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**BILL REQUEST - CODE REVISER'S OFFICE**

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BILL REQ. #: S-2751.8/05 8th draft

ATTY/TYPIST: JM:seg

BRIEF DESCRIPTION: Providing funding and funding options for  
transportation projects.

1 AN ACT Relating to transportation revenue; amending RCW 82.36.025,  
2 82.38.030, 46.68.090, 82.38.035, 82.38.045, 43.84.092, 46.68.035,  
3 46.16.237, 46.16.270, 46.20.055, 46.20.070, 46.20.117, 46.20.120,  
4 46.20.311, and 43.135.045; reenacting and amending RCW 43.84.092,  
5 46.16.070, and 46.20.308; adding new sections to chapter 46.68 RCW;  
6 adding new sections to chapter 46.16 RCW; adding new sections to  
7 chapter 82.80 RCW; creating new sections; providing effective dates;  
8 providing an expiration date; and declaring an emergency.

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

10 **PART I - VEHICLE FUEL TAXES**

11 **Sec. 101.** RCW 82.36.025 and 2003 c 361 s 401 are each amended to  
12 read as follows:

13 (1) A motor vehicle fuel tax rate of twenty-three cents per gallon  
14 applies to the sale, distribution, or use of motor vehicle fuel.

15 (2) Beginning July 1, 2003, an additional and cumulative motor  
16 vehicle fuel tax rate of five cents per gallon applies to the sale,  
17 distribution, or use of motor vehicle fuel. This subsection (2)

1 expires when the bonds issued for transportation 2003 projects are  
2 retired.

3 (3) Beginning July 1, 2005, an additional and cumulative motor  
4 vehicle fuel tax rate of three cents per gallon applies to the sale,  
5 distribution, or use of motor vehicle fuel.

6 (4) Beginning July 1, 2006, an additional and cumulative motor  
7 vehicle fuel tax rate of two cents per gallon applies to the sale,  
8 distribution, or use of motor vehicle fuel.

9 (5) Beginning July 1, 2007, and every July 1st through July 1,  
10 2016, an additional and cumulative annual motor vehicle fuel tax rate  
11 of one cent per gallon applies to the sale, distribution, or use of  
12 motor vehicle fuel.

13 **Sec. 102.** RCW 82.38.030 and 2003 c 361 s 402 are each amended to  
14 read as follows:

15 (1) There is hereby levied and imposed upon special fuel users a  
16 tax at the rate of twenty-three cents per gallon of special fuel, or  
17 each one hundred cubic feet of compressed natural gas, measured at  
18 standard pressure and temperature.

19 (2) Beginning July 1, 2003, an additional and cumulative tax rate  
20 of five cents per gallon of special fuel, or each one hundred cubic  
21 feet of compressed natural gas, measured at standard pressure and  
22 temperature shall be imposed on special fuel users. This subsection  
23 (2) expires when the bonds issued for transportation 2003 projects are  
24 retired.

25 (3) Beginning July 1, 2005, an additional and cumulative tax rate  
26 of three cents per gallon of special fuel, or each one hundred cubic  
27 feet of compressed natural gas, measured at standard pressure and  
28 temperature shall be imposed on special fuel users.

29 (4) Beginning July 1, 2006, an additional and cumulative tax rate  
30 of two cents per gallon of special fuel, or each one hundred cubic feet  
31 of compressed natural gas, measured at standard pressure and  
32 temperature shall be imposed on special fuel users.

33 (5) Beginning July 1, 2007, and every July 1st through July 1,  
34 2016, an additional and cumulative annual tax rate of one cent per  
35 gallon of special fuel, or each one hundred cubic feet of compressed  
36 natural gas, measured at standard pressure and temperature shall be  
37 imposed on special fuel users.

1       (6) Taxes are imposed when:

2       (a) Special fuel is removed in this state from a terminal if the  
3 special fuel is removed at the rack unless the removal is to a licensed  
4 exporter for direct delivery to a destination outside of the state, or  
5 the removal is to a special fuel distributor for direct delivery to an  
6 international fuel tax agreement licensee under RCW 82.38.320;

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

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

11       (ii) The removal is at the refinery rack unless the removal is to  
12 a licensed exporter for direct delivery to a destination outside of the  
13 state, or the removal is to a special fuel distributor for direct  
14 delivery to an international fuel tax agreement licensee under RCW  
15 82.38.320;

16       (c) Special fuel enters into this state for sale, consumption, use,  
17 or storage if either of the following applies:

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

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

21       (d) Special fuel is sold or removed in this state to an unlicensed  
22 entity unless there was a prior taxable removal, entry, or sale of the  
23 special fuel;

24       (e) Blended special fuel is removed or sold in this state by the  
25 blender of the fuel. The number of gallons of blended special fuel  
26 subject to tax is the difference between the total number of gallons of  
27 blended special fuel removed or sold and the number of gallons of  
28 previously taxed special fuel used to produce the blended special fuel;

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

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

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

36       (i) Special fuel is sold by a licensed special fuel supplier to a  
37 special fuel distributor, special fuel importer, or special fuel

1 blender and the special fuel is not removed from the bulk transfer-  
2 terminal system.

3 ~~((4))~~ (7) The tax imposed by this chapter, if required to be  
4 collected by the licensee, is held in trust by the licensee until paid  
5 to the department, and a licensee who appropriates or converts the tax  
6 collected to his or her own use or to any use other than the payment of  
7 the tax to the extent that the money required to be collected is not  
8 available for payment on the due date as prescribed in this chapter is  
9 guilty of a felony, or gross misdemeanor in accordance with the theft  
10 and anticipatory provisions of Title 9A RCW. A person, partnership,  
11 corporation, or corporate officer who fails to collect the tax imposed  
12 by this section, or who has collected the tax and fails to pay it to  
13 the department in the manner prescribed by this chapter, is personally  
14 liable to the state for the amount of the tax.

15 **Sec. 103.** RCW 46.68.090 and 2003 c 361 s 403 are each amended to  
16 read as follows:

17 (1) All moneys that have accrued or may accrue to the motor vehicle  
18 fund from the motor vehicle fuel tax and special fuel tax shall be  
19 first expended for purposes enumerated in (a) and (b) of this  
20 subsection. The remaining net tax amount shall be distributed monthly  
21 by the state treasurer in accordance with subsections (2)~~((, (3), and~~  
22 ~~(4))~~ through (7) of this section.

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

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

30 (2) All of the remaining net tax amount collected under RCW  
31 82.36.025(1) and 82.38.030(1) shall be distributed as set forth in (a)  
32 through (j) of this section.

33 (a) For distribution to the motor vehicle fund an amount equal to  
34 44.387 percent to be expended for highway purposes of the state as  
35 defined in RCW 46.68.130;

36 (b) For distribution to the special category C account, hereby  
37 created in the motor vehicle fund, an amount equal to 3.2609 percent to

1 be expended for special category C projects. Special category C  
2 projects are category C projects that, due to high cost only, will  
3 require bond financing to complete construction.

4 The following criteria, listed in order of priority, shall be used  
5 in determining which special category C projects have the highest  
6 priority:

- 7 (i) Accident experience;
- 8 (ii) Fatal accident experience;
- 9 (iii) Capacity to move people and goods safely and at reasonable  
10 speeds without undue congestion; and
- 11 (iv) Continuity of development of the highway transportation  
12 network.

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

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

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

21 (e) For distribution to the urban arterial trust account in the  
22 motor vehicle fund an amount equal to 7.5597 percent;

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

26 (g) For distribution to the cities and towns from the motor vehicle  
27 fund an amount equal to 10.6961 percent in accordance with RCW  
28 46.68.110;

29 (h) For distribution to the counties from the motor vehicle fund an  
30 amount equal to 19.2287 percent: (i) Out of which there shall be  
31 distributed from time to time, as directed by the department of  
32 transportation, those sums as may be necessary to carry out the  
33 provisions of RCW 47.56.725; and (ii) less any amounts appropriated to  
34 the county road administration board to implement the provisions of RCW  
35 47.56.725(4), with the balance of such county share to be distributed  
36 monthly as the same accrues for distribution in accordance with RCW  
37 46.68.120;

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

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

14 (3) (~~One hundred percent of~~) The remaining net tax amount  
15 collected under RCW 82.36.025(2) and 82.38.030(2) shall be distributed  
16 to the transportation 2003 account (nickel account).

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

19 (a) 8.3333 percent shall be distributed to the incorporated cities  
20 and towns of the state ratably on the basis of population as last  
21 determined by the office of financial management. Cities and towns  
22 must use the money for highway purposes. "Highway purposes" has the  
23 same meaning as provided in RCW 82.80.070(1);

24 (b) 8.3333 percent shall be distributed to counties of the state  
25 ratably on the basis of population in the unincorporated areas of the  
26 counties, as last determined by the office of financial management.  
27 Counties must use the money for highway purposes. "Highway purposes"  
28 has the same meaning as provided in RCW 82.80.070(1); and

29 (c) The remainder shall be distributed to the transportation  
30 partnership account created in section 104 of this act.

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

33 (a) 12.5 percent shall be distributed to the incorporated cities  
34 and towns of the state ratably on the basis of population as last  
35 determined by the office of financial management. Cities and towns  
36 must use the money for highway purposes. "Highway purposes" has the  
37 same meaning as provided in RCW 82.80.070(1);

1       (b) 12.5 percent shall be distributed to counties of the state  
2 ratably on the basis of population in the unincorporated areas of the  
3 counties, as last determined by the office of financial management.  
4 Counties must use the money for highway purposes. "Highway purposes"  
5 has the same meaning as provided in RCW 82.80.070(1); and

6       (c) The remainder shall be distributed to the transportation  
7 partnership account created in section 104 of this act.

8       (6) The remaining net tax amount collected under RCW 82.36.025(5)  
9 and 82.38.030(5) shall be distributed to the transportation partnership  
10 account created in section 104 of this act.

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

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

18       (1) The transportation partnership account is hereby created in the  
19 motor vehicle fund in the state treasury. All distributions to the  
20 account from RCW 46.68.090 must be deposited into the account. Money  
21 in the account may be spent only after appropriation. Expenditures  
22 from the account must be used only for projects or improvements  
23 identified as transportation partnership projects or improvements in  
24 the omnibus transportation appropriations act, including any principal  
25 and interest on bonds authorized for the projects or improvements.

