
BILL REQUEST - CODE REVISER'S OFFICE

BILL REQ. #: S-1391.2/19 2nd draft

ATTY/TYPIST: JA:amh

BRIEF DESCRIPTION: Concerning transportation funding.

1 AN ACT Relating to transportation funding; amending RCW
2 82.08.020, 82.38.030, 46.68.090, 46.17.355, 46.17.350, 46.68.030,
3 46.17.365, 46.17.400, 46.68.455, 82.38.110, 46.20.202, 46.68.041,
4 46.17.323, 46.61.165, 46.63.110, 3.62.090, 2.68.040, 47.60.315,
5 46.25.100, 46.25.052, and 46.25.060; reenacting and amending RCW
6 43.84.092; adding a new section to chapter 36.73 RCW; adding a new
7 section to chapter 46.01 RCW; adding new sections to chapter 46.68
8 RCW; adding a new chapter to Title 82 RCW; creating a new section;
9 prescribing penalties; providing an effective date; providing a
10 contingent effective date; and declaring an emergency.

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

12 **Part I**
13 **Carbon Pollution Fee**

14 NEW SECTION. **Sec. 101.** DEFINITIONS. The definitions in this
15 section apply throughout this chapter unless the context clearly
16 requires otherwise.

17 (1) "Aircraft fuel" has the same meaning as provided in RCW
18 82.42.010.

19 (2) "Asset controlling supplier" means any entity that owns or
20 operates interconnected electricity generating facilities or serves

1 as an exclusive marketer for these facilities even though it does not
2 own them, and is assigned a supplier-specific identification number
3 and system emission factor by the department of ecology, in
4 consultation with the department of commerce, for the wholesale
5 electricity procured from its system and sold into Washington.

6 (3) "Carbon calculation" means a calculation made by the
7 department of ecology, in consultation with the department of
8 commerce, for purposes of determining the carbon dioxide emissions
9 from the complete combustion or oxidation of fossil fuels and, for
10 each specified source, the carbon dioxide emissions in electricity
11 for use in calculating the carbon pollution fee pursuant to section
12 102 of this act.

13 (4) "Carbon dioxide emissions content inherent in electricity"
14 means the carbon dioxide generated by the production of electricity
15 from fossil fuels.

16 (5) "Carbon dioxide equivalent" means a metric measure used to
17 compare the emissions from various greenhouse gases based on their
18 global warming potential.

19 (6) "Carbon pollution fee" means the fee created in section 102
20 of this act.

21 (7) "Coal" means a readily combustible rock of carbonaceous
22 material, including anthracite coal, bituminous coal, subbituminous
23 coal, lignite, waste coal, syncoal, and coke of any kind.

24 (8) "Department" means the department of revenue.

25 (9) "Direct access electricity customer" means a person who
26 purchases electricity for consumption from any seller other than a
27 seller registered with the department for purposes of paying taxes
28 due under chapter 82.04 or 82.16 RCW.

29 (10) "Direct access gas customer" means a person who purchases
30 natural gas for consumption from any seller other than a seller
31 registered with the department for purposes of paying taxes due under
32 chapter 82.04 or 82.16 RCW.

33 (11) "Direct service industrial customer" has the same meaning as
34 provided in RCW 82.16.0495.

35 (12) "Energy-intensive trade-exposed manufacturing facility"
36 means a manufacturing business that meets the numerical criteria
37 established by the department of commerce in section 103(3)(b) of
38 this act, or has a proper primary North American industry
39 classification system code as provided in section 103(3)(c) of this
40 act.

1 (13) "Facility" means any physical property, plant, building,
2 structure, source, or stationary equipment located on one or more
3 contiguous or adjacent properties in actual physical contact or
4 separated solely by a public roadway or other public right-of-way and
5 under common ownership or common control, that emits or may emit any
6 greenhouse gas.

7 (14) "Fossil fuel" means motor vehicle fuel, special fuel, dyed
8 special fuel, aircraft fuel, natural gas, coal, and any form of
9 solid, liquid, or gaseous fuel derived from natural gas, coal,
10 petroleum, or crude oil, including without limitation still gas,
11 propane, and petroleum residuals including bunker fuel.

12 (15) "Gas distribution business" has the same meaning as provided
13 in RCW 82.16.010.

14 (16) "Greenhouse gas" means carbon dioxide (CO₂), methane (CH₄),
15 nitrogen trifluoride (NF₃), nitrous oxide (N₂O), sulfur hexafluoride
16 (SF₆), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and other
17 fluorinated greenhouse gases.

18 (17) "Light and power business" has the same meaning as provided
19 in RCW 82.16.010.

20 (18) "Motor vehicle fuel" has the same meaning as provided in RCW
21 82.38.020.

22 (19) "Natural gas" means naturally occurring mixtures of
23 hydrocarbon gases and vapors consisting principally of methane,
24 whether in gaseous or liquid form, including methane clathrate.

25 (20) "Person" has the same meaning as provided in RCW 82.04.030.

26 (21) "Sale" has the same meaning as provided in RCW 82.04.040.

27 (22) "Special fuel" has the same meaning as provided in RCW
28 82.38.020.

29 (23) "Specified source" means an electrical generation facility
30 serving Washington customers in which the person subject to the fee
31 under this section directly or indirectly has full or partial
32 ownership in the facility or unit or is party to a written contract
33 or other agreement to procure electricity generated by that facility.

34 (24) "Tribal lands" has the same meaning as "Indian country" as
35 provided in 18 U.S.C. Sec. 1151, and also includes sacred sites,
36 traditional cultural properties, burial grounds and other tribal
37 sites protected by federal or state law.

38 (25) "Unspecified source" means electricity from a source other
39 than a specified source.

1 (26) (a) "Use," "used," "using," or "put to use" means, with
2 respect to any fossil fuel other than natural gas, the consumption in
3 this state of the fossil fuel by the person subject to the fee under
4 this section or the possession or storage in this state of the fossil
5 fuel by the person subject to the fee under this section preparatory
6 to subsequent consumption of the fossil fuel within this state by the
7 person subject to the fee under this section.

8 (b) "Use," "used," "using," or "put to use" means, with respect
9 to natural gas, the consumption in this state of the fossil fuel by
10 the person subject to the fee under this section.

11 (c) For purposes of this subsection (26), "possession" means the
12 control of fossil fuel located within this state and includes either
13 actual and/or constructive possession. "Actual possession" occurs
14 when the person with control has physical possession. "Constructive
15 possession" occurs when the person with control does not have
16 physical possession. "Control" means the power to sell or use a
17 fossil fuel or to authorize the sale or use by another.

18 (27) "Western interconnection" means the area comprising those
19 states and provinces, or portions thereof, in western Canada,
20 northern Mexico, and the western United States in which members of
21 the western electricity coordinating council, or any successor
22 thereto, operate synchronously connected transmission systems.

23 (28) "Year" means the twelve-month period commencing January 1st
24 and ending December 31st unless otherwise specified.

25 NEW SECTION. **Sec. 102.** CARBON POLLUTION FEE. (1) (a) Beginning
26 July 1, 2020, a carbon pollution fee is imposed on:

27 (i) The sale or use within this state of all fossil fuels, except
28 fossil fuels used to generate electricity in the state; or

29 (ii) The generation within or import for consumption to this
30 state of electricity generated through the combustion of fossil
31 fuels.

32 (b) The carbon pollution fee is calculated by measuring the
33 carbon dioxide emissions:

34 (i) Resulting from the complete combustion or oxidation of fossil
35 fuels sold or used by the person subject to the fee under this
36 section within this state; or

37 (ii) Inherent in electricity generated within or imported for
38 consumption to this state.

1 (c) The carbon pollution fee is equal to fifteen dollars per
2 metric ton of carbon dioxide.

3 (2) For the purposes of this chapter, the carbon pollution fee is
4 charged:

5 (a) Only once with respect to the same unit of fossil fuel or
6 electric energy;

7 (b) At the time and place of the first sale, use, or consumption
8 within this state, except as otherwise provided in this section,
9 occurring on or after the effective date of this section, regardless
10 of whether the fossil fuel or electricity was previously sold, used,
11 or consumed within this state before the effective date of this
12 section; and

13 (c) Upon the first person subject to the fee under this section
14 within this state, except as otherwise provided in this section. A
15 person subject to the fee under this section is:

16 (i) A person required to be registered with the department under
17 RCW 82.32.030(1);

18 (ii) The state, its political subdivisions, and municipal
19 corporations; and

20 (iii) A person who maintains a place of business in this state
21 but who is not required to be registered with the department under
22 RCW 82.32.030(1).

23 (3) As provided in this section, the carbon pollution fee on the
24 sale or use of fossil fuels is charged to the seller or user of the
25 fossil fuel.

26 (4) The carbon pollution fee on the sale or use of natural gas is
27 charged as follows:

28 (a) Natural gas transported through the state that is not
29 produced or delivered in the state is exempt from the carbon
30 pollution fee charged by this section. Natural gas possessed or
31 stored in this state is exempt from the carbon pollution fee charged
32 by this section unless charged under (b), (c), or (d) of this
33 subsection;

34 (b) For natural gas sold by a gas distribution business to a
35 retail customer in the state, the carbon pollution fee is charged on
36 the gas distribution business upon the sale of such natural gas to
37 the retail customer;

38 (c) For natural gas sold to a light and power business for the
39 purpose of generation of electricity in the state, the carbon

1 pollution fee is charged on the light and power business as provided
2 for in subsection (5) (a) of this section; and

3 (d) For natural gas sold to a direct access gas customer in the
4 state, the carbon pollution fee is charged on the direct access gas
5 customer upon the consumption of such natural gas by the direct
6 access gas customer.

7 (5) The carbon pollution fee on the generation or import of
8 electricity for consumption in this state is charged as follows:

9 (a) For electricity produced in the state, the carbon pollution
10 fee is charged on the person required to be registered with the
11 department for purposes of paying taxes due under chapter 82.04 or
12 82.16 RCW that owns or operates the electrical generation facility
13 producing the electricity; and

14 (b) For electricity produced outside the state and imported for
15 consumption in the state, the carbon pollution fee is charged on the
16 first person that imports or delivers such electricity to or within
17 the state.

18 (6) For motor vehicle fuel and special fuel, the carbon pollution
19 fee is charged to the seller or user of the fuel at the points of
20 taxation specified in RCW 82.38.030(10).

21 (7) (a) The carbon pollution fee does not apply to the sale or use
22 of fossil fuels or consumption of electricity upon which the fee
23 under this chapter has been charged.

24 (b) A sale of fossil fuel takes place in this state when the
25 fossil fuel is delivered in this state to the purchaser or a person
26 designated by the purchaser, notwithstanding any contract terms
27 designating a location outside of this state as the place of sale.

28 (c) All taxable sales within this state of a fossil fuel or
29 electricity must document the amount of carbon pollution fee paid in
30 accordance with rules adopted by the department.

31 (d) The carbon pollution fee liability charged to a person
32 consistent with (a) and (b) of this subsection may be assumed by a
33 light and power business when it purchases electricity if the light
34 and power business meets the following requirements:

35 (i) A light and power business must apply to the utilities and
36 transportation commission, in a manner and form acceptable to the
37 commission, for approval to assume liability for the carbon pollution
38 fee pursuant to this subsection (7) (d).

39 (ii) Upon approval of an application pursuant to (d) (i) of this
40 subsection, the commission must issue a certificate or other

1 documentation, as prescribed by the department, authorizing the light
2 and power business to assume liability for the carbon pollution fee
3 pursuant to this subsection (7)(d).

4 (iii) A light and power business that elects to assume liability
5 for the carbon pollution fee as authorized under this subsection
6 (7)(d) must present the certificate or documentation issued pursuant
7 to (d)(ii) of this subsection to a person selling electricity to the
8 light and power business. Acceptance of the certificate or
9 documentation presented by a light and power business under this
10 subsection (7)(d) relieves that person from paying the carbon
11 pollution fee due on such a sale. Acceptance of the certificate or
12 documentation may not be unreasonably withheld. The person selling
13 electricity must keep a copy of the certificate or documentation in
14 its records pursuant to RCW 82.32.070. If the light and power
15 business does not elect to assume the carbon pollution fee, the
16 carbon pollution fee charged on the sale of electricity is charged
17 pursuant to (a) or (b) of this subsection, as applicable.

