

ESSB 5987 - H COMM AMD

By Committee on Transportation

1 Strike everything after the enacting clause and insert the
2 following:

3 "PART I

4 **MOTOR VEHICLE AND SPECIAL FUEL TAXES**

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

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

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

15 (3) Beginning July 1, 2005, an additional and cumulative motor
16 vehicle fuel tax rate of three cents per gallon on motor vehicle fuel
17 shall be imposed on motor vehicle fuel licensees, other than motor
18 vehicle fuel distributors.

19 (4) Beginning July 1, 2006, an additional and cumulative motor
20 vehicle fuel tax rate of three cents per gallon on motor vehicle fuel
21 shall be imposed on motor vehicle fuel licensees, other than motor
22 vehicle fuel distributors.

23 (5) Beginning July 1, 2007, an additional and cumulative motor
24 vehicle fuel tax rate of two cents per gallon on motor vehicle fuel
25 shall be imposed on motor vehicle fuel licensees, other than motor
26 vehicle fuel distributors.

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

31 (7) Beginning July 1, 2015, an additional and cumulative motor
32 vehicle fuel tax rate of five cents per gallon on motor vehicle fuel

1 shall be imposed on motor vehicle fuel licensees, other than motor
2 vehicle fuel distributors.

3 **Sec. 102.** RCW 82.38.030 and 2014 c 216 s 201 are each amended to
4 read as follows:

5 (1) There is levied and imposed upon fuel licensees a tax at the
6 rate of twenty-three cents per ((each)) gallon of fuel(~~(, measured at~~
7 ~~standard pressure and temperature)~~)).

8 (2) Beginning July 1, 2003, an additional and cumulative tax rate
9 of five cents per ((each)) gallon of fuel(~~(, measured at standard~~
10 ~~pressure and temperature)~~) is imposed on fuel licensees. This
11 subsection (2) expires when the bonds issued for transportation 2003
12 projects are retired.

13 (3) Beginning July 1, 2005, an additional and cumulative tax rate
14 of three cents per ((each)) gallon of fuel(~~(, measured at standard~~
15 ~~pressure and temperature)~~) is imposed on fuel licensees.

16 (4) Beginning July 1, 2006, an additional and cumulative tax rate
17 of three cents per ((each)) gallon of fuel(~~(, measured at standard~~
18 ~~pressure and temperature)~~) is imposed on fuel licensees.

19 (5) Beginning July 1, 2007, an additional and cumulative tax rate
20 of two cents per ((each)) gallon of fuel(~~(, measured at standard~~
21 ~~pressure and temperature)~~) is imposed on fuel licensees.

22 (6) Beginning July 1, 2008, an additional and cumulative tax rate
23 of one and one-half cents per ((each)) gallon of fuel(~~(, measured at~~
24 ~~standard pressure and temperature)~~) is imposed on fuel licensees.

25 (7) Beginning July 1, 2015, an additional and cumulative tax rate
26 of five cents per gallon of fuel is imposed on fuel licensees.

27 (8) Taxes are imposed when:

28 (a) Fuel is removed in this state from a terminal if the fuel is
29 removed at the rack unless the removal is by a licensed supplier or
30 distributor for direct delivery to a destination outside of the
31 state, or the removal is by a fuel supplier for direct delivery to an
32 international fuel tax agreement licensee under RCW 82.38.320;

33 (b) Fuel is removed in this state from a refinery if either of
34 the following applies:

35 (i) The removal is by bulk transfer and the refiner or the owner
36 of the fuel immediately before the removal is not a licensed
37 supplier; or

38 (ii) The removal is at the refinery rack unless the removal is to
39 a licensed supplier or distributor for direct delivery to a

1 destination outside of the state, or the removal is to a licensed
2 supplier for direct delivery to an international fuel tax agreement
3 licensee under RCW 82.38.320;

4 (c) Fuel enters into this state for sale, consumption, use, or
5 storage, unless the fuel enters this state for direct delivery to an
6 international fuel tax agreement licensee under RCW 82.38.320, if
7 either of the following applies:

8 (i) The entry is by bulk transfer and the importer is not a
9 licensed supplier; or

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

11 (d) Fuel enters this state by means outside the bulk transfer-
12 terminal system and is delivered directly to a licensed terminal
13 unless the owner is a licensed distributor or supplier;

14 (e) Fuel is sold or removed in this state to an unlicensed entity
15 unless there was a prior taxable removal, entry, or sale of the fuel;

16 (f) Blended fuel is removed or sold in this state by the blender
17 of the fuel. The number of gallons of blended fuel subject to tax is
18 the difference between the total number of gallons of blended fuel
19 removed or sold and the number of gallons of previously taxed fuel
20 used to produce the blended fuel;

21 (g) Dyed special fuel is used on a highway, as authorized by the
22 internal revenue code, unless the use is exempt from the fuel tax;

23 (h) Dyed special fuel is held for sale, sold, used, or is
24 intended to be used in violation of this chapter;

25 (i) Special fuel purchased by an international fuel tax agreement
26 licensee under RCW 82.38.320 is used on a highway; and

27 (j) Fuel is sold by a licensed fuel supplier to a fuel
28 distributor or fuel blender and the fuel is not removed from the bulk
29 transfer-terminal system.

30 **Sec. 103.** RCW 82.38.030 and 2015 c ... s 102 (section 102 of
31 this act) are each amended to read as follows:

32 (1) There is levied and imposed upon fuel licensees a tax at the
33 rate of twenty-three cents per gallon of fuel.

34 (2) Beginning July 1, 2003, an additional and cumulative tax rate
35 of five cents per gallon of fuel is imposed on fuel licensees. This
36 subsection (2) expires when the bonds issued for transportation 2003
37 projects are retired.

38 (3) Beginning July 1, 2005, an additional and cumulative tax rate
39 of three cents per gallon of fuel is imposed on fuel licensees.

1 (4) Beginning July 1, 2006, an additional and cumulative tax rate
2 of three cents per gallon of fuel is imposed on fuel licensees.

3 (5) Beginning July 1, 2007, an additional and cumulative tax rate
4 of two cents per gallon of fuel is imposed on fuel licensees.

5 (6) Beginning July 1, 2008, an additional and cumulative tax rate
6 of one and one-half cents per gallon of fuel is imposed on fuel
7 licensees.

8 (7) Beginning July 1, 2015, an additional and cumulative tax rate
9 of five cents per gallon of fuel is imposed on fuel licensees.

10 (8) Beginning July 1, 2016, an additional and cumulative tax rate
11 of four and two-tenths cents per gallon of fuel is imposed on fuel
12 licensees.

13 (9) Beginning July 1, 2017, an additional and cumulative tax rate
14 of two and one-half cents per gallon of fuel is imposed on fuel
15 licensees.

16 (10) Taxes are imposed when:

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

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

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

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

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

36 (i) The entry is by bulk transfer and the importer is not a
37 licensed supplier; or

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

1 (d) Fuel enters this state by means outside the bulk transfer-
2 terminal system and is delivered directly to a licensed terminal
3 unless the owner is a licensed distributor or supplier;

4 (e) Fuel is sold or removed in this state to an unlicensed entity
5 unless there was a prior taxable removal, entry, or sale of the fuel;

6 (f) Blended fuel is removed or sold in this state by the blender
7 of the fuel. The number of gallons of blended fuel subject to tax is
8 the difference between the total number of gallons of blended fuel
9 removed or sold and the number of gallons of previously taxed fuel
10 used to produce the blended fuel;

11 (g) Dyed special fuel is used on a highway, as authorized by the
12 internal revenue code, unless the use is exempt from the fuel tax;

13 (h) Dyed special fuel is held for sale, sold, used, or is
14 intended to be used in violation of this chapter;

15 (i) Special fuel purchased by an international fuel tax agreement
16 licensee under RCW 82.38.320 is used on a highway; and

17 (j) Fuel is sold by a licensed fuel supplier to a fuel
18 distributor or fuel blender and the fuel is not removed from the bulk
19 transfer-terminal system.

20 **Sec. 104.** RCW 46.68.090 and 2011 c 120 s 4 are each amended to
21 read as follows:

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

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

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

36 (2) All of the remaining net tax amount collected under RCW
37 82.36.025(1) and 82.38.030(1) shall be distributed as set forth in
38 (a) through (j) of this subsection.

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

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

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

12 (i) Accident experience;

13 (ii) Fatal accident experience;

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

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

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

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

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

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

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

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

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

1 distributed monthly as the same accrues for distribution in
2 accordance with RCW 46.68.120;

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

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

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

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

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

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

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

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

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

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

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

35 (6) The remaining net tax amount collected under RCW 82.36.025
36 (5) and (6) and 82.38.030 (5) and (6) shall be distributed to the
37 transportation partnership account created in RCW 46.68.290.

38 (7) The remaining net tax amount collected under RCW 82.36.025(7)
39 and 82.38.030(7) shall be distributed as follows:

1 (a) Ten percent shall be distributed to the incorporated cities
2 and towns of the state in accordance with RCW 46.68.110;

3 (b) Ten percent shall be distributed to counties of the state in
4 accordance with RCW 46.68.120; and

5 (c) The remainder shall be distributed to the connecting
6 Washington account created in section 106 of this act.

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

12 **Sec. 105.** RCW 46.68.090 and 2013 c 225 s 645 are each amended to
13 read as follows:

14 (1) All moneys that have accrued or may accrue to the motor
15 vehicle fund from the ((~~motor vehicle fuel tax and special~~)) fuel tax
16 must be first expended for purposes enumerated in (a) and (b) of this
17 subsection. The remaining net tax amount must be distributed monthly
18 by the state treasurer in accordance with subsections (2) through
19 ((~~7~~)) (8) of this section.

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

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

29 (2) All of the remaining net tax amount collected under RCW
30 82.38.030(1) must be distributed as set forth in (a) through (j) of
31 this subsection.

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

35 (b)(i) For distribution to the special category C account, hereby
36 created in the motor vehicle fund, an amount equal to 3.2609 percent
37 to be expended for special category C projects. Special category C
38 projects are category C projects that, due to high cost only, will
39 require bond financing to complete construction.

1 (ii) The following criteria, listed in order of priority, must be
2 used in determining which special category C projects have the
3 highest priority:

4 (A) Accident experience;

5 (B) Fatal accident experience;

6 (C) Capacity to move people and goods safely and at reasonable
7 speeds without undue congestion; and

8 (D) Continuity of development of the highway transportation
9 network.

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

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

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

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

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

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

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

35 (i) For distribution to the county arterial preservation account,
36 hereby created in the motor vehicle fund an amount equal to 1.9565
37 percent. These funds must be distributed by the county road
38 administration board to counties in proportions corresponding to the
39 number of paved arterial lane miles in the unincorporated area of
40 each county and must be used for improvements to sustain the

1 structural, safety, and operational integrity of county arterials.
2 The county road administration board must adopt reasonable rules and
3 develop policies to implement this program and to assure that a
4 pavement management system is used;

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

8 (3) The remaining net tax amount collected under RCW 82.38.030(2)
9 must be distributed to the transportation 2003 account (nickel
10 account).

11 (4) The remaining net tax amount collected under RCW 82.38.030(3)
12 must be distributed as follows:

13 (a) 8.3333 percent must be distributed to the incorporated cities
14 and towns of the state in accordance with RCW 46.68.110;

15 (b) 8.3333 percent must be distributed to counties of the state
16 in accordance with RCW 46.68.120; and

17 (c) The remainder must be distributed to the transportation
18 partnership account created in RCW 46.68.290.

19 (5) The remaining net tax amount collected under RCW 82.38.030(4)
20 must be distributed as follows:

21 (a) 8.3333 percent must be distributed to the incorporated cities
22 and towns of the state in accordance with RCW 46.68.110;

23 (b) 8.3333 percent must be distributed to counties of the state
24 in accordance with RCW 46.68.120; and

25 (c) The remainder must be distributed to the transportation
26 partnership account created in RCW 46.68.290.

27 (6) The remaining net tax amount collected under RCW 82.38.030
28 (5) and (6) must be distributed to the transportation partnership
29 account created in RCW 46.68.290.

30 (7) The remaining net tax amount collected under RCW 82.38.030(7)
31 must be distributed as follows:

32 (a) Ten percent must be distributed to the incorporated cities
33 and towns of the state in accordance with RCW 46.68.110;

34 (b) Ten percent must be distributed to counties of the state in
35 accordance with RCW 46.68.120; and

36 (c) The remainder must be distributed to the connecting
37 Washington account created in section 106 of this act.

38 (8) The remaining net tax amount collected under RCW 82.38.030
39 (8) and (9) must be distributed to the connecting Washington account
40 created in section 106 of this act.

1 (9) Nothing in this section or in RCW 46.68.130 may be construed
2 so as to violate any terms or conditions contained in any highway
3 construction bond issues now or hereafter authorized by statute and
4 whose payment is by such statute pledged to be paid from any excise
5 taxes on ((~~motor vehicle fuel and special~~)) fuel((s)).

6 NEW SECTION. **Sec. 106.** A new section is added to chapter 46.68
7 RCW to read as follows:

8 The connecting Washington account is created in the motor vehicle
9 fund. Moneys in the account may be spent only after appropriation.
10 Expenditures from the account must be used only for projects or
11 improvements identified as connecting Washington projects or
12 improvements in a transportation appropriations act, including any
13 principal and interest on bonds authorized for the projects or
14 improvements.

15 **Sec. 107.** RCW 43.84.092 and 2014 c 112 s 106, 2014 c 74 s 5, and
16 2014 c 32 s 6 are each reenacted and amended to read as follows:

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

20 (2) The treasury income account shall be utilized to pay or
21 receive funds associated with federal programs as required by the
22 federal cash management improvement act of 1990. The treasury income
23 account is subject in all respects to chapter 43.88 RCW, but no
24 appropriation is required for refunds or allocations of interest
25 earnings required by the cash management improvement act. Refunds of
26 interest to the federal treasury required under the cash management
27 improvement act fall under RCW 43.88.180 and shall not require
28 appropriation. The office of financial management shall determine the
29 amounts due to or from the federal government pursuant to the cash
30 management improvement act. The office of financial management may
31 direct transfers of funds between accounts as deemed necessary to
32 implement the provisions of the cash management improvement act, and
33 this subsection. Refunds or allocations shall occur prior to the
34 distributions of earnings set forth in subsection (4) of this
35 section.

36 (3) Except for the provisions of RCW 43.84.160, the treasury
37 income account may be utilized for the payment of purchased banking
38 services on behalf of treasury funds including, but not limited to,

1 depository, safekeeping, and disbursement functions for the state
2 treasury and affected state agencies. The treasury income account is
3 subject in all respects to chapter 43.88 RCW, but no appropriation is
4 required for payments to financial institutions. Payments shall occur
5 prior to distribution of earnings set forth in subsection (4) of this
6 section.