26       (2) If a regional transportation funding plan has not been adopted  
27 by January 2007, the legislature intends to reprioritize allocation of  
28 funding for the projects identified as transportation partnership  
29 projects so that complete and functioning transportation projects can  
30 be constructed in a reasonable time.

31       **Sec. 105.** RCW 82.38.035 and 2003 c 361 s 405 are each amended to  
32 read as follows:

33       (1) A licensed supplier shall remit tax on special fuel to the  
34 department as provided in RCW 82.38.030(~~((3)(a))~~) (6)(a). On a two-  
35 party exchange, or buy-sell agreement between two licensed suppliers,  
36 the receiving exchange partner or buyer shall remit the tax.



1 (2) A refiner shall remit tax to the department on special fuel  
2 removed from a refinery as provided in RCW 82.38.030(~~((3)(b))~~) (6)(b).

3 (3) An importer shall remit tax to the department on special fuel  
4 imported into this state as provided in RCW 82.38.030(~~((3)(e))~~) (6)(c).

5 (4) A blender shall remit tax to the department on the removal or  
6 sale of blended special fuel as provided in RCW 82.38.030(~~((3)(e))~~)  
7 (6)(e).

8 (5) A dyed special fuel user shall remit tax to the department on  
9 the use of dyed special fuel as provided in RCW 82.38.030(~~((3)(f))~~)  
10 (6)(f).

11 **Sec. 106.** RCW 82.38.045 and 1998 c 176 s 54 are each amended to  
12 read as follows:

13 A terminal operator is jointly and severally liable for remitting  
14 the tax imposed under RCW 82.38.030(~~((1))~~) if, at the time of removal:

15 (1) The position holder with respect to the special fuel is a  
16 person other than the terminal operator and is not a licensee;

17 (2) The terminal operator is not a licensee;

18 (3) The position holder has an expired internal revenue service  
19 notification certificate issued under chapter 26, C.F.R. Part 48; or

20 (4) The terminal operator had reason to believe that information on  
21 the notification certificate was false.

22 **Sec. 107.** RCW 43.84.092 and 2003 c 361 s 602, 2003 c 324 s 1, 2003  
23 c 150 s 2, and 2003 c 48 s 2 are each reenacted and amended to read as  
24 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

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

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

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

19 (a) The following accounts and funds shall receive their  
20 proportionate share of earnings based upon each account's and fund's  
21 average daily balance for the period: The capitol building  
22 construction account, the Cedar River channel construction and  
23 operation account, the Central Washington University capital projects  
24 account, the charitable, educational, penal and reformatory  
25 institutions account, the common school construction fund, the county  
26 criminal justice assistance account, the county sales and use tax  
27 equalization account, the data processing building construction  
28 account, the deferred compensation administrative account, the deferred  
29 compensation principal account, the department of retirement systems  
30 expense account, the drinking water assistance account, the drinking  
31 water assistance administrative account, the drinking water assistance  
32 repayment account, the Eastern Washington University capital projects  
33 account, the education construction fund, the election account, the  
34 emergency reserve fund, The Evergreen State College capital projects  
35 account, the federal forest revolving account, the health services  
36 account, the public health services account, the health system capacity  
37 account, the personal health services account, the state higher  
38 education construction account, the higher education construction

1 account, the highway infrastructure account, the industrial insurance  
2 premium refund account, the judges' retirement account, the judicial  
3 retirement administrative account, the judicial retirement principal  
4 account, the local leasehold excise tax account, the local real estate  
5 excise tax account, the local sales and use tax account, the medical  
6 aid account, the mobile home park relocation fund, the multimodal  
7 transportation account, the municipal criminal justice assistance  
8 account, the municipal sales and use tax equalization account, the  
9 natural resources deposit account, the oyster reserve land account, the  
10 perpetual surveillance and maintenance account, the public employees'  
11 retirement system plan 1 account, the public employees' retirement  
12 system combined plan 2 and plan 3 account, the public facilities  
13 construction loan revolving account beginning July 1, 2004, the public  
14 health supplemental account, the public works assistance account, the  
15 Puyallup tribal settlement account, the regional transportation  
16 investment district account, the resource management cost account, the  
17 site closure account, the special wildlife account, the state  
18 employees' insurance account, the state employees' insurance reserve  
19 account, the state investment board expense account, the state  
20 investment board commingled trust fund accounts, the supplemental  
21 pension account, the Tacoma Narrows toll bridge account, the teachers'  
22 retirement system plan 1 account, the teachers' retirement system  
23 combined plan 2 and plan 3 account, the tobacco prevention and control  
24 account, the tobacco settlement account, the transportation  
25 infrastructure account, the transportation partnership account, the  
26 tuition recovery trust fund, the University of Washington bond  
27 retirement fund, the University of Washington building account, the  
28 volunteer fire fighters' and reserve officers' relief and pension  
29 principal fund, the volunteer fire fighters' and reserve officers'  
30 administrative fund, the Washington fruit express account, the  
31 Washington judicial retirement system account, the Washington law  
32 enforcement officers' and fire fighters' system plan 1 retirement  
33 account, the Washington law enforcement officers' and fire fighters'  
34 system plan 2 retirement account, the Washington school employees'  
35 retirement system combined plan 2 and 3 account, the Washington state  
36 health insurance pool account, the Washington state patrol retirement  
37 account, the Washington State University building account, the  
38 Washington State University bond retirement fund, the water pollution

1 control revolving fund, and the Western Washington University capital  
2 projects account. Earnings derived from investing balances of the  
3 agricultural permanent fund, the normal school permanent fund, the  
4 permanent common school fund, the scientific permanent fund, and the  
5 state university permanent fund shall be allocated to their respective  
6 beneficiary accounts. All earnings to be distributed under this  
7 subsection (4)(a) shall first be reduced by the allocation to the state  
8 treasurer's service fund pursuant to RCW 43.08.190.

9 (b) The following accounts and funds shall receive eighty percent  
10 of their proportionate share of earnings based upon each account's or  
11 fund's average daily balance for the period: The aeronautics account,  
12 the aircraft search and rescue account, the county arterial  
13 preservation account, the department of licensing services account, the  
14 essential rail assistance account, the ferry bond retirement fund, the  
15 grade crossing protective fund, the high capacity transportation  
16 account, the highway bond retirement fund, the highway safety account,  
17 the motor vehicle fund, the motorcycle safety education account, the  
18 pilotage account, the public transportation systems account, the Puget  
19 Sound capital construction account, the Puget Sound ferry operations  
20 account, the recreational vehicle account, the rural arterial trust  
21 account, the safety and education account, the special category C  
22 account, the state patrol highway account, the transportation 2003  
23 account (nickel account), the transportation equipment fund, the  
24 transportation fund, the transportation improvement account, the  
25 transportation improvement board bond retirement account, and the urban  
26 arterial trust account.

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

30 **Sec. 108.** RCW 43.84.092 and 2004 c 242 s 60 are each amended to  
31 read as follows:

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

35 (2) The treasury income account shall be utilized to pay or receive  
36 funds associated with federal programs as required by the federal cash  
37 management improvement act of 1990. The treasury income account is

1 subject in all respects to chapter 43.88 RCW, but no appropriation is  
2 required for refunds or allocations of interest earnings required by  
3 the cash management improvement act. Refunds of interest to the  
4 federal treasury required under the cash management improvement act  
5 fall under RCW 43.88.180 and shall not require appropriation. The  
6 office of financial management shall determine the amounts due to or  
7 from the federal government pursuant to the cash management improvement  
8 act. The office of financial management may direct transfers of funds  
9 between accounts as deemed necessary to implement the provisions of the  
10 cash management improvement act, and this subsection. Refunds or  
11 allocations shall occur prior to the distributions of earnings set  
12 forth in subsection (4) of this section.

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

21 (4) Monthly, the state treasurer shall distribute the earnings  
22 credited to the treasury income account. The state treasurer shall  
23 credit the general fund with all the earnings credited to the treasury  
24 income account except:

25 (a) The following accounts and funds shall receive their  
26 proportionate share of earnings based upon each account's and fund's  
27 average daily balance for the period: The capitol building  
28 construction account, the Cedar River channel construction and  
29 operation account, the Central Washington University capital projects  
30 account, the charitable, educational, penal and reformatory  
31 institutions account, the common school construction fund, the county  
32 criminal justice assistance account, the county sales and use tax  
33 equalization account, the data processing building construction  
34 account, the deferred compensation administrative account, the deferred  
35 compensation principal account, the department of retirement systems  
36 expense account, the drinking water assistance account, the drinking  
37 water assistance administrative account, the drinking water assistance  
38 repayment account, the Eastern Washington University capital projects

1 account, the education construction fund, the election account, the  
2 emergency reserve fund, The Evergreen State College capital projects  
3 account, the federal forest revolving account, the health services  
4 account, the public health services account, the health system capacity  
5 account, the personal health services account, the state higher  
6 education construction account, the higher education construction  
7 account, the highway infrastructure account, the industrial insurance  
8 premium refund account, the judges' retirement account, the judicial  
9 retirement administrative account, the judicial retirement principal  
10 account, the local leasehold excise tax account, the local real estate  
11 excise tax account, the local sales and use tax account, the medical  
12 aid account, the mobile home park relocation fund, the multimodal  
13 transportation account, the municipal criminal justice assistance  
14 account, the municipal sales and use tax equalization account, the  
15 natural resources deposit account, the oyster reserve land account, the  
16 perpetual surveillance and maintenance account, the public employees'  
17 retirement system plan 1 account, the public employees' retirement  
18 system combined plan 2 and plan 3 account, the public facilities  
19 construction loan revolving account beginning July 1, 2004, the public  
20 health supplemental account, the public works assistance account, the  
21 Puyallup tribal settlement account, the regional transportation  
22 investment district account, the resource management cost account, the  
23 site closure account, the special wildlife account, the state  
24 employees' insurance account, the state employees' insurance reserve  
25 account, the state investment board expense account, the state  
26 investment board commingled trust fund accounts, the supplemental  
27 pension account, the Tacoma Narrows toll bridge account, the teachers'  
28 retirement system plan 1 account, the teachers' retirement system  
29 combined plan 2 and plan 3 account, the tobacco prevention and control  
30 account, the tobacco settlement account, the transportation  
31 infrastructure account, the transportation partnership account, the  
32 tuition recovery trust fund, the University of Washington bond  
33 retirement fund, the University of Washington building account, the  
34 volunteer fire fighters' and reserve officers' relief and pension  
35 principal fund, the volunteer fire fighters' and reserve officers'  
36 administrative fund, the Washington fruit express account, the  
37 Washington judicial retirement system account, the Washington law  
38 enforcement officers' and fire fighters' system plan 1 retirement

1 account, the Washington law enforcement officers' and fire fighters'  
2 system plan 2 retirement account, the Washington public safety  
3 employees' plan 2 retirement account, the Washington school employees'  
4 retirement system combined plan 2 and 3 account, the Washington state  
5 health insurance pool account, the Washington state patrol retirement  
6 account, the Washington State University building account, the  
7 Washington State University bond retirement fund, the water pollution  
8 control revolving fund, and the Western Washington University capital  
9 projects account. Earnings derived from investing balances of the  
10 agricultural permanent fund, the normal school permanent fund, the  
11 permanent common school fund, the scientific permanent fund, and the  
12 state university permanent fund shall be allocated to their respective  
13 beneficiary accounts. All earnings to be distributed under this  
14 subsection (4)(a) shall first be reduced by the allocation to the state  
15 treasurer's service fund pursuant to RCW 43.08.190.

