options that may be tailored to the
4 needs of each jurisdiction, in addition to any increases in funding
5 provided through already existing partnerships between the state and
6 local communities, such as the motor vehicle fuel taxes. In the case
7 of public transit systems in particular, there is a need for additional
8 revenue sources beyond the current sales and use tax options, which
9 may, on their own, not be sufficient to meet the funding challenges of
10 a particular system.

11 (2) It is also the intent that local governments coordinate with
12 other municipalities, transit systems, transportation benefit
13 districts, planning organizations, and other transportation agencies.
14 It is critical that all transportation infrastructure is well planned,
15 coordinated, and maintained at the local levels to provide a seamless
16 transportation infrastructure to enable people and goods to move safely
17 and efficiently throughout the state and to bolster and improve the
18 state's economy.

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

26 **Sec. 402.** RCW 36.73.065 and 2012 c 152 s 3 are each amended to
27 read as follows:

28 (1) Except as provided in subsection (4) of this section, taxes,
29 fees, charges, and tolls may not be imposed by a district without
30 approval of a majority of the voters in the district voting on a
31 proposition at a general or special election. The proposition must
32 include a specific description of: (a) The transportation improvement
33 or improvements proposed by the district; (b) any rebate program
34 proposed to be established under RCW 36.73.067; and (c) the proposed
35 taxes, fees, charges, and the range of tolls imposed by the district to
36 raise revenue to fund the improvement or improvements or rebate
37 program, as applicable.

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

4 (3) A district may not increase any taxes, fees, charges, or range
5 of tolls imposed or change a rebate program under this chapter once the
6 taxes, fees, charges, tolls, or rebate program takes effect, unless
7 authorized by the district voters pursuant to RCW 36.73.160 or up to
8 forty dollars of the vehicle fee authorized in RCW 82.80.140 by the
9 governing board of the district.

10 (4)(a) A district that includes all the territory within the
11 boundaries of the jurisdiction, or jurisdictions, establishing the
12 district may impose by a majority vote of the governing board of the
13 district the following fees and charges:

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

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

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

21 (c)(i) A district solely comprised of a city or cities (~~shall~~)
22 may not impose the fees or charges identified in (a) of this subsection
23 within one hundred eighty days after July 22, 2007, unless the county
24 in which the city or cities reside, by resolution, declares that it
25 will not impose the fees or charges identified in (a) of this
26 subsection within the one hundred eighty-day period; or

27 (ii) A district solely comprised of a city or cities identified in
28 RCW 36.73.020(6)(b) may not impose the fees or charges until after May
29 22, 2008, unless the county in which the city or cities reside, by
30 resolution, declares that it will not impose the fees or charges
31 identified in (a) of this subsection through May 22, 2008.

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

1 NEW SECTION. **Sec. 403.** A new section is added to chapter 82.80
2 RCW to read as follows:

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

14 (2) A county imposing a tax under this section must contract,
15 before the effective date of the resolution or ordinance imposing the
16 local motor vehicle excise tax, administration and collection to the
17 department of licensing, as appropriate, which must deduct an amount,
18 as provided by contract, for administration and collection expenses
19 incurred by the department.

20 (3) If the department of licensing determines a value for a vehicle
21 pursuant to subsection (1) of this section, any person who pays a
22 locally imposed motor vehicle excise tax for that vehicle may appeal
23 the valuation to the department of licensing under chapter 34.05 RCW.
24 If the taxpayer is successful on appeal, the department must refund the
25 excess tax.

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

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

33 (b) The remaining forty percent of the net funds, after any
34 deductions pursuant to subsection (2) of this section, must be used for
35 the operations and maintenance of local roads and must be distributed
36 on a pro rata basis to the county imposing the local motor vehicle
37 excise tax and to incorporated cities and towns within the county based
38 upon the population of the unincorporated portion of the county, the

1 population of an incorporated city, or the population of an
2 incorporated town as a percentage of the total population of the
3 county.

