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ENGROSSED SUBSTITUTE SENATE BILL 6103

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State of Washington

59th Legislature

2005 Regular Session

By Senate Committee on Transportation (originally sponsored by Senators Haugen and Swecker)

READ FIRST TIME 04/05/05.

1 AN ACT Relating to transportation revenue; amending RCW 82.36.025,  
2 82.38.030, 46.68.090, 46.68.110, 82.38.035, 82.38.045, 43.84.092,  
3 46.68.035, 46.16.237, 46.16.270, 46.20.055, 46.20.070, 46.20.117,  
4 46.20.120, 46.20.311, 46.20.049, and 43.135.045; reenacting and  
5 amending RCW 43.84.092, 46.16.070, and 46.20.308; adding new sections  
6 to chapter 46.68 RCW; adding new sections to chapter 46.16 RCW; adding  
7 a new chapter to Title 46 RCW; creating new sections; making an  
8 appropriation; providing effective dates; providing an expiration date;  
9 and declaring an emergency.

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

11 **PART I - VEHICLE FUEL TAXES**

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

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

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

1 distribution, or use of motor vehicle fuel. This subsection (2)  
2 expires when the bonds issued for transportation 2003 projects are  
3 retired.

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

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

10 (5) Beginning July 1, 2007, an additional and cumulative motor  
11 vehicle fuel tax rate of two cents per gallon applies to the sale,  
12 distribution, or use of motor vehicle fuel.

13 (6) Beginning July 1, 2008, an additional and cumulative motor  
14 vehicle fuel tax rate of one and one-half cents per gallon applies to  
15 the sale, distribution, or use of motor vehicle fuel.

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

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

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

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

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

36 (5) Beginning July 1, 2007, an additional and cumulative tax rate

1 of two cents per gallon of special fuel, or each one hundred cubic feet  
2 of compressed natural gas, measured at standard pressure and  
3 temperature shall be imposed on special fuel users.

4 (6) Beginning July 1, 2008, an additional and cumulative tax rate  
5 of one and one-half cents per gallon of special fuel, or each one  
6 hundred cubic feet of compressed natural gas, measured at standard  
7 pressure and temperature shall be imposed on special fuel users.

8 (7) Taxes are imposed when:

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

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

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

18 (ii) The removal is at the refinery rack unless the removal is to  
19 a licensed exporter for direct delivery to a destination outside of the  
20 state, or the removal is to a special fuel distributor for direct  
21 delivery to an international fuel tax agreement licensee under RCW  
22 82.38.320;

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

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

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

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

31 (e) Blended special fuel is removed or sold in this state by the  
32 blender of the fuel. The number of gallons of blended special fuel  
33 subject to tax is the difference between the total number of gallons of  
34 blended special fuel removed or sold and the number of gallons of  
35 previously taxed special fuel used to produce the blended special fuel;

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

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

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

5 (i) Special fuel is sold by a licensed special fuel supplier to a  
6 special fuel distributor, special fuel importer, or special fuel  
7 blender and the special fuel is not removed from the bulk transfer-  
8 terminal system.

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

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

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

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

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

36 (2) All of the remaining net tax amount collected under RCW

1 82.36.025(1) and 82.38.030(1) shall be distributed as set forth in (a)  
2 through (j) of this section.

3 (a) For distribution to the motor vehicle fund an amount equal to  
4 44.387 percent to be expended for highway purposes of the state as  
5 defined in RCW 46.68.130;

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

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

14 (i) Accident experience;

15 (ii) Fatal accident experience;

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

18 (iv) Continuity of development of the highway transportation  
19 network.

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

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

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

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

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

33 (g) For distribution to the cities and towns from the motor vehicle  
34 fund an amount equal to 10.6961 percent in accordance with RCW  
35 46.68.110;

36 (h) For distribution to the counties from the motor vehicle fund an  
37 amount equal to 19.2287 percent: (i) Out of which there shall be  
38 distributed from time to time, as directed by the department of

1 transportation, those sums as may be necessary to carry out the  
2 provisions of RCW 47.56.725; and (ii) less any amounts appropriated to  
3 the county road administration board to implement the provisions of RCW  
4 47.56.725(4), with the balance of such county share to be distributed  
5 monthly as the same accrues for distribution in accordance with RCW  
6 46.68.120;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

11       (1) The transportation partnership account is hereby created in the  
12 state treasury. All distributions to the account from RCW 46.68.090  
13 must be deposited into the account. Money in the account may be spent  
14 only after appropriation. Expenditures from the account must be used  
15 only for projects or improvements identified as 2005 transportation  
16 partnership projects or improvements in the omnibus transportation  
17 appropriations act, including any principal and interest on bonds  
18 authorized for the projects or improvements.

19       (2) If a regional transportation plan has not been adopted by  
20 January 2007, the legislature intends to reprioritize allocation of  
21 funding for the projects identified on the 2005 transportation  
22 partnership project list so that complete and functioning  
23 transportation projects can be constructed in a reasonable time.

24       (3) By January 1, 2006, the transportation performance audit board  
25 must develop performance measures and benchmarks for the evaluation of  
26 the expenditures of the transportation partnership account. The board  
27 must also develop an audit plan and schedule for audits of the  
28 performance of the department of transportation's delivery of the plan  
29 as defined by project list, schedule, and budget enacted by the  
30 legislature.

31       (4) The legislature finds that:

32       (a) Citizens demand and deserve accountability of transportation-  
33 related programs and expenditures. Transportation-related programs  
34 must continuously improve in quality, efficiency, and effectiveness in  
35 order to increase public trust;

36       (b) Transportation-related agencies that receive tax dollars must

1 continuously improve the way they operate and deliver services so  
2 citizens receive maximum value for their tax dollars; and

3 (c) Fair, independent, comprehensive performance audits of  
4 transportation-related agencies overseen by the elected state auditor  
5 are essential to improving the efficiency, economy, and effectiveness  
6 of the state's transportation system.

7 (5) For purposes of this act:

8 (a) "Performance audit" means an objective and systematic  
9 assessment of a state agency or agencies or any of their programs,  
10 functions, or activities by the state auditor or designee in order to  
11 help improve agency efficiency, effectiveness, and accountability.  
12 Performance audits include economy and efficiency audits and program  
13 audits.

14 (b) "Transportation-related agency" means any state agency, board,  
15 or commission that receives funding primarily for transportation-  
16 related purposes. At a minimum, the department of transportation, the  
17 transportation improvement board or its successor entity, the county  
18 road administration board or its successor entity, and the traffic  
19 safety commission are considered transportation-related agencies. The  
20 Washington state patrol and the department of licensing shall not be  
21 considered transportation-related agencies under this act.

22 (6) Within the authorities and duties under chapter 43.09 RCW, the  
23 state auditor shall establish criteria and protocols for performance  
24 audits. Transportation-related agencies shall be audited using  
25 criteria that include generally accepted government auditing standards  
26 as well as legislative mandates and performance objectives established  
27 by state agencies. Mandates include, but are not limited to, agency  
28 strategies, timelines, program objectives, and mission and goals as  
29 required in RCW 43.88.090.