18 (8) For purposes of determining the carbon pollution fee due
19 under this chapter:

20 (a) The department must use the carbon calculation for all fossil
21 fuels sold or used within the state or inherent in electricity
22 generated or imported for consumption within this state;

23 (b) For fossil fuels, the department of ecology, in consultation
24 with the department of commerce, must adopt by rule criteria for
25 making the carbon calculation;

26 (c) For the import of electricity sourced from an asset
27 controlling supplier, including the Bonneville power administration
28 and others as approved by the department of ecology, the department
29 of ecology must calculate and publish on its web site no later than
30 December 1st of each year the system emissions factors for each asset
31 controlling supplier for the previous calendar year. Such system
32 emissions factors must be used to determine the carbon tax associated
33 with power sourced from asset controlling supplier systems for the
34 upcoming calendar year. Asset controlling suppliers are considered
35 specified sources of electricity;

36 (d) For the generation or import of electricity from an
37 unspecified source, the carbon dioxide inherent in that electricity
38 is equal to the default emission factor adopted by the department of
39 ecology, in consultation with the department of commerce, in a manner
40 consistent with the default emission factors for electricity

1 established for other markets in the western interconnection, or, if
2 the department of ecology has not adopted a default emission factor
3 by rule, 0.437 metric tons of carbon dioxide per megawatt-hour;

4 (e) For the generation or import of electricity from a specified
5 source, the carbon dioxide inherent in that electricity must be based
6 on the carbon calculation for that source established by the
7 department of ecology. The department of ecology, in consultation
8 with the department of commerce, must adopt by rule criteria for
9 making the carbon calculation for specified sources; and

10 (f) The department of ecology may require additional information
11 to existing reporting programs as necessary, in consultation with the
12 department of commerce, for determining the carbon calculation under
13 this chapter.

14 (9) For persons subject to the fee under this section who are
15 also subject to any of the taxes imposed under chapter 82.04, 82.08,
16 82.12, or 82.16 RCW, the frequency of reporting and payment of the
17 carbon pollution fee must, to the extent practicable, coincide with
18 the person's reporting periods for the taxes imposed under chapter
19 82.04, 82.08, 82.12, or 82.16 RCW.

20 (10) The department must develop and make available worksheets,
21 tax tables, and guidance documents it deems necessary to calculate
22 the carbon dioxide emissions of fossil fuels or the carbon dioxide
23 emissions inherent in electricity.

24 (11) All receipts from the carbon pollution fee under this
25 section must be deposited to the forward Washington account created
26 in section 801 of this act.

27 NEW SECTION. **Sec. 103.** EXEMPTIONS. (1) The carbon pollution fee
28 does not apply to:

29 (a) Fossil fuels brought into this state by means of the primary
30 fuel supply tank of a motor vehicle, vessel, locomotive, or aircraft,
31 actively supplying fuel for combustion upon entry into the state, and
32 any electricity generated by such fossil fuels;

33 (b) Fossil fuels or electricity that the state is prohibited from
34 taxing under the state Constitution or the Constitution or laws of
35 the United States;

36 (c) (i) Fossil fuels or electricity exported from this state.
37 Export from this state includes electricity transmitted through the
38 state that is not produced or consumed in the state including, but
39 not limited to, imports of electricity that are netted by exports of

1 electricity with a comparable carbon content by the same entity
2 within or for the same hour. Export to Indian country located within
3 the boundaries of this state is not considered export from this
4 state. For purposes of this subsection, "Indian country" has the same
5 meaning as provided in RCW 37.12.160.

6 (ii) An exporter of fossil fuels or electricity upon which
7 another person previously paid the carbon pollution fee is entitled
8 to a credit or refund of the fee paid, if the exporter can establish
9 to the department's satisfaction that the fee under this chapter was
10 previously paid on the exported fossil fuels or electricity. The
11 person who paid the carbon pollution fee is not entitled to an
12 exemption under this subsection (1)(c) when any other person is
13 entitled to a refund or credit under this subsection (1)(c)(ii). For
14 purposes of this subsection, "exporter" means a person who exports
15 fossil fuels or electricity from this state;

16 (d) The sale or use of coal transition power as defined in RCW
17 80.80.010;

18 (e) Diesel fuel, biodiesel fuel, or aircraft fuel when these
19 fuels are used solely for agricultural purposes by a farm fuel user,
20 as those terms are defined in RCW 82.08.865;

21 (f) Biogas, which includes renewable liquid natural gas or liquid
22 compressed natural gas made from biogas, landfill gas, biodiesel,
23 renewable diesel, and cellulosic ethanol;

24 (g) Aircraft fuel as defined in RCW 82.42.010;

25 (h) Facilities that manufacture equipment used to generate
26 electricity from eligible renewable resources as defined in RCW
27 19.285.030(21) or facilities that produce components or materials
28 used exclusively to manufacture eligible renewable resources;

29 (i) The portion of fossil fuels purchased in the state and
30 combusted outside the state by interstate motor carriers and vessels
31 used primarily in interstate or foreign commerce. The department must
32 provide a methodology by rule to apportion fossil fuels consumed
33 inside the state of Washington by interstate motor carriers and
34 vessels used primarily in interstate or foreign commerce;

35 (j) Activities or property of Indian tribes and individual
36 Indians that are exempt from state taxation as a matter of federal
37 law or state law, whether by statute, rule, or compact; and

38 (k) Fossil fuels used for transporting logs as described in RCW
39 82.16.010(5).

1 (2) (a) For any electricity and fossil fuels subject to the carbon
2 pollution fee charged by section 102 of this act that are also
3 subject to a comparable carbon pollution tax, fee, or other charge on
4 carbon content imposed by another jurisdiction, including the federal
5 government or allowances required to be purchased by another
6 jurisdiction, the entity may take a credit against the fee charged
7 under this chapter by the amount of the comparable pollution tax,
8 fee, or other charge paid to the other jurisdiction up to the amount
9 of the fee owed under this chapter, provided that the person subject
10 to the fee under this section claiming the credit provides evidence
11 acceptable to the department that the equivalent fee has been paid.

12 (b) For the purposes of this section, a comparable carbon
13 pollution tax, fee, or other charge means a tax, fee, or other charge
14 that is not generally imposed on other activities or privileges that
15 is:

16 (i) Imposed on:

17 (A) The sale, use, possession, transfer, or consumption of fossil
18 fuels; or

19 (B) The sale, consumption, or generation of electricity produced
20 through the combustion of fossil fuels; and

21 (ii) Measured in terms of greenhouse gas emissions by the
22 greenhouse gas emissions resulting from the complete combustion or
23 oxidation of such fossil fuels or by the greenhouse gases inherent in
24 such electricity.

25 (3) (a) The carbon pollution fee charged in section 102 of this
26 act does not apply to fossil fuels and electricity sold to or used
27 on-site for manufacturing processes by an energy-intensive trade-
28 exposed facility. The fossil fuel exemption does not apply to fossil
29 fuels used for generation of electricity which is not used on site by
30 the facility.

31 (b) The department of commerce must establish objective numerical
32 criteria for both energy intensity and trade exposure for the purpose
33 of identifying energy-intensive trade-exposed manufacturing
34 facilities. The criteria must take into consideration approaches used
35 by other jurisdictions with existing carbon reduction or carbon
36 pricing programs, and the impact of the carbon pollution fee on
37 manufacturing activity, including manufacturers with a 2017 North
38 American industry classification system code 31-33 as developed by
39 the office of management and budget. A manufacturing business that
40 can demonstrate to the department of commerce that its facility or

1 facilities meet the criteria must be issued a certificate denoting
2 energy-intensive trade-exposed exempt status for the purpose of
3 exempting appropriate on-site manufacturing processes. Exempt status
4 may be extended to any facility primarily supporting one or more
5 facilities qualifying for energy-intensive trade-exposed exempt
6 status such as administrative, engineering, or other office
7 facilities.

8 (c) Notwithstanding the criteria established in (b) of this
9 subsection, the department must issue a certificate denoting energy-
10 intensive trade-exposed exempt status to any facility primarily
11 engaged in an activity encompassed within the North American industry
12 classification system code (2017) 212230 - Copper, nickel, lead, and
13 zinc mining.

14 (d)(i) To qualify for an exemption under this subsection (3) for
15 a specific facility, a person must apply to the department in the
16 form and manner required by the department. If a person has more than
17 one potentially exempt facility, that person must submit a separate
18 application for each facility. The department may consult with the
19 department of commerce and can take whatever steps it deems necessary
20 to determine eligibility under this subsection (3), including
21 requesting additional information from the applicant or an on-site
22 visit to the facility to observe its operations.

23 (ii) If a person qualifies for an exemption for more than one
24 facility, the department must issue an exemption certificate for each
25 exempt facility. An exemption certificate issued under this
26 subsection (3) must include the name of the person operating the
27 facility, the physical location of the facility, and the activities
28 that qualify the facility for an exemption.

29 (e)(i) The department may rescind an exemption certificate issued
30 under this subsection (3) if it determines that the facility does not
31 meet the qualifications for an exemption under this subsection (3).
32 The department must notify the certificate holder of its decision to
33 rescind an exemption certificate.

34 (ii) A person receiving an exemption under this subsection (3)
35 based on a certificate issued in error must immediately repay to the
36 department the exempted amounts plus interest as provided in chapter
37 82.32 RCW. No penalties apply if amounts assessed by the department
38 under this subsection (3)(e)(ii) are paid in full by the date due.

1 (4) (a) A person is entitled to a refund or credit of the carbon
2 pollution fee included in the price of fossil fuels or electricity
3 purchased by the person if:

4 (i) An exemption under this chapter applies to the person or the
5 person's use or disposition of the fossil fuel or electricity;

6 (ii) The person can establish to the department's satisfaction
7 that the fee under this chapter was previously paid on the fossil
8 fuel or electricity; and

9 (iii) The person submits an application to the department in a
10 form and manner required by the department within four years after
11 the calendar year in which the person paid the carbon pollution fees
12 for which the refund or credit is sought.

13 (b) A person is not entitled to a refund or credit of the carbon
14 pollution fee under this section if any subsequent purchaser of the
15 fossil fuel or electricity is entitled to a refund or credit of that
16 fee under this subsection.

17 (c) Refunds or credits under this subsection are not subject to
18 interest.

19 (d) For purposes of this subsection (4), "person" means any
20 purchaser or consumer of fossil fuel or electricity who indirectly
21 paid the carbon pollution fee included in the price of the fossil
22 fuel or electricity.

23 NEW SECTION. **Sec. 104.** RULE MAKING AND OTHER ADMINISTRATIVE
24 AUTHORITY. (1) The provisions of chapter 82.32 RCW apply to this
25 chapter.

26 (2) The department and department of ecology may adopt rules as
27 they deem necessary to administer this chapter. The department of
28 commerce may adopt rules as it deems necessary to administer section
29 103 of this act.

30 (3) The department of commerce must convene a stakeholder work
31 group to examine the efficient and consistent integration of carbon
32 pricing in electricity markets within the state and transactions with
33 markets outside the state, including the market operated by the
34 California independent system operator. To assist in its examination
35 of the issues identified in this subsection, as well as any other
36 issues pertinent to its review, the work group must, at a minimum,
37 consist of light and power businesses, gas distribution businesses,
38 the Bonneville power administration, and other agencies. The work
39 group must prepare a report to the legislature of its findings and

1 recommendations to improve the carbon transparency and market
2 liquidity in electricity markets and submit the report, in compliance
3 with RCW 43.01.036, by no later than December 1, 2021. The department
4 and the department of ecology must provide necessary data and other
5 support to the department of commerce.

6 (4) By December 31, 2026, the department of revenue, supported by
7 the departments of commerce and ecology must review the energy-
8 intensive trade-exposed process under section 103 of this act,
9 including its effectiveness in controlling leakage and minimizing any
10 unnecessary exemptions from the fee under this chapter, merits of
11 alternative exemption structures such as production-based incentives,
12 and the scope of industries within the energy-intensive trade-exposed
13 designation.

14 (5) The department of commerce must provide information on its
15 web site regarding the impacts of the carbon pollution fee under this
16 chapter on the price of electricity, natural gas, and vehicle fuels
17 by sector.

18 NEW SECTION. **Sec. 105.** TECHNICAL ASSISTANCE. Upon request of
19 the department, the department of commerce, the department of
20 ecology, and the Washington State University extension energy program
21 must provide technical assistance to the department as may be
22 necessary for the department to effectively administer this chapter.

23 NEW SECTION. **Sec. 106.** PREEMPTION. (1) The carbon pollution fee
24 levied in section 102 of this act is in lieu of any carbon fee upon
25 the sale or use within this state of all fossil fuels, including
26 fossil fuels used in generating electricity and the retail sale or
27 consumption within this state of electricity generated through the
28 combustion of fossil fuels. No city, town, county, township, or other
29 subdivision or municipal corporation of the state may levy or collect
30 any comparable carbon tax, fee, or other charge upon the sale or use
31 within this state of all fossil fuels, including fossil fuels used in
32 generating electricity and the retail sale or consumption within this
33 state of electricity generated through the combustion of fossil
34 fuels.

35 (2) No city, town, county, township, or other subdivision or
36 municipal corporation of the state may levy any tax, fee, or other
37 charge of any kind whatsoever on amounts received by any person with
38 respect to a carbon pollution fee liability charged under the

1 provisions of the carbon pollution fee act. This restriction is not
2 imposed upon federally recognized Indian tribes and this section
3 places no restriction on the ability of such tribes to institute a
4 comparable tribal tax, fee, or other charge within tribal lands.

5 NEW SECTION. **Sec. 107.** A new section is added to chapter 19.---
6 RCW (the new chapter created in section 26, chapter . . ., Laws of
7 2019 (Substitute Senate Bill No. 5116)) to read as follows:

8 An electric utility may deduct from the amount of the
9 administrative penalty under RCW 19.---.--- (section 8,
10 chapter . . ., Laws of 2019 (Substitute Senate Bill No. 5116)) any
11 carbon pollution fee under section 102 of this act that is also
12 imposed on the sale, use, or consumption of electricity subject to
13 the administrative penalty.