7 (4) Monthly, the state treasurer shall distribute the earnings
8 credited to the treasury income account. The state treasurer shall
9 credit the general fund with all the earnings credited to the
10 treasury income account except:

11 (a) The following accounts and funds shall receive their
12 proportionate share of earnings based upon each account's and fund's
13 average daily balance for the period: The aeronautics account, the
14 aircraft search and rescue account, the Alaskan Way viaduct
15 replacement project account, the brownfield redevelopment trust fund
16 account, the budget stabilization account, the capital vessel
17 replacement account, the capitol building construction account, the
18 Cedar River channel construction and operation account, the Central
19 Washington University capital projects account, the charitable,
20 educational, penal and reformatory institutions account, the cleanup
21 settlement account, the Columbia river basin water supply development
22 account, the Columbia river basin taxable bond water supply
23 development account, the Columbia river basin water supply revenue
24 recovery account, the common school construction fund, the community
25 forest trust account, the connecting Washington account, the county
26 arterial preservation account, the county criminal justice assistance
27 account, the deferred compensation administrative account, the
28 deferred compensation principal account, the department of licensing
29 services account, the department of retirement systems expense
30 account, the developmental disabilities community trust account, the
31 diesel idle reduction account, the drinking water assistance account,
32 the drinking water assistance administrative account, the drinking
33 water assistance repayment account, the Eastern Washington University
34 capital projects account, the Interstate 405 express toll lanes
35 operations account, the education construction fund, the education
36 legacy trust account, the election account, the energy freedom
37 account, the energy recovery act account, the essential rail
38 assistance account, The Evergreen State College capital projects
39 account, the federal forest revolving account, the ferry bond
40 retirement fund, the freight mobility investment account, the freight

1 mobility multimodal account, the grade crossing protective fund, the
2 public health services account, the high capacity transportation
3 account, the state higher education construction account, the higher
4 education construction account, the highway bond retirement fund, the
5 highway infrastructure account, the highway safety fund, the high
6 occupancy toll lanes operations account, the hospital safety net
7 assessment fund, the industrial insurance premium refund account, the
8 judges' retirement account, the judicial retirement administrative
9 account, the judicial retirement principal account, the local
10 leasehold excise tax account, the local real estate excise tax
11 account, the local sales and use tax account, the marine resources
12 stewardship trust account, the medical aid account, the mobile home
13 park relocation fund, the motor vehicle fund, the motorcycle safety
14 education account, the multimodal transportation account, the
15 multiuse roadway safety account, the municipal criminal justice
16 assistance account, the natural resources deposit account, the oyster
17 reserve land account, the pension funding stabilization account, the
18 perpetual surveillance and maintenance account, the public employees'
19 retirement system plan 1 account, the public employees' retirement
20 system combined plan 2 and plan 3 account, the public facilities
21 construction loan revolving account beginning July 1, 2004, the
22 public health supplemental account, the public works assistance
23 account, the Puget Sound capital construction account, the Puget
24 Sound ferry operations account, the real estate appraiser commission
25 account, the recreational vehicle account, the regional mobility
26 grant program account, the resource management cost account, the
27 rural arterial trust account, the rural mobility grant program
28 account, the rural Washington loan fund, the site closure account,
29 the skilled nursing facility safety net trust fund, the small city
30 pavement and sidewalk account, the special category C account, the
31 special wildlife account, the state employees' insurance account, the
32 state employees' insurance reserve account, the state investment
33 board expense account, the state investment board commingled trust
34 fund accounts, the state patrol highway account, the state route
35 number 520 civil penalties account, the state route number 520
36 corridor account, the state wildlife account, the supplemental
37 pension account, the Tacoma Narrows toll bridge account, the
38 teachers' retirement system plan 1 account, the teachers' retirement
39 system combined plan 2 and plan 3 account, the tobacco prevention and
40 control account, the tobacco settlement account, the toll facility

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

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

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

1 **Sec. 108.** RCW 43.84.092 and 2014 c 112 s 107, 2014 c 74 s 6, and
2 2014 c 32 s 7 are each reenacted and amended to read as follows:

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

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

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

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

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

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

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

1 account, the Washington state health insurance pool account, the
2 Washington state patrol retirement account, the Washington State
3 University building account, the Washington State University bond
4 retirement fund, the water pollution control revolving administration
5 account, the water pollution control revolving fund, the Western
6 Washington University capital projects account, the Yakima integrated
7 plan implementation account, the Yakima integrated plan
8 implementation revenue recovery account, and the Yakima integrated
9 plan implementation taxable bond account. Earnings derived from
10 investing balances of the agricultural permanent fund, the normal
11 school permanent fund, the permanent common school fund, the
12 scientific permanent fund, the state university permanent fund, and
13 the state reclamation revolving account shall be allocated to their
14 respective beneficiary accounts.

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

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

24 **Nonhighway Refunds**

25 **Sec. 109.** RCW 46.09.520 and 2010 1st sp.s. c 37 s 936 and 2010 c
26 161 s 222 are each reenacted and amended to read as follows:

27 (1) From time to time, but at least once each year, the state
28 treasurer shall refund from the motor vehicle fund one percent of the
29 motor vehicle fuel tax revenues collected under chapter 82.36 RCW,
30 based on a tax rate of: (a) Nineteen cents per gallon of motor
31 vehicle fuel from July 1, 2003, through June 30, 2005; (b) twenty
32 cents per gallon of motor vehicle fuel from July 1, 2005, through
33 June 30, 2007; (c) twenty-one cents per gallon of motor vehicle fuel
34 from July 1, 2007, through June 30, 2009; (d) twenty-two cents per
35 gallon of motor vehicle fuel from July 1, 2009, through June 30,
36 2011; (~~and~~) (e) twenty-three cents per gallon of motor vehicle fuel
37 (~~beginning~~) from July 1, 2011, through June 30, 2015; and (f)
38 twenty-eight cents per gallon of motor vehicle fuel beginning July 1,

1 2015, and thereafter, less proper deductions for refunds and costs of
2 collection as provided in RCW 46.68.090.

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

5 (a) Thirty-six percent shall be credited to the ORV and
6 nonhighway vehicle account and administered by the department of
7 natural resources solely for acquisition, planning, development,
8 maintenance, and management of ORV, nonmotorized, and nonhighway road
9 recreation facilities, and information programs and maintenance of
10 nonhighway roads;

11 (b) Three and one-half percent shall be credited to the ORV and
12 nonhighway vehicle account and administered by the department of fish
13 and wildlife solely for the acquisition, planning, development,
14 maintenance, and management of ORV, nonmotorized, and nonhighway road
15 recreation facilities and the maintenance of nonhighway roads;

16 (c) Two percent shall be credited to the ORV and nonhighway
17 vehicle account and administered by the parks and recreation
18 commission solely for the acquisition, planning, development,
19 maintenance, and management of ORV, nonmotorized, and nonhighway road
20 recreation facilities; and

21 (d) Fifty-eight and one-half percent shall be credited to the
22 nonhighway and off-road vehicle activities program account to be
23 administered by the board for planning, acquisition, development,
24 maintenance, and management of ORV, nonmotorized, and nonhighway road
25 recreation facilities and for education, information, and law
26 enforcement programs. The funds under this subsection shall be
27 expended in accordance with the following limitations:

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

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

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

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

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

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

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

12 (4) During the 2009-2011 fiscal biennium, the legislature may
13 appropriate such amounts as reflect the excess fund balance in the
14 NOVA account to the department of natural resources to install
15 consistent off-road vehicle signage at department-managed recreation
16 sites, and to implement the recreation opportunities on department-
17 managed lands in the Reiter block and Ahtanum state forest, and to
18 the state parks and recreation commission. The legislature finds that
19 the appropriation of funds from the NOVA account during the 2009-2011
20 fiscal biennium for maintenance and operation of state parks or to
21 improve accessibility for boaters and off-road vehicle users at state
22 parks will benefit boaters and off-road vehicle users and others who
23 use nonhighway and nonmotorized recreational facilities. The
24 appropriations under this subsection are not required to follow the
25 specific distribution specified in subsection (2) of this section.

26 **Sec. 110.** RCW 46.09.520 and 2015 c ... s 109 (section 109 of
27 this act) and 2013 c 225 s 608 are each reenacted and amended to read
28 as follows:

29 (1) From time to time, but at least once each year, the state
30 treasurer must refund from the motor vehicle fund one percent of the
31 motor vehicle fuel tax revenues collected under chapter 82.38 RCW,
32 based on a tax rate of: (a) Nineteen cents per gallon of motor
33 vehicle fuel from July 1, 2003, through June 30, 2005; (b) twenty
34 cents per gallon of motor vehicle fuel from July 1, 2005, through
35 June 30, 2007; (c) twenty-one cents per gallon of motor vehicle fuel
36 from July 1, 2007, through June 30, 2009; (d) twenty-two cents per
37 gallon of motor vehicle fuel from July 1, 2009, through June 30,
38 2011; (e) twenty-three cents per gallon of motor vehicle fuel from
39 July 1, 2011, through June 30, 2015; (~~and~~) (f) twenty-eight cents

1 per gallon of motor vehicle fuel (~~beginning~~) from July 1, 2015,
2 through June 30, 2016; (g) thirty-two and two-tenths cents per gallon
3 of motor vehicle fuel from July 1, 2016, through June 30, 2017; and
4 (h) thirty-four and seven-tenths cents per gallon of motor vehicle
5 fuel beginning July 1, 2017, and thereafter, less proper deductions
6 for refunds and costs of collection as provided in RCW 46.68.090.

7 (2) The treasurer must place these funds in the general fund as
8 follows:

9 (a) Thirty-six percent must be credited to the ORV and nonhighway
10 vehicle account and administered by the department of natural
11 resources solely for acquisition, planning, development, maintenance,
12 and management of ORV, nonmotorized, and nonhighway road recreation
13 facilities, and information programs and maintenance of nonhighway
14 roads;

15 (b) Three and one-half percent must be credited to the ORV and
16 nonhighway vehicle account and administered by the department of fish
17 and wildlife solely for the acquisition, planning, development,
18 maintenance, and management of ORV, nonmotorized, and nonhighway road
19 recreation facilities and the maintenance of nonhighway roads;

20 (c) Two percent must be credited to the ORV and nonhighway
21 vehicle account and administered by the parks and recreation
22 commission solely for the acquisition, planning, development,
23 maintenance, and management of ORV, nonmotorized, and nonhighway road
24 recreation facilities; and

25 (d) Fifty-eight and one-half percent must be credited to the
26 nonhighway and off-road vehicle activities program account to be
27 administered by the board for planning, acquisition, development,
28 maintenance, and management of ORV, nonmotorized, and nonhighway road
29 recreation facilities and for education, information, and law
30 enforcement programs. The funds under this subsection must be
31 expended in accordance with the following limitations:

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

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

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

1 (B) Not less than thirty percent may be expended for nonmotorized
2 recreation facilities. Funds expended under this subsection
3 (2)(d)(ii)(B) are known as Ira Spring outdoor recreation facilities
4 funds; and

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

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

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

16 (4) During the 2009-2011 fiscal biennium, the legislature may
17 appropriate such amounts as reflect the excess fund balance in the
18 NOVA account to the department of natural resources to install
19 consistent off-road vehicle signage at department-managed recreation
20 sites, and to implement the recreation opportunities on department-
21 managed lands in the Reiter block and Ahtanum state forest, and to
22 the state parks and recreation commission. The legislature finds that
23 the appropriation of funds from the NOVA account during the 2009-2011
24 fiscal biennium for maintenance and operation of state parks or to
25 improve accessibility for boaters and off-road vehicle users at state
26 parks will benefit boaters and off-road vehicle users and others who
27 use nonhighway and nonmotorized recreational facilities. The
28 appropriations under this subsection are not required to follow the
29 specific distribution specified in subsection (2) of this section.

30 **Sec. 111.** RCW 46.10.530 and 2003 c 361 s 408 are each amended to
31 read as follows:

32 From time to time, but at least once each four years, the
33 department shall determine the amount of moneys paid to it as motor
34 vehicle fuel tax that is tax on snowmobile fuel. Such determination
35 shall use one hundred thirty-five gallons as the average yearly fuel
36 usage per snowmobile, the number of registered snowmobiles during the
37 calendar year under determination, and a fuel tax rate of: (1)
38 Nineteen cents per gallon of motor vehicle fuel from July 1, 2003,
39 through June 30, 2005; (2) twenty cents per gallon of motor vehicle

1 fuel from July 1, 2005, through June 30, 2007; (3) twenty-one cents
2 per gallon of motor vehicle fuel from July 1, 2007, through June 30,
3 2009; (4) twenty-two cents per gallon of motor vehicle fuel from July
4 1, 2009, through June 30, 2011; (~~and~~) (5) twenty-three cents per
5 gallon of motor vehicle fuel (~~beginning~~) from July 1, 2011, through
6 June 30, 2015; (6) twenty-eight cents per gallon of motor vehicle
7 fuel from July 1, 2015, through June 30, 2016; (7) thirty-two and
8 two-tenths cents per gallon of motor vehicle fuel from July 1, 2016,
9 through June 30, 2017; and (8) thirty-four and seven-tenths cents per
10 gallon of motor vehicle fuel beginning July 1, 2017, and thereafter.

11 **Sec. 112.** RCW 79A.25.070 and 2010 c 23 s 3 are each amended to
12 read as follows:

13 Upon expiration of the time limited by RCW 82.36.330 for claiming
14 of refunds of tax on marine fuel, the state of Washington shall
15 succeed to the right to such refunds. The director of licensing,
16 after taking into account past and anticipated claims for refunds
17 from and deposits to the marine fuel tax refund account, shall
18 request the state treasurer to transfer monthly from the marine fuel
19 tax refund account an amount equal to the proportion of the moneys in
20 the account representing a motor vehicle fuel tax rate of: (1)
21 Nineteen cents per gallon of motor vehicle fuel from July 1, 2003,
22 through June 30, 2005; (2) twenty cents per gallon of motor vehicle
23 fuel from July 1, 2005, through June 30, 2007; (3) twenty-one cents
24 per gallon of motor vehicle fuel from July 1, 2007, through June 30,
25 2009; (4) twenty-two cents per gallon of motor vehicle fuel from July
26 1, 2009, through June 30, 2011; (~~and~~) (5) twenty-three cents per
27 gallon of motor vehicle fuel (~~beginning~~) from July 1, 2011, through
28 June 30, 2015; (6) twenty-eight cents per gallon of motor vehicle
29 fuel from July 1, 2015, through June 30, 2016; (7) thirty-two and
30 two-tenths cents per gallon of motor vehicle fuel from July 1, 2016,
31 through June 30, 2017; and (8) thirty-four and seven-tenths cents per
32 gallon of motor vehicle fuel beginning July 1, 2017, and thereafter,
33 to the recreation resource account and the remainder to the motor
34 vehicle fund.