30 (7) Within the authorities and duties under chapter 43.09 RCW, the  
31 state auditor may conduct performance audits for transportation-related  
32 agencies. The state auditor shall contract with private firms to  
33 conduct the performance audits.

34 (8) The audits may include:

35 (a) Identification of programs and services that can be eliminated,  
36 reduced, consolidated, or enhanced;

37 (b) Identification of funding sources to the transportation-related

1 agency, to programs, and to services that can be eliminated, reduced,  
2 consolidated, or enhanced;

3 (c) Analysis of gaps and overlaps in programs and services and  
4 recommendations for improving, dropping, blending, or separating  
5 functions to correct gaps or overlaps;

6 (d) Analysis and recommendations for pooling information technology  
7 systems used within the transportation-related agency, and evaluation  
8 of information processing and telecommunications policy, organization,  
9 and management;

10 (e) Analysis of the roles and functions of the transportation-  
11 related agency, its programs, and its services and their compliance  
12 with statutory authority and recommendations for eliminating or  
13 changing those roles and functions and ensuring compliance with  
14 statutory authority;

15 (f) Recommendations for eliminating or changing statutes, rules,  
16 and policy directives as may be necessary to ensure that the  
17 transportation-related agency carry out reasonably and properly those  
18 functions vested in the agency by statute;

19 (g) Verification of the reliability and validity of transportation-  
20 related agency performance data, self-assessments, and performance  
21 measurement systems as required under RCW 43.88.090;

22 (h) Identification of potential cost savings in the transportation-  
23 related agency, its programs, and its services;

24 (i) Identification and recognition of best practices;

25 (j) Evaluation of planning, budgeting, and program evaluation  
26 policies and practices;

27 (k) Evaluation of personnel systems operation and management;

28 (l) Evaluation of purchasing operations and management policies and  
29 practices;

30 (m) Evaluation of organizational structure and staffing levels,  
31 particularly in terms of the ratio of managers and supervisors to  
32 nonmanagement personnel; and

33 (n) Evaluation of transportation-related project costs, including  
34 but not limited to environmental mitigation, competitive bidding  
35 practices, permitting processes, and capital project management.

36 (9) Within the authorities and duties under chapter 43.09 RCW, the  
37 state auditor must provide the preliminary performance audit reports to  
38 the audited state agency for comment. The auditor also may seek input

1 on the preliminary report from other appropriate officials. Comments  
2 must be received within thirty days after receipt of the preliminary  
3 performance audit report unless a different time period is approved by  
4 the state auditor. The final performance audit report shall include  
5 the objectives, scope, and methodology; the audit results, including  
6 findings and recommendations; the agency's response and conclusions;  
7 and identification of best practices.

8 (10) The state auditor shall provide final performance audit  
9 reports to the citizens of Washington, the governor, the joint  
10 legislative audit and review committee, the transportation performance  
11 audit board, the appropriate legislative committees, and other  
12 appropriate officials. Final performance audit reports shall be posted  
13 on the internet.

14 (11) The audited transportation-related agency is responsible for  
15 follow-up and corrective action on all performance audit findings and  
16 recommendations. The audited agency's plan for addressing each audit  
17 finding and recommendation shall be included in the final audit report.  
18 The plan shall provide the name of the contact person responsible for  
19 each action, the action planned, and the anticipated completion date.  
20 If the audited agency does not agree with the audit findings and  
21 recommendations or believes action is not required, then the action  
22 plan shall include an explanation and specific reasons.

23 The office of financial management shall require periodic progress  
24 reports from the audited agency until all resolution has occurred. The  
25 office of financial management is responsible for achieving audit  
26 resolution. The office of financial management shall annually report  
27 by December 31st the status of performance audit resolution to the  
28 appropriate legislative committees and the state auditor. The  
29 legislature shall consider the performance audit results in connection  
30 with the state budget process.

31 The auditor may request status reports on specific audits or  
32 findings.

33 (12) For the period from July 1, 2005, until June 30, 2007, the  
34 amount of \$4,000,000 is appropriated from the transportation  
35 partnership account to the state auditors office for the purposes of  
36 subsections (4) through (11) of this section.

37 (13) When appointing the citizen members with performance

1 measurement expertise to the transportation performance audit board,  
2 the governor shall appoint the state auditor, or his or her designee.

3 (14) If the state auditor's financial audit of a transportation-  
4 related agency implies that a performance audit is warranted, the  
5 transportation performance audit board shall include in its annual work  
6 plan the performance audit recommended by the state auditor.

7 NEW SECTION. **Sec. 105.** A new section is added to chapter 46.68  
8 RCW to read as follows:

9 The freight mobility investment account is hereby created in the  
10 state treasury. Money in the account may be spent only after  
11 appropriation. Expenditures from the account may be used only for  
12 freight mobility projects identified in the omnibus transportation  
13 appropriations act, including any principal and interest on bonds  
14 authorized for the projects or improvements.

15 **Sec. 106.** RCW 46.68.110 and 2003 c 361 s 404 are each amended to  
16 read as follows:

17 Funds credited to the incorporated cities and towns of the state as  
18 set forth in RCW 46.68.090(~~((2)(g))~~) shall be subject to deduction and  
19 distribution as follows:

20 (1) One and one-half percent of such sums distributed under RCW  
21 46.68.090(~~((2)(g))~~) shall be deducted monthly as such sums are credited  
22 and set aside for the use of the department of transportation for the  
23 supervision of work and expenditures of such incorporated cities and  
24 towns on the city and town streets thereof, including the supervision  
25 and administration of federal-aid programs for which the department of  
26 transportation has responsibility: PROVIDED, That any moneys so  
27 retained and not expended shall be credited in the succeeding biennium  
28 to the incorporated cities and towns in proportion to deductions herein  
29 made;

30 (2) Thirty-three one-hundredths of one percent of such funds  
31 distributed under RCW 46.68.090(~~((2)(g))~~) shall be deducted monthly, as  
32 such funds accrue, and set aside for the use of the department of  
33 transportation for the purpose of funding the cities' share of the  
34 costs of highway jurisdiction studies and other studies. Any funds so  
35 retained and not expended shall be credited in the succeeding biennium  
36 to the cities in proportion to the deductions made;

1 (3) One percent of such funds distributed under RCW  
2 46.68.090(~~((2)(g))~~) shall be deducted monthly, as such funds accrue, to  
3 be deposited in the urban arterial trust account, to implement the city  
4 hardship assistance program, as provided in RCW 47.26.164. However,  
5 any moneys so retained and not required to carry out the program as of  
6 July 1st of each odd-numbered year thereafter, shall be provided within  
7 sixty days to the treasurer and distributed in the manner prescribed in  
8 subsection (5) of this section;

9 (4) After making the deductions under subsections (1) through (3)  
10 of this section and RCW 35.76.050, 31.86 percent of the fuel tax  
11 distributed to the cities and towns in RCW 46.68.090(~~((2)(g))~~) shall be  
12 allocated to the incorporated cities and towns in the manner set forth  
13 in subsection (5) of this section and subject to deductions in  
14 subsections (1), (2), and (3) of this section, subject to RCW  
15 35.76.050, to be used exclusively for: The construction, improvement,  
16 chip sealing, seal-coating, and repair for arterial highways and city  
17 streets as those terms are defined in RCW 46.04.030 and 46.04.120; the  
18 maintenance of arterial highways and city streets for those cities with  
19 a population of less than fifteen thousand; or the payment of any  
20 municipal indebtedness which may be incurred in the construction,  
21 improvement, chip sealing, seal-coating, and repair of arterial  
22 highways and city streets; and

23 (5) The balance remaining to the credit of incorporated cities and  
24 towns after such deduction shall be apportioned monthly as such funds  
25 accrue among the several cities and towns within the state ratably on  
26 the basis of the population last determined by the office of financial  
27 management.