14 **Part II**

15 **Sales and Use Taxes on Car Rentals, Automobile Parts, and Bicycles**

16 **Sec. 201.** RCW 82.08.020 and 2014 c 140 s 12 are each amended to
17 read as follows:

18 (1) There is levied and collected a tax equal to six and five-
19 tenths percent of the selling price on each retail sale in this state
20 of:

21 (a) Tangible personal property, unless the sale is specifically
22 excluded from the RCW 82.04.050 definition of retail sale;

23 (b) Digital goods, digital codes, and digital automated services,
24 if the sale is included within the RCW 82.04.050 definition of retail
25 sale;

26 (c) Services, other than digital automated services, included
27 within the RCW 82.04.050 definition of retail sale;

28 (d) Extended warranties to consumers; and

29 (e) Anything else, the sale of which is included within the RCW
30 82.04.050 definition of retail sale.

31 (2) There is levied and collected an additional tax on each
32 retail car rental, regardless of whether the vehicle is licensed in
33 this state, equal to (~~five~~) six and nine-tenths percent of the
34 selling price. Fourteen and one-half percent of the revenues
35 collected under this subsection must be deposited into the forward
36 flexible account created in section 802 of this act and the remainder

1 of the revenue collected under this subsection must be deposited in
2 the multimodal transportation account created in RCW 47.66.070.

3 (3) (a) Beginning July 1, 2003, there is levied and collected an
4 additional tax of three-tenths of one percent of the selling price on
5 each retail sale of a motor vehicle in this state, other than retail
6 car rentals taxed under subsection (2) of this section. The revenue
7 collected under this subsection must be deposited in the multimodal
8 transportation account created in RCW 47.66.070.

9 ~~((4))~~ (b) For purposes of this subsection (3) (of this
10 section)), "motor vehicle" has the meaning provided in RCW 46.04.320,
11 but does not include:

12 ~~((a))~~ (i) Farm tractors or farm vehicles as defined in RCW
13 46.04.180 and 46.04.181, unless the farm tractor or farm vehicle is
14 for use in the production of marijuana;

15 ~~((b))~~ (ii) Off-road vehicles as defined in RCW 46.04.365;

16 ~~((c))~~ (iii) Nonhighway vehicles as defined in RCW 46.09.310;
17 and

18 ~~((d))~~ (iv) Snowmobiles as defined in RCW 46.04.546.

19 (4) (a) Beginning July 1, 2019, there is levied and collected an
20 additional tax equal to one percent of the selling price on each
21 retail sale in this state of automobile parts and accessories. All
22 revenues collected under this subsection must be deposited into the
23 forward flexible account created in section 802 of this act.

24 (b) Beginning July 1, 2019, there is levied and collected an
25 additional tax equal to one percent of the selling price on each
26 retail sale in this state of bicycles. All revenues collected under
27 this subsection must be deposited into the forward flexible account
28 created in section 802 of this act.

29 (c) The definitions in this subsection apply throughout this
30 subsection (4) unless the context clearly requires otherwise.

31 (i) "Automobile parts and accessories" means any tangible
32 personal property primarily used to improve, repair, replace, or
33 serve as a component part of a motor vehicle, as defined in RCW
34 46.04.320. "Automobile parts and accessories" includes any tangible
35 personal property designed to be attached to or used in connection
36 with a motor vehicle to add to its utility or ornamentation,
37 regardless of whether the tangible personal property is essential to
38 the motor vehicles operation or use.

39 (ii) "Bicycle" has the same meaning as provided in RCW 46.04.071.

1 (5) Beginning on December 8, 2005, 0.16 percent of the taxes
2 collected under subsection (1) of this section must be dedicated to
3 funding comprehensive performance audits required under RCW
4 43.09.470. The revenue identified in this subsection must be
5 deposited in the performance audits of government account created in
6 RCW 43.09.475.

7 (6) The taxes imposed under this chapter apply to successive
8 retail sales of the same property.

9 (7) The rates provided in this section apply to taxes imposed
10 under chapter 82.12 RCW as provided in RCW 82.12.020.

11 **Part III**

12 **Special Transportation Benefit Assessment**

13 NEW SECTION. **Sec. 301.** A new section is added to chapter 36.73
14 RCW to read as follows:

15 (1) A statewide annual special transportation benefit assessment
16 is imposed on developed parcels for the purposes of mitigating the
17 impacts of growth on state transportation infrastructure throughout
18 the state. The amount of the transportation benefit assessment is the
19 increase in assessed value for the parcel resulting from new
20 construction multiplied by the applicable rate:

21 (a) For residential developed parcels the rate is two dollars per
22 thousand dollars of assessed value resulting from new construction;

23 (b) For manufacturing developed parcels the rate is one dollar
24 per thousand dollars of assessed value resulting from new
25 construction; and

26 (c) For all other developed parcels not otherwise described in
27 (a) or (b) of this subsection (1), the rate is four dollars per
28 thousand dollars of assessed value resulting from new construction.

29 (2) Parcels that are classified as designated forestland under
30 chapter 84.33 RCW or designated agriculture land or timberland under
31 chapter 84.34 RCW are exempt from the transportation benefit
32 assessment imposed in this section.

33 (3) To determine the appropriate designation of the parcel for
34 purposes of applying the rate under subsection (1) of this section,
35 county assessors may use land use codes or data collected from parcel
36 investigations, or both, obtained in their normal course of business
37 with respect to administering property taxes. The amount of the
38 transportation benefit assessment constitutes a lien against the

1 property. The assessment is subject to the same provisions as those
2 for property tax collections, as provided in RCW 84.56.020 and must
3 be collected by the county treasurer under the authority in RCW
4 84.56.035. The transportation benefit assessment fee must be
5 collected concurrently with property taxes levied for collection in
6 calendar year 2020 and thereafter.

7 (4) All revenues generated under this section must be transferred
8 to the state treasurer to be deposited into the forward flexible
9 account created in section 802 of this act.

10 (5) The definitions in this subsection apply throughout this
11 section unless the context clearly requires otherwise.

12 (a) "Developed parcel" means any parcel altered from the natural
13 state by the construction, creation, or addition of structures or
14 other impervious surfaces.

15 (b) "Land use code" means restrictions on the type of development
16 for a specific parcel of land as identified by records maintained by
17 the assessor or supplemented by information resulting from
18 investigation and generally conforming with the department of
19 revenue's two-digit land use codes in WAC 458-53-030.

20 (c) "Manufacturing developed parcel" means any developed parcel
21 used for manufacturing purposes.

22 (d) "Parcel" means the smallest separately segregated unit or
23 plot of land having an identified owner, boundaries, and surface area
24 that is documented for property tax purposes and given a tax lot
25 number by the assessor.

26 (e) "Residence" means a building or structure or portion thereof,
27 designed for and used to provide a place of abode for human beings.
28 "Residence" includes "residential" or "residential unit" as referring
29 to the type of or intended use of a building or structure.

30 (f) "Residential parcel" means any developed parcel that contains
31 no more than four residences or four residential units within a
32 single structure and used primarily for residential purposes.

33 **Part IV**

34 **Motor Vehicle Fuel Taxes**

35 **Sec. 401.** RCW 82.38.030 and 2015 3rd sp.s. c 44 s 103 are each
36 amended to read as follows:

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

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

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

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

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

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

14 (7) Beginning August 1, 2015, an additional and cumulative tax
15 rate of seven cents per gallon of fuel is imposed on fuel licensees.

16 (8) Beginning July 1, 2016, an additional and cumulative tax rate
17 of four and nine-tenths cents per gallon of fuel is imposed on fuel
18 licensees.

19 (9) Beginning July 1, 2019, an additional and cumulative tax rate
20 of six cents per gallon of fuel is imposed on fuel licensees.

21 (10) Taxes are imposed when:

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

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

29 (i) The removal is by bulk transfer and the refiner or the owner
30 of the fuel immediately before the removal is not a licensed
31 supplier; or

32 (ii) The removal is at the refinery rack unless the removal is to
33 a licensed supplier or distributor for direct delivery to a
34 destination outside of the state, or the removal is to a licensed
35 supplier for direct delivery to an international fuel tax agreement
36 licensee under RCW 82.38.320;

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

- 1 (i) The entry is by bulk transfer and the importer is not a
2 licensed supplier; or
- 3 (ii) The entry is not by bulk transfer;
- 4 (d) Fuel enters this state by means outside the bulk transfer-
5 terminal system and is delivered directly to a licensed terminal
6 unless the owner is a licensed distributor or supplier;
- 7 (e) Fuel is sold or removed in this state to an unlicensed entity
8 unless there was a prior taxable removal, entry, or sale of the fuel;
- 9 (f) Blended fuel is removed or sold in this state by the blender
10 of the fuel. The number of gallons of blended fuel subject to tax is
11 the difference between the total number of gallons of blended fuel
12 removed or sold and the number of gallons of previously taxed fuel
13 used to produce the blended fuel;
- 14 (g) Dyed special fuel is used on a highway, as authorized by the
15 internal revenue code, unless the use is exempt from the fuel tax;
- 16 (h) Dyed special fuel is held for sale, sold, used, or is
17 intended to be used in violation of this chapter;
- 18 (i) Special fuel purchased by an international fuel tax agreement
19 licensee under RCW 82.38.320 is used on a highway; and
- 20 (j) Fuel is sold by a licensed fuel supplier to a fuel
21 distributor or fuel blender and the fuel is not removed from the bulk
22 transfer-terminal system.

23 **Sec. 402.** RCW 46.68.090 and 2015 3rd sp.s. c 44 s 105 are each
24 amended to read as follows:

25 (1) All moneys that have accrued or may accrue to the motor
26 vehicle fund from the fuel tax must be first expended for purposes
27 enumerated in (a) and (b) of this subsection. The remaining net tax
28 amount must be distributed monthly by the state treasurer in
29 accordance with subsections (2) through (~~(8)~~) (9) of this section.

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

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

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

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

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

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

12 (A) Accident experience;

13 (B) Fatal accident experience;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

38 (7) The remaining net tax amount collected under RCW 82.38.030
39 (7) and (8) must be distributed to the connecting Washington account
40 created in RCW 46.68.395.

1 (8) The remaining net tax amount collected under RCW 82.38.030(9)
2 must be distributed to the forward Washington account created in
3 section 801 of this act.

4 (10) Nothing in this section or in RCW 46.68.130 may be construed
5 so 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 fuel.

9 **Part V**

10 **Passenger Vehicle Registration Fees, Passenger Weight Fees, Light**
11 **Duty Truck Weight Fees, Freight Project Fees, International Fuel Tax**
12 **Agreement Decal Fees, Trip Permit Fees, Motor Home Weight Fees**

13 **Sec. 501.** RCW 46.17.355 and 2015 3rd sp.s. c 44 s 201 are each
14 amended to read as follows:

15 (1)(a) For vehicle registrations that are due or become due
16 before July 1, 2016, in lieu of the vehicle license fee required
17 under RCW 46.17.350 and before accepting an application for a vehicle
18 registration for motor vehicles described in RCW 46.16A.455, the
19 department, county auditor or other agent, or subagent appointed by
20 the director (~~shall~~) must require the applicant, unless
21 specifically exempt, to pay the following license fee by weight:

WEIGHT	SCHEDULE	SCHEDULE
	A	B
4,000 pounds	\$ 38.00	\$ 38.00
6,000 pounds	\$ 48.00	\$ 48.00
8,000 pounds	\$ 58.00	\$ 58.00
10,000 pounds	\$ 60.00	\$ 60.00
12,000 pounds	\$ 77.00	\$ 77.00
14,000 pounds	\$ 88.00	\$ 88.00
16,000 pounds	\$ 100.00	\$ 100.00
18,000 pounds	\$ 152.00	\$ 152.00
20,000 pounds	\$ 169.00	\$ 169.00
22,000 pounds	\$ 183.00	\$ 183.00
24,000 pounds	\$ 198.00	\$ 198.00