35 **PART II**

36 **FEES**

37 **License Fees By Weight & Freight Project Fee**

1 **Sec. 201.** RCW 46.17.355 and 2011 c 171 s 61 are each amended to
2 read as follows:

3 (1) In lieu of the vehicle license fee required under RCW
4 46.17.350 and before accepting an application for a vehicle
5 registration for motor vehicles described in RCW 46.16A.455, the
6 department, county auditor or other agent, or subagent appointed by
7 the director shall require the applicant, unless specifically exempt,
8 to pay the following license fee by weight:

9	WEIGHT	SCHEDULE A	SCHEDULE B
10	4,000 pounds	(\$38.00) <u>\$ 53.00</u>	(\$38.00) <u>\$ 53.00</u>
11	6,000 pounds	(\$48.00) <u>\$ 73.00</u>	(\$48.00) <u>\$ 73.00</u>
12	8,000 pounds	(\$58.00) <u>\$ 93.00</u>	(\$58.00) <u>\$ 93.00</u>
13	10,000 pounds	(\$60.00) <u>\$ 93.00</u>	(\$60.00) <u>\$ 93.00</u>
14	12,000 pounds	(\$77.00) <u>\$ 81.00</u>	(\$77.00) <u>\$ 81.00</u>
15	14,000 pounds	\$ 88.00	\$ 88.00
16	16,000 pounds	\$ 100.00	\$ 100.00
17	18,000 pounds	\$ 152.00	\$ 152.00
18	20,000 pounds	\$ 169.00	\$ 169.00
19	22,000 pounds	\$ 183.00	\$ 183.00
20	24,000 pounds	\$ 198.00	\$ 198.00
21	26,000 pounds	\$ 209.00	\$ 209.00
22	28,000 pounds	\$ 247.00	\$ 247.00
23	30,000 pounds	\$ 285.00	\$ 285.00
24	32,000 pounds	\$ 344.00	\$ 344.00
25	34,000 pounds	\$ 366.00	\$ 366.00
26	36,000 pounds	\$ 397.00	\$ 397.00
27	38,000 pounds	\$ 436.00	\$ 436.00
28	40,000 pounds	\$ 499.00	\$ 499.00
29	42,000 pounds	\$ 519.00	\$ 609.00
30	44,000 pounds	\$ 530.00	\$ 620.00
31	46,000 pounds	\$ 570.00	\$ 660.00
32	48,000 pounds	\$ 594.00	\$ 684.00
33	50,000 pounds	\$ 645.00	\$ 735.00
34	52,000 pounds	\$ 678.00	\$ 768.00

1	54,000 pounds	\$ 732.00	\$ 822.00
2	56,000 pounds	\$ 773.00	\$ 863.00
3	58,000 pounds	\$ 804.00	\$ 894.00
4	60,000 pounds	\$ 857.00	\$ 947.00
5	62,000 pounds	\$ 919.00	\$ 1,009.00
6	64,000 pounds	\$ 939.00	\$ 1,029.00
7	66,000 pounds	\$ 1,046.00	\$ 1,136.00
8	68,000 pounds	\$ 1,091.00	\$ 1,181.00
9	70,000 pounds	\$ 1,175.00	\$ 1,265.00
10	72,000 pounds	\$ 1,257.00	\$ 1,347.00
11	74,000 pounds	\$ 1,366.00	\$ 1,456.00
12	76,000 pounds	\$ 1,476.00	\$ 1,566.00
13	78,000 pounds	\$ 1,612.00	\$ 1,702.00
14	80,000 pounds	\$ 1,740.00	\$ 1,830.00
15	82,000 pounds	\$ 1,861.00	\$ 1,951.00
16	84,000 pounds	\$ 1,981.00	\$ 2,071.00
17	86,000 pounds	\$ 2,102.00	\$ 2,192.00
18	88,000 pounds	\$ 2,223.00	\$ 2,313.00
19	90,000 pounds	\$ 2,344.00	\$ 2,434.00
20	92,000 pounds	\$ 2,464.00	\$ 2,554.00
21	94,000 pounds	\$ 2,585.00	\$ 2,675.00
22	96,000 pounds	\$ 2,706.00	\$ 2,796.00
23	98,000 pounds	\$ 2,827.00	\$ 2,917.00
24	100,000 pounds	\$ 2,947.00	\$ 3,037.00
25	102,000 pounds	\$ 3,068.00	\$ 3,158.00
26	104,000 pounds	\$ 3,189.00	\$ 3,279.00
27	105,500 pounds	\$ 3,310.00	\$ 3,400.00

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

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

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

5 (5) The license fee based on declared gross weight as provided in
6 subsection (1) of this section must be distributed under RCW
7 46.68.035.

8 (6) In addition to the license fee based on declared gross weight
9 as provided in subsection (1) of this section, the department, county
10 auditor or other agent, or subagent appointed by the director must
11 require an applicant with a vehicle with a declared gross weight of
12 more than 10,000 pounds, unless specifically exempt, to pay a freight
13 project fee equal to fifteen percent of the license fee provided in
14 subsection (1) of this section, rounded to the nearest whole dollar,
15 which must be distributed under RCW 46.68.035.

16 (7) Beginning July 1, 2022, in addition to the license fee based
17 on declared gross weight as provided in subsection (1) of this
18 section, the department, county auditor or other agent, or subagent
19 appointed by the director must require an applicant with a vehicle
20 with a declared gross weight of less than or equal to 12,000 pounds,
21 unless specifically exempt, to pay an additional weight fee of eight
22 dollars, which must be distributed under RCW 46.68.035.

23 **Sec. 202.** RCW 46.68.035 and 2010 c 161 s 804 are each amended to
24 read as follows:

25 The director shall forward all proceeds from vehicle license fees
26 received by the director for vehicles registered under RCW
27 46.17.350(1) (c) and (k), 46.17.355, and 46.17.400(1)(c) to the state
28 treasurer to be distributed into accounts according to the following
29 method:

30 (1) 22.36 percent must be deposited into the state patrol highway
31 account of the motor vehicle fund;

32 (2) 1.375 percent must be deposited into the Puget Sound ferry
33 operations account of the motor vehicle fund;

34 (3) 5.237 percent must be deposited into the transportation 2003
35 account (nickel account);

36 (4) 11.533 percent must be deposited into the transportation
37 partnership account created in RCW 46.68.290; and

38 (5) The remaining proceeds must be deposited into the motor
39 vehicle fund, except that up to eight million three hundred thousand

1 dollars must be deposited into the freight mobility investment
2 account created in RCW 46.68.300 every July 1st, beginning July 1,
3 2016.

4 **Passenger Vehicle Weight Fees**

5 **Sec. 203.** RCW 46.17.365 and 2010 c 161 s 533 are each amended to
6 read as follows:

7 (1) A person applying for a motor vehicle registration and paying
8 the vehicle license fee required in RCW 46.17.350(1) (a), (d), (e),
9 (h), (j), (n), and (o) shall pay a motor vehicle weight fee in
10 addition to all other fees and taxes required by law. The motor
11 vehicle weight fee:

12 (a) Must be based on the motor vehicle scale weight as follows:

13	<u>WEIGHT</u>	<u>FEE</u>
14	<u>4,000 pounds</u>	<u>\$ 25.00</u>
15	<u>6,000 pounds</u>	<u>\$ 45.00</u>
16	<u>8,000 pounds</u>	<u>\$ 65.00</u>
17	<u>16,000 pounds and over</u>	<u>\$ 72.00;</u>

18 (b) (~~Is the difference determined by subtracting the vehicle~~
19 ~~license fee required in RCW 46.17.350 from the license fee in~~
20 ~~Schedule B of RCW 46.17.355, plus two dollars)) If the resultant
21 motor vehicle scale weight is not listed in the table provided in (a)
22 of this subsection, must be increased to the next highest weight; and~~

23 (c) Must be distributed under RCW 46.68.415.

24 (2) A person applying for a motor home vehicle registration
25 shall, in lieu of the motor vehicle weight fee required in subsection
26 (1) of this section, pay a motor home vehicle weight fee of seventy-
27 five dollars in addition to all other fees and taxes required by law.
28 The motor home vehicle weight fee must be distributed under RCW
29 46.68.415.

30 (3) Beginning July 1, 2022, in addition to the motor vehicle
31 weight fee as provided in subsection (1) of this section, the
32 department, county auditor or other agent, or subagent appointed by
33 the director must require an applicant to pay an additional weight
34 fee of eight dollars, which must be distributed to the multimodal
35 transportation account under RCW 47.66.070.

36 (4) The department shall:

1 (a) Rely on motor vehicle empty scale weights provided by vehicle
2 manufacturers, or other sources defined by the department, to
3 determine the weight of each motor vehicle; and

4 (b) Adopt rules for determining weight for vehicles without
5 manufacturer empty scale weights.

6 NEW SECTION. **Sec. 204.** Sections 201 and 203 of this act apply
7 to vehicle registrations that are due or become due on or after July
8 1, 2016.

9 **Commercial Driver's License Fees**

10 **Sec. 205.** RCW 46.25.052 and 2013 c 224 s 5 are each amended to
11 read as follows:

12 (1) The department may issue a CLP to an applicant who is at
13 least eighteen years of age and holds a valid Washington state
14 driver's license and who has:

15 (a) Submitted an application on a form or in a format provided by
16 the department;

17 (b) Passed the general knowledge examination required for
18 issuance of a CDL under RCW 46.25.060 for the commercial motor
19 vehicle classification in which the applicant operates or expects to
20 operate; and

21 (c) Paid the appropriate examination fee or fees and an
22 application fee of (~~ten~~) forty dollars.

23 (2) A CLP must be marked "commercial learner's permit" or "CLP,"
24 and must be, to the maximum extent practicable, tamperproof. Other
25 than a photograph of the applicant, it must include, but not be
26 limited to, the information required on a CDL under RCW 46.25.080(1).

27 (3) The holder of a CLP may drive a commercial motor vehicle on a
28 highway only when in possession of a valid driver's license and
29 accompanied by the holder of a valid CDL who has the proper CDL
30 classification and endorsement or endorsements necessary to operate
31 the commercial motor vehicle. The CDL holder must at all times be
32 physically present in the front seat of the vehicle next to the CLP
33 holder or, in the case of a passenger vehicle, directly behind or in
34 the first row behind the driver and must have the CLP holder under
35 observation and direct supervision.

36 (4) A CLP may be classified in the same manner as a CDL under RCW
37 46.25.080(2)(a).

1 (5) CLPs may be issued with only P, S, or N endorsements as
2 described in RCW 46.25.080(2)(b).

3 (a) The holder of a CLP with a P endorsement must have taken and
4 passed the P endorsement knowledge examination. The holder of a CLP
5 with a P endorsement is prohibited from operating a commercial motor
6 vehicle carrying passengers other than authorized employees or
7 representatives of the department and the federal motor carrier
8 safety administration, examiners, other trainees, and the CDL holder
9 accompanying the CLP holder as required under subsection (2) of this
10 section. The P endorsement must be class specific.

11 (b) The holder of a CLP with an S endorsement must have taken and
12 passed the S endorsement knowledge examination. The holder of a CLP
13 with an S endorsement is prohibited from operating a school bus with
14 passengers other than authorized employees or representatives of the
15 department and the federal motor carrier safety administration,
16 examiners, other trainees, and the CDL holder accompanying the CLP
17 holder as required under subsection (2) of this section.

18 (c) The holder of a CLP with an N endorsement must have taken and
19 passed the N endorsement knowledge examination. The holder of a CLP
20 with an N endorsement may only operate an empty tank vehicle and is
21 prohibited from operating any tank vehicle that previously contained
22 hazardous materials and has not been purged of any residue.

23 (6) A CLP may be issued with appropriate restrictions as
24 described in RCW 46.25.080(2)(c). In addition, a CLP may be issued
25 with the following restrictions:

26 (a) "P" restricts the driver from operating a bus with
27 passengers;

28 (b) "X" restricts the driver from operating a tank vehicle that
29 contains cargo; and

30 (c) Any restriction as established by rule of the department.

31 (7) The holder of a CLP is not authorized to operate a commercial
32 motor vehicle transporting hazardous materials.

33 (8) A CLP may not be issued for a period to exceed one hundred
34 eighty days. The department may renew the CLP for one additional one
35 hundred eighty-day period without requiring the CLP holder to retake
36 the general and endorsement knowledge examinations.

37 (9) The department must transmit the fees collected for CLPs to
38 the state treasurer for deposit in the highway safety fund.

1 **Sec. 206.** RCW 46.25.060 and 2013 c 224 s 6 are each amended to
2 read as follows:

3 (1)(a) No person may be issued a commercial driver's license
4 unless that person:

5 (i) Is a resident of this state;

6 (ii) Has successfully completed a course of instruction in the
7 operation of a commercial motor vehicle that has been approved by the
8 director or has been certified by an employer as having the skills
9 and training necessary to operate a commercial motor vehicle safely;

10 (iii) If he or she does not hold a valid commercial driver's
11 license of the appropriate classification, has been issued a
12 commercial learner's permit under RCW 46.25.052; and

13 (iv) Has passed a knowledge and skills examination for driving a
14 commercial motor vehicle that complies with minimum federal standards
15 established by federal regulation enumerated in 49 C.F.R. Part 383,
16 subparts F, G, and H, in addition to other requirements imposed by
17 state law or federal regulation. The department may not allow the
18 person to take the skills examination during the first fourteen days
19 after initial issuance of the person's commercial learner's permit.
20 The examinations must be prescribed and conducted by the department.

21 (b) In addition to the fee charged for issuance or renewal of any
22 license, the applicant shall pay a fee of no more than (~~ten~~)
23 thirty-five dollars for (~~each~~) the classified knowledge
24 examination, classified endorsement knowledge examination, or any
25 combination of classified license and endorsement knowledge
26 examinations. The applicant shall pay a fee of no more than (~~one~~)
27 two hundred fifty dollars for each classified skill examination or
28 combination of classified skill examinations conducted by the
29 department.

30 (c) The department may authorize a person, including an agency of
31 this or another state, an employer, a private driver training
32 facility, or other private institution, or a department, agency, or
33 instrumentality of local government, to administer the skills
34 examination specified by this section under the following conditions:

35 (i) The examination is the same which would otherwise be
36 administered by the state;

37 (ii) The third party has entered into an agreement with the state
38 that complies with the requirements of 49 C.F.R. Sec. 383.75; and

1 (iii) The director has adopted rules as to the third party
2 testing program and the development and justification for fees
3 charged by any third party.

4 (d) If the applicant's primary use of a commercial driver's
5 license is for any of the following, then the applicant shall pay a
6 fee of no more than (~~seventy-five~~) two hundred twenty-five dollars
7 for (~~each~~) the classified skill examination or combination of
8 classified skill examinations whether conducted by the department or
9 a third-party tester:

10 (i) Public benefit not-for-profit corporations that are federally
11 supported head start programs; or

12 (ii) Public benefit not-for-profit corporations that support
13 early childhood education and assistance programs as described in RCW
14 43.215.405(2).

15 (e) If the applicant's primary use of a commercial driver's
16 license is to drive a school bus, the applicant shall pay a fee of no
17 more than one hundred dollars for the classified skill examination or
18 combination of classified skill examinations conducted by the
19 department.

20 (f) Payment of the examination fees under this subsection
21 entitles the applicant to take the examination up to two times in
22 order to pass.

23 (2)(a) The department may waive the skills examination and the
24 requirement for completion of a course of instruction in the
25 operation of a commercial motor vehicle specified in this section for
26 a commercial driver's license applicant who meets the requirements of
27 49 C.F.R. Sec. 383.77.

28 (b) An applicant who operates a commercial motor vehicle for
29 agribusiness purposes is exempt from the course of instruction
30 completion and employer skills and training certification
31 requirements under this section. By January 1, 2010, the department
32 shall submit recommendations regarding the continuance of this
33 exemption to the transportation committees of the legislature. For
34 purposes of this subsection (2)(b), "agribusiness" means a private
35 carrier who in the normal course of business primarily transports:

36 (i) Farm machinery, farm equipment, implements of husbandry, farm
37 supplies, and materials used in farming;

38 (ii) Agricultural inputs, such as seed, feed, fertilizer, and
39 crop protection products;

1 (iii) Unprocessed agricultural commodities, as defined in RCW
2 17.21.020, where such commodities are produced by farmers, ranchers,
3 vineyardists, or orchardists; or

4 (iv) Any combination of (b)(i) through (iii) of this subsection.