16 (b) The following accounts and funds shall receive eighty percent  
17 of their proportionate share of earnings based upon each account's or  
18 fund's average daily balance for the period: The aeronautics account,  
19 the aircraft search and rescue account, the county arterial  
20 preservation account, the department of licensing services account, the  
21 essential rail assistance account, the ferry bond retirement fund, the  
22 grade crossing protective fund, the high capacity transportation  
23 account, the highway bond retirement fund, the highway safety account,  
24 the motor vehicle fund, the motorcycle safety education account, the  
25 pilotage account, the public transportation systems account, the Puget  
26 Sound capital construction account, the Puget Sound ferry operations  
27 account, the recreational vehicle account, the rural arterial trust  
28 account, the safety and education account, the special category C  
29 account, the state patrol highway account, the transportation 2003  
30 account (nickel account), the transportation equipment fund, the  
31 transportation fund, the transportation improvement account, the  
32 transportation improvement board bond retirement account, and the urban  
33 arterial trust account.

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





1 state roads and highways. The vehicle scale weight fee shall be that  
2 portion of the fee as reflected on the scale weight set forth in  
3 schedule B provided in RCW 46.16.070 that is in excess of the fee  
4 imposed under RCW 46.16.0621.

5 (2) For the purposes of this section, the department shall rely on  
6 the vehicle empty scale weights as provided by vehicle manufacturers,  
7 or other sources defined by the department, to determine the weight of  
8 each vehicle. The department shall adopt rules for determining weight  
9 for vehicles without manufacturer empty scale weights.

10 (3) When the scale weight of a motor home is 6,667 pounds or  
11 greater, the scale weight shall be multiplied by one hundred fifty  
12 percent to determine the annual vehicle scale weight fee. The annual  
13 vehicle scale weight fee applicable to a motor home of 6,667 pounds or  
14 greater may be paid for any full registration month or months at one-  
15 twelfth of the usual annual fee plus two dollars, this sum to be  
16 multiplied by the number of months for which the fees are paid if less  
17 than a full year.

18 (4) If the resultant weight according to this section is not listed  
19 in schedule B provided in RCW 46.16.070, it shall be increased to the  
20 next higher weight pursuant to chapter 46.44 RCW.

21 (5) Proceeds from the fees collected under this section shall be  
22 distributed into the multimodal transportation account.

23 NEW SECTION. **Sec. 202.** A new section is added to chapter 46.16  
24 RCW to read as follows:

25 In lieu of the license tab fees provided in RCW 46.16.0621, private  
26 use single-axle trailers of two thousand pounds scale weight or less  
27 may be licensed upon the payment of a license fee in the sum of fifteen  
28 dollars, but only if the trailer is operated upon public highways. The  
29 license fee must be collected annually for each registration year or  
30 fraction of a registration year. This reduced license fee applies only  
31 to trailers operated for personal use of the owners, and not trailers  
32 held for rental to the public or used in any commercial or business  
33 endeavor. The proceeds from the fees collected under this section  
34 shall be distributed in accordance with RCW 46.68.035.

35 **Sec. 203.** RCW 46.16.070 and 2003 c 361 s 201 and 2003 c 1 s 3 are  
36 each reenacted and amended to read as follows:

1 (1) In lieu of all other vehicle licensing fees, unless  
 2 specifically exempt, and in addition to the mileage fees prescribed for  
 3 buses and stages in RCW 46.16.125, there shall be paid and collected  
 4 annually for each truck, motor truck, truck tractor, road tractor,  
 5 tractor, bus, auto stage, or for hire vehicle with seating capacity of  
 6 more than six, based upon the declared combined gross weight or  
 7 declared gross weight under chapter 46.44 RCW, the following licensing  
 8 fees by ((such-gross)) weight:

9	((DECLARED-GROSS)) WEIGHT	SCHEDULE A	SCHEDULE B
10	4,000 lbs. ....	\$ ((30.00))	\$ ((30.00))
11		<u>35.00</u>	<u>35.00</u>
12	6,000 lbs. ....	\$ ((30.00))	\$ ((30.00))
13		<u>45.00</u>	<u>45.00</u>
14	8,000 lbs. ....	\$ ((30.00))	\$ ((30.00))
15		<u>55.00</u>	<u>55.00</u>
16	10,000 lbs. ....	\$ 62.00	\$ 62.00
17	12,000 lbs. ....	\$ 79.00	\$ 79.00
18	14,000 lbs. ....	\$ 90.00	\$ 90.00
19	16,000 lbs. ....	\$ 102.00	\$ 102.00
20	18,000 lbs. ....	\$ 154.00	\$ 154.00
21	20,000 lbs. ....	\$ 171.00	\$ 171.00
22	22,000 lbs. ....	\$ 185.00	\$ 185.00
23	24,000 lbs. ....	\$ 200.00	\$ 200.00
24	26,000 lbs. ....	\$ 211.00	\$ 211.00
25	28,000 lbs. ....	\$ 249.00	\$ 249.00
26	30,000 lbs. ....	\$ 287.00	\$ 287.00
27	32,000 lbs. ....	\$ 346.00	\$ 346.00
28	34,000 lbs. ....	\$ 368.00	\$ 368.00
29	36,000 lbs. ....	\$ 399.00	\$ 399.00
30	38,000 lbs. ....	\$ 438.00	\$ 438.00
31	40,000 lbs. ....	\$ 501.00	\$ 501.00
32	42,000 lbs. ....	\$ 521.00	\$ 611.00
33	44,000 lbs. ....	\$ 532.00	\$ 622.00
34	46,000 lbs. ....	\$ 572.00	\$ 662.00
35	48,000 lbs. ....	\$ 596.00	\$ 686.00
36	50,000 lbs. ....	\$ 647.00	\$ 737.00
37	52,000 lbs. ....	\$ 680.00	\$ 770.00
38	54,000 lbs. ....	\$ 734.00	\$ 824.00
39	56,000 lbs. ....	\$ 775.00	\$ 865.00
40	58,000 lbs. ....	\$ 806.00	\$ 896.00
41	60,000 lbs. ....	\$ 859.00	\$ 949.00

1	62,000 lbs. ....	\$ 921.00 .....	\$ 1,011.00
2	64,000 lbs. ....	\$ 941.00 .....	\$ 1,031.00
3	66,000 lbs. ....	\$ 1,048.00 .....	\$ 1,138.00
4	68,000 lbs. ....	\$ 1,093.00 .....	\$ 1,183.00
5	70,000 lbs. ....	\$ 1,177.00 .....	\$ 1,267.00
6	72,000 lbs. ....	\$ 1,259.00 .....	\$ 1,349.00
7	74,000 lbs. ....	\$ 1,368.00 .....	\$ 1,458.00
8	76,000 lbs. ....	\$ 1,478.00 .....	\$ 1,568.00
9	78,000 lbs. ....	\$ 1,614.00 .....	\$ 1,704.00
10	80,000 lbs. ....	\$ 1,742.00 .....	\$ 1,832.00
11	82,000 lbs. ....	\$ 1,863.00 .....	\$ 1,953.00
12	84,000 lbs. ....	\$ 1,983.00 .....	\$ 2,073.00
13	86,000 lbs. ....	\$ 2,104.00 .....	\$ 2,194.00
14	88,000 lbs. ....	\$ 2,225.00 .....	\$ 2,315.00
15	90,000 lbs. ....	\$ 2,346.00 .....	\$ 2,436.00
16	92,000 lbs. ....	\$ 2,466.00 .....	\$ 2,556.00
17	94,000 lbs. ....	\$ 2,587.00 .....	\$ 2,677.00
18	96,000 lbs. ....	\$ 2,708.00 .....	\$ 2,798.00
19	98,000 lbs. ....	\$ 2,829.00 .....	\$ 2,919.00
20	100,000 lbs. ....	\$ 2,949.00 .....	\$ 3,039.00
21	102,000 lbs. ....	\$ 3,070.00 .....	\$ 3,160.00
22	104,000 lbs. ....	\$ 3,191.00 .....	\$ 3,281.00
23	105,500 lbs. ....	\$ 3,312.00 .....	\$ 3,402.00

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

27 Every truck, motor truck, truck tractor, and tractor exceeding  
28 6,000 pounds empty scale weight registered under chapter 46.16, 46.87,  
29 or 46.88 RCW shall be licensed for not less than one hundred fifty  
30 percent of its empty weight unless the amount would be in excess of the  
31 legal limits prescribed for such a vehicle in RCW 46.44.041 or  
32 46.44.042, in which event the vehicle shall be licensed for the maximum  
33 weight authorized for such a vehicle or unless the vehicle is used only  
34 for the purpose of transporting any well drilling machine, air  
35 compressor, rock crusher, conveyor, hoist, donkey engine, cook house,  
36 tool house, bunk house, or similar machine or structure attached to or  
37 made a part of such vehicle.