1	26,000 pounds	\$ 209.00	\$ 209.00
2	28,000 pounds	\$ 247.00	\$ 247.00
3	30,000 pounds	\$ 285.00	\$ 285.00
4	32,000 pounds	\$ 344.00	\$ 344.00
5	34,000 pounds	\$ 366.00	\$ 366.00
6	36,000 pounds	\$ 397.00	\$ 397.00
7	38,000 pounds	\$ 436.00	\$ 436.00
8	40,000 pounds	\$ 499.00	\$ 499.00
9	42,000 pounds	\$ 519.00	\$ 609.00
10	44,000 pounds	\$ 530.00	\$ 620.00
11	46,000 pounds	\$ 570.00	\$ 660.00
12	48,000 pounds	\$ 594.00	\$ 684.00
13	50,000 pounds	\$ 645.00	\$ 735.00
14	52,000 pounds	\$ 678.00	\$ 768.00
15	54,000 pounds	\$ 732.00	\$ 822.00
16	56,000 pounds	\$ 773.00	\$ 863.00
17	58,000 pounds	\$ 804.00	\$ 894.00
18	60,000 pounds	\$ 857.00	\$ 947.00
19	62,000 pounds	\$ 919.00	\$ 1,009.00
20	64,000 pounds	\$ 939.00	\$ 1,029.00
21	66,000 pounds	\$ 1,046.00	\$ 1,136.00
22	68,000 pounds	\$ 1,091.00	\$ 1,181.00
23	70,000 pounds	\$ 1,175.00	\$ 1,265.00
24	72,000 pounds	\$ 1,257.00	\$ 1,347.00
25	74,000 pounds	\$ 1,366.00	\$ 1,456.00
26	76,000 pounds	\$ 1,476.00	\$ 1,566.00
27	78,000 pounds	\$ 1,612.00	\$ 1,702.00
28	80,000 pounds	\$ 1,740.00	\$ 1,830.00
29	82,000 pounds	\$ 1,861.00	\$ 1,951.00
30	84,000 pounds	\$ 1,981.00	\$ 2,071.00
31	86,000 pounds	\$ 2,102.00	\$ 2,192.00
32	88,000 pounds	\$ 2,223.00	\$ 2,313.00

1	90,000 pounds	\$ 2,344.00	\$ 2,434.00
2	92,000 pounds	\$ 2,464.00	\$ 2,554.00
3	94,000 pounds	\$ 2,585.00	\$ 2,675.00
4	96,000 pounds	\$ 2,706.00	\$ 2,796.00
5	98,000 pounds	\$ 2,827.00	\$ 2,917.00
6	100,000 pounds	\$ 2,947.00	\$ 3,037.00
7	102,000 pounds	\$ 3,068.00	\$ 3,158.00
8	104,000 pounds	\$ 3,189.00	\$ 3,279.00
9	105,500 pounds	\$ 3,310.00	\$ 3,400.00

10 (b) For vehicle registrations that are due or become due on or
11 after July 1, 2016, in lieu of the vehicle license fee required under
12 RCW 46.17.350 and before accepting an application for a vehicle
13 registration for motor vehicles described in RCW 46.16A.455, the
14 department, county auditor or other agent, or subagent appointed by
15 the director (~~shall~~) must require the applicant, unless
16 specifically exempt, to pay the following license fee by weight:

17	WEIGHT	SCHEDULE	SCHEDULE
18		A	B
19	4,000 pounds	\$ 53.00	\$ 53.00
20	6,000 pounds	\$ 73.00	\$ 73.00
21	8,000 pounds	\$ 93.00	\$ 93.00
22	10,000 pounds	\$ 93.00	\$ 93.00
23	12,000 pounds	\$ 81.00	\$ 81.00
24	14,000 pounds	\$ 88.00	\$ 88.00
25	16,000 pounds	\$ 100.00	\$ 100.00
26	18,000 pounds	\$ 152.00	\$ 152.00
27	20,000 pounds	\$ 169.00	\$ 169.00
28	22,000 pounds	\$ 183.00	\$ 183.00
29	24,000 pounds	\$ 198.00	\$ 198.00
30	26,000 pounds	\$ 209.00	\$ 209.00
31	28,000 pounds	\$ 247.00	\$ 247.00
32	30,000 pounds	\$ 285.00	\$ 285.00
33	32,000 pounds	\$ 344.00	\$ 344.00

1	34,000 pounds	\$ 366.00	\$ 366.00
2	36,000 pounds	\$ 397.00	\$ 397.00
3	38,000 pounds	\$ 436.00	\$ 436.00
4	40,000 pounds	\$ 499.00	\$ 499.00
5	42,000 pounds	\$ 519.00	\$ 609.00
6	44,000 pounds	\$ 530.00	\$ 620.00
7	46,000 pounds	\$ 570.00	\$ 660.00
8	48,000 pounds	\$ 594.00	\$ 684.00
9	50,000 pounds	\$ 645.00	\$ 735.00
10	52,000 pounds	\$ 678.00	\$ 768.00
11	54,000 pounds	\$ 732.00	\$ 822.00
12	56,000 pounds	\$ 773.00	\$ 863.00
13	58,000 pounds	\$ 804.00	\$ 894.00
14	60,000 pounds	\$ 857.00	\$ 947.00
15	62,000 pounds	\$ 919.00	\$ 1,009.00
16	64,000 pounds	\$ 939.00	\$ 1,029.00
17	66,000 pounds	\$ 1,046.00	\$ 1,136.00
18	68,000 pounds	\$ 1,091.00	\$ 1,181.00
19	70,000 pounds	\$ 1,175.00	\$ 1,265.00
20	72,000 pounds	\$ 1,257.00	\$ 1,347.00
21	74,000 pounds	\$ 1,366.00	\$ 1,456.00
22	76,000 pounds	\$ 1,476.00	\$ 1,566.00
23	78,000 pounds	\$ 1,612.00	\$ 1,702.00
24	80,000 pounds	\$ 1,740.00	\$ 1,830.00
25	82,000 pounds	\$ 1,861.00	\$ 1,951.00
26	84,000 pounds	\$ 1,981.00	\$ 2,071.00
27	86,000 pounds	\$ 2,102.00	\$ 2,192.00
28	88,000 pounds	\$ 2,223.00	\$ 2,313.00
29	90,000 pounds	\$ 2,344.00	\$ 2,434.00
30	92,000 pounds	\$ 2,464.00	\$ 2,554.00
31	94,000 pounds	\$ 2,585.00	\$ 2,675.00
32	96,000 pounds	\$ 2,706.00	\$ 2,796.00

1	98,000 pounds	\$ 2,827.00	\$ 2,917.00
2	100,000 pounds	\$ 2,947.00	\$ 3,037.00
3	102,000 pounds	\$ 3,068.00	\$ 3,158.00
4	104,000 pounds	\$ 3,189.00	\$ 3,279.00
5	105,500 pounds	\$ 3,310.00	\$ 3,400.00

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

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

12 (4) The license fees provided in subsection (1) of this section
13 and the freight project fee provided in subsection (6) of this
14 section are in addition to the filing fee required under RCW
15 46.17.005 and any other fee or tax required by law.

16 (5) The license fee based on declared gross weight as provided in
17 subsection (1) of this section must be distributed under RCW
18 46.68.035.

19 (6) For vehicle registrations that are due or become due on or
20 after July 1, 2016, in addition to the license fee based on declared
21 gross weight as provided in subsection (1) of this section, the
22 department, county auditor or other agent, or subagent appointed by
23 the director must require an applicant with a vehicle with a declared
24 gross weight of more than 10,000 pounds, unless specifically exempt,
25 to pay a freight project fee equal to fifteen percent of the license
26 fee provided in subsection (1) of this section, rounded to the
27 nearest whole dollar, which must be distributed under RCW 46.68.035.

28 (7) For vehicle registrations that are due or become due on or
29 after July 1, 2019, in addition to the license fee based on declared
30 gross weight as provided in subsection (1) of this section and the
31 freight project fee as provided in subsection (6) of this section,
32 the department, county auditor or other agent, or subagent appointed
33 by the director must require an applicant with a vehicle with a
34 declared gross weight of more than 10,000 pounds, unless specifically
35 exempt, to pay a freight project fee equal to ten percent of the
36 license fee provided in subsection (1) of this section, rounded to
37 the nearest whole dollar. On July 1, 2021, and on July 1st of each
38 subsequent biennium until the 2029-2031 biennium, the freight project

1 fee imposed under this subsection must be increased by an additional
2 three percent each biennium. All proceeds from the freight project
3 fee imposed pursuant to this subsection (7) must be deposited in the
4 forward Washington account created in section 801 of this act.

5 (8) For vehicle registrations that are due or become due on or
6 after July 1, ((2022)) 2019, in addition to the license fee based on
7 declared gross weight as provided in subsection (1) of this section,
8 the department, county auditor or other agent, or subagent appointed
9 by the director must require an applicant with a vehicle with a
10 declared gross weight of less than or equal to 12,000 pounds, unless
11 specifically exempt, to pay an additional weight fee of ten dollars,
12 which ((must be distributed under RCW 46.68.035)) until June 30,
13 2022, must be deposited in the forward Washington account created in
14 section 801 of this act and must be distributed under RCW 46.68.035
15 after June 30, 2022.

16 (9) For vehicle registrations that are due or become due on or
17 after July 1, 2019, in addition to the license fee based on declared
18 gross weight as provided in subsections (1) and (8) of this section,
19 the department, county auditor or other agent, or subagent appointed
20 by the director must require an applicant with a vehicle with a
21 declared gross weight of less than or equal to 12,000 pounds, unless
22 specifically exempt, to pay an additional weight fee of ten dollars,
23 which must be deposited in the forward Washington account created in
24 section 801 of this act.

25 **Sec. 502.** RCW 46.17.350 and 2014 c 30 s 2 are each amended to
26 read as follows:

27 (1) Before accepting an application for a vehicle registration,
28 the department, county auditor or other agent, or subagent appointed
29 by the director ((shall)) must require the applicant, unless
30 specifically exempt, to pay the following vehicle license fee by
31 vehicle type:

VEHICLE TYPE	INITIAL FEE	RENEWAL FEE	DISTRIBUTED UNDER
(a) Auto stage, six seats or less	\$ 30.00	\$ 30.00	RCW 46.68.030
(b) Camper	\$ 4.90	\$ 3.50	RCW 46.68.030
(c) Commercial trailer	\$ 34.00	\$ 30.00	RCW 46.68.035

1	(d) For hire vehicle, six	\$ 30.00	\$ 30.00	RCW 46.68.030
2	seats or less			
3	(e) Mobile home (if	\$ 30.00	\$ 30.00	RCW 46.68.030
4	registered)			
5	(f) Moped	\$ 30.00	\$ 30.00	RCW 46.68.030
6	(g) Motor home	\$ 30.00	\$ 30.00	RCW 46.68.030
7	(h) Motorcycle	\$ 30.00	\$ 30.00	RCW 46.68.030
8	(i) Off-road vehicle	\$ 18.00	\$ 18.00	RCW 46.68.045
9	(j) Passenger car	\$ 30.00	\$ 30.00	RCW 46.68.030
10	(k) Private use single-axle	\$ 15.00	\$ 15.00	RCW 46.68.035
11	trailer			
12	(l) Snowmobile	\$ 50.00	\$ 50.00	RCW 46.68.350
13	(m) Snowmobile, vintage	\$ 12.00	\$ 12.00	RCW 46.68.350
14	(n) Sport utility vehicle	\$ 30.00	\$ 30.00	RCW 46.68.030
15	(o) Tow truck	\$ 30.00	\$ 30.00	RCW 46.68.030
16	(p) Trailer, over 2000	\$ 30.00	\$ 30.00	RCW 46.68.030
17	pounds			
18	(q) Travel trailer	\$ 30.00	\$ 30.00	RCW 46.68.030
19	(r) Wheeled all-terrain	\$ 12.00	\$ 12.00	RCW 46.09.540
20	vehicle, on-road use			
21	(s) Wheeled all-terrain	\$ 18.00	\$ 18.00	RCW 46.09.510
22	vehicle, off-road use			

23 (2) For a passenger car, before accepting an application for a
24 vehicle registration, the department, county auditor or other agent,
25 or subagent appointed by the director must require the applicant,
26 unless specifically exempt, to pay an additional five dollar vehicle
27 license fee.

28 (3) The vehicle license fee required in subsections (1) and (2)
29 of this section is in addition to the filing fee required under RCW
30 46.17.005, and any other fee or tax required by law.

31 **Sec. 503.** RCW 46.68.030 and 2017 c 313 s 706 are each amended to
32 read as follows:

33 (1) The director (~~shall~~) must forward all fees for vehicle
34 registrations under chapters 46.16A and 46.17 RCW, unless otherwise

1 specified by law, to the state treasurer with a proper identifying
2 detailed report. The state treasurer (~~shall~~) must credit these
3 moneys to the motor vehicle fund created in RCW 46.68.070.

4 (2) Proceeds from vehicle license fees and renewal vehicle
5 license fees must be deposited by the state treasurer as follows:

6 (a) \$23.60 of each initial or renewal vehicle license fee must be
7 deposited in the state patrol highway account in the motor vehicle
8 fund, hereby created. Vehicle license fees, renewal vehicle license
9 fees, and all other funds in the state patrol highway account must be
10 for the sole use of the Washington state patrol for highway
11 activities of the Washington state patrol, subject to proper
12 appropriations and reappropriations.

13 (b) \$2.02 of each initial vehicle license fee and \$0.93 of each
14 renewal vehicle license fee must be deposited each biennium in the
15 Puget Sound ferry operations account.

16 (c) Any remaining amounts of vehicle license fees and renewal
17 vehicle license fees that are not distributed otherwise under this
18 section must be deposited in the motor vehicle fund.

19 (3) During the 2015-2017 fiscal biennium, the legislature may
20 transfer from the state patrol highway account to the connecting
21 Washington account such amounts as reflect the excess fund balance of
22 the state patrol highway account.

23 (4) During the 2017-2019 fiscal biennium, the legislature may
24 direct the state treasurer to make transfers of moneys in the state
25 patrol highway account to the connecting Washington account.