28 **Sec. 107.** RCW 82.38.035 and 2003 c 361 s 405 are each amended to  
29 read as follows:

30 (1) A licensed supplier shall remit tax on special fuel to the  
31 department as provided in RCW 82.38.030(~~((3)(a))~~) (7)(a). On a two-  
32 party exchange, or buy-sell agreement between two licensed suppliers,  
33 the receiving exchange partner or buyer shall remit the tax.

34 (2) A refiner shall remit tax to the department on special fuel  
35 removed from a refinery as provided in RCW 82.38.030(~~((3)(b))~~) (7)(b).

36 (3) An importer shall remit tax to the department on special fuel  
37 imported into this state as provided in RCW 82.38.030(~~((3)(e))~~) (7)(c).

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

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

7 **Sec. 108.** RCW 82.38.045 and 1998 c 176 s 54 are each amended to  
8 read as follows:

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

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

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

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

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

18 **Sec. 109.** RCW 43.84.092 and 2003 c 361 s 602, 2003 c 324 s 1, 2003  
19 c 150 s 2, and 2003 c 48 s 2 are each reenacted and amended to read as  
20 follows:

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

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

1 cash management improvement act, and this subsection. Refunds or  
2 allocations shall occur prior to the distributions of earnings set  
3 forth in subsection (4) of this section.

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

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

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

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

1 normal school permanent fund, the permanent common school fund, the  
2 scientific permanent fund, and the state university permanent fund  
3 shall be allocated to their respective beneficiary accounts. All  
4 earnings to be distributed under this subsection (4)(a) shall first be  
5 reduced by the allocation to the state treasurer's service fund  
6 pursuant to RCW 43.08.190.

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

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

28 **Sec. 110.** RCW 43.84.092 and 2004 c 242 s 60 are each amended to  
29 read as follows:

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

33 (2) The treasury income account shall be utilized to pay or receive  
34 funds associated with federal programs as required by the federal cash  
35 management improvement act of 1990. The treasury income account is  
36 subject in all respects to chapter 43.88 RCW, but no appropriation is  
37 required for refunds or allocations of interest earnings required by

1 the cash management improvement act. Refunds of interest to the  
2 federal treasury required under the cash management improvement act  
3 fall under RCW 43.88.180 and shall not require appropriation. The  
4 office of financial management shall determine the amounts due to or  
5 from the federal government pursuant to the cash management improvement  
6 act. The office of financial management may direct transfers of funds  
7 between accounts as deemed necessary to implement the provisions of the  
8 cash management improvement act, and this subsection. Refunds or  
9 allocations shall occur prior to the distributions of earnings set  
10 forth in subsection (4) of this section.

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

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

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

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

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

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

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

36 NEW SECTION. **Sec. 111.** A new section is added to chapter 46.68  
37 RCW to read as follows:

1           Beginning July 1, 2007, and each year thereafter, the state  
2 treasurer shall transfer five million dollars from the multimodal  
3 account to the transportation infrastructure account created under RCW  
4 82.44.190. The funds must be distributed for rail capital improvements  
5 only.

6                           **PART II - FEES ADMINISTERED ACCORDING TO VEHICLE WEIGHT**

7           NEW SECTION.   **Sec. 201.** (1) There shall be paid and collected  
8 annually for motor vehicles subject to the fee under RCW 46.16.0621,  
9 except motor homes, a vehicle weight fee. The amount of the fee shall  
10 be based upon the vehicle scale weight, which is correlated with  
11 vehicle size and roadway lane usage. Fees imposed under this section  
12 must be used for transportation purposes, and shall not be used for the  
13 general support of state government. The vehicle weight fee shall be  
14 that portion of the fee as reflected on the scale weight set forth in  
15 schedule B provided in RCW 46.16.070 that is in excess of the fee  
16 imposed under RCW 46.16.0621. This fee is due at the time of initial  
17 and renewal of vehicle registration.

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

21           (3) For the purpose of administering this section, the department  
22 shall rely on the vehicle empty scale weights as provided by vehicle  
23 manufacturers, or other sources defined by the department, to determine  
24 the weight of each vehicle. The department shall adopt rules for  
25 determining weight for vehicles without manufacturer empty scale  
26 weights.

27           (4) The vehicle weight fee under this section is imposed to provide  
28 funds to mitigate the impact of vehicle loads on the state roads and  
29 highways and is separate and distinct from other vehicle license fees.  
30 Proceeds from the fee may be used for transportation purposes, or for  
31 facilities and activities that reduce the number of vehicles or load  
32 weights on the state roads and highways.

33           (5) The vehicle weight fee collected under this section shall be  
34 deposited as follows:

35           (a) On July 1, 2006, six million dollars shall be deposited into  
36 the freight mobility investment account created in section 105 of this

1 act, and the remainder collected from the effective date of this  
2 section, through June 30, 2006, shall be deposited into the multimodal  
3 transportation account;

4 (b) Beginning July 1, 2007, and every July 1st thereafter, three  
5 million dollars shall be deposited into the freight mobility investment  
6 account created in section 105 of this act, and the remainder shall be  
7 deposited into the multimodal transportation account.

8 NEW SECTION. **Sec. 202.** In addition to any other fees or charges,  
9 there shall be paid and collected annually for motor homes a vehicle  
10 weight fee of seventy-five dollars. This fee is due at the time of  
11 initial and renewal of vehicle registration. The fee collected under  
12 this section shall be deposited in the multimodal transportation  
13 account.