38 The following provisions apply when increasing gross or combined  
39 gross weight for a vehicle licensed under this section:

40 (a) The new license fee will be one-twelfth of the fee listed above

1 for the new gross weight, multiplied by the number of months remaining  
2 in the period for which licensing fees have been paid, including the  
3 month in which the new gross weight is effective.

4 (b) Upon surrender of the current certificate of registration or  
5 cab card, the new licensing fees due shall be reduced by the amount of  
6 the licensing fees previously paid for the same period for which new  
7 fees are being charged.

8 (2) The proceeds from the fees collected under subsection (1) of  
9 this section shall be distributed in accordance with RCW 46.68.035.

10 **Sec. 204.** RCW 46.68.035 and 2003 c 361 s 202 are each amended to  
11 read as follows:

12 All proceeds from combined vehicle licensing fees received by the  
13 director for vehicles licensed under RCW 46.16.070 and 46.16.085 shall  
14 be forwarded to the state treasurer to be distributed into accounts  
15 according to the following method:

16 (1) The sum of two dollars for each vehicle shall be deposited into  
17 the multimodal transportation account, except that for each vehicle  
18 registered by a county auditor or agent to a county auditor pursuant to  
19 RCW 46.01.140, the sum of two dollars shall be credited to the current  
20 county expense fund.

21 (2) The remainder shall be distributed as follows:

22 (a) (~~((21.963))~~) 24.00 percent shall be deposited into the state  
23 patrol highway account of the motor vehicle fund;

24 (b) (~~((1.411))~~) 1.8 percent shall be deposited into the Puget Sound  
25 ferry operations account of the motor vehicle fund;

26 (c) (~~((7.240))~~) 6.38 percent shall be deposited into the  
27 transportation 2003 account (nickel account); and

28 (d) The remaining proceeds shall be deposited into the motor  
29 vehicle fund.

30 **PART III - LOCAL TRANSPORTATION FUNDING OPTIONS**

31 NEW SECTION. **Sec. 301.** A new section is added to chapter 82.80  
32 RCW to read as follows:

33 (1)(a) A county may fix and impose an annual vehicle fee of (i)  
34 twenty dollars per vehicle between July 1, 2005, and December 31, 2009;  
35 (ii) twenty-five dollars per vehicle between January 1, 2010, and

1 December 31, 2014; and (iii) thirty dollars per vehicle for all fees  
2 imposed after December 31, 2014. This fee applies to each vehicle that  
3 is subject to license fees under RCW 46.16.0621 and for each vehicle  
4 that is subject to gross weight fees under RCW 46.16.070 with an  
5 unladen weight of ten thousand pounds or less, and that is determined  
6 by the department of licensing to be registered within the boundaries  
7 of the county imposing the fee.

8 (b) The following vehicles registered within the county boundaries  
9 are exempt from annual vehicle fees under this section: (i) Farm  
10 equipment as defined in RCW 46.04.181; (ii) vehicles licensed under RCW  
11 46.16.374; and (iii) small trailers with an empty scale weight under  
12 one thousand pounds.

13 (c) Annual vehicle fees may be authorized under this section by the  
14 county legislative authority, or upon approval by a majority of the  
15 voters in the county voting on a proposition at a general or special  
16 election.

17 (2) The department of licensing shall administer and annually  
18 collect the fee on behalf of the county at the time of registration  
19 renewal and remit the fee to the custody of the state treasurer for  
20 monthly distribution under subsection (5) of this section. A county  
21 imposing the fee, or initiating an exemption process under subsection  
22 (4) of this section, shall enter into a contract with the department of  
23 licensing. The contract must contain provisions that fully recover the  
24 costs to the department of licensing for the collection and  
25 administration of the fee.

26 (3) A county imposing a vehicle licensing fee or initiating an  
27 exemption process under this section shall delay the effective date of  
28 the fee or exemption at least six months from the date the ordinance is  
29 enacted to allow the department of licensing to administer the fee or  
30 exemption.

31 (4) A county may develop and initiate an exemption process for the  
32 registered owners of vehicles residing within the boundaries of the  
33 county: (a) Who are sixty-two years of age or older at the time  
34 payment of the fee is due and whose household income for the previous  
35 calendar year is less than an amount prescribed by the county; or (b)  
36 who have a physical disability.

37 (5) Revenues generated by the fee authorized under this section  
38 must be distributed to the levying county, and cities and towns

1 contained in the county, based on the relative per capita population.  
2 County population under this section is equal to one and one-quarter  
3 multiplied by the unincorporated population of the county. In  
4 calculating the distributions, the county shall use the population  
5 estimates prepared by the state office of financial management.

6 (6)(a) If a county does not impose an annual vehicle fee under this  
7 section within one year of the effective date of this section, then a  
8 city or town may fix and impose an annual vehicle fee of (i) twenty  
9 dollars per vehicle between July 1, 2007, and December 31, 2009; (ii)  
10 twenty-five dollars per vehicle between January 1, 2010, and December  
11 31, 2014; and (iii) thirty dollars per vehicle for all fees imposed  
12 after December 31, 2014. This fee applies to each vehicle that is  
13 subject to license fees under RCW 46.16.0621 and for each vehicle that  
14 is subject to gross weight fees under RCW 46.16.070 with an unladen  
15 weight of ten thousand pounds or less, and that is determined by the  
16 department of licensing to be registered within the boundaries of the  
17 county imposing the fee.

18 (b) The following vehicles registered within the city or town  
19 boundaries are exempt under this section: (i) Farm equipment as  
20 defined in RCW 46.04.181; (ii) vehicles licensed under RCW 46.16.374;  
21 and (iii) small trailers with an empty scale weight under one thousand  
22 pounds.

23 (c) Annual vehicle Fees may be authorized under this section by the  
24 city or town legislative authority, or upon approval by a majority of  
25 the voters in the city voting on a proposition at a general or special  
26 election.

27 (7) The department of licensing shall administer and annually  
28 collect the fee on behalf of the city or town at the time of  
29 registration renewal and remit the fee to the custody of the state  
30 treasurer for monthly distribution to the city or town imposing the  
31 fee.

32 (8) A city or town imposing a vehicle licensing fee or initiating  
33 an exemption process under this section shall delay the effective date  
34 of the fee or exemption at least six months from the date the ordinance  
35 is enacted to allow the department of licensing to administer the fee  
36 or exemption.

37 (9) A city or town may develop and initiate an exemption process  
38 for the registered owners of vehicles residing within the boundaries of

1 the city or town: (a) Who are sixty-two years of age or older at the  
2 time payment of the fee is due and whose household income for the  
3 previous calendar year is less than an amount prescribed by the county;  
4 or (b) who have a physical disability.

5 (10) If a county imposes an annual vehicle fee under this section  
6 after a city or town has begun imposing this fee, the city or town fee  
7 shall be reduced or eliminated so the combined fee does not exceed the  
8 amount authorized under subsection (1) of this section. Cities or  
9 towns within a county imposing a fee under this section may not impose  
10 the fee at a rate that, when combined with the county rate, would  
11 exceed the total rate authorized under subsection (1) of this section.

12 (11) The proceeds of a vehicle license fee imposed under this  
13 section shall be used strictly for transportation purposes in  
14 accordance with RCW 82.80.070.

15 NEW SECTION. **Sec. 302.** A new section is added to chapter 82.80  
16 RCW to read as follows:

17 (1) A county, city, or town may fix and impose an excise tax for  
18 the privilege of occupying a housing unit within the county, city, or  
19 town in such amounts as shall be fixed and determined by the county,  
20 city, or town; however, the excise tax may not exceed four dollars per  
21 month for each occupied housing unit. For the purposes of this  
22 section, "housing unit" means a building or portion thereof designed  
23 for or used as the residence or living quarters of one or more persons  
24 living together, or of one family. The excise tax may be authorized  
25 under this section by the county, city, or town legislative authority,  
26 or upon approval by a majority of the voters in the county, city, or  
27 town voting on a proposition at a general or special election. A  
28 county, city, or town imposing the tax provided for in this section may  
29 provide for its payment on a monthly, quarterly, or annual basis. Each  
30 local government may develop by ordinance or resolution rules for  
31 administering the tax including the reporting thereof. A county, city,  
32 or town imposing the tax authorized in this section may develop by  
33 ordinance or resolution rules that provide for exemptions from the tax  
34 for certain persons as the county, city, or town deems appropriate.

35 (2)(a) If a county imposes this excise tax after a city or town has  
36 begun collecting this tax, the city or town tax shall be reduced or  
37 eliminated so the combined tax does not exceed the amount authorized

1 under subsection (1) of this section. Cities or towns within a county  
2 imposing a tax under this section may not impose the tax at a rate  
3 that, when combined with the county rate, would exceed the total rate  
4 authorized under subsection (1) of this section; and

5 (b) If the excise tax is county-wide, then revenues generated by  
6 the tax authorized under this section must be distributed to the  
7 levying county, and cities and towns contained in the county, based on  
8 the relative per capita population. County population under this  
9 section is equal to one and one-quarter multiplied by the  
10 unincorporated population of the county. In calculating the  
11 distributions, the county shall use the population estimates prepared  
12 by the state office of financial management.

13 (3) The tax authorized under this section shall be used strictly  
14 for transportation purposes in accordance with RCW 82.80.070.

15 NEW SECTION. **Sec. 303.** A new section is added to chapter 82.80  
16 RCW to read as follows:

17 (1) A county, city, or town may impose an excise tax, for the  
18 privilege of engaging in business, of up to two dollars per employee  
19 per month on all employers or any class or classes of employers, public  
20 and private, measured by the number of full-time equivalent employees.  
21 In no event may the total taxes imposed under this section exceed two  
22 dollars per employee per month for any single employer. The county,  
23 city, or town imposing the tax authorized in this section may provide  
24 for exemptions from the tax for such educational, cultural, health,  
25 charitable, or religious organizations as it deems appropriate.

26 (2) The excise tax may be authorized under this section by the  
27 county, city, or town legislative authority, or upon approval by a  
28 majority of the voters in the county, city, or town voting on a  
29 proposition at a general or special election. A county, city, or town  
30 imposing the tax provided for in this section may provide for its  
31 payment on a monthly, quarterly, or annual basis. Each local  
32 government may develop by ordinance or resolution rules for  
33 administering the tax including the reporting thereof.