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

7 **Sec. 404.** RCW 82.14.045 and 2008 c 86 s 102 are each amended to
8 read as follows:

9 (1) The legislative body of any city pursuant to RCW 35.92.060, of
10 any county which has created an unincorporated transportation benefit
11 area pursuant to RCW 36.57.100 and 36.57.110, of any public
12 transportation benefit area pursuant to RCW 36.57A.080 and 36.57A.090,
13 of any county transportation authority established pursuant to chapter
14 36.57 RCW, (~~and~~) of any metropolitan municipal corporation within a
15 county with a population of one million or more pursuant to chapter
16 35.58 RCW, and of any enhanced public transportation zone pursuant to
17 section 406 of this act, may, by resolution or ordinance for the sole
18 purpose of providing funds for the operation, maintenance, or capital
19 needs of public transportation systems or public transportation limited
20 to persons with special needs under RCW 36.57.130 and 36.57A.180, and
21 in lieu of the excise taxes authorized by RCW 35.95.040, submit an
22 authorizing proposition to the voters or include such authorization in
23 a proposition to perform the function of public transportation or
24 public transportation limited to persons with special needs under RCW
25 36.57.130 and 36.57A.180, and if approved by a majority of persons
26 voting thereon, impose a sales and use tax in accordance with the terms
27 of this chapter. Where an authorizing proposition is submitted by a
28 county on behalf of an unincorporated transportation benefit area, it
29 shall be voted upon by the voters residing within the boundaries of
30 such unincorporated transportation benefit area and, if approved, the
31 sales and use tax shall be imposed only within such area.
32 Notwithstanding any provisions of this section to the contrary, any
33 county in which a county public transportation plan has been adopted
34 pursuant to RCW 36.57.070 and the voters of such county have authorized
35 the imposition of a sales and use tax pursuant to the provisions of
36 section 10, chapter 167, Laws of 1974 ex. sess., prior to July 1, 1975,
37 shall be authorized to fix and impose a sales and use tax as provided

1 in this section at not to exceed the rate so authorized without
2 additional approval of the voters of such county as otherwise required
3 by this section.

4 The tax authorized by this section shall be in addition to the tax
5 authorized by RCW 82.14.030 and shall be collected from those persons
6 who are taxable by the state under chapters 82.08 and 82.12 RCW upon
7 the occurrence of any taxable event within such city, public
8 transportation benefit area, county, ~~((or))~~ metropolitan municipal
9 corporation, or enhanced public transportation zone as the case may be.
10 The rate of such tax shall be one-tenth, two-tenths, three-tenths,
11 four-tenths, five-tenths, six-tenths, seven-tenths, eight-tenths, or
12 nine-tenths of one percent of the selling price (in the case of a sales
13 tax) or value of the article used (in the case of a use tax). The rate
14 of such tax shall not exceed the rate authorized by the voters unless
15 such increase shall be similarly approved.

16 (2)(a) In the event a metropolitan municipal corporation imposes a
17 sales and use tax pursuant to this chapter no city, county which has
18 created an unincorporated transportation benefit area, public
19 transportation benefit area authority, or county transportation
20 authority wholly within such metropolitan municipal corporation shall
21 be empowered to impose and/or collect taxes under RCW 35.95.040 or this
22 section, but nothing herein shall prevent such city or county from
23 imposing sales and use taxes pursuant to any other authorization.

24 (b) In the event a county transportation authority imposes a sales
25 and use tax under this section, no city, county which has created an
26 unincorporated transportation benefit area, public transportation
27 benefit area, or metropolitan municipal corporation, located within the
28 territory of the authority, shall be empowered to impose or collect
29 taxes under RCW 35.95.040 or this section.

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

36 (3) The legislative body of a public transportation benefit area
37 located in a county with a population of seven hundred thousand or more
38 that also contains a city with a population of seventy-five thousand or

1 more operating a transit system pursuant to chapter 35.95 RCW may
2 submit an authorizing proposition to the voters and, if approved by a
3 majority of persons voting on the proposition, impose a sales and use
4 tax in accordance with the terms of this chapter of one-tenth, two-
5 tenths, or three-tenths of one percent of the selling price, in the
6 case of a sales tax, or value of the article used, in the case of a use
7 tax, in addition to the rate in subsection (1) of this section.