5 The department shall notify the transportation committees of the
6 legislature if the federal government takes action affecting the
7 exemption provided in this subsection (2)(b).

8 (3) A commercial driver's license or commercial learner's permit
9 may not be issued to a person while the person is subject to a
10 disqualification from driving a commercial motor vehicle, or while
11 the person's driver's license is suspended, revoked, or canceled in
12 any state, nor may a commercial driver's license be issued to a
13 person who has a commercial driver's license issued by any other
14 state unless the person first surrenders all such licenses, which
15 must be returned to the issuing state for cancellation.

16 **Sec. 207.** RCW 46.25.100 and 2013 c 224 s 12 are each amended to
17 read as follows:

18 When a person has been disqualified from operating a commercial
19 motor vehicle, the person is not entitled to have the commercial
20 driver's license or commercial learner's permit restored until after
21 the expiration of the appropriate disqualification period required
22 under RCW 46.25.090 or until the department has received a drug and
23 alcohol assessment and evidence is presented of satisfactory
24 participation in or completion of any required drug or alcohol
25 treatment program for ending the disqualification under RCW
26 46.25.090(7). After expiration of the appropriate period and upon
27 payment of a requalification fee of (~~twenty~~) thirty-five dollars,
28 or one hundred fifty dollars if the person has been disqualified
29 under RCW 46.25.090(7), the person may apply for a new, duplicate, or
30 renewal commercial driver's license or commercial learner's permit as
31 provided by law. If the person has been disqualified for a period of
32 one year or more, the person shall demonstrate that he or she meets
33 the commercial driver's license or commercial learner's permit
34 qualification standards specified in RCW 46.25.060.

35 **Enhanced Driver's License & Identocard Fees**

36 **Sec. 208.** RCW 46.20.202 and 2007 c 7 s 1 are each amended to
37 read as follows:

1 (1) The department may enter into a memorandum of understanding
2 with any federal agency for the purposes of facilitating the crossing
3 of the border between the state of Washington and the Canadian
4 province of British Columbia.

5 (2) The department may enter into an agreement with the Canadian
6 province of British Columbia for the purposes of implementing a
7 border-crossing initiative.

8 (3)(a) The department may issue an enhanced driver's license or
9 identicard for the purposes of crossing the border between the state
10 of Washington and the Canadian province of British Columbia to an
11 applicant who provides the department with proof of: United States
12 citizenship, identity, and state residency. The department shall
13 continue to offer a standard driver's license and identicard. If the
14 department chooses to issue an enhanced driver's license, the
15 department must allow each applicant to choose between a standard
16 driver's license or identicard, or an enhanced driver's license or
17 identicard.

18 (b) The department shall implement a one-to-many biometric
19 matching system for the enhanced driver's license or identicard. An
20 applicant for an enhanced driver's license or identicard shall submit
21 a biometric identifier as designated by the department. The biometric
22 identifier must be used solely for the purpose of verifying the
23 identity of the holders and for any purpose set out in RCW 46.20.037.
24 Applicants are required to sign a declaration acknowledging their
25 understanding of the one-to-many biometric match.

26 (c) The enhanced driver's license or identicard must include
27 reasonable security measures to protect the privacy of Washington
28 state residents, including reasonable safeguards to protect against
29 unauthorized disclosure of data about Washington state residents. If
30 the enhanced driver's license or identicard includes a radio
31 frequency identification chip, or similar technology, the department
32 shall ensure that the technology is encrypted or otherwise secure
33 from unauthorized data access.

34 (d) The requirements of this subsection are in addition to the
35 requirements otherwise imposed on applicants for a driver's license
36 or identicard. The department shall adopt such rules as necessary to
37 meet the requirements of this subsection. From time to time the
38 department shall review technological innovations related to the
39 security of identity cards and amend the rules related to enhanced
40 driver's licenses and identicards as the director deems consistent

1 with this section and appropriate to protect the privacy of
2 Washington state residents.

3 (e) Notwithstanding RCW 46.20.118, the department may make images
4 associated with enhanced drivers' licenses or identicards from the
5 negative file available to United States customs and border agents
6 for the purposes of verifying identity.

7 (4) (~~The department may set a fee for the issuance of enhanced~~
8 ~~drivers' licenses and identicards under this section.~~) The fee for
9 an enhanced driver's license or enhanced identicard is fifty-four
10 dollars, which is in addition to the fees for any regular driver's
11 license or identicard. If the enhanced driver's license or enhanced
12 identicard is issued, renewed, or extended for a period other than
13 six years, the fee for each class is nine dollars for each year that
14 the enhanced driver's license or enhanced identicard is issued,
15 renewed, or extended.

16 **Report of Sale & Transitional Ownership Fees**

17 **Sec. 209.** RCW 46.17.050 and 2014 c 59 s 3 are each amended to
18 read as follows:

19 (1) Before accepting a report of sale filed under RCW
20 46.12.650(2), the department, county auditor or other agent, or
21 subagent appointed by the director shall require the applicant to
22 pay(+

23 (+)) the filing fee under RCW 46.17.005(1), the license plate
24 technology fee under RCW 46.17.015, (~~and~~) the license service fee
25 under RCW 46.17.025 (~~to the county auditor or other agent; and~~

26 (+)), and the service fee under RCW 46.17.040(1)(b) (~~to the~~
27 subagent)).

28 (2) Services fees collected under this section by the department
29 or county auditor or other agent appointed by the director must be
30 credited to the capital vessel replacement account under RCW
31 47.60.322.

32 **Sec. 210.** RCW 46.17.060 and 2014 c 59 s 4 are each amended to
33 read as follows:

34 (1) Before accepting a transitional ownership record filed under
35 RCW 46.12.660, the department, county auditor or other agent, or
36 subagent appointed by the director shall require the applicant to
37 pay(+

1 ~~(1))~~ the filing fee under RCW 46.17.005(1), the license plate
2 technology fee under RCW 46.17.015, ~~((and))~~ the license service fee
3 under RCW 46.17.025 ~~((to the county auditor or other agent; and~~
4 ~~(2))~~, and the service fee under RCW 46.17.040(1)(b) ~~((to the~~
5 ~~subagent))~~.

6 (2) Services fees collected under this section by the department
7 or county auditor or other agent appointed by the director must be
8 credited to the capital vessel replacement account under RCW
9 47.60.322.

10 **Sec. 211.** RCW 46.17.100 and 2012 c 74 s 1 are each amended to
11 read as follows:

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

17 (1) Five dollars of the certificate of title application fee must
18 be distributed under RCW 46.68.020.

19 (2) ~~((Ten))~~ Five dollars of the certificate of title application
20 fee must be credited to the transportation 2003 account (nickel
21 account) created in RCW 46.68.280.

22 (3) Five dollars of the certificate of title application fee must
23 be credited to the Puget Sound capital construction account created
24 in RCW 47.60.505.

25 **Sec. 212.** RCW 47.60.322 and 2014 c 59 s 1 are each amended to
26 read as follows:

27 ~~((1))~~ The capital vessel replacement account is created in the
28 motor vehicle fund. All revenues generated from the vessel
29 replacement surcharge under RCW 47.60.315(7) and service fees
30 collected by the department of licensing or county auditor or other
31 agent appointed by the director under RCW 46.17.040, 46.17.050, and
32 46.17.060 must be deposited into the account. Moneys in the account
33 may be spent only after appropriation. Expenditures from the account
34 may be used only for the construction or purchase of ferry vessels
35 and to pay the principal and interest on bonds authorized for the
36 construction or purchase of ferry vessels. However, expenditures from
37 the account must first be used to support the construction or

1 purchase, including any applicable financing costs, of a ferry vessel
2 with a carrying capacity of at least one hundred forty-four cars.

3 ~~((2) The state treasurer may not transfer any moneys from the
4 capital vessel replacement account except to the transportation 2003
5 account (nickel account) for debt service on bonds issued for the
6 construction of 144-car class ferry vessels.))~~

7 **Sec. 213.** RCW 46.12.650 and 2010 c 161 s 309 are each amended to
8 read as follows:

9 (1) **Releasing interest.** An owner releasing interest in a vehicle
10 shall:

11 (a) Sign the release of interest section provided on the
12 certificate of title or on a release of interest document or form
13 approved by the department;

14 (b) Give the certificate of title or most recent evidence of
15 ownership to the person gaining the interest in the vehicle;

16 (c) Give the person gaining interest in the vehicle an odometer
17 disclosure statement if one is required; and

18 (d) Report the vehicle sold as provided in subsection (2) of this
19 section.

20 (2) **Report of sale.** An owner shall notify the department, county
21 auditor or other agent, or subagent appointed by the director in
22 writing within ~~((five))~~ twenty-one business days after a vehicle is
23 or has been:

24 (a) Sold;

25 (b) Given as a gift to another person;

26 (c) Traded, either privately or to a dealership;

27 (d) Donated to charity;

28 (e) Turned over to an insurance company or wrecking yard; or

29 (f) Disposed of.

30 (3) **Report of sale properly filed.** A report of sale is properly
31 filed if it is received by the department, county auditor or other
32 agent, or subagent appointed by the director within ~~((five))~~ twenty-
33 one business days after the date of sale or transfer and it includes:

34 (a) The date of sale or transfer;

35 (b) The owner's name and address;

36 (c) The name and address of the person acquiring the vehicle;

37 (d) The vehicle identification number and license plate number;

1 (e) A date or stamp by the department showing it was received on
2 or before the (~~five~~) twenty-first business day after the date of
3 sale or transfer; and

4 (f) Payment of the fees required under RCW 46.17.050 (~~if the~~
5 ~~report of sale is processed by a county auditor or other agent or~~
6 ~~subagent appointed by the director~~)).

7 (4) **Report of sale - administration.** (a) The department shall:

8 (~~(a)~~) (i) Provide or approve reports of sale forms;

9 (~~(b)~~) (ii) Provide a system enabling an owner to submit reports
10 of sale electronically;

11 (~~(c)~~) (iii) Immediately update the department's vehicle record
12 when a report of sale has been filed;

13 (~~(d)~~) (iv) Provide instructions on release of interest forms
14 that allow the seller of a vehicle to release their interest in a
15 vehicle at the same time a financial institution, as defined in RCW
16 (~~30.22.040~~) 30A.22.040, releases its lien on the vehicle; and

17 (~~(e)~~) (v) Send a report to the department of revenue that lists
18 vehicles for which a report of sale has been received but no transfer
19 of ownership has taken place. The department shall send the report
20 once each quarter.

21 (b) A report of sale that is received by the department, county
22 auditor or other agent, or subagent appointed by the director after
23 the twenty-first day becomes effective on the day it is received by
24 the department, county auditor or other agent, or subagent appointed
25 by the director.

26 (5)(a) **Transferring ownership.** A person who has recently acquired
27 a vehicle by purchase, exchange, gift, lease, inheritance, or legal
28 action shall apply to the department, county auditor or other agent,
29 or subagent appointed by the director for a new certificate of title
30 within fifteen days of delivery of the vehicle. A secured party who
31 has possession of the certificate of title shall either:

32 (i) Apply for a new certificate of title on behalf of the owner
33 and pay the fee required under RCW 46.17.100; or

34 (ii) Provide all required documents to the owner, as long as the
35 transfer was not a breach of its security agreement, to allow the
36 owner to apply for a new certificate of title.

37 (b) Compliance with this subsection does not affect the rights of
38 the secured party.

39 (6) **Certificate of title delivered to secured party.** The
40 certificate of title must be kept by or delivered to the person who

1 becomes the secured party when a security interest is reserved or
2 created at the time of the transfer of ownership. The parties must
3 comply with RCW 46.12.675.

4 (7) **Penalty for late transfer.** A person who has recently acquired
5 a motor vehicle by purchase, exchange, gift, lease, inheritance, or
6 legal action who does not apply for a new certificate of title within
7 fifteen calendar days of delivery of the vehicle is charged a
8 penalty, as described in RCW 46.17.140, when applying for a new
9 certificate of title. It is a misdemeanor to fail or neglect to apply
10 for a transfer of ownership within forty-five days after delivery of
11 the vehicle. The misdemeanor is a single continuing offense for each
12 day that passes regardless of the number of days that have elapsed
13 following the forty-five day time period.

14 (8) **Penalty for late transfer - exceptions.** The penalty is not
15 charged if the delay in application is due to at least one of the
16 following:

17 (a) The department requests additional supporting documents;

18 (b) The department, county auditor or other agent, or subagent
19 fails to perform or is neglectful;

20 (c) The owner is prevented from applying due to an illness or
21 extended hospitalization;

22 (d) The legal owner fails or neglects to release interest;

23 (e) The owner did not know of the filing of a report of sale by
24 the previous owner and signs an affidavit to the fact; or

25 (f) The department finds other conditions exist that adequately
26 explain the delay.

27 (9) **Review and issue.** The department shall review applications
28 for certificates of title and issue certificates of title when it has
29 determined that all applicable provisions of law have been complied
30 with.

31 (10) **Rules.** The department may adopt rules as necessary to
32 implement this section.

33 PART III

34 LOCAL REVENUE OPTIONS

35 Transportation Benefit Districts

36 **Sec. 301.** RCW 36.73.065 and 2012 c 152 s 3 are each amended to
37 read as follows:

1 (1) Except as provided in subsection (4) of this section, taxes,
2 fees, charges, and tolls may not be imposed by a district without
3 approval of a majority of the voters in the district voting on a
4 proposition at a general or special election. The proposition must
5 include a specific description of: (a) The transportation improvement
6 or improvements proposed by the district; (b) any rebate program
7 proposed to be established under RCW 36.73.067; and (c) the proposed
8 taxes, fees, charges, and the range of tolls imposed by the district
9 to raise revenue to fund the improvement or improvements or rebate
10 program, as applicable.

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

14 (3) A district may not increase any taxes, fees, charges, or
15 range of tolls imposed or change a rebate program under this chapter
16 once the taxes, fees, charges, tolls, or rebate program takes effect,
17 (~~unless~~) except:

18 (a) If authorized by the district voters pursuant to RCW
19 36.73.160 or, with respect to a change in a rebate program, a
20 material change policy adopted pursuant to RCW 36.73.160 is followed;
21 or

22 (b) For up to fifty dollars of the vehicle fee authorized in RCW
23 82.80.140 by the governing board of the district if a vehicle fee of
24 twenty dollars has been imposed for at least twenty-four months.

25 (4)(a) A district that includes all the territory within the
26 boundaries of the jurisdiction, or jurisdictions, establishing the
27 district may impose by a majority vote of the governing board of the
28 district the following fees and charges:

29 (i) Up to twenty dollars of the vehicle fee authorized in RCW
30 82.80.140; (~~or~~)

31 (ii) Up to fifty dollars of the vehicle fee authorized in RCW
32 82.80.140 if a vehicle fee of twenty dollars has been imposed for at
33 least twenty-four months; or

34 (iii) A fee or charge in accordance with RCW 36.73.120.