14 NEW SECTION. **Sec. 203.** A new section is added to chapter 46.16  
15 RCW to read as follows:

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

26 **Sec. 204.** RCW 46.16.070 and 2003 c 361 s 201 and 2003 c 1 s 3 are  
27 each reenacted and amended to read as follows:

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

	<del>((DECLARED GROSS))</del> WEIGHT	SCHEDULE A	SCHEDULE B
1			
2	4,000 lbs. ....	\$ <del>((30.00))</del> .....	\$ <del>((30.00))</del>
3		<u>40.00</u>	<u>40.00</u>
4	6,000 lbs. ....	\$ <del>((30.00))</del> .....	\$ <del>((30.00))</del>
5		<u>50.00</u>	<u>50.00</u>
6	8,000 lbs. ....	\$ <del>((30.00))</del> .....	\$ <del>((30.00))</del>
7		<u>60.00</u>	<u>60.00</u>
8	10,000 lbs. ....	\$ 62.00 .....	\$ 62.00
9	12,000 lbs. ....	\$ 79.00 .....	\$ 79.00
10	14,000 lbs. ....	\$ 90.00 .....	\$ 90.00
11	16,000 lbs. ....	\$ 102.00 .....	\$ 102.00
12	18,000 lbs. ....	\$ 154.00 .....	\$ 154.00
13	20,000 lbs. ....	\$ 171.00 .....	\$ 171.00
14	22,000 lbs. ....	\$ 185.00 .....	\$ 185.00
15	24,000 lbs. ....	\$ 200.00 .....	\$ 200.00
16	26,000 lbs. ....	\$ 211.00 .....	\$ 211.00
17	28,000 lbs. ....	\$ 249.00 .....	\$ 249.00
18	30,000 lbs. ....	\$ 287.00 .....	\$ 287.00
19	32,000 lbs. ....	\$ 346.00 .....	\$ 346.00
20	34,000 lbs. ....	\$ 368.00 .....	\$ 368.00
21	36,000 lbs. ....	\$ 399.00 .....	\$ 399.00
22	38,000 lbs. ....	\$ 438.00 .....	\$ 438.00
23	40,000 lbs. ....	\$ 501.00 .....	\$ 501.00
24	42,000 lbs. ....	\$ 521.00 .....	\$ 611.00
25	44,000 lbs. ....	\$ 532.00 .....	\$ 622.00
26	46,000 lbs. ....	\$ 572.00 .....	\$ 662.00
27	48,000 lbs. ....	\$ 596.00 .....	\$ 686.00
28	50,000 lbs. ....	\$ 647.00 .....	\$ 737.00
29	52,000 lbs. ....	\$ 680.00 .....	\$ 770.00
30	54,000 lbs. ....	\$ 734.00 .....	\$ 824.00
31	56,000 lbs. ....	\$ 775.00 .....	\$ 865.00
32	58,000 lbs. ....	\$ 806.00 .....	\$ 896.00
33	60,000 lbs. ....	\$ 859.00 .....	\$ 949.00
34	62,000 lbs. ....	\$ 921.00 .....	\$ 1,011.00
35	64,000 lbs. ....	\$ 941.00 .....	\$ 1,031.00
36	66,000 lbs. ....	\$ 1,048.00 .....	\$ 1,138.00
37	68,000 lbs. ....	\$ 1,093.00 .....	\$ 1,183.00
38	70,000 lbs. ....	\$ 1,177.00 .....	\$ 1,267.00
39	72,000 lbs. ....	\$ 1,259.00 .....	\$ 1,349.00
40	74,000 lbs. ....	\$ 1,368.00 .....	\$ 1,458.00
41	76,000 lbs. ....	\$ 1,478.00 .....	\$ 1,568.00
42	78,000 lbs. ....	\$ 1,614.00 .....	\$ 1,704.00

1	80,000 lbs.....	\$ 1,742.00.....	\$ 1,832.00
2	82,000 lbs.....	\$ 1,863.00.....	\$ 1,953.00
3	84,000 lbs.....	\$ 1,983.00.....	\$ 2,073.00
4	86,000 lbs.....	\$ 2,104.00.....	\$ 2,194.00
5	88,000 lbs.....	\$ 2,225.00.....	\$ 2,315.00
6	90,000 lbs.....	\$ 2,346.00.....	\$ 2,436.00
7	92,000 lbs.....	\$ 2,466.00.....	\$ 2,556.00
8	94,000 lbs.....	\$ 2,587.00.....	\$ 2,677.00
9	96,000 lbs.....	\$ 2,708.00.....	\$ 2,798.00
10	98,000 lbs.....	\$ 2,829.00.....	\$ 2,919.00
11	100,000 lbs.....	\$ 2,949.00.....	\$ 3,039.00
12	102,000 lbs.....	\$ 3,070.00.....	\$ 3,160.00
13	104,000 lbs.....	\$ 3,191.00.....	\$ 3,281.00
14	105,500 lbs.....	\$ 3,312.00.....	\$ 3,402.00

15 Schedule A applies to vehicles either used exclusively for hauling  
16 logs or that do not tow trailers. Schedule B applies to vehicles that  
17 tow trailers and are not covered under Schedule A.

18 Every truck, motor truck, truck tractor, and tractor exceeding  
19 6,000 pounds empty scale weight registered under chapter 46.16, 46.87,  
20 or 46.88 RCW shall be licensed for not less than one hundred fifty  
21 percent of its empty weight unless the amount would be in excess of the  
22 legal limits prescribed for such a vehicle in RCW 46.44.041 or  
23 46.44.042, in which event the vehicle shall be licensed for the maximum  
24 weight authorized for such a vehicle or unless the vehicle is used only  
25 for the purpose of transporting any well drilling machine, air  
26 compressor, rock crusher, conveyor, hoist, donkey engine, cook house,  
27 tool house, bunk house, or similar machine or structure attached to or  
28 made a part of such vehicle.

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

31 (a) The new license fee will be one-twelfth of the fee listed above  
32 for the new gross weight, multiplied by the number of months remaining  
33 in the period for which licensing fees have been paid, including the  
34 month in which the new gross weight is effective.

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

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

1       (3) In lieu of the gross weight fee under subsection (1) of this  
2 section, farm vehicles may be licensed upon payment of the fee in  
3 effect under subsection (1) of this section on May 1, 2005. In order  
4 to qualify for the reduced fee under this subsection, the farm vehicle  
5 must be exempt from property taxes in accordance with RCW 84.36.630.  
6 The applicant must submit copies of the forms required under RCW  
7 84.36.630. The application for the reduced fee under this subsection  
8 shall require the applicant to attest that the vehicle shall be used  
9 primarily for farming purposes. The department shall provide licensing  
10 agents and subagents with a schedule of the appropriate licensing fees  
11 for farm vehicles.

12       **Sec. 205.** RCW 46.68.035 and 2003 c 361 s 202 are each amended to  
13 read as follows:

14       All proceeds from combined vehicle licensing fees received by the  
15 director for vehicles licensed under RCW 46.16.070 and 46.16.085, the  
16 license fee under section 203 of this act, and the farm vehicle trip  
17 permit under section 206 of this act shall be forwarded to the state  
18 treasurer to be distributed into accounts according to the following  
19 method:

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

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

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

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

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

32       (d) On July 1, 2006, six million dollars shall be deposited into  
33 the freight mobility investment account created in section 105 of this  
34 act and beginning on July 1, 2007, and every July 1st thereafter, three  
35 million dollars shall be deposited into the freight mobility investment  
36 account created in section 105 of this act;



1 cents. Farm vehicle trip permits sold by the department's agents or  
2 subagents are subject to fees specified in RCW 46.01.140 (4)(a),  
3 (5)(b), or (6).