8 **Sec. 405.** RCW 82.80.140 and 2010 c 161 s 917 are each amended to
9 read as follows:

10 (1) Subject to the provisions of RCW 36.73.065, a transportation
11 benefit district under chapter 36.73 RCW may fix and impose an annual
12 vehicle fee, not to exceed one hundred dollars per vehicle registered
13 in the district, for each vehicle subject to vehicle license fees under
14 RCW 46.17.350(1) (a), (c), (d), (e), (g), (h), (j), or (n) through (q)
15 and for each vehicle subject to gross weight license fees under RCW
16 46.17.355 with a scale weight of six thousand pounds or less.

17 (2)(a) A district that includes all the territory within the
18 boundaries of the jurisdiction, or jurisdictions, establishing the
19 district may impose by a majority vote of the governing board of the
20 district up to (~~twenty~~) forty dollars of the vehicle fee authorized
21 in subsection (1) of this section. If the district is countywide, the
22 revenues of the fee shall be distributed to each city within the county
23 by interlocal agreement. The interlocal agreement is effective when
24 approved by the county and sixty percent of the cities representing
25 seventy-five percent of the population of the cities within the county
26 in which the countywide fee is collected.

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

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

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

34 If a district imposes or increases a fee under this subsection (2)
35 that, if combined with the fees previously imposed by another district
36 within its boundaries, exceeds (~~twenty~~) forty dollars, the district

1 shall provide a credit for the previously imposed fees so that the
2 combined vehicle fee does not exceed (~~twenty~~) forty dollars.

3 (3) The department of licensing shall administer and collect the
4 fee. The department shall deduct a percentage amount, as provided by
5 contract, not to exceed one percent of the fees collected, for
6 administration and collection expenses incurred by it. The department
7 shall remit remaining proceeds to the custody of the state treasurer.
8 The state treasurer shall distribute the proceeds to the district on a
9 monthly basis.

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

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

15 (6) The following vehicles are exempt from the fee under this
16 section:

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

18 (b) Farm tractors or farm vehicles, as defined in RCW 46.04.180 and
19 46.04.181;

20 (c) Mopeds, as defined in RCW 46.04.304;

21 (d) Off-road and nonhighway vehicles, as defined in RCW 46.04.365;

22 (e) Private use single-axle trailer, as defined in RCW 46.04.422;

23 (f) Snowmobiles, as defined in RCW 46.04.546; and

24 (g) Vehicles registered under chapter 46.87 RCW and the
25 international registration plan.

26 NEW SECTION. **Sec. 406.** A new section is added to chapter 82.14
27 RCW to read as follows:

28 (1)(a) The tax authorized under RCW 82.14.045 may also be imposed
29 by the legislative body of an enhanced public transportation zone
30 established under subsection (2) of this section if approved by the
31 voters in the enhanced public transportation zone in the manner
32 provided for in this section. The establishing transit agency must
33 consult with the department on sales tax collection methods when
34 establishing the boundaries of the enhanced public transportation zone.

35 (b) A tax imposed under (a) of this subsection, when combined with
36 the rate of tax imposed by the establishing transit agency under RCW
37 82.14.045, may not exceed the maximum rate allowed under RCW 82.14.045,

1 and expires either (i) five years after imposition, unless reauthorized
2 by the voters in the enhanced public transportation zone in the manner
3 provided for in this section, or (ii) upon failure of a
4 reauthorization. Prior to reauthorization, the enhanced public
5 transportation zone boundaries must be readjusted, if necessary, to
6 meet the provisions under subsection (2)(c) of this section. A tax
7 imposed under (a) of this subsection must be imposed only in the
8 territory of the enhanced public transportation zone. The revenue from
9 the tax imposed under (a) of this subsection must be expended only for
10 public transportation service within the enhanced public transportation
11 zone and must not supplant existing revenues allocated to the enhanced
12 public transportation zone.

13 (c) Six months prior to the voter authorization or reauthorization
14 of the tax authorized under (a) of this subsection, the establishing
15 transit agency must determine a baseline level of fixed-route public
16 transportation service. This baseline level of service must be
17 publicly posted on the web site of the establishing transit agency.
18 Upon the collection of the tax imposed under (a) of this subsection,
19 fixed-route public transportation service within the enhanced public
20 transportation zone must increase proportionally to additional revenue
21 generated within the enhanced public transportation zone. Service
22 hours within the enhanced public transportation zone must increase from
23 the baseline level in accordance with the establishing transit agency's
24 most recent cost of fixed-route public transportation per service hour,
25 as approved by the national transit database. A report on the increase
26 in public transportation service must be publicly posted annually on
27 the establishing transit agency's web site.