34 (3)(a) Counties, cities, or towns may contract with the state  
35 department of revenue or other appropriate entities for administration  
36 and collection of the tax. The contract shall provide for deduction of  
37 an amount for administration and collection expenses. If the excise



1 tax is imposed county-wide, the department shall remit the tax to the  
2 custody of the state treasurer for monthly distribution under  
3 subsection (4)(b) of this section. If the excise tax is levied by a  
4 city or town, the department shall remit the tax to the custody of the  
5 state treasurer for monthly distribution to the city or town imposing  
6 the tax.

7 (b) If the department of revenue is contracted for administration  
8 and collection of the tax, all provisions of chapter 82.32 RCW shall be  
9 applicable to the tax imposed under this section. The employment  
10 security department shall provide to the department of revenue such  
11 information necessary for the department of revenue to administer the  
12 tax. The department of revenue must receive at least seventy-five  
13 days' notice of the imposition of the tax, and collection can begin  
14 only on the first day of January, April, July, or October.

15 (4)(a) If a county imposes this excise tax after a city or town has  
16 begun collecting this tax, the city or town tax shall be reduced or  
17 eliminated so the combined tax does not exceed the amount authorized  
18 under subsection (1) of this section. Cities or towns within a county  
19 imposing a tax under this section may not impose the tax at a rate  
20 that, when combined with the county rate, would exceed the total rate  
21 authorized under subsection (1) of this section; and

22 (b) If the excise tax is county-wide, revenues generated by the tax  
23 authorized under this section must be distributed to the levying  
24 county, and cities and towns contained in the county, based on the  
25 relative per capita population. County population under this section  
26 is equal to one and one-quarter multiplied by the unincorporated  
27 population of the county. In calculating the distributions, the county  
28 shall use the population estimates prepared by the state office of  
29 financial management.

30 (5) The proceeds of this tax shall be used strictly for  
31 transportation purposes in accordance with RCW 82.80.070.

32 (6) For purposes of this section, "employer" has the same meaning  
33 as defined in RCW 50.04.080.

34 NEW SECTION. **Sec. 304.** A new section is added to chapter 82.80  
35 RCW to read as follows:

36 (1) A county, city, or town may impose special assessments on all  
37 property within the county to support transportation improvements that

1 benefit county, city, or town property owners. The assessments shall  
2 not exceed fifty dollars annually per parcel. The assessment rate  
3 authorized or adopted shall be uniformly applied to all parcels within  
4 the county, city, or town. The assessments may be authorized under  
5 this section by the county, city, or town legislative authority, or  
6 upon approval by a majority of the voters in the county, city, or town  
7 voting on a proposition at a general or special election.

8 (2) The amount of the assessment constitutes a lien against the  
9 property. The assessments shall be subject to the same provisions as  
10 those for property tax collections, as provided in RCW 84.56.020, and  
11 shall be billed and collected by the county treasurer under the  
12 authority in RCW 84.56.035.

13 (3)(a) If a county imposes this tax after a city or town has begun  
14 collecting this tax, the city or town tax shall be reduced or  
15 eliminated so the combined tax does not exceed the amount authorized  
16 under subsection (1) of this section. Cities or towns within a county  
17 imposing a tax under this section may not impose the tax at a rate  
18 that, when combined with the county rate, would exceed the total rate  
19 authorized under subsection (1) of this section; and

20 (b) If the tax is county-wide, revenues generated by the tax  
21 authorized under this section must be distributed to the levying  
22 county, and cities and towns contained in the county, based on the  
23 relative per capita population. County population under this section  
24 is equal to one and one-quarter multiplied by the unincorporated  
25 population of the county. In calculating the distributions, the county  
26 shall use the population estimates prepared by the state office of  
27 financial management.

28 (4) The proceeds of this assessment shall be used strictly for  
29 transportation purposes in accordance with RCW 82.80.070.

30 **PART IV - MISCELLANEOUS FEES**

31 **Sec. 401.** RCW 46.16.237 and 1987 c 52 s 1 are each amended to read  
32 as follows:

33 All vehicle license number plates issued after January 1, 1968, or  
34 such earlier date as the director may prescribe with respect to plates  
35 issued in any county, shall be treated with fully reflectorized  
36 materials designed to increase the visibility and legibility of such

1 plates at night. In addition to all other fees prescribed by law,  
2 there shall be paid and collected for each vehicle license number plate  
3 treated with such materials, the sum of (~~(fifty cents)~~) two dollars and  
4 for each set of two plates, the sum of (~~(one dollar:—PROVIDED,~~  
5 ~~HOWEVER,~~) four dollars. However, one plate is available only to those  
6 vehicles that by law require only one plate. Such fees shall be  
7 deposited in the motor vehicle fund.

8 **Sec. 402.** RCW 46.16.270 and 1997 c 291 s 3 are each amended to  
9 read as follows:

10 The total replacement plate fee shall be deposited in the motor  
11 vehicle fund.

12 Upon the loss, defacement, or destruction of one or both of the  
13 vehicle license number plates issued for any vehicle where more than  
14 one plate was originally issued or where one or both have become so  
15 illegible or in such a condition as to be difficult to distinguish, or  
16 upon the owner's option, the owner of the vehicle shall make  
17 application for new vehicle license number plates upon a form furnished  
18 by the director. The application shall be filed with the director or  
19 the director's authorized agent, accompanied by the certificate of  
20 license registration of the vehicle and a fee in the amount of  
21 (~~(three)~~) ten dollars per plate, whereupon the director, or the  
22 director's authorized agent, shall issue new vehicle license number  
23 plates to the applicant. It shall be accompanied by a fee of two  
24 dollars for a new motorcycle license number plate. In the event the  
25 director has issued license period tabs or a windshield emblem instead  
26 of vehicle license number plates, and upon the loss, defacement, or  
27 destruction of the tabs or windshield emblem, application shall be made  
28 on a form provided by the director and in the same manner as above  
29 described, and shall be accompanied by a fee of one dollar for each  
30 pair of tabs or for each windshield emblem, whereupon the director  
31 shall issue to the applicant a duplicate pair of tabs, year tabs, and  
32 when necessary month tabs or a windshield emblem to replace those lost,  
33 defaced, or destroyed. For vehicles owned, rented, or leased by the  
34 state of Washington or by any county, city, town, school district, or  
35 other political subdivision of the state of Washington or United States  
36 government, or owned or leased by the governing body of an Indian tribe  
37 as defined in RCW 46.16.020, a fee shall be charged for replacement of

1 a vehicle license number plate only to the extent required by the  
2 provisions of RCW 46.16.020, (~~(46.16.061,)~~) 46.16.237, and 46.01.140.  
3 For vehicles owned, rented, or leased by foreign countries or  
4 international bodies to which the United States government is a  
5 signatory by treaty, the payment of any fee for the replacement of a  
6 vehicle license number plate shall not be required.

7 **Sec. 403.** RCW 46.20.055 and 2004 c 249 s 3 are each amended to  
8 read as follows:

9 (1) **Driver's instruction permit.** The department may issue a  
10 driver's instruction permit with or without a photograph to an  
11 applicant who has successfully passed all parts of the examination  
12 other than the driving test, provided the information required by RCW  
13 46.20.091, paid a fee of (~~(fifteen)~~) twenty dollars, and meets the  
14 following requirements:

- 15 (a) Is at least fifteen and one-half years of age; or
- 16 (b) Is at least fifteen years of age and:
  - 17 (i) Has submitted a proper application; and
  - 18 (ii) Is enrolled in a traffic safety education program offered,  
19 approved, and accredited by the superintendent of public instruction or  
20 offered by a driver training school licensed and inspected by the  
21 department of licensing under chapter 46.82 RCW, that includes practice  
22 driving.

23 (2) **Waiver of written examination for instruction permit.** The  
24 department may waive the written examination, if, at the time of  
25 application, an applicant is enrolled in:

- 26 (a) A traffic safety education course as defined by RCW  
27 28A.220.020(2); or
- 28 (b) A course of instruction offered by a licensed driver training  
29 school as defined by RCW 46.82.280(1).

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

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

- 35 (a) The person has immediate possession of the permit; and
- 36 (b) An approved instructor, or a licensed driver with at least five  
37 years of driving experience, occupies the seat beside the driver.

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

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

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

7 (c) A person applying to renew an instruction permit must submit  
8 the application to the department in person.

9 **Sec. 404.** RCW 46.20.070 and 2004 c 249 s 4 are each amended to  
10 read as follows:

11 (1) **Agricultural driving permit authorized.** The director may issue  
12 a juvenile agricultural driving permit to a person under the age of  
13 eighteen years if:

14 (a) The application is signed by the applicant and the applicant's  
15 father, mother, or legal guardian;

16 (b) The applicant has passed the driving examination required by  
17 RCW 46.20.120;

18 (c) The department has investigated the applicant's need for the  
19 permit and determined that the need justifies issuance;

20 (d) The department has determined the applicant is capable of  
21 operating a motor vehicle without endangering himself or herself or  
22 other persons and property; and

23 (e) The applicant has paid a fee of (~~fifteen~~) twenty dollars.

24 The permit must contain a photograph of the person.

25 (2) **Effect of agricultural driving permit.** (a) The permit  
26 authorizes the holder to:

27 (i) Drive a motor vehicle on the public highways of this state in  
28 connection with farm work. The holder may drive only within a  
29 restricted farming locality described on the permit; and

30 (ii) Participate in the classroom portion of a traffic safety  
31 education course authorized under RCW 28A.220.030 or the classroom  
32 portion of a traffic safety education course offered by a driver  
33 training school licensed and inspected by the department of licensing  
34 under chapter 46.82 RCW offered in the community where the holder  
35 resides.

36 (b) The director may transfer the permit from one farming locality  
37 to another. A transfer is not a renewal of the permit.

1           (3) **Term and renewal of agricultural driving permit.**     An  
2 agricultural driving permit expires one year from the date of issue.

3           (a) A person under the age of eighteen who holds a permit may renew  
4 the permit by paying a fee of fifteen dollars.

5           (b) A person applying to renew an agricultural driving permit must  
6 submit the application to the department in person.

7           (c) An agricultural driving permit is invalidated when a permittee  
8 attains age eighteen. In order to drive a motor vehicle on a highway  
9 he or she must obtain a motor vehicle driver's license under this  
10 chapter.