26 (5) Proceeds from the additional five dollar vehicle license fee
27 on passenger cars imposed under RCW 46.17.350(2) must be deposited in
28 the forward Washington account created in section 801 of this act.

29 **Sec. 504.** RCW 46.17.365 and 2015 3rd sp.s. c 44 s 202 are each
30 amended to read as follows:

31 (1) A person applying for a motor vehicle registration and paying
32 the vehicle license fee required in RCW 46.17.350(1) (a), (d), (e),
33 (h), (j), (n), and (o) (~~shall~~) must pay a motor vehicle weight fee
34 in addition to all other fees and taxes required by law.

35 (a) For vehicle registrations that are due or become due before
36 July 1, 2016, the motor vehicle weight fee:

37 (i) Must be based on the motor vehicle scale weight;

1 (ii) Is the difference determined by subtracting the vehicle
2 license fee required in RCW 46.17.350 from the license fee in
3 Schedule B of RCW 46.17.355, plus two dollars; and

4 (iii) Must be distributed under RCW 46.68.415.

5 (b) For vehicle registrations that are due or become due on or
6 after July 1, 2016, the motor vehicle weight fee:

7 (i) Must be based on the motor vehicle scale weight as follows:

8	WEIGHT	FEE
9	4,000 pounds	\$ 25.00
10	6,000 pounds	\$ 45.00
11	8,000 pounds	\$ 65.00
12	16,000 pounds and over	\$ 72.00;

13 (ii) If the resultant motor vehicle scale weight is not listed in
14 the table provided in (b) (i) of this subsection, must be increased to
15 the next highest weight; and

16 (iii) Must be distributed under RCW 46.68.415 unless (~~prior to~~
17 ~~July 1, 2023,~~) the actions described in (b) (iii) (A) or (B) of this
18 subsection occur, in which case the portion of the revenue that is
19 the result of the fee increased in this subsection must be
20 distributed to the connecting Washington account created under RCW
21 46.68.395.

22 (A) Any state agency files a notice of rule making under chapter
23 34.05 RCW for a rule regarding a fuel standard based upon or defined
24 by the carbon intensity of fuel, including a low carbon fuel standard
25 or clean fuel standard.

26 (B) Any state or local agency otherwise enacts, adopts, orders,
27 or in any way implements a fuel standard based upon or defined by the
28 carbon intensity of fuel, including a low carbon fuel standard or
29 clean fuel standard.

30 (C) Nothing in this subsection acknowledges, establishes, or
31 creates legal authority for the department of ecology or any other
32 state or local agency to enact, adopt, order, or in any way implement
33 a fuel standard based upon or defined by the carbon intensity of
34 fuel, including a low carbon fuel standard or clean fuel standard.

35 (2) A person applying for a motor home vehicle registration
36 (~~shall~~) must, in lieu of the motor vehicle weight fee required in
37 subsection (1) of this section, pay a motor home vehicle weight fee
38 of (~~seventy-five~~) one hundred dollars in addition to all other fees

1 and taxes required by law. (~~The motor home vehicle weight fee~~)
2 Twenty-five dollars of the motor home vehicle weight fee must be
3 deposited in the forward flexible account created in section 802 of
4 this act, and the remainder must be distributed under RCW 46.68.415.

5 (3) (~~Beginning July 1, 2022~~) For vehicle registrations that are
6 due or become due on or after July 1, 2019, in addition to the motor
7 vehicle weight fee as provided in subsection (1) of this section, the
8 department, county auditor or other agent, or subagent appointed by
9 the director must require an applicant to pay an additional weight
10 fee of ten dollars, which until June 30, 2022, must be deposited in
11 the forward flexible account created in section 802 of this act and
12 after June 30, 2022, must be distributed to the multimodal
13 transportation account under RCW 47.66.070 unless (~~prior to July 1,~~
14 2023,)) the actions described in (a) or (b) of this subsection occur,
15 in which case the portion of the revenue that is the result of the
16 fee increased in this subsection must be distributed to the
17 (~~connecting Washington account created under RCW 46.68.395~~) forward
18 Washington account created under section 801 of this act.

19 (a) Any state agency files a notice of rule making under chapter
20 34.05 RCW for a rule regarding a fuel standard based upon or defined
21 by the carbon intensity of fuel, including a low carbon fuel standard
22 or clean fuel standard.

23 (b) Any state or local agency otherwise enacts, adopts, orders,
24 or in any way implements a fuel standard based upon or defined by the
25 carbon intensity of fuel, including a low carbon fuel standard or
26 clean fuel standard.

27 (c) Nothing in this subsection acknowledges, establishes, or
28 creates legal authority for the department of ecology or any other
29 state or local agency to enact, adopt, order, or in any way implement
30 a fuel standard based upon or defined by the carbon intensity of
31 fuel, including a low carbon fuel standard or clean fuel standard.

32 (4) For vehicle registrations that are due or become due on or
33 after July 1, 2019, in addition to the motor vehicle weight fee as
34 provided in subsections (1) and (3) of this section, the department,
35 county auditor or other agent, or subagent appointed by the director
36 must require an applicant to pay an additional weight fee of ten
37 dollars, which must be deposited in the forward flexible account
38 created in section 802 of this act, unless the actions described in
39 subsection (3)(a) or (b) of this section occur, in which case the
40 portion of the revenue that is the result of the fee increased in

1 this subsection must be distributed to the forward Washington account
2 created under section 801 of this act.

3 (5) The department (~~shall~~) must:

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

7 (b) Adopt rules for determining weight for vehicles without
8 manufacturer empty scale weights.

9 **Sec. 505.** RCW 46.17.400 and 2011 c 171 s 62 are each amended to
10 read as follows:

11 (1) Before accepting an application for one of the following
12 permits, the department, county auditor or other agent, or subagent
13 appointed by the director (~~shall~~) must require the applicant to pay
14 the following permit fee by permit type in addition to any other fee
15 or tax required by law:

PERMIT TYPE	FEE	AUTHORITY	DISTRIBUTION
(a) Dealer temporary	\$ 15.00	RCW 46.16A.300	RCW 46.68.030
(b) Department temporary	\$.50	RCW 46.16A.305	RCW 46.68.450
(c) Farm vehicle trip	\$ 6.25	RCW 46.16A.330	RCW 46.68.035
(d) Nonresident military	\$ 10.00	RCW 46.16A.340	RCW 46.68.070
(e) Nonresident temporary snowmobile	\$ 5.00	RCW 46.10.450	RCW 46.68.350
(f) Special fuel trip	\$ 30.00	RCW 82.38.100	RCW 46.68.460
(g) Temporary ORV use	\$ 7.00	RCW 46.09.430	RCW 46.68.045
(h) Vehicle trip	((25.00)) \$ <u>45.00</u>	RCW 46.16A.320	RCW 46.68.455

29 (2) Permit fees as provided in subsection (1) of this section are
30 in addition to the filing fee required under RCW 46.17.005, except an
31 additional filing fee may not be charged for:

- 32 (a) Dealer temporary permits;
33 (b) Special fuel trip permits; and
34 (c) Vehicle trip permits.

35 (3) Five dollars of the fifteen dollar dealer temporary permit
36 fee provided in subsection (1)(a) of this section must be credited to

1 the payment of vehicle license fees at the time application for
2 registration is made. The remainder must be deposited to the state
3 patrol highway account created in RCW 46.68.030.

4 **Sec. 506.** RCW 46.68.455 and 2011 c 171 s 89 are each amended to
5 read as follows:

6 (1) The vehicle trip permit fee imposed under RCW 46.17.400(1)(h)
7 must be distributed as follows:

8 ~~((1))~~ (a) Five dollars to the state patrol highway account for
9 commercial motor vehicle inspections;

10 ~~((2))~~ (b) Five dollars to the motor vehicle fund created in RCW
11 46.68.070 to be distributed as follows:

12 ~~((a))~~ (i) If paid by motor carriers, to be used for supporting
13 vehicle weigh stations, weigh-in-motion programs, and the commercial
14 vehicle information systems and networks programs; and

15 ~~((b))~~ (ii) If paid by a person other than a motor carrier, to
16 be used for supporting congestion relief programs;

17 ~~((3))~~ (c) A one dollar excise tax to the state general fund;

18 ~~((4))~~ (d) The amount of the filing fee imposed under RCW
19 46.17.005(1) to be credited as required under RCW 46.68.400; ~~(and~~

20 ~~(5))~~ (e) Twenty dollars to the forward Washington account
21 created in section 801 of this act; and

22 (f) The remainder to the credit of the motor vehicle fund created
23 in RCW 46.68.070 as an administrative fee.

24 (2) The administrative fee must be increased or decreased in an
25 equal amount if the amount of the filing fee imposed under RCW
26 46.17.005(1) increases or decreases, so that the total trip permit
27 fee is adjusted equally to compensate.

28 **Sec. 507.** RCW 82.38.110 and 2013 c 225 s 113 are each amended to
29 read as follows:

30 (1) Application for a license must be made to the department. The
31 application must be filed in a manner prescribed by the department
32 and must contain information the department requires. For purposes of
33 this section, the term "applicant" has the same meaning as "person"
34 as provided in RCW 82.38.020.

35 (2) An application for a license other than an application for a
36 dyed special fuel user or international fuel tax agreement license
37 must contain the following information to the extent it applies to
38 the applicant:

1 (a) Proof the department may require concerning the applicant's
2 identity;

3 (b) The applicant's business structure and place of business,
4 including proof the applicant is licensed to conduct business in this
5 state;

6 (c) The employment history of the applicant and partner, officer,
7 or director;

8 (d) A bank reference and whether the applicant or partner,
9 officer, or director has ever been adjudged bankrupt or has an
10 unsatisfied judgment;

11 (e) Whether the applicant or partner, officer, or director has
12 been convicted of a crime or suffered a civil judgment directly
13 related to the distribution and sale of fuel within the last ten
14 years.

15 (3) An applicant must identify each state, province, or country
16 the applicant intends to import fuel from by means other than bulk
17 transfer and must maintain the appropriate license required of each
18 state, province, or country.

19 (4) An applicant must identify each state, province, or country
20 the applicant intends to export fuel to by means other than bulk
21 transfer and must maintain the appropriate license required of each
22 state, province, or country.

23 (5) An applicant for a fuel supplier or terminal operator license
24 must have the appropriate federal certificate of registry issued by
25 the internal revenue service for the activity in which the applicant
26 is engaging.

27 (6) An applicant must submit a surety bond in an amount, form,
28 and manner set by the department. In lieu of a bond, a licensed
29 distributor may provide evidence to the department of sufficient
30 assets to adequately meet fuel tax payments, penalties, interest, or
31 other obligations arising out of this chapter.

32 (7) An application for a dyed special fuel user license must be
33 made in a manner prescribed by the department.

34 (8) An application for an international fuel tax agreement
35 license must be made in a manner prescribed by the department. A fee
36 of (~~ten dollars~~) thirty-two dollars and fifty cents per set of
37 international fuel tax agreement decals issued to each applicant or
38 licensee must be charged. Of this amount, twenty-two dollars and
39 fifty cents must be deposited into the forward Washington account
40 created in section 801 of this act.

1 (9) For the purpose of considering any application for a license,
2 the department may inspect, cause an inspection, investigate, or
3 cause an investigation of the records of this or any other state,
4 Canadian province, country, or the federal government to ascertain
5 the veracity of the information on the application and the
6 applicant's criminal, civil, and licensing history.

7 **Part VI**

8 **Enhanced Driver's License Fees, Electric Vehicle Fees, For-Hire**
9 **Vehicle Fees**

10 **Sec. 601.** RCW 46.20.202 and 2017 c 310 s 3 are each amended to
11 read as follows:

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

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

19 (3)(a) The department may issue an enhanced driver's license or
20 identicard for the purposes of crossing the border between the state
21 of Washington and the Canadian province of British Columbia to an
22 applicant who provides the department with proof of: United States
23 citizenship, identity, and state residency. The department (~~shall~~)
24 must continue to offer a standard driver's license and identicard. If
25 the department chooses to issue an enhanced driver's license, the
26 department must allow each applicant to choose between a standard
27 driver's license or identicard, or an enhanced driver's license or
28 identicard.

29 (b) The department (~~shall~~) must implement a one-to-many
30 biometric matching system for the enhanced driver's license or
31 identicard. An applicant for an enhanced driver's license or
32 identicard (~~shall~~) must submit a biometric identifier as designated
33 by the department. The biometric identifier must be used solely for
34 the purpose of verifying the identity of the holders and for any
35 purpose set out in RCW 46.20.037. Applicants are required to sign a
36 declaration acknowledging their understanding of the one-to-many
37 biometric match.

1 (c) The enhanced driver's license or identicard must include
2 reasonable security measures to protect the privacy of Washington
3 state residents, including reasonable safeguards to protect against
4 unauthorized disclosure of data about Washington state residents. If
5 the enhanced driver's license or identicard includes a radio
6 frequency identification chip, or similar technology, the department
7 (~~shall~~) must ensure that the technology is encrypted or otherwise
8 secure from unauthorized data access.