28 (2)(a) The legislative body of a transit agency may establish an
29 enhanced public transportation zone within a portion of the boundaries
30 of the transit agency establishing the enhanced public transportation
31 zone. An enhanced public transportation zone may include all or a
32 portion of any county, city, or town as long as all or a portion of the
33 county, city, or town is within the territory of the establishing
34 transit agency. However, the legislative body of a city, town, or
35 county may pass a resolution removing all or a portion of its
36 jurisdiction from the enhanced public transportation zone, prior to
37 creation of the zone, or at the time of reauthorization of the zone.
38 The boundaries of any enhanced public transportation zone must follow

1 election precinct lines as far as practicable. When creating the zone
2 boundaries, the establishing transit agency must attempt to include a
3 significant amount of the population that the establishing transit
4 agency designated as low income or minority for purposes of Title VI of
5 the federal civil rights act of 1964. An enhanced public
6 transportation zone may not include more than forty-nine percent of the
7 population of the establishing transit agency.

8 (b) The members of the legislative body of the transit agency
9 proposing to establish the enhanced public transportation zone, acting
10 ex officio and independently, constitutes the legislative body of the
11 enhanced public transportation zone.

12 (c) An enhanced public transportation zone may establish, finance,
13 and provide a public transportation system within its boundaries in the
14 same manner as authorized for the transit agency establishing the
15 enhanced public transportation zone. However, the establishing transit
16 agency must adopt a resolution or ordinance finding that the enhanced
17 public transportation zone warrants consistent and sustainable
18 transportation service levels of passenger capacity, speed, and service
19 frequency to serve persons within the enhanced public transportation
20 zone that would otherwise be substantially disadvantaged if the
21 enhanced public transportation zone were not created.

22 (d) An enhanced public transportation zone constitutes a body
23 corporate and possesses all the usual powers of a corporation for
24 public purposes as well as all other powers that may be conferred by
25 statute including, but not limited to, the authority to hire employees,
26 staff, and services, to enter into contracts, to acquire, hold, and
27 dispose of real and personal property, and to sue and be sued. Public
28 works contract limits applicable to the transit agency that established
29 the enhanced public transportation zone also apply to the enhanced
30 public transportation zone.

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

35 (3) For the purposes of this section:

36 (a) "Enhanced public transportation zone" means a quasi-municipal
37 corporation and independent taxing authority within the meaning of

1 Article VII, section 1 of the state Constitution, and a taxing district
2 within the meaning of Article VII, section 2 of the state Constitution,
3 created by the legislative body of a transit agency.

4 (b) "Transit agency" means a city-owned transit system, an
5 unincorporated transportation benefit area, a county transportation
6 authority, a metropolitan municipal corporation within a county with a
7 population of one million or more, and a public transportation benefit
8 area.

9 **MISCELLANEOUS**

10 NEW SECTION. **Sec. 501.** If any provision of this act or its
11 application to any person or circumstance is held invalid, the
12 remainder of the act or the application of the provision to other
13 persons or circumstances is not affected.

14 NEW SECTION. **Sec. 502.** Sections 101 through 105, 107 through 109,
15 and 301 through 307 of this act take effect August 1, 2013.

16 NEW SECTION. **Sec. 503.** Sections 201 through 211 of this act take
17 effect July 1, 2015.

18 NEW SECTION. **Sec. 504.** Sections 401 through 406 of this act take
19 effect January 1, 2014.

20 NEW SECTION. **Sec. 505.** Section 105 of this act expires on the
21 date the requirements set out in section 7, chapter 36, Laws of 2012
22 are met.

23 NEW SECTION. **Sec. 506.** Section 106 of this act takes effect on
24 the date the requirements set out in section 7, chapter 36, Laws of
25 2012 are met.

26 NEW SECTION. **Sec. 507.** Section 307 of this act expires on the
27 effective date of legislation enacted by the legislature that imposes
28 a vehicle miles traveled fee or tax.

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