11          (4) **Suspension, revocation, or cancellation.** The director has sole  
12 discretion to suspend, revoke, or cancel a juvenile agricultural  
13 driving permit if:

14          (a) The permittee has been found to have committed an offense that  
15 requires mandatory suspension or revocation of a driver's license; or

16          (b) The director is satisfied that the permittee has violated the  
17 permit's restrictions.

18          **Sec. 405.** RCW 46.20.117 and 2004 c 249 s 5 are each amended to  
19 read as follows:

20          (1) **Issuance.** The department shall issue an identicard, containing  
21 a picture, if the applicant:

22           (a) Does not hold a valid Washington driver's license;

23           (b) Proves his or her identity as required by RCW 46.20.035; and

24           (c) Pays the required fee. The fee is (~~fifteen~~) twenty dollars  
25 unless an applicant is a recipient of continuing public assistance  
26 grants under Title 74 RCW, who is referred in writing by the secretary  
27 of social and health services. For those persons the fee must be the  
28 actual cost of production of the identicard.

29          (2) **Design and term.** The identicard must:

30           (a) Be distinctly designed so that it will not be confused with the  
31 official driver's license; and

32           (b) Expire on the fifth anniversary of the applicant's birthdate  
33 after issuance.

34          (3) **Renewal.** An application for identicard renewal may be  
35 submitted by means of:

36           (a) Personal appearance before the department; or

1 (b) Mail or electronic commerce, if permitted by rule of the  
2 department and if the applicant did not renew his or her identicard by  
3 mail or by electronic commerce when it last expired. However, the  
4 department may accept an application for renewal of an identicard  
5 submitted by means of mail or electronic commerce only if specific  
6 authority and funding is provided for this purpose by June 30, 2004, in  
7 the omnibus transportation appropriations act.

8 An identicard may not be renewed by mail or by electronic commerce  
9 unless the renewal issued by the department includes a photograph of  
10 the identicard holder.

11 (4) **Cancellation.** The department may cancel an identicard if the  
12 holder of the identicard used the card or allowed others to use the  
13 card in violation of RCW 46.20.0921.

14 **Sec. 406.** RCW 46.20.120 and 2004 c 249 s 6 are each amended to  
15 read as follows:

16 An applicant for a new or renewed driver's license must  
17 successfully pass a driver licensing examination to qualify for a  
18 driver's license. The department shall give examinations at places and  
19 times reasonably available to the people of this state.

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

21 (a) All or any part of the examination of any person applying for  
22 the renewal of a driver's license unless the department determines that  
23 the applicant is not qualified to hold a driver's license under this  
24 title; or

25 (b) The actual demonstration of the ability to operate a motor  
26 vehicle if the applicant:

27 (i) Surrenders a valid driver's license issued by the person's  
28 previous home state; and

29 (ii) Is otherwise qualified to be licensed.

30 (2) **Fee.** Each applicant for a new license must pay an examination  
31 fee of (~~ten~~) twenty dollars.

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

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

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

36 (ii) Whose last previous Washington license has been expired for  
37 more than five years.

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

3 (a) Personal appearance before the department; or

4 (b) Mail or electronic commerce, if permitted by rule of the  
5 department and if the applicant did not renew his or her license by  
6 mail or by electronic commerce when it last expired. However, the  
7 department may accept an application for renewal of a driver's license  
8 submitted by means of mail or electronic commerce only if specific  
9 authority and funding is provided for this purpose by June 30, 2004, in  
10 the omnibus transportation appropriations act.

11 (4) A person whose license expired or will expire while he or she  
12 is living outside the state, may:

13 (a) Apply to the department to extend the validity of his or her  
14 license for no more than twelve months. If the person establishes to  
15 the department's satisfaction that he or she is unable to return to  
16 Washington before the date his or her license expires, the department  
17 shall extend the person's license. The department may grant  
18 consecutive extensions, but in no event may the cumulative total of  
19 extensions exceed twelve months. An extension granted under this  
20 section does not change the expiration date of the license for purposes  
21 of RCW 46.20.181. The department shall charge a fee of five dollars  
22 for each license extension;

23 (b) Apply to the department to renew his or her license by mail or,  
24 if permitted by rule of the department, by electronic commerce even if  
25 subsection (3)(b) of this section would not otherwise allow renewal by  
26 that means. If the person establishes to the department's satisfaction  
27 that he or she is unable to return to Washington within twelve months  
28 of the date that his or her license expires, the department shall renew  
29 the person's license by mail or, if permitted by rule of the  
30 department, by electronic commerce.

31 (5) If a qualified person submits an application for renewal under  
32 subsection (3)(b) or (4)(b) of this section, he or she is not required  
33 to pass an examination nor provide an updated photograph. A license  
34 renewed by mail or by electronic commerce that does not include a  
35 photograph of the licensee must be labeled "not valid for  
36 identification purposes."



1       **Sec. 407.** RCW 46.20.308 and 2004 c 187 s 1 and 2004 c 95 s 2 are  
2 each reenacted and amended to read as follows:

3       (1) Any person who operates a motor vehicle within this state is  
4 deemed to have given consent, subject to the provisions of RCW  
5 46.61.506, to a test or tests of his or her breath or blood for the  
6 purpose of determining the alcohol concentration or presence of any  
7 drug in his or her breath or blood if arrested for any offense where,  
8 at the time of the arrest, the arresting officer has reasonable grounds  
9 to believe the person had been driving or was in actual physical  
10 control of a motor vehicle while under the influence of intoxicating  
11 liquor or any drug or was in violation of RCW 46.61.503. Neither  
12 consent nor this section precludes a police officer from obtaining a  
13 search warrant for a person's breath or blood.

14       (2) The test or tests of breath shall be administered at the  
15 direction of a law enforcement officer having reasonable grounds to  
16 believe the person to have been driving or in actual physical control  
17 of a motor vehicle within this state while under the influence of  
18 intoxicating liquor or any drug or the person to have been driving or  
19 in actual physical control of a motor vehicle while having alcohol in  
20 a concentration in violation of RCW 46.61.503 in his or her system and  
21 being under the age of twenty-one. However, in those instances where  
22 the person is incapable due to physical injury, physical incapacity, or  
23 other physical limitation, of providing a breath sample or where the  
24 person is being treated in a hospital, clinic, doctor's office,  
25 emergency medical vehicle, ambulance, or other similar facility or  
26 where the officer has reasonable grounds to believe that the person is  
27 under the influence of a drug, a blood test shall be administered by a  
28 qualified person as provided in RCW 46.61.506(5). The officer shall  
29 inform the person of his or her right to refuse the breath or blood  
30 test, and of his or her right to have additional tests administered by  
31 any qualified person of his or her choosing as provided in RCW  
32 46.61.506. The officer shall warn the driver, in substantially the  
33 following language, that:

34       (a) If the driver refuses to take the test, the driver's license,  
35 permit, or privilege to drive will be revoked or denied for at least  
36 one year; and

37       (b) If the driver refuses to take the test, the driver's refusal to  
38 take the test may be used in a criminal trial; and

1 (c) If the driver submits to the test and the test is administered,  
2 the driver's license, permit, or privilege to drive will be suspended,  
3 revoked, or denied for at least ninety days if the driver is age  
4 twenty-one or over and the test indicates the alcohol concentration of  
5 the driver's breath or blood is 0.08 or more, or if the driver is under  
6 age twenty-one and the test indicates the alcohol concentration of the  
7 driver's breath or blood is 0.02 or more, or if the driver is under age  
8 twenty-one and the driver is in violation of RCW 46.61.502 or  
9 46.61.504.

10 (3) Except as provided in this section, the test administered shall  
11 be of the breath only. If an individual is unconscious or is under  
12 arrest for the crime of vehicular homicide as provided in RCW 46.61.520  
13 or vehicular assault as provided in RCW 46.61.522, or if an individual  
14 is under arrest for the crime of driving while under the influence of  
15 intoxicating liquor or drugs as provided in RCW 46.61.502, which arrest  
16 results from an accident in which there has been serious bodily injury  
17 to another person, a breath or blood test may be administered without  
18 the consent of the individual so arrested.

19 (4) Any person who is dead, unconscious, or who is otherwise in a  
20 condition rendering him or her incapable of refusal, shall be deemed  
21 not to have withdrawn the consent provided by subsection (1) of this  
22 section and the test or tests may be administered, subject to the  
23 provisions of RCW 46.61.506, and the person shall be deemed to have  
24 received the warnings required under subsection (2) of this section.

25 (5) If, following his or her arrest and receipt of warnings under  
26 subsection (2) of this section, the person arrested refuses upon the  
27 request of a law enforcement officer to submit to a test or tests of  
28 his or her breath or blood, no test shall be given except as authorized  
29 under subsection (3) or (4) of this section.

30 (6) If, after arrest and after the other applicable conditions and  
31 requirements of this section have been satisfied, a test or tests of  
32 the person's blood or breath is administered and the test results  
33 indicate that the alcohol concentration of the person's breath or blood  
34 is 0.08 or more if the person is age twenty-one or over, or 0.02 or  
35 more if the person is under the age of twenty-one, or the person  
36 refuses to submit to a test, the arresting officer or other law  
37 enforcement officer at whose direction any test has been given, or the

1 department, where applicable, if the arrest results in a test of the  
2 person's blood, shall:

3 (a) Serve notice in writing on the person on behalf of the  
4 department of its intention to suspend, revoke, or deny the person's  
5 license, permit, or privilege to drive as required by subsection (7) of  
6 this section;

7 (b) Serve notice in writing on the person on behalf of the  
8 department of his or her right to a hearing, specifying the steps he or  
9 she must take to obtain a hearing as provided by subsection (8) of this  
10 section;

11 (c) Mark the person's Washington state driver's license or permit  
12 to drive, if any, in a manner authorized by the department;

13 (d) Serve notice in writing that the marked license or permit, if  
14 any, is a temporary license that is valid for sixty days from the date  
15 of arrest or from the date notice has been given in the event notice is  
16 given by the department following a blood test, or until the  
17 suspension, revocation, or denial of the person's license, permit, or  
18 privilege to drive is sustained at a hearing pursuant to subsection (8)  
19 of this section, whichever occurs first. No temporary license is valid  
20 to any greater degree than the license or permit that it replaces; and

21 (e) Immediately notify the department of the arrest and transmit to  
22 the department within seventy-two hours, except as delayed as the  
23 result of a blood test, a sworn report or report under a declaration  
24 authorized by RCW 9A.72.085 that states:

25 (i) That the officer had reasonable grounds to believe the arrested  
26 person had been driving or was in actual physical control of a motor  
27 vehicle within this state while under the influence of intoxicating  
28 liquor or drugs, or both, or was under the age of twenty-one years and  
29 had been driving or was in actual physical control of a motor vehicle  
30 while having an alcohol concentration in violation of RCW 46.61.503;

31 (ii) That after receipt of the warnings required by subsection (2)  
32 of this section the person refused to submit to a test of his or her  
33 blood or breath, or a test was administered and the results indicated  
34 that the alcohol concentration of the person's breath or blood was 0.08  
35 or more if the person is age twenty-one or over, or was 0.02 or more if  
36 the person is under the age of twenty-one; and

37 (iii) Any other information that the director may require by rule.