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

39 (c)(i) A district solely comprised of a city or cities (~~shall~~)
40 may not impose the fees or charges identified in (a) of this

1 subsection within one hundred eighty days after July 22, 2007, unless
2 the county in which the city or cities reside, by resolution,
3 declares that it will not impose the fees or charges identified in
4 (a) of this subsection within the one hundred eighty-day period; or

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

10 (5) If the interlocal agreement in RCW 82.80.140(2)(a) cannot be
11 reached, a district that includes only the unincorporated territory
12 of a county may impose by a majority vote of the governing body of
13 the district up to: (a) Twenty dollars of the vehicle fee authorized
14 in RCW 82.80.140; or (b) fifty dollars of the vehicle fee authorized
15 in RCW 82.80.140 if a fee of twenty dollars has been imposed for at
16 least twenty-four months.

17 **Sec. 302.** RCW 82.80.140 and 2010 c 161 s 917 are each amended to
18 read as follows:

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

27 (2)(a) A district that includes all the territory within the
28 boundaries of the jurisdiction, or jurisdictions, establishing the
29 district may impose by a majority vote of the governing board of the
30 district up to twenty dollars of the vehicle fee authorized in
31 subsection (1) of this section or up to fifty dollars of the vehicle
32 fee authorized in subsection (1) of this section if a twenty dollar
33 vehicle fee has been imposed for at least twenty-four months.

34 If the district is countywide, the revenues of the fee (~~shall~~)
35 must be distributed to each city within the (~~county~~) district by
36 interlocal agreement. The interlocal agreement is effective when
37 approved by the (~~county~~) district and sixty percent of the cities
38 representing seventy-five percent of the population of the cities

1 within the ((~~county~~)) district in which the countywide fee is
2 collected.

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

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

7 (ii) That, if combined with the fees previously imposed by
8 another district within its boundaries under RCW 36.73.065(4)(a)(i),
9 exceeds ((~~twenty~~)) fifty dollars.

10 If a district imposes or increases a fee under this subsection
11 (2) that, if combined with the fees previously imposed by another
12 district within its boundaries, exceeds ((~~twenty~~)) fifty dollars, the
13 district shall provide a credit for the previously imposed fees so
14 that the combined vehicle fee does not exceed ((~~twenty~~)) fifty
15 dollars.

16 (3) The department of licensing shall administer and collect the
17 fee. The department shall deduct a percentage amount, as provided by
18 contract, not to exceed one percent of the fees collected, for
19 administration and collection expenses incurred by it. The department
20 shall remit remaining proceeds to the custody of the state treasurer.
21 The state treasurer shall distribute the proceeds to the district on
22 a monthly basis.

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

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

28 (6) The following vehicles are exempt from the fee under this
29 section:

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

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

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

34 (d) Off-road and nonhighway vehicles, as defined in RCW
35 46.04.365;

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

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

38 (g) Vehicles registered under chapter 46.87 RCW and the
39 international registration plan.

1 (1) The legislative body of any city pursuant to RCW 35.92.060,
2 of any county which has created an unincorporated transportation
3 benefit area pursuant to RCW 36.57.100 and 36.57.110, of any public
4 transportation benefit area pursuant to RCW 36.57A.080 and
5 36.57A.090, of any county transportation authority established
6 pursuant to chapter 36.57 RCW, and of any metropolitan municipal
7 corporation within a county with a population of one million or more
8 pursuant to chapter 35.58 RCW, may, by resolution or ordinance for
9 the sole purpose of providing funds for the operation, maintenance,
10 or capital needs of public transportation systems or public
11 transportation limited to persons with special needs under RCW
12 36.57.130 and 36.57A.180, and in lieu of the excise taxes authorized
13 by RCW 35.95.040, submit an authorizing proposition to the voters or
14 include such authorization in a proposition to perform the function
15 of public transportation or public transportation limited to persons
16 with special needs under RCW 36.57.130 and 36.57A.180, and if
17 approved by a majority of persons voting thereon, impose a sales and
18 use tax in accordance with the terms of this chapter. Where an
19 authorizing proposition is submitted by a county on behalf of an
20 unincorporated transportation benefit area, it shall be voted upon by
21 the voters residing within the boundaries of such unincorporated
22 transportation benefit area and, if approved, the sales and use tax
23 shall be imposed only within such area. Notwithstanding any
24 provisions of this section to the contrary, any county in which a
25 county public transportation plan has been adopted pursuant to RCW
26 36.57.070 and the voters of such county have authorized the
27 imposition of a sales and use tax pursuant to the provisions of
28 section 10, chapter 167, Laws of 1974 ex. sess., prior to July 1,
29 1975, shall be authorized to fix and impose a sales and use tax as
30 provided in this section at not to exceed the rate so authorized
31 without additional approval of the voters of such county as otherwise
32 required by this section.

33 The tax authorized by this section shall be in addition to the
34 tax authorized by RCW 82.14.030 and shall be collected from those
35 persons who are taxable by the state under chapters 82.08 and 82.12
36 RCW upon the occurrence of any taxable event within such city, public
37 transportation benefit area, county, or metropolitan municipal
38 corporation as the case may be. The rate of such tax shall be one-
39 tenth, two-tenths, three-tenths, four-tenths, five-tenths, six-
40 tenths, seven-tenths, eight-tenths, or nine-tenths of one percent of

1 the selling price (in the case of a sales tax) or value of the
2 article used (in the case of a use tax). The rate of such tax shall
3 not exceed the rate authorized by the voters unless such increase
4 shall be similarly approved.

5 (2)(a) In the event a metropolitan municipal corporation imposes
6 a sales and use tax pursuant to this chapter no city, county which
7 has created an unincorporated transportation benefit area, public
8 transportation benefit area authority, or county transportation
9 authority wholly within such metropolitan municipal corporation shall
10 be empowered to impose and/or collect taxes under RCW 35.95.040 or
11 this section, but nothing herein shall prevent such city or county
12 from imposing sales and use taxes pursuant to any other
13 authorization.

14 (b) In the event a county transportation authority imposes a
15 sales and use tax under this section, no city, county which has
16 created an unincorporated transportation benefit area, public
17 transportation benefit area, or metropolitan municipal corporation,
18 located within the territory of the authority, shall be empowered to
19 impose or collect taxes under RCW 35.95.040 or this section.

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

27 (3) The legislative body of a public transportation benefit area
28 located in a county with either a population of two hundred thirty
29 thousand or more that borders Puget Sound that also contains two or
30 more cities with a population greater than forty thousand or a
31 population of seven hundred thousand or more that also contains a
32 city with a population of seventy-five thousand or more operating a
33 transit system pursuant to chapter 35.95 RCW may submit an
34 authorizing proposition to the voters and, if approved by a majority
35 of persons voting on the proposition, impose a sales and use tax in
36 accordance with the terms of this chapter of one-tenth, two-tenths,
37 or three-tenths of one percent of the selling price, in the case of a
38 sales tax, or value of the article used, in the case of a use tax, in
39 addition to the rate in subsection (1) of this section.

1 **Passenger-Only Ferry Service Districts**

2 NEW SECTION. **Sec. 305.** A new section is added to chapter 36.57A
3 RCW to read as follows:

4 (1) A governing body of a public transportation benefit area,
5 located in a county that only borders the western side of Puget Sound
6 with a population of more than two hundred thousand and contains one
7 or more Washington state ferries terminals, may establish one or more
8 passenger-only ferry service districts within all or a portion of the
9 boundaries of the public transportation benefit area establishing the
10 passenger-only ferry service district. A passenger-only ferry service
11 district may include all or a portion of a city or town as long as
12 all or a portion of the city or town boundaries are within the
13 boundaries of the establishing public transportation benefit area.
14 The members of the public transportation benefit area governing body
15 proposing to establish the passenger-only ferry service district,
16 acting ex officio and independently, constitutes the governing body
17 of the passenger-only ferry service district.

18 (2) A passenger-only ferry service district may establish,
19 finance, and provide passenger-only ferry service, and associated
20 services to support and augment passenger-only ferry service
21 operation, within its boundaries in the same manner as authorized for
22 public transportation benefit areas under this chapter.

23 (3) A passenger-only ferry service district constitutes a body
24 corporate and possesses all the usual powers of a corporation for
25 public purposes as well as all other powers that may be conferred by
26 statute including, but not limited to, the authority to hire
27 employees, staff, and services, to enter into contracts, to acquire,
28 hold, and dispose of real and personal property, and to sue and be
29 sued. Public works contract limits applicable to the public
30 transportation benefit area that established the passenger-only ferry
31 service district apply to the district. For purposes of this section,
32 "passenger-only ferry service district" means a quasi-municipal
33 corporation and independent taxing authority within the meaning of
34 Article VII, section 1 of the state Constitution, and a taxing
35 district within the meaning of Article VII, section 2 of the state
36 Constitution, created by the legislative body of a public
37 transportation benefit area.

38 (4) Before a passenger-only ferry service district may provide
39 passenger-only ferry service, it must develop a passenger-only ferry

1 investment plan, including elements: To operate or contract for the
2 operation of passenger-only ferry services; to purchase, lease, or
3 rent ferry vessels and dock facilities for the provision of transit
4 service; and to identify other activities necessary to implement the
5 plan. The plan must set forth terminal locations to be served,
6 projected costs of providing services, and revenues to be generated
7 from tolls, locally collected tax revenues, and other revenue
8 sources. The plan must ensure that services provided under the plan
9 are for the benefit of the residents of the passenger-only ferry
10 service district. The passenger-only ferry service district may use
11 any of its powers to carry out this purpose, unless otherwise
12 prohibited by law. In addition, the passenger-only ferry service
13 district may enter into: Contracts and agreements to operate
14 passenger-only ferry service; public-private partnerships; and
15 design-build, general contractor/construction management, or other
16 alternative procurement processes substantially consistent with
17 chapter 39.10 RCW.

18 (5) A passenger-only ferry service district may be dissolved by a
19 majority vote of the governing body when all obligations under any
20 general obligation bonds issued by the passenger-only ferry service
21 district have been discharged and any other contractual obligations
22 of the passenger-only ferry service district have either been
23 discharged or assumed by another governmental entity.

24 NEW SECTION. **Sec. 306.** A new section is added to chapter 36.57A
25 RCW to read as follows:

26 (1) A passenger-only ferry service district may, as part of a
27 passenger-only ferry investment plan, recommend some or all of the
28 following revenue sources as provided in this chapter:

29 (a) A sales and use tax, as authorized in section 307 of this
30 act;

31 (b) A parking tax, as authorized in section 308 of this act;

32 (c) Tolls for passengers, packages, and, where applicable,
33 parking; and

34 (d) Charges or licensing fees for advertising, leasing space for
35 services to ferry passengers, and other revenue generating
36 activities.

37 (2) Taxes may not be imposed without an affirmative vote of the
38 majority of the voters within the boundaries of the passenger-only
39 ferry service district voting on a single ballot proposition to both

1 approve a passenger-only ferry investment plan and to approve taxes
2 to implement the plan. Revenues from these taxes and fees may be used
3 only to implement the plan and must be used for the benefit of the
4 residents of the passenger-only ferry service district. A district
5 must contract with the department of revenue for the administration
6 and collection of a sales and use tax as authorized in section 307 of
7 this act. A district may contract with other appropriate entities for
8 the administration and collection of any of the other taxes or
9 charges authorized in this section.

10 NEW SECTION. **Sec. 307.** A new section is added to chapter 82.14
11 RCW to read as follows:

12 (1) Passenger-only ferry service districts providing passenger-
13 only ferry service as provided in section 305 of this act may submit
14 an authorizing proposition to the voters and, if approved by a
15 majority of persons voting, fix and impose a sales and use tax in
16 accordance with the terms of this chapter, solely for the purpose of
17 providing passenger-only ferry service and associated services to
18 support and augment passenger-only ferry service operation.

19 (2) The tax authorized under this section is in addition to other
20 taxes authorized by law and must be collected from those persons who
21 are taxable by the state under chapters 82.08 and 82.12 RCW upon the
22 occurrence of a taxable event within the taxing district. The maximum
23 rate of the tax must be approved by the voters and may not exceed
24 three-tenths of one percent of the selling price in the case of a
25 sales tax or value of the article used in the case of a use tax.

26 NEW SECTION. **Sec. 308.** A new section is added to chapter 82.80
27 RCW to read as follows:

28 (1) Subject to the conditions of this section, a passenger-only
29 ferry service district located in a county with a population of one
30 million or less as of January 1, 2016, may fix and impose a parking
31 tax on all persons engaged in a commercial parking business within
32 its respective jurisdiction.

33 (2) In lieu of the tax in subsection (1) of this section, a
34 passenger-only ferry service district located in a county with a
35 population of one million or less as of January 1, 2016, may fix and
36 impose a tax for the act or privilege of parking a motor vehicle in a
37 facility operated by a commercial parking business. The passenger-
38 only ferry service district may provide that:

1 (a) The tax is paid by the operator or owner of the motor
2 vehicle;

3 (b) The tax applies to all parking for which a fee is paid,
4 whether paid or leased, including parking supplied with a lease of
5 nonresidential space;

6 (c) The tax is collected by the operator of the facility and
7 remitted to the city, county, or passenger-only ferry service
8 district;

9 (d) The tax is a fee per vehicle or is measured by the parking
10 charge;

11 (e) The tax rate varies with zoning or location of the facility,
12 the duration of the parking, the time of entry or exit, the type or
13 use of the vehicle, or other reasonable factors; and

14 (f) Tax exempt carpools, vehicles with special license plates and
15 parking placards for persons with disabilities, or government
16 vehicles are exempt from the tax.

17 (3) The rate of the tax under subsection (1) of this section may
18 be based either upon gross proceeds or the number of vehicle stalls
19 available for commercial parking use. The rates charged must be
20 uniform for the same class or type of commercial parking business.

21 (4) The passenger-only ferry service district levying the tax
22 provided for in subsection (1) or (2) of this section may provide for
23 its payment on a monthly, quarterly, or annual basis.

24 (5) The proceeds of the parking tax imposed by a passenger-only
25 ferry service district under subsection (1) or (2) of this section
26 must be used as provided in section 306 of this act.

27 (6) "Commercial parking business" as used in this section, means
28 the ownership, lease, operation, or management of a commercial
29 parking lot in which fees are charged. "Commercial parking lot" means
30 a covered or uncovered area with stalls for the purpose of parking
31 motor vehicles.

32 NEW SECTION. **Sec. 309.** A new section is added to chapter 36.57A
33 RCW to read as follows:

34 (1) To carry out the purposes of this chapter, a passenger-only
35 ferry service district may issue general obligation bonds, not to
36 exceed an amount, together with any other outstanding nonvoter-
37 approved general obligation indebtedness, equal to one and one-half
38 percent of the value of the taxable property within the area, as the
39 term "value of the taxable property" is defined in RCW 39.36.015. A

1 passenger-only ferry service district may also issue general
2 obligation bonds for capital purposes only, together with any
3 outstanding general obligation indebtedness, not to exceed an amount
4 equal to five percent of the value of the taxable property within the
5 area, as the term "value of the taxable property" is defined in RCW
6 39.36.015, when authorized by the voters of the area pursuant to
7 Article VIII, section 6 of the state Constitution.