9 (d) The requirements of this subsection are in addition to the
10 requirements otherwise imposed on applicants for a driver's license
11 or identicard. The department (~~shall~~) must adopt such rules as
12 necessary to meet the requirements of this subsection. From time to
13 time the department (~~shall~~) must review technological innovations
14 related to the security of identity cards and amend the rules related
15 to enhanced driver's licenses and identicards as the director deems
16 consistent with this section and appropriate to protect the privacy
17 of Washington state residents.

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

22 (4) Beginning on July 23, 2017, and until September 30, 2020, the
23 fee for an enhanced driver's license or enhanced identicard is
24 twenty-four dollars, which is in addition to the fees for any regular
25 driver's license or identicard. Beginning October 1, 2020, the fee
26 for an enhanced driver's license or enhanced identicard is fifty-four
27 dollars, which is in addition to the fees for any regular driver's
28 license or identicard. Beginning July 23, 2017, and until September
29 30, 2020, if the enhanced driver's license or enhanced identicard is
30 issued, renewed, or extended for a period other than six years, the
31 fee for each class is four dollars for each year that the enhanced
32 driver's license or enhanced identicard is issued, renewed, or
33 extended. Beginning October 1, 2020, if the enhanced driver's license
34 or enhanced identicard is issued, renewed, or extended for a period
35 other than six years, the fee for each class is nine dollars for each
36 year that the enhanced driver's license or enhanced identicard is
37 issued, renewed, or extended.

38 (5)(a) The first twenty-four dollars of the enhanced driver's
39 license and enhanced identicard fee under this section must be
40 deposited into the highway safety fund unless (~~prior to July 1,~~

1 ~~2023,~~) the actions described in (a)(i) or (~~(b)~~) (ii) of this
2 subsection occur, in which case the portion of the revenue that is
3 the result of the fee increased in section 209, chapter 44, Laws of
4 2015 3rd sp. sess. must be distributed to the (~~connecting Washington~~
5 ~~account created under RCW 46.68.395~~) forward Washington account
6 created under section 801 of this act.

7 (~~(a)~~) (i) Any state agency files a notice of rule making under
8 chapter 34.05 RCW for a rule regarding a fuel standard based upon or
9 defined by the carbon intensity of fuel, including a low carbon fuel
10 standard or clean fuel standard.

11 (~~(b)~~) (ii) Any state or local agency otherwise enacts, adopts,
12 orders, or in any way implements a fuel standard based upon or
13 defined by the carbon intensity of fuel, including a low carbon fuel
14 standard or clean fuel standard.

15 (~~(c)~~) (iii) Nothing in this subsection acknowledges,
16 establishes, or creates legal authority for the department of ecology
17 or any other state or local agency to enact, adopt, order, or in any
18 way implement a fuel standard based upon or defined by the carbon
19 intensity of fuel, including a low carbon fuel standard or clean fuel
20 standard.

21 (b) Thirty dollars of the enhanced driver's license and enhanced
22 identocard fee under this section must be deposited into the forward
23 flexible account created in section 802 of this act unless the
24 actions described in (a)(i) or (ii) of this subsection occur, in
25 which case the portion of the revenue that is the result of the fee
26 increased in this subsection must be distributed to the forward
27 Washington account created under section 801 of this act.

28 **Sec. 602.** RCW 46.68.041 and 2004 c 95 s 15 are each amended to
29 read as follows:

30 (1) Except as provided in subsection (2) of this section and RCW
31 46.20.202(5), the department (~~shall~~) must forward all funds
32 accruing under the provisions of chapter 46.20 RCW together with a
33 proper identifying, detailed report to the state treasurer who
34 (~~shall~~) must deposit such moneys to the credit of the highway
35 safety fund.

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

1 **Sec. 603.** RCW 46.17.323 and 2015 3rd sp.s. c 44 s 203 are each
2 amended to read as follows:

3 (1) Before accepting an application for an annual vehicle
4 registration renewal for a vehicle that both (a) uses at least one
5 method of propulsion that is capable of being reenergized by an
6 external source of electricity and (b) is capable of traveling at
7 least thirty miles using only battery power, the department, county
8 auditor or other agent, or subagent appointed by the director must
9 require the applicant to pay a one hundred dollar fee in addition to
10 any other fees and taxes required by law. The one hundred dollar fee
11 is due only at the time of annual registration renewal.

12 (2) This section only applies to a vehicle that is designed to
13 have the capability to drive at a speed of more than thirty-five
14 miles per hour.

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

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

26 (i) Seventy percent to the motor vehicle fund created in RCW
27 46.68.070;

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

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

32 (4)(a) In addition to the fee established in subsection (1) of
33 this section, before accepting an application for an annual vehicle
34 registration renewal for a vehicle that both (i) uses at least one
35 method of propulsion that is capable of being reenergized by an
36 external source of electricity and (ii) is capable of traveling at
37 least thirty miles using only battery power, the department, county
38 auditor or other agent, or subagent appointed by the director must
39 require the applicant to pay a fifty dollar fee.

1 (b) The fee required under (a) of this subsection must be
2 distributed as follows:

3 (i) The first one million dollars raised by the fee must be
4 deposited into the multimodal transportation account created in RCW
5 47.66.070; and

6 (ii) Any remaining amounts must be deposited into the motor
7 vehicle fund created in RCW 46.68.070.

8 (5)(a) In addition to the fee established in subsections (1) and
9 (4) of this section, before accepting an application for an annual
10 vehicle registration renewal for a vehicle that both (i) uses at
11 least one method of propulsion that is capable of being reenergized
12 by an external source of electricity and (ii) is capable of traveling
13 at least thirty miles using only battery power, the department,
14 county auditor or other agent, or subagent appointed by the director
15 must require the applicant to pay a two hundred dollar fee.

16 (b) The fee required under (a) of this subsection must be
17 deposited into the forward Washington account created in section 801
18 of this act.

19 (6) This section applies to annual vehicle registration renewals
20 until the effective date of enacted legislation that imposes a
21 vehicle miles traveled fee or tax.

22 NEW SECTION. Sec. 604. A new section is added to chapter 46.01
23 RCW to read as follows:

24 (1) Beginning July 1, 2019, the department must charge a fifty
25 cent per trip fee on prearranged and nonprearranged rides by for-hire
26 vehicles operating in the state of Washington.

27 (2) The director must adopt rules to implement this section. The
28 rules may include, but are not limited to, the:

29 (a) Administration, enforcement, and collection of the fee in the
30 most efficient manner deemed by the director;

31 (b) Imposition of audit requirements to ensure compliance;

32 (c) Establishment of penalties on drivers and companies for
33 noncompliance; and

34 (d) Implementation of cooperative arrangements with cities,
35 counties, or port districts for the collection and remittance of this
36 fee.

37 (3) All revenues generated under this section must be deposited
38 into the forward flexible account created in section 802 of this act.

1 (4) The definitions in this subsection apply throughout this
2 section unless the context clearly requires otherwise.

3 (a) "For-hire vehicle" means vehicles used for the transportation
4 of passengers for compensation including, taxicab transportation
5 services provided under chapter 46.72 or 81.72 RCW, or a
6 transportation network company driver providing prearranged trips
7 through a digital network. The term excludes auto stages, school
8 buses operating exclusively under a contract to a school district,
9 ride-sharing vehicles under chapter 46.74 RCW, limousine carriers
10 licensed under chapter 46.72A RCW, vehicles used by nonprofit
11 transportation providers for elderly or persons with disabilities and
12 their attendants under chapter 81.66 RCW, vehicles used by auto
13 transportation companies licensed under chapter 81.68 RCW, vehicles
14 used to provide courtesy transportation at no charge to and from
15 parking lots, hotels, and rental offices, and vehicles used by
16 charter party carriers of passengers and excursion service carriers
17 licensed under chapter 81.70 RCW.

18 (b) "Transportation network company" means a corporation,
19 partnership, sole proprietorship, or other entity that is operating
20 in Washington state and uses a digital network to connect
21 transportation network company riders to transportation network
22 company drivers who provide prearranged rides.

23 (c) "Transportation network company driver" means an individual
24 who:

25 (i) Receives connections to potential transportation network
26 company riders and related services from a transportation network
27 company; and

28 (ii) Uses a transportation network company vehicle to offer or
29 provide a prearranged ride to transportation network company riders
30 upon connection through a digital network controlled by a
31 transportation network company in exchange for compensation or
32 payment of a fee.

33 Part VII

34 High Occupancy Vehicle Lane and Toll Violation Provisions and Capital 35 Vessel Surcharge

36 **Sec. 701.** RCW 46.61.165 and 2013 c 26 s 2 are each amended to
37 read as follows:

1 (1) The state department of transportation and the local
2 authorities are authorized to reserve all or any portion of any
3 highway under their respective jurisdictions, including any
4 designated lane or ramp, for the exclusive or preferential use of one
5 or more of the following: (a) Public transportation vehicles; (b)
6 motorcycles; (c) private motor vehicles carrying no fewer than a
7 specified number of passengers; or (d) the following private
8 transportation provider vehicles if the vehicle has the capacity to
9 carry eight or more passengers, regardless of the number of
10 passengers in the vehicle, and if such use does not interfere with
11 the efficiency, reliability, and safety of public transportation
12 operations: (i) Auto transportation company vehicles regulated under
13 chapter 81.68 RCW; (ii) passenger charter carrier vehicles regulated
14 under chapter 81.70 RCW, except marked or unmarked stretch limousines
15 and stretch sport utility vehicles as defined under department of
16 licensing rules; (iii) private nonprofit transportation provider
17 vehicles regulated under chapter 81.66 RCW; and (iv) private employer
18 transportation service vehicles, when such limitation will increase
19 the efficient utilization of the highway or will aid in the
20 conservation of energy resources.

21 (2) Any transit-only lanes that allow other vehicles to access
22 abutting businesses that are authorized pursuant to subsection (1) of
23 this section may not be authorized for the use of private
24 transportation provider vehicles as described under subsection (1) of
25 this section.

26 (3) The state department of transportation and the local
27 authorities authorized to reserve all or any portion of any highway
28 under their respective jurisdictions, for exclusive or preferential
29 use, may prohibit the use of a high occupancy vehicle lane by the
30 following private transportation provider vehicles: (a) Auto
31 transportation company vehicles regulated under chapter 81.68 RCW;
32 (b) passenger charter carrier vehicles regulated under chapter 81.70
33 RCW, and marked or unmarked limousines and stretch sport utility
34 vehicles as defined under department of licensing rules; (c) private
35 nonprofit transportation provider vehicles regulated under chapter
36 81.66 RCW; and (d) private employer transportation service vehicles,
37 when the average transit speed in the high occupancy vehicle lane
38 fails to meet department of transportation standards and falls below
39 forty-five miles per hour at least ninety percent of the time during

1 the peak hours, as determined by the department of transportation or
2 the local authority, whichever operates the facility.

3 (4) Regulations authorizing such exclusive or preferential use of
4 a highway facility may be declared to be effective at all times or at
5 specified times of day or on specified days. Violation of a
6 restriction of highway usage prescribed by the appropriate authority
7 under this section is a traffic infraction. A person found to have
8 committed a traffic infraction under this section is also subject to
9 a separate monetary penalty as defined in RCW 46.63.110(11). The
10 additional monetary penalty is separate from the base penalty and
11 assessments issued for the traffic infraction and is intended to
12 raise awareness and improve the efficiency of the high occupancy
13 vehicle lane system.

14 (5) Local authorities are encouraged to establish a process for
15 private transportation providers, as described under subsections (1)
16 and (3) of this section, to apply for the use of public
17 transportation facilities reserved for the exclusive or preferential
18 use of public transportation vehicles. The application and review
19 processes should be uniform and should provide for an expeditious
20 response by the local authority. Whenever practicable, local
21 authorities should enter into agreements with such private
22 transportation providers to allow for the reasonable use of these
23 facilities.

24 (6) For the purposes of this section, "private employer
25 transportation service" means regularly scheduled, fixed-route
26 transportation service that is similarly marked or identified to
27 display the business name or logo on the driver and passenger sides
28 of the vehicle, meets the annual certification requirements of the
29 department of transportation, and is offered by an employer for the
30 benefit of its employees.

31 **Sec. 702.** RCW 46.63.110 and 2012 c 82 s 1 are each amended to
32 read as follows:

33 (1) A person found to have committed a traffic infraction
34 (~~shall~~) must be assessed a monetary penalty. No penalty may exceed
35 two hundred and fifty dollars for each offense unless authorized by
36 this chapter or title.

37 (2) The monetary penalty for a violation of (a) RCW 46.55.105(2)
38 is two hundred fifty dollars for each offense; (b) RCW 46.61.210(1)

1 is five hundred dollars for each offense. No penalty assessed under
2 this subsection (2) may be reduced.

3 (3) The supreme court (~~shall~~) must prescribe by rule a schedule
4 of monetary penalties for designated traffic infractions. This rule
5 (~~shall~~) must also specify the conditions under which local courts
6 may exercise discretion in assessing fines and penalties for traffic
7 infractions. The legislature respectfully requests the supreme court
8 to adjust this schedule every two years for inflation.