1 (7) The department of licensing, upon the receipt of a sworn report  
2 or report under a declaration authorized by RCW 9A.72.085 under  
3 subsection (6)(e) of this section, shall suspend, revoke, or deny the  
4 person's license, permit, or privilege to drive or any nonresident  
5 operating privilege, as provided in RCW 46.20.3101, such suspension,  
6 revocation, or denial to be effective beginning sixty days from the  
7 date of arrest or from the date notice has been given in the event  
8 notice is given by the department following a blood test, or when  
9 sustained at a hearing pursuant to subsection (8) of this section,  
10 whichever occurs first.

11 (8) A person receiving notification under subsection (6)(b) of this  
12 section may, within thirty days after the notice has been given,  
13 request in writing a formal hearing before the department. The person  
14 shall pay a fee of (~~one~~) two hundred dollars as part of the request.  
15 If the request is mailed, it must be postmarked within thirty days  
16 after receipt of the notification. Upon timely receipt of such a  
17 request for a formal hearing, including receipt of the required (~~one~~)  
18 two hundred dollar fee, the department shall afford the person an  
19 opportunity for a hearing. The department may waive the required  
20 (~~one~~) two hundred dollar fee if the person is an indigent as defined  
21 in RCW 10.101.010. Except as otherwise provided in this section, the  
22 hearing is subject to and shall be scheduled and conducted in  
23 accordance with RCW 46.20.329 and 46.20.332. The hearing shall be  
24 conducted in the county of the arrest, except that all or part of the  
25 hearing may, at the discretion of the department, be conducted by  
26 telephone or other electronic means. The hearing shall be held within  
27 sixty days following the arrest or following the date notice has been  
28 given in the event notice is given by the department following a blood  
29 test, unless otherwise agreed to by the department and the person, in  
30 which case the action by the department shall be stayed, and any valid  
31 temporary license marked under subsection (6)(c) of this section  
32 extended, if the person is otherwise eligible for licensing. For the  
33 purposes of this section, the scope of the hearing shall cover the  
34 issues of whether a law enforcement officer had reasonable grounds to  
35 believe the person had been driving or was in actual physical control  
36 of a motor vehicle within this state while under the influence of  
37 intoxicating liquor or any drug or had been driving or was in actual  
38 physical control of a motor vehicle within this state while having

1 alcohol in his or her system in a concentration of 0.02 or more if the  
2 person was under the age of twenty-one, whether the person was placed  
3 under arrest, and (a) whether the person refused to submit to the test  
4 or tests upon request of the officer after having been informed that  
5 such refusal would result in the revocation of the person's license,  
6 permit, or privilege to drive, or (b) if a test or tests were  
7 administered, whether the applicable requirements of this section were  
8 satisfied before the administration of the test or tests, whether the  
9 person submitted to the test or tests, or whether a test was  
10 administered without express consent as permitted under this section,  
11 and whether the test or tests indicated that the alcohol concentration  
12 of the person's breath or blood was 0.08 or more if the person was age  
13 twenty-one or over at the time of the arrest, or 0.02 or more if the  
14 person was under the age of twenty-one at the time of the arrest. The  
15 sworn report or report under a declaration authorized by RCW 9A.72.085  
16 submitted by a law enforcement officer is prima facie evidence that the  
17 officer had reasonable grounds to believe the person had been driving  
18 or was in actual physical control of a motor vehicle within this state  
19 while under the influence of intoxicating liquor or drugs, or both, or  
20 the person had been driving or was in actual physical control of a  
21 motor vehicle within this state while having alcohol in his or her  
22 system in a concentration of 0.02 or more and was under the age of  
23 twenty-one and that the officer complied with the requirements of this  
24 section.

25 A hearing officer shall conduct the hearing, may issue subpoenas  
26 for the attendance of witnesses and the production of documents, and  
27 shall administer oaths to witnesses. The hearing officer shall not  
28 issue a subpoena for the attendance of a witness at the request of the  
29 person unless the request is accompanied by the fee required by RCW  
30 5.56.010 for a witness in district court. The sworn report or report  
31 under a declaration authorized by RCW 9A.72.085 of the law enforcement  
32 officer and any other evidence accompanying the report shall be  
33 admissible without further evidentiary foundation and the  
34 certifications authorized by the criminal rules for courts of limited  
35 jurisdiction shall be admissible without further evidentiary  
36 foundation. The person may be represented by counsel, may question  
37 witnesses, may present evidence, and may testify. The department shall

1 order that the suspension, revocation, or denial either be rescinded or  
2 sustained.

3 (9) If the suspension, revocation, or denial is sustained after  
4 such a hearing, the person whose license, privilege, or permit is  
5 suspended, revoked, or denied has the right to file a petition in the  
6 superior court of the county of arrest to review the final order of  
7 revocation by the department in the same manner as an appeal from a  
8 decision of a court of limited jurisdiction. Notice of appeal must be  
9 filed within thirty days after the date the final order is served or  
10 the right to appeal is waived. Notwithstanding RCW 46.20.334, RALJ  
11 1.1, or other statutes or rules referencing de novo review, the appeal  
12 shall be limited to a review of the record of the administrative  
13 hearing. The appellant must pay the costs associated with obtaining  
14 the record of the hearing before the hearing officer. The filing of  
15 the appeal does not stay the effective date of the suspension,  
16 revocation, or denial. A petition filed under this subsection must  
17 include the petitioner's grounds for requesting review. Upon granting  
18 petitioner's request for review, the court shall review the  
19 department's final order of suspension, revocation, or denial as  
20 expeditiously as possible. The review must be limited to a  
21 determination of whether the department has committed any errors of  
22 law. The superior court shall accept those factual determinations  
23 supported by substantial evidence in the record: (a) That were  
24 expressly made by the department; or (b) that may reasonably be  
25 inferred from the final order of the department. The superior court  
26 may reverse, affirm, or modify the decision of the department or remand  
27 the case back to the department for further proceedings. The decision  
28 of the superior court must be in writing and filed in the clerk's  
29 office with the other papers in the case. The court shall state the  
30 reasons for the decision. If judicial relief is sought for a stay or  
31 other temporary remedy from the department's action, the court shall  
32 not grant such relief unless the court finds that the appellant is  
33 likely to prevail in the appeal and that without a stay the appellant  
34 will suffer irreparable injury. If the court stays the suspension,  
35 revocation, or denial it may impose conditions on such stay.

36 (10)(a) If a person whose driver's license, permit, or privilege to  
37 drive has been or will be suspended, revoked, or denied under  
38 subsection (7) of this section, other than as a result of a breath or

1 blood test refusal, and who has not committed an offense for which he  
2 or she was granted a deferred prosecution under chapter 10.05 RCW,  
3 petitions a court for a deferred prosecution on criminal charges  
4 arising out of the arrest for which action has been or will be taken  
5 under subsection (7) of this section, the court may direct the  
6 department to stay any actual or proposed suspension, revocation, or  
7 denial for at least forty-five days but not more than ninety days. If  
8 the court stays the suspension, revocation, or denial, it may impose  
9 conditions on such stay. If the person is otherwise eligible for  
10 licensing, the department shall issue a temporary license, or extend  
11 any valid temporary license marked under subsection (6) of this  
12 section, for the period of the stay. If a deferred prosecution  
13 treatment plan is not recommended in the report made under RCW  
14 10.05.050, or if treatment is rejected by the court, or if the person  
15 declines to accept an offered treatment plan, or if the person violates  
16 any condition imposed by the court, then the court shall immediately  
17 direct the department to cancel the stay and any temporary marked  
18 license or extension of a temporary license issued under this  
19 subsection.

20 (b) A suspension, revocation, or denial imposed under this section,  
21 other than as a result of a breath or blood test refusal, shall be  
22 stayed if the person is accepted for deferred prosecution as provided  
23 in chapter 10.05 RCW for the incident upon which the suspension,  
24 revocation, or denial is based. If the deferred prosecution is  
25 terminated, the stay shall be lifted and the suspension, revocation, or  
26 denial reinstated. If the deferred prosecution is completed, the stay  
27 shall be lifted and the suspension, revocation, or denial canceled.

28 (c) The provisions of (b) of this subsection relating to a stay of  
29 a suspension, revocation, or denial and the cancellation of any  
30 suspension, revocation, or denial do not apply to the suspension,  
31 revocation, denial, or disqualification of a person's commercial  
32 driver's license or privilege to operate a commercial motor vehicle.

33 (11) When it has been finally determined under the procedures of  
34 this section that a nonresident's privilege to operate a motor vehicle  
35 in this state has been suspended, revoked, or denied, the department  
36 shall give information in writing of the action taken to the motor  
37 vehicle administrator of the state of the person's residence and of any  
38 state in which he or she has a license.

1       **Sec. 408.** RCW 46.20.311 and 2004 c 95 s 3 are each amended to read  
2 as follows:

3       (1)(a) The department shall not suspend a driver's license or  
4 privilege to drive a motor vehicle on the public highways for a fixed  
5 period of more than one year, except as specifically permitted under  
6 RCW 46.20.267, 46.20.342, or other provision of law.

7       (b) Except for a suspension under RCW 46.20.267, 46.20.289,  
8 46.20.291(5), 46.61.740, or 74.20A.320, whenever the license or driving  
9 privilege of any person is suspended by reason of a conviction, a  
10 finding that a traffic infraction has been committed, pursuant to  
11 chapter 46.29 RCW, or pursuant to RCW 46.20.291 or 46.20.308, the  
12 suspension shall remain in effect until the person gives and thereafter  
13 maintains proof of financial responsibility for the future as provided  
14 in chapter 46.29 RCW.