8 (2) General obligation bonds with a maturity in excess of twenty-
9 five years may not be issued. The governing body of the passenger-
10 only ferry service district must by resolution determine for each
11 general obligation bond issue the amount, date, terms, conditions,
12 denominations, maximum fixed or variable interest rate or rates,
13 maturity or maturities, redemption rights, registration privileges,
14 manner of execution, manner of sale, callable provisions, if any,
15 covenants, and form, including registration as to principal and
16 interest, registration as to principal only, or bearer. Registration
17 may include, but not be limited to: (a) A book entry system of
18 recording the ownership of a bond whether or not physical bonds are
19 issued, or (b) recording the ownership of a bond together with the
20 requirement that the transfer of ownership may only be effected by
21 the surrender of the old bond and either the reissuance of the old
22 bond or the issuance of a new bond to the new owner. Facsimile
23 signatures may be used on the bonds and any coupons. Refunding
24 general obligation bonds may be issued in the same manner as general
25 obligation bonds are issued.

26 (3) Whenever general obligation bonds are issued to fund specific
27 projects or enterprises that generate revenues, charges, user fees,
28 or special assessments, the passenger-only ferry service district may
29 specifically pledge all or a portion of the revenues, charges, user
30 fees, or special assessments to refund the general obligation bonds.
31 The passenger-only ferry service district may also pledge any other
32 revenues that may be available to the district.

33 (4) In addition to general obligation bonds, a passenger-only
34 ferry service district may issue revenue bonds to be issued and sold
35 in accordance with chapter 39.46 RCW.

36 **Sound Transit Funding - ST3**

37 **Sec. 310.** RCW 81.104.140 and 2002 c 56 s 202 are each amended to
38 read as follows:

1 (1) Agencies authorized to provide high capacity transportation
2 service, including transit agencies and regional transit authorities,
3 and regional transportation investment districts acting with the
4 agreement of an agency, are hereby granted dedicated funding sources
5 for such systems. These dedicated funding sources, as set forth in
6 RCW 81.104.150, 81.104.160, (~~and~~) 81.104.170, and section 313 of
7 this act, are authorized only for agencies located in (a) each county
8 with a population of two hundred ten thousand or more and (b) each
9 county with a population of from one hundred twenty-five thousand to
10 less than two hundred ten thousand except for those counties that do
11 not border a county with a population as described under (a) of this
12 subsection. In any county with a population of one million or more or
13 in any county having a population of four hundred thousand or more
14 bordering a county with a population of one million or more, these
15 funding sources may be imposed only by a regional transit authority
16 or a regional transportation investment district. Regional
17 transportation investment districts may, with the approval of the
18 regional transit authority within its boundaries, impose the taxes
19 authorized under this chapter, but only upon approval of the voters
20 and to the extent that the maximum amount of taxes authorized under
21 this chapter have not been imposed.

22 (2) Agencies planning to construct and operate a high capacity
23 transportation system should also seek other funds, including
24 federal, state, local, and private sector assistance.

25 (3) Funding sources should satisfy each of the following criteria
26 to the greatest extent possible:

- 27 (a) Acceptability;
- 28 (b) Ease of administration;
- 29 (c) Equity;
- 30 (d) Implementation feasibility;
- 31 (e) Revenue reliability; and
- 32 (f) Revenue yield.

33 (4)(a) Agencies participating in regional high capacity
34 transportation system development are authorized to levy and collect
35 the following voter-approved local option funding sources:

36 (~~(a)~~) (i) Employer tax as provided in RCW 81.104.150, other
37 than by regional transportation investment districts;

38 (~~(b)~~) (ii) Special motor vehicle excise tax as provided in RCW
39 81.104.160; (~~and~~

1 ~~(e))~~ (iii) Regular property tax as provided in section 313 of
2 this act; and

3 (iv) Sales and use tax as provided in RCW 81.104.170.

4 (b) Revenues from these taxes may be used only to support those
5 purposes prescribed in subsection (10) of this section. Before the
6 date of an election authorizing an agency to impose any of the taxes
7 enumerated in this section and authorized in RCW 81.104.150,
8 81.104.160, ~~((and))~~ 81.104.170, and section 313 of this act, the
9 agency must comply with the process prescribed in RCW 81.104.100 (1)
10 and (2), section 314 of this act, and 81.104.110. No construction on
11 exclusive right-of-way may occur before the requirements of RCW
12 81.104.100(3) are met.

13 (5) Except for the regular property tax authorized in section 313
14 of this act, the authorization in subsection (4) of this section
15 ~~((shall))~~ may not adversely affect the funding authority of transit
16 agencies not provided for in this chapter. Local option funds may be
17 used to support implementation of interlocal agreements with respect
18 to the establishment of regional high capacity transportation
19 service. Except when a regional transit authority exists, local
20 jurisdictions ~~((shall))~~ must retain control over moneys generated
21 within their boundaries, although funds may be commingled with those
22 generated in other areas for planning, construction, and operation of
23 high capacity transportation systems as set forth in the agreements.

24 (6) Except for the regular property tax authorized in section 313
25 of this act, agencies planning to construct and operate high capacity
26 transportation systems may contract with the state for collection and
27 transference of voter-approved local option revenue.

28 (7) Dedicated high capacity transportation funding sources
29 authorized in RCW 81.104.150, 81.104.160, ~~((and))~~ 81.104.170 ~~((shall~~
30 be)), and section 313 of this act are subject to voter approval by a
31 simple majority. A single ballot proposition may seek approval for
32 one or more of the authorized taxing sources. The ballot title
33 ~~((shall))~~ must reference the document identified in subsection (8) of
34 this section.

35 (8) Agencies ~~((shall))~~ must provide to the registered voters in
36 the area a document describing the systems plan and the financing
37 plan set forth in RCW 81.104.100. It ~~((shall))~~ must also describe the
38 relationship of the system to regional issues such as development
39 density at station locations and activity centers, and the
40 interrelationship of the system to adopted land use and

1 transportation demand management goals within the region. This
2 document (~~shall~~) must be provided to the voters at least twenty
3 days prior to the date of the election.

4 (9) For any election in which voter approval is sought for a high
5 capacity transportation system plan and financing plan pursuant to
6 RCW 81.104.040, a local voter's pamphlet (~~shall~~) must be produced
7 as provided in chapter (~~29.81A~~) 29A.32 RCW.

8 (10)(a) Agencies providing high capacity transportation service
9 (~~shall~~) must retain responsibility for revenue encumbrance,
10 disbursement, and bonding. Funds may be used for any purpose relating
11 to planning, construction, and operation of high capacity
12 transportation systems and commuter rail systems, personal rapid
13 transit, busways, bus sets, and entrained and linked buses.

14 (b) A regional transit authority that imposes a motor vehicle
15 excise tax after the effective date of this section, imposes a
16 property tax, or increases a sales and use tax to more than nine-
17 tenths of one percent may use the revenues from such taxes or tax
18 increases to provide regional trails that directly connect to the
19 systems described in this subsection.

20 (c) A regional transit authority that imposes a motor vehicle
21 excise tax after the effective date of this section, imposes a
22 property tax, or increases a sales and use tax to more than nine-
23 tenths of one percent must undertake a process in which the
24 authority's board formally considers inclusion of the name, Scott
25 White, in the naming convention associated with either the University
26 of Washington or Roosevelt stations.

27 **Sec. 311.** RCW 81.104.160 and 2010 c 161 s 903 are each amended
28 to read as follows:

29 (1) Regional transit authorities that include a county with a
30 population of more than one million five hundred thousand may submit
31 an authorizing proposition to the voters, and if approved, may levy
32 and collect an excise tax, at a rate approved by the voters, but not
33 exceeding eighty one-hundredths of one percent on the value, under
34 chapter 82.44 RCW, of every motor vehicle owned by a resident of the
35 taxing district, solely for the purpose of providing high capacity
36 transportation service. The maximum tax rate under this subsection
37 does not include a motor vehicle excise tax approved before the
38 effective date of this section if the tax will terminate on the date
39 bond debt to which the tax is pledged is repaid. In any county

1 imposing a motor vehicle excise tax surcharge pursuant to RCW
2 81.100.060, the maximum tax rate under this section must be reduced
3 to a rate equal to eighty one-hundredths of one percent on the value
4 less the equivalent motor vehicle excise tax rate of the surcharge
5 imposed pursuant to RCW 81.100.060. This tax does not apply to
6 vehicles licensed under RCW 46.16A.455 except vehicles with an
7 unladen weight of six thousand pounds or less, RCW 46.16A.425 or
8 46.17.335(2). Notwithstanding any other provision of this subsection
9 or chapter 82.44 RCW, a motor vehicle excise tax imposed by a
10 regional transit authority before or after the effective date of this
11 section must comply with chapter 82.44 RCW as it existed on January
12 1, 1996, until December 31st of the year in which the regional
13 transit authority repays bond debt to which a motor vehicle excise
14 tax was pledged before the effective date of this section. Motor
15 vehicle taxes collected by regional transit authorities after
16 December 31st of the year in which a regional transit authority
17 repays bond debt to which a motor vehicle excise tax was pledged
18 before the effective date of this section must comply with chapter
19 82.44 RCW as it existed on the date the tax was approved by voters.

20 (2) An agency and high capacity transportation corridor area may
21 impose a sales and use tax solely for the purpose of providing high
22 capacity transportation service, in addition to the tax authorized by
23 RCW 82.14.030, upon retail car rentals within the applicable
24 jurisdiction that are taxable by the state under chapters 82.08 and
25 82.12 RCW. The rate of tax (~~shall~~) may not exceed 2.172 percent.
26 The rate of tax imposed under this subsection must bear the same
27 ratio of the 2.172 percent authorized that the rate imposed under
28 subsection (1) of this section bears to the rate authorized under
29 subsection (1) of this section. The base of the tax (~~shall be~~) is
30 the selling price in the case of a sales tax or the rental value of
31 the vehicle used in the case of a use tax.

32 (~~Any motor vehicle excise tax previously imposed under the~~
33 ~~provisions of RCW 81.104.160(1) shall be repealed, terminated, and~~
34 ~~expire on December 5, 2002, except for a motor vehicle excise tax for~~
35 ~~which revenues have been contractually pledged to repay a bonded debt~~
36 ~~issued before December 5, 2002, as determined by *Pierce County et al.*~~
37 ~~*v. State*, 159 Wn.2d 16, 148 P.3d 1002 (2006).)) (3) In the case of~~
38 ~~bonds that were previously issued, the motor vehicle excise tax must~~
39 ~~comply with chapter 82.44 RCW as it existed on January 1, 1996.~~

1 **Sec. 312.** RCW 81.104.170 and 2009 c 469 s 106 and 2009 c 280 s 5
2 are each reenacted and amended to read as follows:

3 (1) Cities that operate transit systems, county transportation
4 authorities, metropolitan municipal corporations, public
5 transportation benefit areas, high capacity transportation corridor
6 areas, and regional transit authorities may submit an authorizing
7 proposition to the voters and if approved by a majority of persons
8 voting, fix and impose a sales and use tax in accordance with the
9 terms of this chapter, solely for the purpose of providing high
10 capacity transportation service.

11 (2) The tax authorized pursuant to this section (~~shall be~~) is
12 in addition to the tax authorized by RCW 82.14.030 and (~~shall~~) must
13 be collected from those persons who are taxable by the state pursuant
14 to chapters 82.08 and 82.12 RCW upon the occurrence of any taxable
15 event within the taxing district.

16 (a) Except for the tax imposed under (b) of this subsection by
17 regional transit authorities that include a county with a population
18 of more than one million five hundred thousand, the maximum rate of
19 such tax (~~shall~~) must be approved by the voters and (~~shall~~) may
20 not exceed one percent of the selling price (in the case of a sales
21 tax) or value of the article used (in the case of a use tax). The
22 maximum rate of such tax that may be imposed (~~shall~~) may not exceed
23 nine-tenths of one percent in any county that imposes a tax under RCW
24 82.14.340, or within a regional transit authority if any county
25 within the authority imposes a tax under RCW 82.14.340.

26 (b) The maximum rate of such tax that may be imposed by a
27 regional transit authority that includes a county with a population
28 of more than one million five hundred thousand must be approved by
29 the voters and may not exceed 1.4 percent.

30 (3)(a) The exemptions in RCW 82.08.820 and 82.12.820 are for the
31 state portion of the sales and use tax and do not extend to the tax
32 authorized in this section.

33 (b) The exemptions in RCW 82.08.962 and 82.12.962 are for the
34 state and local sales and use taxes and include the tax authorized by
35 this section.

36 NEW SECTION. **Sec. 313.** A new section is added to chapter 81.104
37 RCW to read as follows:

38 (1) A regional transit authority that includes a county with a
39 population of more than one million five hundred thousand may impose

1 a regular property tax levy in an amount not to exceed twenty-five
2 cents per thousand dollars of the assessed value of property in the
3 regional transit authority district in accordance with the terms of
4 this section.

5 (2) Any tax imposed under this section must be used for the
6 purpose of providing high capacity transportation service, as set
7 forth in a proposition that is approved by a majority of the
8 registered voters that vote on the proposition.

9 (3) Property taxes imposed under this section may be imposed for
10 the period of time required to pay the cost to plan, design,
11 construct, operate, and maintain the transit facilities set forth in
12 the approved proposition. Property taxes pledged to repay bonds may
13 be imposed at the pledged amount until the bonds are retired. After
14 the bonds are retired, property taxes authorized under this section
15 must be:

16 (a) Reduced to the level required to operate and maintain the
17 regional transit authority's transit facilities; or

18 (b) Terminated, unless the taxes have been extended by public
19 vote.

20 (4) The limitations in RCW 84.52.043 do not apply to the tax
21 authorized in this section.

22 (5) The limitation in RCW 84.55.010 does not apply to the first
23 levy imposed under this section.

24 NEW SECTION. **Sec. 314.** A new section is added to chapter 81.104
25 RCW to read as follows:

26 A regional transit authority that includes a county with a
27 population of more than one million five hundred thousand must
28 develop and approve a plan, which meets the requirements of any
29 transportation subarea equity element utilized by the authority, to
30 implement a regional transit-oriented development strategy for
31 diverse, vibrant, mixed-use communities consistent with transit-
32 oriented development plans approved by any regional transportation
33 planning organization within the regional transit authority
34 boundaries. This plan must include the following:

35 (1) The authority must agree to contribute a minimum of two
36 million five hundred dollars to a revolving loan fund to support
37 affordable housing development for transit-oriented development.

38 (2) The authority must provide a first right of refusal, eighty
39 percent of developable surplus property, and air rights to local

1 governments and nonprofit developers at a discount for long-term
2 affordable housing, which may be part of a mixed-income or mixed-use
3 development, provided that a regional transit authority is not
4 required to comply with a requirement imposed by this subsection if
5 the requirement is in conflict with the federal requirements
6 necessary to establish or maintain eligibility for a federal grant
7 program or would result in a loss of federal funds to the regional
8 transit authority.

9 (3) The authority, when disposing of property for transit-
10 oriented development, must require a minimum of eighty percent of
11 housing units to be dedicated to long-term affordable housing for
12 persons, families, or unrelated persons living together whose
13 adjusted income is below eighty percent of the median income,
14 adjusted for household size, for the county where the housing is
15 located, provided that a regional transit authority is not required
16 to comply with a requirement imposed by this subsection if the
17 requirement is in conflict with the federal requirements necessary to
18 establish or maintain eligibility for a federal grant program or
19 would result in a loss of federal funds to the regional transit
20 authority.