4 (6) The proceeds from farm vehicle trip permits received by the  
5 director shall be forwarded to the state treasurer to be distributed as  
6 provided in RCW 46.68.035.

7 (7) No exchange, credits, or refunds may be given for farm vehicle  
8 trip permits after they have been purchased.

9 (8) The department of licensing may adopt rules as it deems  
10 necessary to administer this section.

11 **PART III - MISCELLANEOUS FEES**

12 **Sec. 301.** RCW 46.16.237 and 1987 c 52 s 1 are each amended to read  
13 as follows:

14 All vehicle license number plates issued after January 1, 1968, or  
15 such earlier date as the director may prescribe with respect to plates  
16 issued in any county, shall be treated with fully reflectorized  
17 materials designed to increase the visibility and legibility of such  
18 plates at night. In addition to all other fees prescribed by law,  
19 there shall be paid and collected for each vehicle license number plate  
20 treated with such materials, the sum of (~~(fifty cents)~~) two dollars and  
21 for each set of two plates, the sum of (~~(one dollar: PROVIDED,~~  
22 ~~HOWEVER,~~) four dollars. However, one plate is available only to those  
23 vehicles that by law require only one plate. Such fees shall be  
24 deposited in the motor vehicle fund.

25 **Sec. 302.** RCW 46.16.270 and 1997 c 291 s 3 are each amended to  
26 read as follows:

27 The total replacement plate fee shall be deposited in the motor  
28 vehicle fund.

29 Upon the loss, defacement, or destruction of one or both of the  
30 vehicle license number plates issued for any vehicle where more than  
31 one plate was originally issued or where one or both have become so  
32 illegible or in such a condition as to be difficult to distinguish, or  
33 upon the owner's option, the owner of the vehicle shall make  
34 application for new vehicle license number plates upon a form furnished  
35 by the director. The application shall be filed with the director or

1 the director's authorized agent, accompanied by the certificate of  
2 license registration of the vehicle and a fee in the amount of  
3 (~~three~~) ten dollars per plate, whereupon the director, or the  
4 director's authorized agent, shall issue new vehicle license number  
5 plates to the applicant. It shall be accompanied by a fee of two  
6 dollars for a new motorcycle license number plate. In the event the  
7 director has issued license period tabs or a windshield emblem instead  
8 of vehicle license number plates, and upon the loss, defacement, or  
9 destruction of the tabs or windshield emblem, application shall be made  
10 on a form provided by the director and in the same manner as above  
11 described, and shall be accompanied by a fee of one dollar for each  
12 pair of tabs or for each windshield emblem, whereupon the director  
13 shall issue to the applicant a duplicate pair of tabs, year tabs, and  
14 when necessary month tabs or a windshield emblem to replace those lost,  
15 defaced, or destroyed. For vehicles owned, rented, or leased by the  
16 state of Washington or by any county, city, town, school district, or  
17 other political subdivision of the state of Washington or United States  
18 government, or owned or leased by the governing body of an Indian tribe  
19 as defined in RCW 46.16.020, a fee shall be charged for replacement of  
20 a vehicle license number plate only to the extent required by the  
21 provisions of RCW 46.16.020, (~~46.16.061~~) 46.16.237, and 46.01.140.  
22 For vehicles owned, rented, or leased by foreign countries or  
23 international bodies to which the United States government is a  
24 signatory by treaty, the payment of any fee for the replacement of a  
25 vehicle license number plate shall not be required.

26 **Sec. 303.** RCW 46.20.055 and 2004 c 249 s 3 are each amended to  
27 read as follows:

28 (1) **Driver's instruction permit.** The department may issue a  
29 driver's instruction permit with or without a photograph to an  
30 applicant who has successfully passed all parts of the examination  
31 other than the driving test, provided the information required by RCW  
32 46.20.091, paid a fee of (~~fifteen~~) twenty dollars, and meets the  
33 following requirements:

- 34 (a) Is at least fifteen and one-half years of age; or  
35 (b) Is at least fifteen years of age and:  
36 (i) Has submitted a proper application; and

1 (ii) Is enrolled in a traffic safety education program offered,  
2 approved, and accredited by the superintendent of public instruction or  
3 offered by a driver training school licensed and inspected by the  
4 department of licensing under chapter 46.82 RCW, that includes practice  
5 driving.

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

9 (a) A traffic safety education course as defined by RCW  
10 28A.220.020(2); or

11 (b) A course of instruction offered by a licensed driver training  
12 school as defined by RCW 46.82.280(1).

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

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

18 (a) The person has immediate possession of the permit; and

19 (b) An approved instructor, or a licensed driver with at least five  
20 years of driving experience, occupies the seat beside the driver.

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

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

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

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

29 **Sec. 304.** RCW 46.20.070 and 2004 c 249 s 4 are each amended to  
30 read as follows:

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

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

36 (b) The applicant has passed the driving examination required by  
37 RCW 46.20.120;

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

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

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

7 The permit must contain a photograph of the person.

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

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

13 (ii) Participate in the classroom portion of a traffic safety  
14 education course authorized under RCW 28A.220.030 or the classroom  
15 portion of a traffic safety education course offered by a driver  
16 training school licensed and inspected by the department of licensing  
17 under chapter 46.82 RCW offered in the community where the holder  
18 resides.

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

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

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

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

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

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

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

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

1       **Sec. 305.** RCW 46.20.117 and 2004 c 249 s 5 are each amended to  
2 read as follows:

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

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

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

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

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

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

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

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

19           (a) Personal appearance before the department; or

20           (b) Mail or electronic commerce, if permitted by rule of the  
21 department and if the applicant did not renew his or her identicard by  
22 mail or by electronic commerce when it last expired. However, the  
23 department may accept an application for renewal of an identicard  
24 submitted by means of mail or electronic commerce only if specific  
25 authority and funding is provided for this purpose by June 30, 2004, in  
26 the omnibus transportation appropriations act.

27       An identicard may not be renewed by mail or by electronic commerce  
28 unless the renewal issued by the department includes a photograph of  
29 the identicard holder.

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

33       **Sec. 306.** RCW 46.20.120 and 2004 c 249 s 6 are each amended to  
34 read as follows:

35       An applicant for a new or renewed driver's license must  
36 successfully pass a driver licensing examination to qualify for a

1 driver's license. The department shall give examinations at places and  
2 times reasonably available to the people of this state.

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

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

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

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

12 (ii) Is otherwise qualified to be licensed.