9 (4) There (~~shall be~~) is a penalty of twenty-five dollars for
10 failure to respond to a notice of traffic infraction except where the
11 infraction relates to parking as defined by local law, ordinance,
12 regulation, or resolution or failure to pay a monetary penalty
13 imposed pursuant to this chapter. A local legislative body may set a
14 monetary penalty not to exceed twenty-five dollars for failure to
15 respond to a notice of traffic infraction relating to parking as
16 defined by local law, ordinance, regulation, or resolution. The local
17 court, whether a municipal, police, or district court, (~~shall~~) must
18 impose the monetary penalty set by the local legislative body.

19 (5) Monetary penalties provided for in chapter 46.70 RCW
20 (~~which~~) that are civil in nature and penalties (~~which~~) that may
21 be assessed for violations of chapter 46.44 RCW relating to size,
22 weight, and load of motor vehicles are not subject to the limitation
23 on the amount of monetary penalties (~~which~~) that may be imposed
24 pursuant to this chapter.

25 (6) Whenever a monetary penalty, fee, cost, assessment, or other
26 monetary obligation is imposed by a court under this chapter, it is
27 immediately payable and is enforceable as a civil judgment under
28 Title 6 RCW. If the court determines, in its discretion, that a
29 person is not able to pay a monetary obligation in full, and not more
30 than one year has passed since the later of July 1, 2005, or the date
31 the monetary obligation initially became due and payable, the court
32 (~~shall~~) must enter into a payment plan with the person, unless the
33 person has previously been granted a payment plan with respect to the
34 same monetary obligation, or unless the person is in noncompliance of
35 any existing or prior payment plan, in which case the court may, at
36 its discretion, implement a payment plan. If the court has notified
37 the department that the person has failed to pay or comply and the
38 person has subsequently entered into a payment plan and made an
39 initial payment, the court (~~shall~~) must notify the department that
40 the infraction has been adjudicated, and the department (~~shall~~)

1 must rescind any suspension of the person's driver's license or
2 driver's privilege based on failure to respond to that infraction.
3 "Payment plan," as used in this section, means a plan that requires
4 reasonable payments based on the financial ability of the person to
5 pay. The person may voluntarily pay an amount at any time in addition
6 to the payments required under the payment plan.

7 (a) If a payment required to be made under the payment plan is
8 delinquent or the person fails to complete a community restitution
9 program on or before the time established under the payment plan,
10 unless the court determines good cause therefor and adjusts the
11 payment plan or the community restitution plan accordingly, the court
12 may refer the unpaid monetary penalty, fee, cost, assessment, or
13 other monetary obligation for civil enforcement until all monetary
14 obligations, including those imposed under subsections (3) and (4) of
15 this section, have been paid, and court authorized community
16 restitution has been completed, or until the court has entered into a
17 new time payment or community restitution agreement with the person.
18 For those infractions subject to suspension under RCW 46.20.289, the
19 court (~~shall~~) must notify the department of the person's failure to
20 meet the conditions of the plan, and the department (~~shall~~) must
21 suspend the person's driver's license or driving privileges.

22 (b) If a person has not entered into a payment plan with the
23 court and has not paid the monetary obligation in full on or before
24 the time established for payment, the court may refer the unpaid
25 monetary penalty, fee, cost, assessment, or other monetary obligation
26 to a collections agency until all monetary obligations have been
27 paid, including those imposed under subsections (3) and (4) of this
28 section, or until the person has entered into a payment plan under
29 this section. For those infractions subject to suspension under RCW
30 46.20.289, the court (~~shall~~) must notify the department of the
31 person's delinquency, and the department (~~shall~~) must suspend the
32 person's driver's license or driving privileges.

33 (c) If the payment plan is to be administered by the court, the
34 court may assess the person a reasonable administrative fee to be
35 wholly retained by the city or county with jurisdiction. The
36 administrative fee (~~shall~~) may not exceed ten dollars per
37 infraction or twenty-five dollars per payment plan, whichever is
38 less.

39 (d) Nothing in this section precludes a court from contracting
40 with outside entities to administer its payment plan system. When

1 outside entities are used for the administration of a payment plan,
2 the court may assess the person a reasonable fee for such
3 administrative services, which fee may be calculated on a periodic,
4 percentage, or other basis.

5 (e) If a court authorized community restitution program for
6 offenders is available in the jurisdiction, the court may allow
7 conversion of all or part of the monetary obligations due under this
8 section to court authorized community restitution in lieu of time
9 payments if the person is unable to make reasonable time payments.

10 (7) In addition to any other penalties imposed under this section
11 and not subject to the limitation of subsection (1) of this section,
12 a person found to have committed a traffic infraction (~~shall~~) must
13 be assessed:

14 (a) A fee of five dollars per infraction. Under no circumstances
15 (~~shall~~) may this fee be reduced or waived. Revenue from this fee
16 (~~shall~~) must be forwarded to the state treasurer for deposit in the
17 emergency medical services and trauma care system trust account under
18 RCW 70.168.040;

19 (b) A fee of ten dollars per infraction. Under no circumstances
20 (~~shall~~) may this fee be reduced or waived. Revenue from this fee
21 (~~shall~~) must be forwarded to the state treasurer for deposit in the
22 Washington auto theft prevention authority account; and

23 (c) A fee of two dollars per infraction. Revenue from this fee
24 (~~shall~~) must be forwarded to the state treasurer for deposit in the
25 traumatic brain injury account established in RCW 74.31.060.

26 (8)(a) In addition to any other penalties imposed under this
27 section and not subject to the limitation of subsection (1) of this
28 section, a person found to have committed a traffic infraction other
29 than of RCW 46.61.527 or 46.61.212 (~~shall~~) must be assessed an
30 additional penalty of twenty dollars. The court may not reduce,
31 waive, or suspend the additional penalty unless the court finds the
32 offender to be indigent. If a court authorized community restitution
33 program for offenders is available in the jurisdiction, the court
34 (~~shall~~) must allow offenders to offset all or a part of the penalty
35 due under this subsection (8) by participation in the court
36 authorized community restitution program.

37 (b) Eight dollars and fifty cents of the additional penalty under
38 (a) of this subsection (~~shall~~) must be remitted to the state
39 treasurer. The remaining revenue from the additional penalty must be
40 remitted under chapters 2.08, 3.46, 3.50, 3.62, 10.82, and 35.20 RCW.

1 Money remitted under this subsection to the state treasurer must be
2 deposited in the state general fund. The balance of the revenue
3 received by the county or city treasurer under this subsection must
4 be deposited into the county or city current expense fund. Moneys
5 retained by the city or county under this subsection (~~shall~~)
6 constitute reimbursement for any liabilities under RCW 43.135.060.

7 (9) If a legal proceeding, such as garnishment, has commenced to
8 collect any delinquent amount owed by the person for any penalty
9 imposed by the court under this section, the court may, at its
10 discretion, enter into a payment plan.

11 (10) The monetary penalty for violating RCW 46.37.395 is: (a) Two
12 hundred fifty dollars for the first violation; (b) five hundred
13 dollars for the second violation; and (c) seven hundred fifty dollars
14 for each violation thereafter.

15 (11)(a) Whenever a person commits a traffic infraction as
16 provided in RCW 46.61.165(4), an additional monetary penalty must be
17 collected as follows:

18 (i) One hundred seventy-five dollars for the first offense;

19 (ii) Two hundred fifty dollars for the second offense; and

20 (iii) Three hundred fifty dollars for the third and subsequent
21 offenses.

22 (b) The monetary penalty under this subsection (11) is an
23 additional, separate, and distinct penalty from the base penalty and
24 is not subject to the assessments provided in this section and under
25 RCW 3.62.090 and 2.68.040. The monetary penalty under this subsection
26 (11) must be deposited into the forward flexible account created in
27 section 802 of this act. The monetary penalty under this subsection
28 (11) may not be waived or reduced by the court.

29 **Sec. 703.** RCW 3.62.090 and 2004 c 15 s 5 are each amended to
30 read as follows:

31 (1) There (~~shall be~~) is assessed and collected in addition to
32 any fines, forfeitures, or penalties assessed, other than for parking
33 infractions, by all courts organized under Title 3 or 35 RCW a public
34 safety and education assessment equal to seventy percent of such
35 fines, forfeitures, or penalties, which (~~shall~~) must be remitted as
36 provided in chapters 3.46, 3.50, 3.62, and 35.20 RCW. The assessment
37 required by this section (~~shall~~) may not be suspended or waived by
38 the court.

1 (2) There (~~shall be~~) is assessed and collected in addition to
2 any fines, forfeitures, or penalties assessed, other than for parking
3 infractions and for fines levied under RCW 46.61.5055, and in
4 addition to the public safety and education assessment required under
5 subsection (1) of this section, by all courts organized under Title 3
6 or 35 RCW, an additional public safety and education assessment equal
7 to fifty percent of the public safety and education assessment
8 required under subsection (1) of this section, which (~~shall~~) must
9 be remitted to the state treasurer and deposited as provided in RCW
10 43.08.250. The additional assessment required by this subsection
11 (~~shall~~) may not be suspended or waived by the court.

12 (3) This section does not apply to:

13 (a) The fee imposed under RCW 46.63.110(7) (~~(7)~~);

14 (b) The penalty imposed under RCW 46.63.110(8) (~~(7-08)~~);

15 (c) The penalty assessment imposed under RCW 10.99.080; or

16 (d) The additional monetary penalty under RCW 46.63.110(11).

17 **Sec. 704.** RCW 2.68.040 and 1994 c 8 s 2 are each amended to read
18 as follows:

19 (1) To support the judicial information system account provided
20 for in RCW 2.68.020, the supreme court may provide by rule for an
21 increase in fines, penalties, and assessments, and the increased
22 amount (~~shall~~) must be forwarded to the state treasurer for deposit
23 in the account:

24 (a) Pursuant to the authority of RCW 46.63.110(~~(2)~~) (3), the
25 sum of ten dollars to any penalty collected by a court pursuant to
26 supreme court infraction rules for courts of limited jurisdiction;

27 (b) Pursuant to RCW 3.62.060, a mandatory appearance cost in the
28 initial sum of ten dollars to be assessed on all defendants; and

29 (c) Pursuant to RCW 46.63.110(~~(5)~~) (6), a ten-dollar assessment
30 for each account for which a person requests a time payment schedule.

31 (2) Notwithstanding a provision of law or rule to the contrary,
32 the assessments provided for in this section may not be waived or
33 suspended and (~~shall~~) must be immediately due and payable upon
34 forfeiture, conviction, deferral of prosecution, or request for time
35 payment, as each (~~shall~~) occurs.

36 (3) The supreme court is requested to adjust these assessments
37 for inflation.

38 (4) This section does not apply to the additional monetary
39 penalty in RCW 46.63.110(11).

1 **Sec. 705.** RCW 47.60.315 and 2011 1st sp.s. c 16 s 3 are each
2 amended to read as follows:

3 (1) The commission (~~shall~~) must adopt fares and pricing
4 policies by rule, under chapter 34.05 RCW, according to the following
5 schedule:

6 (a) Each year the department (~~shall~~) must provide the
7 commission a report of its review of fares and pricing policies, with
8 recommendations for the revision of fares and pricing policies for
9 the ensuing year;

10 (b) By September 1st of each year, beginning in 2008, the
11 commission (~~shall~~) must adopt by rule fares and pricing policies
12 for the ensuing year.

13 (2) The commission may adopt by rule fares that are effective for
14 more or less than one year for the purposes of transitioning to the
15 fare schedule in subsection (1) of this section.

16 (3) The commission may increase ferry fares included in the
17 schedule of charges adopted under this section by a percentage that
18 exceeds the fiscal growth factor.

19 (4) The chief executive officer of the ferry system may authorize
20 the use of promotional, discounted, and special event fares to the
21 general public and commercial enterprises for the purpose of
22 maximizing capacity use and the revenues collected by the ferry
23 system. The department (~~shall~~) must report to the commission a
24 summary of the promotional, discounted, and special event fares
25 offered during each fiscal year and the financial results from these
26 activities.

27 (5) Fare revenues and other revenues deposited in the Puget Sound
28 ferry operations account created in RCW 47.60.530 may not be used to
29 support the Puget Sound capital construction account created in RCW
30 47.60.505, unless the support for capital is separately identified in
31 the fare.

32 (6) The commission may not raise fares until the fare rules
33 contain pricing policies developed under RCW 47.60.290, or September
34 1, 2009, whichever is later.