21 **Sec. 315.** RCW 84.52.043 and 2011 c 275 s 2 are each amended to
22 read as follows:

23 Within and subject to the limitations imposed by RCW 84.52.050 as
24 amended, the regular ad valorem tax levies upon real and personal
25 property by the taxing districts hereafter named are as follows:

26 (1) Levies of the senior taxing districts are as follows: (a) The
27 levy by the state may not exceed three dollars and sixty cents per
28 thousand dollars of assessed value adjusted to the state equalized
29 value in accordance with the indicated ratio fixed by the state
30 department of revenue to be used exclusively for the support of the
31 common schools; (b) the levy by any county may not exceed one dollar
32 and eighty cents per thousand dollars of assessed value; (c) the levy
33 by any road district may not exceed two dollars and twenty-five cents
34 per thousand dollars of assessed value; and (d) the levy by any city
35 or town may not exceed three dollars and thirty-seven and one-half
36 cents per thousand dollars of assessed value. However any county is
37 hereby authorized to increase its levy from one dollar and eighty
38 cents to a rate not to exceed two dollars and forty-seven and one-
39 half cents per thousand dollars of assessed value for general county

1 purposes if the total levies for both the county and any road
2 district within the county do not exceed four dollars and five cents
3 per thousand dollars of assessed value, and no other taxing district
4 has its levy reduced as a result of the increased county levy.

5 (2) The aggregate levies of junior taxing districts and senior
6 taxing districts, other than the state, may not exceed five dollars
7 and ninety cents per thousand dollars of assessed valuation. The term
8 "junior taxing districts" includes all taxing districts other than
9 the state, counties, road districts, cities, towns, port districts,
10 and public utility districts. The limitations provided in this
11 subsection do not apply to: (a) Levies at the rates provided by
12 existing law by or for any port or public utility district; (b)
13 excess property tax levies authorized in Article VII, section 2 of
14 the state Constitution; (c) levies for acquiring conservation futures
15 as authorized under RCW 84.34.230; (d) levies for emergency medical
16 care or emergency medical services imposed under RCW 84.52.069; (e)
17 levies to finance affordable housing for very low-income housing
18 imposed under RCW 84.52.105; (f) the portions of levies by
19 metropolitan park districts that are protected under RCW 84.52.120;
20 (g) levies imposed by ferry districts under RCW 36.54.130; (h) levies
21 for criminal justice purposes under RCW 84.52.135; (i) the portions
22 of levies by fire protection districts that are protected under RCW
23 84.52.125; (j) levies by counties for transit-related purposes under
24 RCW 84.52.140; ~~((and))~~ (k) the protected portion of the levies
25 imposed under RCW 86.15.160 by flood control zone districts in a
26 county with a population of seven hundred seventy-five thousand or
27 more that are coextensive with a county; and (l) levies imposed by a
28 regional transit authority under section 313 of this act.

29 **Sec. 316.** RCW 84.52.043 and 2009 c 551 s 6 are each amended to
30 read as follows:

31 Within and subject to the limitations imposed by RCW 84.52.050 as
32 amended, the regular ad valorem tax levies upon real and personal
33 property by the taxing districts hereafter named ~~((shall be))~~ are as
34 follows:

35 (1) Levies of the senior taxing districts ~~((shall be))~~ are as
36 follows: (a) The levy by the state ~~((shall))~~ may not exceed three
37 dollars and sixty cents per thousand dollars of assessed value
38 adjusted to the state equalized value in accordance with the
39 indicated ratio fixed by the state department of revenue to be used

1 exclusively for the support of the common schools; (b) the levy by
2 any county (~~shall~~) may not exceed one dollar and eighty cents per
3 thousand dollars of assessed value; (c) the levy by any road district
4 (~~shall~~) may not exceed two dollars and twenty-five cents per
5 thousand dollars of assessed value; and (d) the levy by any city or
6 town (~~shall~~) may not exceed three dollars and thirty-seven and one-
7 half cents per thousand dollars of assessed value. However any county
8 is hereby authorized to increase its levy from one dollar and eighty
9 cents to a rate not to exceed two dollars and forty-seven and one-
10 half cents per thousand dollars of assessed value for general county
11 purposes if the total levies for both the county and any road
12 district within the county do not exceed four dollars and five cents
13 per thousand dollars of assessed value, and no other taxing district
14 has its levy reduced as a result of the increased county levy.

15 (2) The aggregate levies of junior taxing districts and senior
16 taxing districts, other than the state, (~~shall~~) may not exceed five
17 dollars and ninety cents per thousand dollars of assessed valuation.
18 The term "junior taxing districts" includes all taxing districts
19 other than the state, counties, road districts, cities, towns, port
20 districts, and public utility districts. The limitations provided in
21 this subsection (~~shall~~) do not apply to: (a) Levies at the rates
22 provided by existing law by or for any port or public utility
23 district; (b) excess property tax levies authorized in Article VII,
24 section 2 of the state Constitution; (c) levies for acquiring
25 conservation futures as authorized under RCW 84.34.230; (d) levies
26 for emergency medical care or emergency medical services imposed
27 under RCW 84.52.069; (e) levies to finance affordable housing for
28 very low-income housing imposed under RCW 84.52.105; (f) the portions
29 of levies by metropolitan park districts that are protected under RCW
30 84.52.120; (g) levies imposed by ferry districts under RCW 36.54.130;
31 (h) levies for criminal justice purposes under RCW 84.52.135; (i) the
32 portions of levies by fire protection districts that are protected
33 under RCW 84.52.125; (~~and~~) (j) levies by counties for transit-
34 related purposes under RCW 84.52.140; and (k) levies imposed by a
35 regional transit authority under section 313 of this act.

36 **Sec. 317.** RCW 84.52.010 and 2011 1st sp.s. c 28 s 2 are each
37 amended to read as follows:

38 (1) Except as is permitted under RCW 84.55.050, all taxes must be
39 levied or voted in specific amounts.

1 (2) The rate percent of all taxes for state and county purposes,
2 and purposes of taxing districts coextensive with the county, must be
3 determined, calculated and fixed by the county assessors of the
4 respective counties, within the limitations provided by law, upon the
5 assessed valuation of the property of the county, as shown by the
6 completed tax rolls of the county, and the rate percent of all taxes
7 levied for purposes of taxing districts within any county must be
8 determined, calculated and fixed by the county assessors of the
9 respective counties, within the limitations provided by law, upon the
10 assessed valuation of the property of the taxing districts
11 respectively.

12 (3) When a county assessor finds that the aggregate rate of tax
13 levy on any property, that is subject to the limitations set forth in
14 RCW 84.52.043 or 84.52.050, exceeds the limitations provided in
15 either of these sections, the assessor must recompute and establish a
16 consolidated levy in the following manner:

17 (a) The full certified rates of tax levy for state, county,
18 county road district, regional transit authority, and city or town
19 purposes must be extended on the tax rolls in amounts not exceeding
20 the limitations established by law; however any state levy takes
21 precedence over all other levies and may not be reduced for any
22 purpose other than that required by RCW 84.55.010. If, as a result of
23 the levies imposed under RCW 36.54.130, 84.34.230, 84.52.069,
24 84.52.105, the portion of the levy by a metropolitan park district
25 that was protected under RCW 84.52.120, 84.52.125, 84.52.135,
26 84.52.140, and the protected portion of the levy under RCW 86.15.160
27 by flood control zone districts in a county with a population of
28 seven hundred seventy-five thousand or more that are coextensive with
29 a county, the combined rate of regular property tax levies that are
30 subject to the one percent limitation exceeds one percent of the true
31 and fair value of any property, then these levies must be reduced as
32 follows:

33 (i) The portion of the levy by a metropolitan park district that
34 has a population of less than one hundred fifty thousand and is
35 located in a county with a population of one million five hundred
36 thousand or more that is protected under RCW 84.52.120 must be
37 reduced until the combined rate no longer exceeds one percent of the
38 true and fair value of any property or must be eliminated;

39 (ii) If the combined rate of regular property tax levies that are
40 subject to the one percent limitation still exceeds one percent of

1 the true and fair value of any property, the protected portion of the
2 levy imposed under RCW 86.15.160 by a flood control zone district in
3 a county with a population of seven hundred seventy-five thousand or
4 more that is coextensive with a county must be reduced until the
5 combined rate no longer exceeds one percent of the true and fair
6 value of any property or must be eliminated;

7 (iii) If the combined rate of regular property tax levies that
8 are subject to the one percent limitation still exceeds one percent
9 of the true and fair value of any property, the levy imposed by a
10 county under RCW 84.52.140 must be reduced until the combined rate no
11 longer exceeds one percent of the true and fair value of any property
12 or must be eliminated;

13 (iv) If the combined rate of regular property tax levies that are
14 subject to the one percent limitation still exceeds one percent of
15 the true and fair value of any property, the portion of the levy by a
16 fire protection district that is protected under RCW 84.52.125 must
17 be reduced until the combined rate no longer exceeds one percent of
18 the true and fair value of any property or must be eliminated;

19 (v) If the combined rate of regular property tax levies that are
20 subject to the one percent limitation still exceeds one percent of
21 the true and fair value of any property, the levy imposed by a county
22 under RCW 84.52.135 must be reduced until the combined rate no longer
23 exceeds one percent of the true and fair value of any property or
24 must be eliminated;

25 (vi) If the combined rate of regular property tax levies that are
26 subject to the one percent limitation still exceeds one percent of
27 the true and fair value of any property, the levy imposed by a ferry
28 district under RCW 36.54.130 must be reduced until the combined rate
29 no longer exceeds one percent of the true and fair value of any
30 property or must be eliminated;

31 (vii) If the combined rate of regular property tax levies that
32 are subject to the one percent limitation still exceeds one percent
33 of the true and fair value of any property, the portion of the levy
34 by a metropolitan park district with a population of one hundred
35 fifty thousand or more that is protected under RCW 84.52.120 must be
36 reduced until the combined rate no longer exceeds one percent of the
37 true and fair value of any property or must be eliminated;

38 (viii) If the combined rate of regular property tax levies that
39 are subject to the one percent limitation still exceeds one percent
40 of the true and fair value of any property, then the levies imposed

1 under RCW 84.34.230, 84.52.105, and any portion of the levy imposed
2 under RCW 84.52.069 that is in excess of thirty cents per thousand
3 dollars of assessed value, must be reduced on a pro rata basis until
4 the combined rate no longer exceeds one percent of the true and fair
5 value of any property or must be eliminated; and

6 (ix) If the combined rate of regular property tax levies that are
7 subject to the one percent limitation still exceeds one percent of
8 the true and fair value of any property, then the thirty cents per
9 thousand dollars of assessed value of tax levy imposed under RCW
10 84.52.069 must be reduced until the combined rate no longer exceeds
11 one percent of the true and fair value of any property or must be
12 eliminated.

13 (b) The certified rates of tax levy subject to these limitations
14 by all junior taxing districts imposing taxes on such property must
15 be reduced or eliminated as follows to bring the consolidated levy of
16 taxes on such property within the provisions of these limitations:

17 (i) First, the certified property tax levy rates of those junior
18 taxing districts authorized under RCW 36.68.525, 36.69.145,
19 35.95A.100, and 67.38.130 must be reduced on a pro rata basis or
20 eliminated;

21 (ii) Second, if the consolidated tax levy rate still exceeds
22 these limitations, the certified property tax levy rates of flood
23 control zone districts other than the portion of a levy protected
24 under RCW 84.52.815 must be reduced on a pro rata basis or
25 eliminated;

26 (iii) Third, if the consolidated tax levy rate still exceeds
27 these limitations, the certified property tax levy rates of all other
28 junior taxing districts, other than fire protection districts,
29 regional fire protection service authorities, library districts, the
30 first fifty cent per thousand dollars of assessed valuation levies
31 for metropolitan park districts, and the first fifty cent per
32 thousand dollars of assessed valuation levies for public hospital
33 districts, must be reduced on a pro rata basis or eliminated;

34 (iv) Fourth, if the consolidated tax levy rate still exceeds
35 these limitations, the first fifty cent per thousand dollars of
36 assessed valuation levies for metropolitan park districts created on
37 or after January 1, 2002, must be reduced on a pro rata basis or
38 eliminated;

39 (v) Fifth, if the consolidated tax levy rate still exceeds these
40 limitations, the certified property tax levy rates authorized to fire

1 protection districts under RCW 52.16.140 and 52.16.160 and regional
2 fire protection service authorities under RCW 52.26.140(1) (b) and
3 (c) must be reduced on a pro rata basis or eliminated; and

4 (vi) Sixth, if the consolidated tax levy rate still exceeds these
5 limitations, the certified property tax levy rates authorized for
6 fire protection districts under RCW 52.16.130, regional fire
7 protection service authorities under RCW 52.26.140(1)(a), library
8 districts, metropolitan park districts created before January 1,
9 2002, under their first fifty cent per thousand dollars of assessed
10 valuation levy, and public hospital districts under their first fifty
11 cent per thousand dollars of assessed valuation levy, must be reduced
12 on a pro rata basis or eliminated.

13 **Sec. 318.** RCW 84.52.010 and 2009 c 551 s 7 are each amended to
14 read as follows:

15 (1) Except as is permitted under RCW 84.55.050, all taxes
16 (~~shall~~) must be levied or voted in specific amounts.

17 (2) The rate percent of all taxes for state and county purposes,
18 and purposes of taxing districts coextensive with the county,
19 (~~shall~~) must be determined, calculated and fixed by the county
20 assessors of the respective counties, within the limitations provided
21 by law, upon the assessed valuation of the property of the county, as
22 shown by the completed tax rolls of the county, and the rate percent
23 of all taxes levied for purposes of taxing districts within any
24 county (~~shall~~) must be determined, calculated and fixed by the
25 county assessors of the respective counties, within the limitations
26 provided by law, upon the assessed valuation of the property of the
27 taxing districts respectively.