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

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

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

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

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

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

23 (a) Personal appearance before the department; or

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

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

33 (a) Apply to the department to extend the validity of his or her  
34 license for no more than twelve months. If the person establishes to  
35 the department's satisfaction that he or she is unable to return to  
36 Washington before the date his or her license expires, the department  
37 shall extend the person's license. The department may grant  
38 consecutive extensions, but in no event may the cumulative total of

1 extensions exceed twelve months. An extension granted under this  
2 section does not change the expiration date of the license for purposes  
3 of RCW 46.20.181. The department shall charge a fee of five dollars  
4 for each license extension;

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

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

19 **Sec. 307.** RCW 46.20.308 and 2004 c 187 s 1 and 2004 c 95 s 2 are  
20 each reenacted and amended to read as follows:

21 (1) Any person who operates a motor vehicle within this state is  
22 deemed to have given consent, subject to the provisions of RCW  
23 46.61.506, to a test or tests of his or her breath or blood for the  
24 purpose of determining the alcohol concentration or presence of any  
25 drug in his or her breath or blood if arrested for any offense where,  
26 at the time of the arrest, the arresting officer has reasonable grounds  
27 to believe the person had been driving or was in actual physical  
28 control of a motor vehicle while under the influence of intoxicating  
29 liquor or any drug or was in violation of RCW 46.61.503. Neither  
30 consent nor this section precludes a police officer from obtaining a  
31 search warrant for a person's breath or blood.

32 (2) The test or tests of breath shall be administered at the  
33 direction of a law enforcement officer having reasonable grounds to  
34 believe the person to have been driving or in actual physical control  
35 of a motor vehicle within this state while under the influence of  
36 intoxicating liquor or any drug or the person to have been driving or  
37 in actual physical control of a motor vehicle while having alcohol in

1 a concentration in violation of RCW 46.61.503 in his or her system and  
2 being under the age of twenty-one. However, in those instances where  
3 the person is incapable due to physical injury, physical incapacity, or  
4 other physical limitation, of providing a breath sample or where the  
5 person is being treated in a hospital, clinic, doctor's office,  
6 emergency medical vehicle, ambulance, or other similar facility or  
7 where the officer has reasonable grounds to believe that the person is  
8 under the influence of a drug, a blood test shall be administered by a  
9 qualified person as provided in RCW 46.61.506(5). The officer shall  
10 inform the person of his or her right to refuse the breath or blood  
11 test, and of his or her right to have additional tests administered by  
12 any qualified person of his or her choosing as provided in RCW  
13 46.61.506. The officer shall warn the driver, in substantially the  
14 following language, that:

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

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

20 (c) If the driver submits to the test and the test is administered,  
21 the driver's license, permit, or privilege to drive will be suspended,  
22 revoked, or denied for at least ninety days if the driver is age  
23 twenty-one or over and the test indicates the alcohol concentration of  
24 the driver's breath or blood is 0.08 or more, or if the driver is under  
25 age twenty-one and the test indicates the alcohol concentration of the  
26 driver's breath or blood is 0.02 or more, or if the driver is under age  
27 twenty-one and the driver is in violation of RCW 46.61.502 or  
28 46.61.504.

29 (3) Except as provided in this section, the test administered shall  
30 be of the breath only. If an individual is unconscious or is under  
31 arrest for the crime of vehicular homicide as provided in RCW 46.61.520  
32 or vehicular assault as provided in RCW 46.61.522, or if an individual  
33 is under arrest for the crime of driving while under the influence of  
34 intoxicating liquor or drugs as provided in RCW 46.61.502, which arrest  
35 results from an accident in which there has been serious bodily injury  
36 to another person, a breath or blood test may be administered without  
37 the consent of the individual so arrested.

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

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

12 (6) If, after arrest and after the other applicable conditions and  
13 requirements of this section have been satisfied, a test or tests of  
14 the person's blood or breath is administered and the test results  
15 indicate that the alcohol concentration of the person's breath or blood  
16 is 0.08 or more if the person is age twenty-one or over, or 0.02 or  
17 more if the person is under the age of twenty-one, or the person  
18 refuses to submit to a test, the arresting officer or other law  
19 enforcement officer at whose direction any test has been given, or the  
20 department, where applicable, if the arrest results in a test of the  
21 person's blood, shall:

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

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

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

32 (d) Serve notice in writing that the marked license or permit, if  
33 any, is a temporary license that is valid for sixty days from the date  
34 of arrest or from the date notice has been given in the event notice is  
35 given by the department following a blood test, or until the  
36 suspension, revocation, or denial of the person's license, permit, or  
37 privilege to drive is sustained at a hearing pursuant to subsection (8)

1 of this section, whichever occurs first. No temporary license is valid  
2 to any greater degree than the license or permit that it replaces; and

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

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

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

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

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

30 (8) A person receiving notification under subsection (6)(b) of this  
31 section may, within thirty days after the notice has been given,  
32 request in writing a formal hearing before the department. The person  
33 shall pay a fee of (~~one~~) two hundred dollars as part of the request.  
34 If the request is mailed, it must be postmarked within thirty days  
35 after receipt of the notification. Upon timely receipt of such a  
36 request for a formal hearing, including receipt of the required (~~one~~)  
37 two hundred dollar fee, the department shall afford the person an  
38 opportunity for a hearing. The department may waive the required

1 (~~one~~) two hundred dollar fee if the person is an indigent as defined  
2 in RCW 10.101.010. Except as otherwise provided in this section, the  
3 hearing is subject to and shall be scheduled and conducted in  
4 accordance with RCW 46.20.329 and 46.20.332. The hearing shall be  
5 conducted in the county of the arrest, except that all or part of the  
6 hearing may, at the discretion of the department, be conducted by  
7 telephone or other electronic means. The hearing shall be held within  
8 sixty days following the arrest or following the date notice has been  
9 given in the event notice is given by the department following a blood  
10 test, unless otherwise agreed to by the department and the person, in  
11 which case the action by the department shall be stayed, and any valid  
12 temporary license marked under subsection (6)(c) of this section  
13 extended, if the person is otherwise eligible for licensing. For the  
14 purposes of this section, the scope of the hearing shall cover the  
15 issues of whether a law enforcement officer had reasonable grounds to  
16 believe the person had been driving or was in actual physical control  
17 of a motor vehicle within this state while under the influence of  
18 intoxicating liquor or any drug or had been driving or was in actual  
19 physical control of a motor vehicle within this state while having  
20 alcohol in his or her system in a concentration of 0.02 or more if the  
21 person was under the age of twenty-one, whether the person was placed  
22 under arrest, and (a) whether the person refused to submit to the test  
23 or tests upon request of the officer after having been informed that  
24 such refusal would result in the revocation of the person's license,  
25 permit, or privilege to drive, or (b) if a test or tests were  
26 administered, whether the applicable requirements of this section were  
27 satisfied before the administration of the test or tests, whether the  
28 person submitted to the test or tests, or whether a test was  
29 administered without express consent as permitted under this section,  
30 and whether the test or tests indicated that the alcohol concentration  
31 of the person's breath or blood was 0.08 or more if the person was age  
32 twenty-one or over at the time of the arrest, or 0.02 or more if the  
33 person was under the age of twenty-one at the time of the arrest. The  
34 sworn report or report under a declaration authorized by RCW 9A.72.085  
35 submitted by a law enforcement officer is prima facie evidence that the  
36 officer had reasonable grounds to believe the person had been driving  
37 or was in actual physical control of a motor vehicle within this state  
38 while under the influence of intoxicating liquor or drugs, or both, or

1 the person had been driving or was in actual physical control of a  
2 motor vehicle within this state while having alcohol in his or her  
3 system in a concentration of 0.02 or more and was under the age of  
4 twenty-one and that the officer complied with the requirements of this  
5 section.