35 (7) The commission (~~shall~~) must impose a vessel replacement
36 surcharge of twenty-five cents on every one-way and round-trip ferry
37 fare sold, including multiride and monthly pass fares (~~(.---This~~
38 ~~surcharge)), which must be deposited into the capital vessel
39 replacement account created under RCW 47.60.322.~~

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

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

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

25 (a) The following accounts and funds shall receive their
26 proportionate share of earnings based upon each account's and fund's
27 average daily balance for the period: The abandoned recreational
28 vehicle disposal account, the aeronautics account, the aircraft
29 search and rescue account, the Alaskan Way viaduct replacement
30 project account, the brownfield redevelopment trust fund account, the
31 budget stabilization account, the capital vessel replacement account,
32 the capitol building construction account, the Cedar River channel
33 construction and operation account, the Central Washington University
34 capital projects account, the charitable, educational, penal and
35 reformatory institutions account, the Chehalis basin account, the
36 cleanup settlement account, the Columbia river basin water supply
37 development account, the Columbia river basin taxable bond water
38 supply development account, the Columbia river basin water supply
39 revenue recovery account, the common school construction fund, the
40 community forest trust account, the connecting Washington account,

1 the county arterial preservation account, the county criminal justice
2 assistance account, the deferred compensation administrative account,
3 the deferred compensation principal account, the department of
4 licensing services account, the department of licensing tuition
5 recovery trust fund, the department of retirement systems expense
6 account, the developmental disabilities community trust account, the
7 diesel idle reduction account, the drinking water assistance account,
8 the drinking water assistance administrative account, the early
9 learning facilities development account, the early learning
10 facilities revolving account, the Eastern Washington University
11 capital projects account, the Interstate 405 express toll lanes
12 operations account, the education construction fund, the education
13 legacy trust account, the election account, the electric vehicle
14 charging infrastructure account, the energy freedom account, the
15 energy recovery act account, the essential rail assistance account,
16 The Evergreen State College capital projects account, the federal
17 forest revolving account, the ferry bond retirement fund, the forward
18 flexible account, the forward Washington account, the freight
19 mobility investment account, the freight mobility multimodal account,
20 the grade crossing protective fund, the public health services
21 account, the high capacity transportation account, the state higher
22 education construction account, the higher education construction
23 account, the highway bond retirement fund, the highway infrastructure
24 account, the highway safety fund, the high occupancy toll lanes
25 operations account, the hospital safety net assessment fund, the
26 industrial insurance premium refund account, the judges' retirement
27 account, the judicial retirement administrative account, the judicial
28 retirement principal account, the local leasehold excise tax account,
29 the local real estate excise tax account, the local sales and use tax
30 account, the marine resources stewardship trust account, the medical
31 aid account, the mobile home park relocation fund, the money-purchase
32 retirement savings administrative account, the money-purchase
33 retirement savings principal account, the motor vehicle fund, the
34 motorcycle safety education account, the multimodal transportation
35 account, the multiuse roadway safety account, the municipal criminal
36 justice assistance account, the natural resources deposit account,
37 the oyster reserve land account, the pension funding stabilization
38 account, the perpetual surveillance and maintenance account, the
39 pollution liability insurance agency underground storage tank
40 revolving account, the public employees' retirement system plan 1

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

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

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

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

24 **Sec. 804.** RCW 46.25.100 and 2015 3rd sp.s. c 44 s 208 are each
25 amended to read as follows:

26 (1) When a person has been disqualified from operating a
27 commercial motor vehicle, the person is not entitled to have the
28 commercial driver's license or commercial learner's permit restored
29 until after the expiration of the appropriate disqualification period
30 required under RCW 46.25.090 or until the department has received a
31 drug and alcohol assessment and evidence is presented of satisfactory
32 participation in or completion of any required drug or alcohol
33 treatment program for ending the disqualification under RCW
34 46.25.090(7). After expiration of the appropriate period and upon
35 payment of a requalification fee of twenty dollars until June 30,
36 2016, and thirty-five dollars beginning July 1, 2016, or one hundred
37 fifty dollars if the person has been disqualified under RCW
38 46.25.090(7), the person may apply for a new, duplicate, or renewal
39 commercial driver's license or commercial learner's permit as

1 provided by law. If the person has been disqualified for a period of
2 one year or more, the person (~~shall~~) must demonstrate that he or
3 she meets the commercial driver's license or commercial learner's
4 permit qualification standards specified in RCW 46.25.060.

5 (2) The fees under this section must be deposited into the
6 highway safety fund unless (~~prior to July 1, 2023,~~) the actions
7 described in (a) or (b) of this subsection occur, in which case the
8 portion of the revenue that is the result of the fee increased in
9 section 208, chapter 44, Laws of 2015 3rd sp. sess. must be
10 distributed to the (~~connecting Washington account created under RCW~~
11 ~~46.68.395~~) forward Washington account created under section 801 of
12 this act.

13 (a) Any state agency files a notice of rule making under chapter
14 34.05 RCW for a rule regarding a fuel standard based upon or defined
15 by the carbon intensity of fuel, including a low carbon fuel standard
16 or clean fuel standard.

17 (b) Any state or local agency otherwise enacts, adopts, orders,
18 or in any way implements a fuel standard based upon or defined by the
19 carbon intensity of fuel, including a low carbon fuel standard or
20 clean fuel standard.

21 (c) Nothing in this subsection acknowledges, establishes, or
22 creates legal authority for the department of ecology or any other
23 state or local agency to enact, adopt, order, or in any way implement
24 a fuel standard based upon or defined by the carbon intensity of
25 fuel, including a low carbon fuel standard or clean fuel standard.

26 **Sec. 805.** RCW 46.25.052 and 2015 3rd sp.s. c 44 s 206 are each
27 amended to read as follows:

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

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

33 (b) Passed the general knowledge examination required for
34 issuance of a CDL under RCW 46.25.060 for the commercial motor
35 vehicle classification in which the applicant operates or expects to
36 operate; and

37 (c) Paid the appropriate examination fee or fees and an
38 application fee of ten dollars until June 30, 2016, and forty dollars
39 beginning July 1, 2016.

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

5 (3) The holder of a CLP may drive a commercial motor vehicle on a
6 highway only when in possession of a valid driver's license and
7 accompanied by the holder of a valid CDL who has the proper CDL
8 classification and endorsement or endorsements necessary to operate
9 the commercial motor vehicle. The CDL holder must at all times be
10 physically present in the front seat of the vehicle next to the CLP
11 holder or, in the case of a passenger vehicle, directly behind or in
12 the first row behind the driver and must have the CLP holder under
13 observation and direct supervision.

14 (4) A CLP may be classified in the same manner as a CDL under RCW
15 46.25.080(2)(a).

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

18 (a) The holder of a CLP with a P endorsement must have taken and
19 passed the P endorsement knowledge examination. The holder of a CLP
20 with a P endorsement is prohibited from operating a commercial motor
21 vehicle carrying passengers other than authorized employees or
22 representatives of the department and the federal motor carrier
23 safety administration, examiners, other trainees, and the CDL holder
24 accompanying the CLP holder as required under subsection (2) of this
25 section. The P endorsement must be class specific.

26 (b) The holder of a CLP with an S endorsement must have taken and
27 passed the S endorsement knowledge examination. The holder of a CLP
28 with an S endorsement is prohibited from operating a school bus with
29 passengers other than authorized employees or representatives of the
30 department and the federal motor carrier safety administration,
31 examiners, other trainees, and the CDL holder accompanying the CLP
32 holder as required under subsection (2) of this section.

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

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

1 (a) "P" restricts the driver from operating a bus with
2 passengers;

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

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

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

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

12 (9) The department must transmit the fees collected for CLPs to
13 the state treasurer for deposit in the highway safety fund unless
14 (~~prior to July 1, 2023,~~) the actions described in (a) or (b) of
15 this subsection occur, in which case the portion of the revenue that
16 is the result of the fee increased in section 206, chapter 44, Laws
17 of 2015 3rd sp. sess. must be distributed to the (~~connecting~~
18 ~~Washington account created under RCW 46.68.395~~) forward Washington
19 account created under section 801 of this act.

20 (a) Any state agency files a notice of rule making under chapter
21 34.05 RCW for a rule regarding a fuel standard based upon or defined
22 by the carbon intensity of fuel, including a low carbon fuel standard
23 or clean fuel standard.

24 (b) Any state or local agency otherwise enacts, adopts, orders,
25 or in any way implements a fuel standard based upon or defined by the
26 carbon intensity of fuel, including a low carbon fuel standard or
27 clean fuel standard.

28 (c) Nothing in this subsection acknowledges, establishes, or
29 creates legal authority for the department of ecology or any other
30 state or local agency to enact, adopt, order, or in any way implement
31 a fuel standard based upon or defined by the carbon intensity of
32 fuel, including a low carbon fuel standard or clean fuel standard.

33 **Sec. 806.** RCW 46.25.060 and 2015 3rd sp.s. c 44 s 207 are each
34 amended to read as follows:

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

37 (i) Is a resident of this state;

38 (ii) Has successfully completed a course of instruction in the
39 operation of a commercial motor vehicle that has been approved by the

1 director or has been certified by an employer as having the skills
2 and training necessary to operate a commercial motor vehicle safely;

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

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

14 (b) In addition to the fee charged for issuance or renewal of any
15 license, the applicant (~~shall~~) must pay a fee of no more than ten
16 dollars until June 30, 2016, and thirty-five dollars beginning July
17 1, 2016, for the classified knowledge examination, classified
18 endorsement knowledge examination, or any combination of classified
19 license and endorsement knowledge examinations. The applicant
20 (~~shall~~) must pay a fee of no more than one hundred dollars until
21 June 30, 2016, and two hundred fifty dollars beginning July 1, 2016,
22 for each classified skill examination or combination of classified
23 skill examinations conducted by the department.

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

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

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

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

36 (d) If the applicant's primary use of a commercial driver's
37 license is for any of the following, then the applicant (~~shall~~)
38 must pay a fee of no more than seventy-five dollars until June 30,
39 2016, and two hundred twenty-five dollars beginning July 1, 2016, for
40 the classified skill examination or combination of classified skill

1 examinations whether conducted by the department or a third-party
2 tester:

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

5 (ii) Public benefit not-for-profit corporations that support
6 early childhood education and assistance programs as described in RCW
7 (~~43.215.405(2)~~) 43.216.505(2).

8 (e) Beginning July 1, 2016, if the applicant's primary use of a
9 commercial driver's license is to drive a school bus, the applicant
10 (~~shall~~) must pay a fee of no more than one hundred dollars for the
11 classified skill examination or combination of classified skill
12 examinations conducted by the department.

13 (f) Beginning July 1, 2016, payment of the examination fees under
14 this subsection entitles the applicant to take the examination up to
15 two times in order to pass.

16 (2)(a) The department may waive the skills examination and the
17 requirement for completion of a course of instruction in the
18 operation of a commercial motor vehicle specified in this section for
19 a commercial driver's license applicant who meets the requirements of
20 49 C.F.R. Sec. 383.77.

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

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

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

34 (iii) Unprocessed agricultural commodities, as defined in RCW
35 17.21.020, where such commodities are produced by farmers, ranchers,
36 vineyardists, or orchardists; or

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

38 (3) The department (~~shall~~) must notify the transportation
39 committees of the legislature if the federal government takes action

1 affecting the exemption provided in (~~this~~) subsection (2)(b) of
2 this section.

3 (~~(3)~~) (4) A commercial driver's license or commercial learner's
4 permit may not be issued to a person while the person is subject to a
5 disqualification from driving a commercial motor vehicle, or while
6 the person's driver's license is suspended, revoked, or canceled in
7 any state, nor may a commercial driver's license be issued to a
8 person who has a commercial driver's license issued by any other
9 state unless the person first surrenders all such licenses, which
10 must be returned to the issuing state for cancellation.

11 (~~(4)~~) (5) The fees under this section must be deposited into
12 the highway safety fund unless (~~prior to July 1, 2023,~~) the actions
13 described in (a) or (b) of this subsection occur, in which case the
14 portion of the revenue that is the result of the fee increased in
15 section 207, chapter 44, Laws of 2015 3rd sp. sess. must be
16 distributed to the (~~connecting Washington account created under RCW~~
17 ~~46.68.395~~) forward Washington account created under section 801 of
18 this act.

19 (a) Any state agency files a notice of rule making under chapter
20 34.05 RCW for a rule regarding a fuel standard based upon or defined
21 by the carbon intensity of fuel, including a low carbon fuel standard
22 or clean fuel standard.

23 (b) Any state or local agency otherwise enacts, adopts, orders,
24 or in any way implements a fuel standard based upon or defined by the
25 carbon intensity of fuel, including a low carbon fuel standard or
26 clean fuel standard.

27 (c) Nothing in this subsection acknowledges, establishes, or
28 creates legal authority for the department of ecology or any other
29 state or local agency to enact, adopt, order, or in any way implement
30 a fuel standard based upon or defined by the carbon intensity of
31 fuel, including a low carbon fuel standard or clean fuel standard.

32 **Part IX**

33 **Miscellaneous Provisions**

34 NEW SECTION. **Sec. 901.** The provisions of RCW 82.32.805 and
35 82.32.808 do not apply to this act.

36 NEW SECTION. **Sec. 902.** Part I of this act constitutes a new
37 chapter in Title 82 RCW.

1 NEW SECTION. **Sec. 903.** This act is necessary for the immediate
2 preservation of the public peace, health, or safety, or support of
3 the state government and its existing public institutions, and takes
4 effect July 1, 2019.

5 NEW SECTION. **Sec. 904.** Section 107 of this act takes effect if
6 Substitute Senate Bill No. 5116, as amended, is enacted into law
7 prior to July 1, 2019.

--- **END** ---