15       (c) If the suspension is the result of a violation of RCW 46.61.502  
16 or 46.61.504, the department shall determine the person's eligibility  
17 for licensing based upon the reports provided by the alcoholism agency  
18 or probation department designated under RCW 46.61.5056 and shall deny  
19 reinstatement until enrollment and participation in an approved program  
20 has been established and the person is otherwise qualified. If the  
21 suspension is the result of a violation of RCW 46.61.502 or 46.61.504,  
22 and the person is required pursuant to RCW 46.20.720 to drive only a  
23 motor vehicle equipped with a functioning ignition interlock, the  
24 department shall determine the person's eligibility for licensing based  
25 upon written verification by a company doing business in the state that  
26 it has installed the required device on a vehicle owned or operated by  
27 the person seeking reinstatement. If, based upon notification from the  
28 interlock provider or otherwise, the department determines that an  
29 interlock required under RCW 46.20.720 is no longer installed or  
30 functioning as required, the department shall suspend the person's  
31 license or privilege to drive. Whenever the license or driving  
32 privilege of any person is suspended or revoked as a result of  
33 noncompliance with an ignition interlock requirement, the suspension  
34 shall remain in effect until the person provides notice issued by a  
35 company doing business in the state that a vehicle owned or operated by  
36 the person is equipped with a functioning ignition interlock device.

37       (d) Whenever the license or driving privilege of any person is  
38 suspended as a result of certification of noncompliance with a child



1 support order under chapter 74.20A RCW or a residential or visitation  
2 order, the suspension shall remain in effect until the person provides  
3 a release issued by the department of social and health services  
4 stating that the person is in compliance with the order.

5 (e)(i) The department shall not issue to the person a new,  
6 duplicate, or renewal license until the person pays a reissue fee of  
7 (~~twenty~~) seventy-five dollars.

8 (ii) If the suspension is the result of a violation of RCW  
9 46.61.502 or 46.61.504, or is the result of administrative action under  
10 RCW 46.20.308, the reissue fee shall be one hundred fifty dollars.

11 (2)(a) Any person whose license or privilege to drive a motor  
12 vehicle on the public highways has been revoked, unless the revocation  
13 was for a cause which has been removed, is not entitled to have the  
14 license or privilege renewed or restored until: (i) After the  
15 expiration of one year from the date the license or privilege to drive  
16 was revoked; (ii) after the expiration of the applicable revocation  
17 period provided by RCW 46.20.3101 or 46.61.5055; (iii) after the  
18 expiration of two years for persons convicted of vehicular homicide; or  
19 (iv) after the expiration of the applicable revocation period provided  
20 by RCW 46.20.265.

21 (b)(i) After the expiration of the appropriate period, the person  
22 may make application for a new license as provided by law together with  
23 a reissue fee in the amount of (~~twenty~~) seventy-five dollars.

24 (ii) If the revocation is the result of a violation of RCW  
25 46.20.308, 46.61.502, or 46.61.504, the reissue fee shall be one  
26 hundred fifty dollars. If the revocation is the result of a violation  
27 of RCW 46.61.502 or 46.61.504, the department shall determine the  
28 person's eligibility for licensing based upon the reports provided by  
29 the alcoholism agency or probation department designated under RCW  
30 46.61.5056 and shall deny reissuance of a license, permit, or privilege  
31 to drive until enrollment and participation in an approved program has  
32 been established and the person is otherwise qualified. If the  
33 revocation is the result of a violation of RCW 46.61.502 or 46.61.504,  
34 and the person is required pursuant to RCW 46.20.720 to drive only a  
35 motor vehicle equipped with a functioning ignition interlock or other  
36 biological or technical device, the department shall determine the  
37 person's eligibility for licensing based upon written verification by  
38 a company doing business in the state that it has installed the

1 required device on a vehicle owned or operated by the person applying  
2 for a new license. If, following issuance of a new license, the  
3 department determines, based upon notification from the interlock  
4 provider or otherwise, that an interlock required under RCW 46.20.720  
5 is no longer functioning, the department shall suspend the person's  
6 license or privilege to drive until the department has received written  
7 verification from an interlock provider that a functioning interlock is  
8 installed.

9 (c) Except for a revocation under RCW 46.20.265, the department  
10 shall not then issue a new license unless it is satisfied after  
11 investigation of the driving ability of the person that it will be safe  
12 to grant the privilege of driving a motor vehicle on the public  
13 highways, and until the person gives and thereafter maintains proof of  
14 financial responsibility for the future as provided in chapter 46.29  
15 RCW. For a revocation under RCW 46.20.265, the department shall not  
16 issue a new license unless it is satisfied after investigation of the  
17 driving ability of the person that it will be safe to grant that person  
18 the privilege of driving a motor vehicle on the public highways.

19 (3)(a) Whenever the driver's license of any person is suspended  
20 pursuant to Article IV of the nonresident violators compact or RCW  
21 46.23.020 or 46.20.289 or 46.20.291(5), the department shall not issue  
22 to the person any new or renewal license until the person pays a  
23 reissue fee of (~~twenty~~) seventy-five dollars.

24 (b) If the suspension is the result of a violation of the laws of  
25 this or any other state, province, or other jurisdiction involving (i)  
26 the operation or physical control of a motor vehicle upon the public  
27 highways while under the influence of intoxicating liquor or drugs, or  
28 (ii) the refusal to submit to a chemical test of the driver's blood  
29 alcohol content, the reissue fee shall be one hundred fifty dollars.

## 30 PART V - MISCELLANEOUS PROVISIONS

31 **Sec. 501.** RCW 43.135.045 and 2003 1st sp.s. c 25 s 920 are each  
32 amended to read as follows:

33 (1) The emergency reserve fund is established in the state  
34 treasury. During each fiscal year, the state treasurer shall deposit  
35 in the emergency reserve fund all general fund--state revenues in  
36 excess of the state expenditure limit for that fiscal year. Deposits

1 shall be made at the end of each fiscal quarter based on projections of  
2 state revenues and the state expenditure limit. The treasurer shall  
3 make transfers between these accounts as necessary to reconcile actual  
4 annual revenues and the expenditure limit for fiscal year 2000 and  
5 thereafter.

6 (2) The legislature may appropriate moneys from the emergency  
7 reserve fund only with approval of at least two-thirds of the members  
8 of each house of the legislature, and then only if the appropriation  
9 does not cause total expenditures to exceed the state expenditure limit  
10 under this chapter.

11 (3) The emergency reserve fund balance shall not exceed five  
12 percent of annual general fund--state revenues as projected by the  
13 official state revenue forecast. Any balance in excess of five percent  
14 shall be transferred on a quarterly basis by the state treasurer as  
15 follows: Seventy-five percent to the student achievement fund hereby  
16 created in the state treasury and twenty-five percent to the general  
17 fund balance. The treasurer shall make transfers between these  
18 accounts as necessary to reconcile actual annual revenues for fiscal  
19 year 2000 and thereafter. When per-student state funding for the  
20 maintenance and operation of K-12 education meets a level of no less  
21 than ninety percent of the national average of total funding from all  
22 sources per student as determined by the most recent published data  
23 from the national center for education statistics of the United States  
24 department of education, as calculated by the office of financial  
25 management, further deposits to the student achievement fund shall be  
26 required only to the extent necessary to maintain the ninety-percent  
27 level. Remaining funds are part of the general fund balance and these  
28 funds are subject to the expenditure limits of this chapter.

29 (4) The education construction fund is hereby created in the state  
30 treasury.

31 (a) Funds may be appropriated from the education construction fund  
32 exclusively for common school construction or higher education  
33 construction.

34 (b) Funds may be appropriated for any other purpose only if  
35 approved by a two-thirds vote of each house of the legislature and if  
36 approved by a vote of the people at the next general election. An  
37 appropriation approved by the people under this subsection shall result

1 in an adjustment to the state expenditure limit only for the fiscal  
2 period for which the appropriation is made and shall not affect any  
3 subsequent fiscal period.

4 (5) Funds from the student achievement fund shall be appropriated  
5 to the superintendent of public instruction strictly for distribution  
6 to school districts to meet the provisions set out in the student  
7 achievement act. Allocations shall be made on an equal per full-time  
8 equivalent student basis to each school district.

9 ~~((6) Earnings of the emergency reserve fund under RCW  
10 43.84.092(4)(a) shall be transferred quarterly to the multimodal  
11 transportation account, except for those earnings that are in excess of  
12 thirty five million dollars each fiscal year. Within thirty days  
13 following any fiscal year in which earnings transferred to the  
14 multimodal transportation account under this subsection did not total  
15 thirty five million dollars, the state treasurer shall transfer from  
16 the emergency reserve fund an amount necessary to bring the total  
17 deposited in the multimodal transportation account under this  
18 subsection to thirty five million dollars. The revenues to the  
19 multimodal transportation account reflected in this subsection provide  
20 ongoing support for the transportation programs of the state. However,  
21 it is the intent of the legislature that any new long term financial  
22 support that may be subsequently provided for transportation programs  
23 will be used to replace and supplant the revenues reflected in this  
24 subsection, thereby allowing those revenues to be returned to the  
25 purposes to which they were previously dedicated. No transfers from  
26 the emergency reserve fund to the multimodal fund shall be made during  
27 the 2003-05 fiscal biennium.))~~

28 NEW SECTION. **Sec. 502.** Sections 201 through 204, 401, and 402 of  
29 this act apply to vehicle registrations that are due or become due on  
30 or after January 1, 2006.

31 NEW SECTION. **Sec. 503.** Section 108 of this act takes effect July  
32 1, 2006.

33 NEW SECTION. **Sec. 504.** Sections 101 through 105, 107, 301 through  
34 304, 403 through 408, and 501 of this act are necessary for the

1 immediate preservation of the public peace, health, or safety, or  
2 support of the state government and its existing public institutions,  
3 and take effect July 1, 2005.

4 NEW SECTION. **Sec. 505.** Section 107 of this act expires July 1,  
5 2006.

6 NEW SECTION. **Sec. 506.** Part headings used in this act are not  
7 part of the law.

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