6 A hearing officer shall conduct the hearing, may issue subpoenas  
7 for the attendance of witnesses and the production of documents, and  
8 shall administer oaths to witnesses. The hearing officer shall not  
9 issue a subpoena for the attendance of a witness at the request of the  
10 person unless the request is accompanied by the fee required by RCW  
11 5.56.010 for a witness in district court. The sworn report or report  
12 under a declaration authorized by RCW 9A.72.085 of the law enforcement  
13 officer and any other evidence accompanying the report shall be  
14 admissible without further evidentiary foundation and the  
15 certifications authorized by the criminal rules for courts of limited  
16 jurisdiction shall be admissible without further evidentiary  
17 foundation. The person may be represented by counsel, may question  
18 witnesses, may present evidence, and may testify. The department shall  
19 order that the suspension, revocation, or denial either be rescinded or  
20 sustained.

21 (9) If the suspension, revocation, or denial is sustained after  
22 such a hearing, the person whose license, privilege, or permit is  
23 suspended, revoked, or denied has the right to file a petition in the  
24 superior court of the county of arrest to review the final order of  
25 revocation by the department in the same manner as an appeal from a  
26 decision of a court of limited jurisdiction. Notice of appeal must be  
27 filed within thirty days after the date the final order is served or  
28 the right to appeal is waived. Notwithstanding RCW 46.20.334, RALJ  
29 1.1, or other statutes or rules referencing de novo review, the appeal  
30 shall be limited to a review of the record of the administrative  
31 hearing. The appellant must pay the costs associated with obtaining  
32 the record of the hearing before the hearing officer. The filing of  
33 the appeal does not stay the effective date of the suspension,  
34 revocation, or denial. A petition filed under this subsection must  
35 include the petitioner's grounds for requesting review. Upon granting  
36 petitioner's request for review, the court shall review the  
37 department's final order of suspension, revocation, or denial as  
38 expeditiously as possible. The review must be limited to a

1 determination of whether the department has committed any errors of  
2 law. The superior court shall accept those factual determinations  
3 supported by substantial evidence in the record: (a) That were  
4 expressly made by the department; or (b) that may reasonably be  
5 inferred from the final order of the department. The superior court  
6 may reverse, affirm, or modify the decision of the department or remand  
7 the case back to the department for further proceedings. The decision  
8 of the superior court must be in writing and filed in the clerk's  
9 office with the other papers in the case. The court shall state the  
10 reasons for the decision. If judicial relief is sought for a stay or  
11 other temporary remedy from the department's action, the court shall  
12 not grant such relief unless the court finds that the appellant is  
13 likely to prevail in the appeal and that without a stay the appellant  
14 will suffer irreparable injury. If the court stays the suspension,  
15 revocation, or denial it may impose conditions on such stay.

16 (10) (a) If a person whose driver's license, permit, or privilege to  
17 drive has been or will be suspended, revoked, or denied under  
18 subsection (7) of this section, other than as a result of a breath or  
19 blood test refusal, and who has not committed an offense for which he  
20 or she was granted a deferred prosecution under chapter 10.05 RCW,  
21 petitions a court for a deferred prosecution on criminal charges  
22 arising out of the arrest for which action has been or will be taken  
23 under subsection (7) of this section, the court may direct the  
24 department to stay any actual or proposed suspension, revocation, or  
25 denial for at least forty-five days but not more than ninety days. If  
26 the court stays the suspension, revocation, or denial, it may impose  
27 conditions on such stay. If the person is otherwise eligible for  
28 licensing, the department shall issue a temporary license, or extend  
29 any valid temporary license marked under subsection (6) of this  
30 section, for the period of the stay. If a deferred prosecution  
31 treatment plan is not recommended in the report made under RCW  
32 10.05.050, or if treatment is rejected by the court, or if the person  
33 declines to accept an offered treatment plan, or if the person violates  
34 any condition imposed by the court, then the court shall immediately  
35 direct the department to cancel the stay and any temporary marked  
36 license or extension of a temporary license issued under this  
37 subsection.

1 (b) A suspension, revocation, or denial imposed under this section,  
2 other than as a result of a breath or blood test refusal, shall be  
3 stayed if the person is accepted for deferred prosecution as provided  
4 in chapter 10.05 RCW for the incident upon which the suspension,  
5 revocation, or denial is based. If the deferred prosecution is  
6 terminated, the stay shall be lifted and the suspension, revocation, or  
7 denial reinstated. If the deferred prosecution is completed, the stay  
8 shall be lifted and the suspension, revocation, or denial canceled.

9 (c) The provisions of (b) of this subsection relating to a stay of  
10 a suspension, revocation, or denial and the cancellation of any  
11 suspension, revocation, or denial do not apply to the suspension,  
12 revocation, denial, or disqualification of a person's commercial  
13 driver's license or privilege to operate a commercial motor vehicle.

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

20 **Sec. 308.** RCW 46.20.311 and 2004 c 95 s 3 are each amended to read  
21 as follows:

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

26 (b) Except for a suspension under RCW 46.20.267, 46.20.289,  
27 46.20.291(5), 46.61.740, or 74.20A.320, whenever the license or driving  
28 privilege of any person is suspended by reason of a conviction, a  
29 finding that a traffic infraction has been committed, pursuant to  
30 chapter 46.29 RCW, or pursuant to RCW 46.20.291 or 46.20.308, the  
31 suspension shall remain in effect until the person gives and thereafter  
32 maintains proof of financial responsibility for the future as provided  
33 in chapter 46.29 RCW.

34 (c) If the suspension is the result of a violation of RCW 46.61.502  
35 or 46.61.504, the department shall determine the person's eligibility  
36 for licensing based upon the reports provided by the alcoholism agency  
37 or probation department designated under RCW 46.61.5056 and shall deny

1 reinstatement until enrollment and participation in an approved program  
2 has been established and the person is otherwise qualified. If the  
3 suspension is the result of a violation of RCW 46.61.502 or 46.61.504,  
4 and the person is required pursuant to RCW 46.20.720 to drive only a  
5 motor vehicle equipped with a functioning ignition interlock, the  
6 department shall determine the person's eligibility for licensing based  
7 upon written verification by a company doing business in the state that  
8 it has installed the required device on a vehicle owned or operated by  
9 the person seeking reinstatement. If, based upon notification from the  
10 interlock provider or otherwise, the department determines that an  
11 interlock required under RCW 46.20.720 is no longer installed or  
12 functioning as required, the department shall suspend the person's  
13 license or privilege to drive. Whenever the license or driving  
14 privilege of any person is suspended or revoked as a result of  
15 noncompliance with an ignition interlock requirement, the suspension  
16 shall remain in effect until the person provides notice issued by a  
17 company doing business in the state that a vehicle owned or operated by  
18 the person is equipped with a functioning ignition interlock device.