28 (3) When a county assessor finds that the aggregate rate of tax
29 levy on any property, that is subject to the limitations set forth in
30 RCW 84.52.043 or 84.52.050, exceeds the limitations provided in
31 either of these sections, the assessor (~~shall~~) must recompute and
32 establish a consolidated levy in the following manner:

33 (~~(1)~~) (a) The full certified rates of tax levy for state,
34 county, county road district, regional transit authority, and city or
35 town purposes (~~shall~~) must be extended on the tax rolls in amounts
36 not exceeding the limitations established by law; however any state
37 levy (~~shall~~) takes precedence over all other levies and (~~shall~~)
38 may not be reduced for any purpose other than that required by RCW
39 84.55.010. If, as a result of the levies imposed under RCW 36.54.130,

1 84.34.230, 84.52.069, 84.52.105, the portion of the levy by a
2 metropolitan park district that was protected under RCW 84.52.120,
3 84.52.125, 84.52.135, and 84.52.140, the combined rate of regular
4 property tax levies that are subject to the one percent limitation
5 exceeds one percent of the true and fair value of any property, then
6 these levies (~~(shall)~~) must be reduced as follows:

7 ~~((a))~~ (i) The levy imposed by a county under RCW 84.52.140
8 (~~(shall)~~) must be reduced until the combined rate no longer exceeds
9 one percent of the true and fair value of any property or (~~(shall)~~)
10 must be eliminated;

11 ~~((b))~~ (ii) If the combined rate of regular property tax levies
12 that are subject to the one percent limitation still exceeds one
13 percent of the true and fair value of any property, the portion of
14 the levy by a fire protection district that is protected under RCW
15 84.52.125 (~~(shall)~~) must be reduced until the combined rate no longer
16 exceeds one percent of the true and fair value of any property or
17 (~~(shall)~~) must be eliminated;

18 ~~((c))~~ (iii) If the combined rate of regular property tax levies
19 that are subject to the one percent limitation still exceeds one
20 percent of the true and fair value of any property, the levy imposed
21 by a county under RCW 84.52.135 must be reduced until the combined
22 rate no longer exceeds one percent of the true and fair value of any
23 property or must be eliminated;

24 ~~((d))~~ (iv) If the combined rate of regular property tax levies
25 that are subject to the one percent limitation still exceeds one
26 percent of the true and fair value of any property, the levy imposed
27 by a ferry district under RCW 36.54.130 must be reduced until the
28 combined rate no longer exceeds one percent of the true and fair
29 value of any property or must be eliminated;

30 ~~((e))~~ (v) If the combined rate of regular property tax levies
31 that are subject to the one percent limitation still exceeds one
32 percent of the true and fair value of any property, the portion of
33 the levy by a metropolitan park district that is protected under RCW
34 84.52.120 (~~(shall)~~) must be reduced until the combined rate no longer
35 exceeds one percent of the true and fair value of any property or
36 (~~(shall)~~) must be eliminated;

37 ~~((f))~~ (vi) If the combined rate of regular property tax levies
38 that are subject to the one percent limitation still exceeds one
39 percent of the true and fair value of any property, then the levies
40 imposed under RCW 84.34.230, 84.52.105, and any portion of the levy

1 imposed under RCW 84.52.069 that is in excess of thirty cents per
2 thousand dollars of assessed value, (~~shall~~) must be reduced on a
3 pro rata basis until the combined rate no longer exceeds one percent
4 of the true and fair value of any property or (~~shall~~) must be
5 eliminated; and

6 (~~(g)~~) (vii) If the combined rate of regular property tax levies
7 that are subject to the one percent limitation still exceeds one
8 percent of the true and fair value of any property, then the thirty
9 cents per thousand dollars of assessed value of tax levy imposed
10 under RCW 84.52.069 (~~shall~~) must be reduced until the combined rate
11 no longer exceeds one percent of the true and fair value of any
12 property or eliminated.

13 (~~(2)~~) (b) The certified rates of tax levy subject to these
14 limitations by all junior taxing districts imposing taxes on such
15 property (~~shall~~) must be reduced or eliminated as follows to bring
16 the consolidated levy of taxes on such property within the provisions
17 of these limitations:

18 (~~(a)~~) (i) First, the certified property tax levy rates of those
19 junior taxing districts authorized under RCW 36.68.525, 36.69.145,
20 35.95A.100, and 67.38.130 (~~shall~~) must be reduced on a pro rata
21 basis or eliminated;

22 (~~(b)~~) (ii) Second, if the consolidated tax levy rate still
23 exceeds these limitations, the certified property tax levy rates of
24 flood control zone districts (~~shall~~) must be reduced on a pro rata
25 basis or eliminated;

26 (~~(c)~~) (iii) Third, if the consolidated tax levy rate still
27 exceeds these limitations, the certified property tax levy rates of
28 all other junior taxing districts, other than fire protection
29 districts, regional fire protection service authorities, library
30 districts, the first fifty cent per thousand dollars of assessed
31 valuation levies for metropolitan park districts, and the first fifty
32 cent per thousand dollars of assessed valuation levies for public
33 hospital districts, (~~shall~~) must be reduced on a pro rata basis or
34 eliminated;

35 (~~(d)~~) (iv) Fourth, if the consolidated tax levy rate still
36 exceeds these limitations, the first fifty cent per thousand dollars
37 of assessed valuation levies for metropolitan park districts created
38 on or after January 1, 2002, (~~shall~~) must be reduced on a pro rata
39 basis or eliminated;

1 (~~(e)~~) (v) Fifth, if the consolidated tax levy rate still
2 exceeds these limitations, the certified property tax levy rates
3 authorized to fire protection districts under RCW 52.16.140 and
4 52.16.160 and regional fire protection service authorities under RCW
5 52.26.140(1) (b) and (c) (~~(shall)~~) must be reduced on a pro rata
6 basis or eliminated; and

7 (~~(f)~~) (vi) Sixth, if the consolidated tax levy rate still
8 exceeds these limitations, the certified property tax levy rates
9 authorized for fire protection districts under RCW 52.16.130,
10 regional fire protection service authorities under RCW
11 52.26.140(1)(a), library districts, metropolitan park districts
12 created before January 1, 2002, under their first fifty cent per
13 thousand dollars of assessed valuation levy, and public hospital
14 districts under their first fifty cent per thousand dollars of
15 assessed valuation levy, (~~(shall)~~) must be reduced on a pro rata
16 basis or eliminated.

17 **Sec. 319.** RCW 84.04.120 and 1999 c 153 s 69 are each amended to
18 read as follows:

19 "Taxing district" (~~(shall be held and construed to mean and~~
20 ~~include)~~) means the state and any county, city, town, port district,
21 school district, road district, metropolitan park district, regional
22 transit authority, water-sewer district, or other municipal
23 corporation, now or hereafter existing, having the power or
24 authorized by law to impose burdens upon property within the district
25 in proportion to the value thereof, for the purpose of obtaining
26 revenue for public purposes, as distinguished from municipal
27 corporations authorized to impose burdens, or for which burdens may
28 be imposed, for such purposes, upon property in proportion to the
29 benefits accruing thereto.

30 **Sec. 320.** RCW 81.104.180 and 2009 c 280 s 6 are each amended to
31 read as follows:

32 Cities that operate transit systems, county transportation
33 authorities, metropolitan municipal corporations, public
34 transportation benefit areas, high capacity transportation corridor
35 areas, and regional transit authorities are authorized to pledge
36 revenues from the employer tax authorized by RCW 81.104.150, the
37 taxes authorized by RCW 81.104.160, (~~(and)~~) the sales and use tax
38 authorized by RCW 81.104.170, and the property tax authorized by

1 section 313 of this act, to retire bonds issued solely for the
2 purpose of providing high capacity transportation service.

3 **Sec. 321.** RCW 81.112.050 and 2010 c 19 s 3 are each amended to
4 read as follows:

5 (1) At the time of formation, the area to be included within the
6 boundary of the authority shall be that area set forth in the system
7 plan adopted by the joint regional policy committee. Prior to
8 submitting the system and financing plan to the voters, the authority
9 may make adjustments to the boundaries as deemed appropriate but must
10 assure that, to the extent possible, the boundaries: (a) Include the
11 largest-population urban growth area designated by each county under
12 chapter 36.70A RCW; and (b) follow election precinct boundaries. If a
13 portion of any city is determined to be within the service area, the
14 entire city must be included within the boundaries of the authority.
15 Subsequent to formation, when territory is annexed to a city located
16 within the boundaries of the authority, the territory is
17 simultaneously included within the boundaries of the authority and
18 subject to all taxes and other liabilities and obligations applicable
19 within the city with respect to the authority as provided in RCW
20 35.13.500 and 35A.14.475, subject to RCW 84.09.030 and 82.14.055, and
21 notwithstanding any other provision of law.

22 (2) After voters within the authority boundaries have approved
23 the system and financing plan, elections to add areas contiguous to
24 the authority boundaries may be called by resolution of the regional
25 transit authority, after consultation with affected transit agencies
26 and with the concurrence of the legislative authority of the city or
27 town if the area is incorporated, or with the concurrence of the
28 county legislative authority if the area is unincorporated. Only
29 those areas that would benefit from the services provided by the
30 authority may be included and services or projects proposed for the
31 area must be consistent with the regional transportation plan. The
32 election may include a single ballot proposition providing for
33 annexation to the authority boundaries and imposition of the taxes at
34 rates already imposed within the authority boundaries, subject to RCW
35 84.09.030 and 82.14.055.

36 ~~((3) Upon receipt of a resolution requesting exclusion from the~~
37 ~~boundaries of the authority from a city whose municipal boundaries~~
38 ~~cross the boundaries of an authority and thereby result in only a~~
39 ~~portion of the city being subject to local option taxes imposed by~~

1 ~~the authority under chapters 81.104 and 81.112 RCW in order to~~
2 ~~implement a high capacity transit plan, and where the vote to approve~~
3 ~~the city's incorporation occurred simultaneously with an election~~
4 ~~approving the local option taxes, then upon a two thirds majority~~
5 ~~vote of the governing board of the authority, the governing board~~
6 ~~shall redraw the boundaries of the authority to exclude that portion~~
7 ~~of the city that is located within the authority's boundaries, and~~
8 ~~the excluded area is no longer subject to local option taxes imposed~~
9 ~~by the authority. This subsection expires December 31, 1998.))~~

10 **PART IV**
11 **MISCELLANEOUS**

12 **Sec. 401.** RCW 47.04.320 and 2011 c 257 s 2 are each amended to
13 read as follows:

14 (1) The department shall establish a complete streets grant
15 program (~~within the department's highways and local programs~~
16 ~~division, or its successor~~). During program development, the
17 department shall include, at a minimum, the department of archaeology
18 and historic preservation, local governments, and other organizations
19 or groups that are interested in the complete streets grant program.
20 The purpose of the grant program is to encourage local governments to
21 adopt urban arterial retrofit street ordinances designed to provide
22 safe access to all users, including bicyclists, pedestrians,
23 motorists, and public transportation users, with the goals of:

24 (a) Promoting healthy communities by encouraging walking,
25 bicycling, and using public transportation;

26 (b) Improving safety by designing major arterials to include
27 features such as wider sidewalks, dedicated bicycle facilities,
28 medians, and pedestrian streetscape features, including trees where
29 appropriate;

30 (c) Protecting the environment and reducing congestion by
31 providing safe alternatives to single-occupancy driving; and

32 (d) Preserving community character by involving local citizens
33 and stakeholders to participate in planning and design decisions.

34 (2) For purposes of this section:

35 (a) "Eligible project" means (i) a local government street
36 retrofit project that includes the addition of, or significant repair
37 to, facilities that provide street access with all users in mind,
38 including pedestrians, bicyclists, and public transportation users;

1 or (ii) a retrofit project on city streets that are part of a state
2 highway that include the addition of, or significant repair to,
3 facilities that provide ((street)) access with all users in mind,
4 including pedestrians, bicyclists, and public transportation users.

5 (b) "Local government" means incorporated cities and towns that
6 have adopted a jurisdiction-wide complete streets ordinance that
7 plans for the needs of all users and is consistent with sound
8 engineering principles.

9 (c) "Sound engineering principles" means peer-reviewed, context
10 sensitive solutions guides, reports, and publications, consistent
11 with the purposes of this section.

12 (3) In carrying out the purposes of this section, the department
13 may award funding, subject to the availability of amounts
14 appropriated for this specific purpose, only to eligible projects
15 that are designed consistent with sound engineering principles.

16 (4) The department must report annually to the transportation
17 committees of the legislature on the status of any grant projects
18 funded by the program created under this section.

19 **Sec. 402.** RCW 81.77.170 and 1989 c 431 s 36 are each amended to
20 read as follows:

21 For rate-making purposes, a fee, charge, or tax on the collection
22 or disposal of solid waste ((shall be)) is considered a normal
23 operating expense of the solid waste collection company, including
24 all taxes and fees imposed or increased under this act. Filing for
25 pass-through of any such fee, charge, or tax is not considered a
26 general rate proceeding.

27 **Effective Dates and Other Miscellaneous Provisions**

28 **Sec. 403.** 2013 c 225 s 650 (uncodified) is amended to read as
29 follows:

30 ((This act takes effect July 1, 2015.)) Section 110 of this act
31 takes effect July 1, 2015. Sections 101 through 109, 111 through 304,
32 and 306 through 647 of this act take effect July 1, 2016.

33 NEW SECTION. **Sec. 404.** 2013 c 225 s 305 is repealed.

34 NEW SECTION. **Sec. 405.** If any provision of this act or its
35 application to any person or circumstance is held invalid, the

1 remainder of the act or the application of the provision to other
2 persons or circumstances is not affected.

3 NEW SECTION. **Sec. 406.** Sections 101, 102, 104, 109, 111, 112,
4 304, 403, and 404 of this act are necessary for the immediate
5 preservation of the public peace, health, or safety, or support of
6 the state government and its existing public institutions, and take
7 effect July 1, 2015.

8 NEW SECTION. **Sec. 407.** Sections 103, 105, 110, 201 through 203,
9 and 205 through 208 of this act take effect July 1, 2016.

10 NEW SECTION. **Sec. 408.** Section 107 of this act expires on the
11 date the requirements set out in section 7, chapter 36, Laws of 2012
12 are met.

13 NEW SECTION. **Sec. 409.** Section 108 of this act takes effect on
14 the date the requirements set out in section 7, chapter 36, Laws of
15 2012 are met.

16 NEW SECTION. **Sec. 410.** Sections 101, 102, 104, and 109 of this
17 act expire July 1, 2016.

18 NEW SECTION. **Sec. 411.** Sections 209 through 213 of this act
19 take effect July 1, 2017.

20 NEW SECTION. **Sec. 412.** Sections 315 and 317 of this act expire
21 January 1, 2018.

22 NEW SECTION. **Sec. 413.** Sections 316 and 318 of this act take
23 effect January 1, 2018."

24 Correct the title.

EFFECT: Makes the following changes to the underlying bill:

(1) Removes the provisions from the substantive sections of the bill making those sections contingent on the passage of various bills;

(2) Provides one-half cent out of the first five cent increase in the fuel tax to both the counties and the cities and towns;

(3) Makes various technical corrections to the fuel tax statutes;

- (4) Removes the provisions transferring various fees to the connecting Washington account if a low carbon fuel standard or other fuel standards based on carbon intensity are implemented;
- (5) Requires an 8.3 million dollar per year transfer of vehicle license fee proceeds to the freight mobility investment account;
- (6) Removes the repeal of the handling loss deduction;
- (7) Removes the provisions modifying the current electric vehicle fee and establishing the Washington electric vehicle infrastructure bank;
- (8) Removes the studded tire fee authorization;
- (9) Removes the intermittent trailer license plate and registration authorization;
- (10) Transfers five dollars of the certificate of title fee to the Puget Sound capital construction account and allows funds in the capital vessel replacement account to be used for the construction and purchase of ferry vessels in general;
- (11) Increases the transportation benefit district vehicle fee authorization from forty dollars to fifty dollars;
- (12) Adds transit agencies in certain counties to the transit agencies that may impose a sales and use tax of up to 0.3 percent with a vote of the people;
- (13) Increases the regional transit authority (RTA) revenue authorizations in the bill to a 0.8 percent motor vehicle excise tax and a twenty-five cents per thousand dollars of assessed value property tax;
- (14) Allows an RTA using the new revenue authorizations to spend the revenues on regional trails that connect to the RTA's system and requires such an RTA to consider including the name, Scott White, in certain station names;
- (15) Requires certain RTAs to develop and approve a transit-oriented development (TOD) plan that includes an approximately 2 million dollar contribution to a TOD loan fund, providing certain properties and property rights for affordable housing, and requiring that surplus TOD properties require that eighty percent of the units be dedicated to affordable housing for persons whose adjusted income is below eighty percent of the median county income, so long as the plan is not in conflict with federal requirements;
- (16) Removes the ability to spend complete streets grant funds for county roads;
- (17) Removes the extension of the Tacoma Narrows bridge sales tax deferral; and
- (18) Provides an emergency clause for the increase in sales tax authority provided to certain public transportation benefit areas.

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