19 (d) Whenever the license or driving privilege of any person is  
20 suspended as a result of certification of noncompliance with a child  
21 support order under chapter 74.20A RCW or a residential or visitation  
22 order, the suspension shall remain in effect until the person provides  
23 a release issued by the department of social and health services  
24 stating that the person is in compliance with the order.

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

28 (ii) If the suspension is the result of a violation of RCW  
29 46.61.502 or 46.61.504, or is the result of administrative action under  
30 RCW 46.20.308, the reissue fee shall be one hundred fifty dollars.

31 (2) (a) Any person whose license or privilege to drive a motor  
32 vehicle on the public highways has been revoked, unless the revocation  
33 was for a cause which has been removed, is not entitled to have the  
34 license or privilege renewed or restored until: (i) After the  
35 expiration of one year from the date the license or privilege to drive  
36 was revoked; (ii) after the expiration of the applicable revocation  
37 period provided by RCW 46.20.3101 or 46.61.5055; (iii) after the

1 expiration of two years for persons convicted of vehicular homicide; or  
2 (iv) after the expiration of the applicable revocation period provided  
3 by RCW 46.20.265.

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

7 (ii) If the revocation is the result of a violation of RCW  
8 46.20.308, 46.61.502, or 46.61.504, the reissue fee shall be one  
9 hundred fifty dollars. If the revocation is the result of a violation  
10 of RCW 46.61.502 or 46.61.504, the department shall determine the  
11 person's eligibility for licensing based upon the reports provided by  
12 the alcoholism agency or probation department designated under RCW  
13 46.61.5056 and shall deny reissuance of a license, permit, or privilege  
14 to drive until enrollment and participation in an approved program has  
15 been established and the person is otherwise qualified. If the  
16 revocation is the result of a violation of RCW 46.61.502 or 46.61.504,  
17 and the person is required pursuant to RCW 46.20.720 to drive only a  
18 motor vehicle equipped with a functioning ignition interlock or other  
19 biological or technical device, the department shall determine the  
20 person's eligibility for licensing based upon written verification by  
21 a company doing business in the state that it has installed the  
22 required device on a vehicle owned or operated by the person applying  
23 for a new license. If, following issuance of a new license, the  
24 department determines, based upon notification from the interlock  
25 provider or otherwise, that an interlock required under RCW 46.20.720  
26 is no longer functioning, the department shall suspend the person's  
27 license or privilege to drive until the department has received written  
28 verification from an interlock provider that a functioning interlock is  
29 installed.

30 (c) Except for a revocation under RCW 46.20.265, the department  
31 shall not then issue a new license unless it is satisfied after  
32 investigation of the driving ability of the person that it will be safe  
33 to grant the privilege of driving a motor vehicle on the public  
34 highways, and until the person gives and thereafter maintains proof of  
35 financial responsibility for the future as provided in chapter 46.29  
36 RCW. For a revocation under RCW 46.20.265, the department shall not  
37 issue a new license unless it is satisfied after investigation of the

1 driving ability of the person that it will be safe to grant that person  
2 the privilege of driving a motor vehicle on the public highways.

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

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

14 **Sec. 309.** RCW 46.20.049 and 1999 c 308 s 4 are each amended to  
15 read as follows:

16 There shall be an additional fee for issuing any class of  
17 commercial driver's license in addition to the prescribed fee required  
18 for the issuance of the original driver's license. The additional fee  
19 for each class shall (~~not exceed twenty~~) be thirty dollars for the  
20 original commercial driver's license or subsequent renewals(~~7~~  
21 ~~unless~~). If the commercial driver's license is renewed or extended  
22 for a period other than five years, (~~in which case~~) the fee for each  
23 class shall (~~not exceed four~~) be six dollars for each year that the  
24 commercial driver's license is renewed or extended. The fee shall be  
25 deposited in the highway safety fund.

#### 26 **PART IV - MISCELLANEOUS PROVISIONS**

27 **Sec. 401.** RCW 43.135.045 and 2003 1st sp.s. c 25 s 920 are each  
28 amended to read as follows:

29 (1) The emergency reserve fund is established in the state  
30 treasury. During each fiscal year, the state treasurer shall deposit  
31 in the emergency reserve fund all general fund--state revenues in  
32 excess of the state expenditure limit for that fiscal year. Deposits  
33 shall be made at the end of each fiscal quarter based on projections of  
34 state revenues and the state expenditure limit. The treasurer shall

1 make transfers between these accounts as necessary to reconcile actual  
2 annual revenues and the expenditure limit for fiscal year 2000 and  
3 thereafter.

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

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

27 (4) The education construction fund is hereby created in the state  
28 treasury.

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

32 (b) Funds may be appropriated for any other purpose only if  
33 approved by a two-thirds vote of each house of the legislature and if  
34 approved by a vote of the people at the next general election. An  
35 appropriation approved by the people under this subsection shall result  
36 in an adjustment to the state expenditure limit only for the fiscal  
37 period for which the appropriation is made and shall not affect any  
38 subsequent fiscal period.

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

6 ~~((6) Earnings of the emergency reserve fund under RCW  
7 43.84.092(4)(a) shall be transferred quarterly to the multimodal  
8 transportation account, except for those earnings that are in excess of  
9 thirty five million dollars each fiscal year. Within thirty days  
10 following any fiscal year in which earnings transferred to the  
11 multimodal transportation account under this subsection did not total  
12 thirty five million dollars, the state treasurer shall transfer from  
13 the emergency reserve fund an amount necessary to bring the total  
14 deposited in the multimodal transportation account under this  
15 subsection to thirty five million dollars. The revenues to the  
16 multimodal transportation account reflected in this subsection provide  
17 ongoing support for the transportation programs of the state. However,  
18 it is the intent of the legislature that any new long-term financial  
19 support that may be subsequently provided for transportation programs  
20 will be used to replace and supplant the revenues reflected in this  
21 subsection, thereby allowing those revenues to be returned to the  
22 purposes to which they were previously dedicated. No transfers from  
23 the emergency reserve fund to the multimodal fund shall be made during  
24 the 2003-05 fiscal biennium.))~~

25 NEW SECTION. **Sec. 402.** Sections 201 through 206, 301, and 302 of  
26 this act apply to vehicle registrations that are due or become due on  
27 or after January 1, 2006.

28 NEW SECTION. **Sec. 403.** (1) Section 110 of this act takes effect  
29 July 1, 2006.

30 (2) Sections 201 through 206 of this act take effect January 1,  
31 2006.

32 NEW SECTION. **Sec. 404.** Sections 201 and 202 of this act  
33 constitute a new chapter in Title 46 RCW.

1        NEW SECTION.   **Sec. 405.**   Sections 101 through 107, 109, 303 through  
2   310, and 401 of this act are necessary for the immediate preservation  
3   of the public peace, health, or safety, or support of the state  
4   government and its existing public institutions, and take effect July  
5   1, 2005.

6        NEW SECTION.   **Sec. 406.**   Section 109 of this act expires July 1,  
7   2006.

8        NEW SECTION.   **Sec. 407.**   Part headings used in this act are not  
9   part of the law.

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