CERTIFICATION OF ENROLLMENT

ENGROSSED SUBSTITUTE HOUSE BILL 2224

Chapter 262, Laws of 1994

53rd Legislature
1994 Regular Session

MOTOR VEHICLES, VESSELS, AND FUEL--LICENSING
AND REGULATION REVISED

EFFECTIVE DATE: 6/9/94 - Except Sections 8 and 28 which take effect 7/1/94

Passed by the House February 14, 1994
Yeas 95   Nays 0

BRIAN EBERSOLE
Speaker of the House of Representatives

Passed by the Senate March 3, 1994
Yeas 44   Nays 1

JOEL PRITCHARD
President of the Senate

CERTIFICATE

I, Marilyn Showalter, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is ENGROSSED SUBSTITUTE HOUSE BILL 2224 as passed by the House of Representatives and the Senate on the dates hereon set forth.

Marilyn Showalter
Chief Clerk

MIKE LOWRY
Governor of the State of Washington

Approved April 1, 1994

FILED

April 1, 1994 - 2:10 p.m.

Secretary of State
State of Washington
ENGROSGED SUBSTITUTE HOUSE BILL 2224

Passed Legislature - 1994 Regular Session

State of Washington 53rd Legislature 1994 Regular Session

By House Committee on Transportation (originally sponsored by Representatives R. Fisher, Zellinsky, Forner and Cothern; by request of Department of Licensing)

Read first time 01/28/94.

AN ACT Relating to department of licensing regulatory programs concerning motor vehicles, vessels, and fuel taxes; amending RCW

46.01.230, 46.04.670, 46.10.150, 46.10.170, 46.12.160, 46.12.170,
46.12.181, 46.16.070, 46.16.210, 46.70.090, 46.70.124, 46.87.020,
46.87.040, 46.87.090, 46.87.335, 46.87.350, 70.84.090, 82.36.030,
82.36.060, 82.36.070, 82.36.120, 82.38.020, 82.38.090, 82.38.130,
82.38.170, 82.38.220, and 88.02.125; repealing RCW 46.16.080; and
providing an effective date.

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

Sec. 1. RCW 46.01.230 and 1992 c 216 s 2 are each amended to read as follows:

(1) The department of licensing is authorized to accept checks and money orders for payment of drivers’ licenses, certificates of ownership and registration, motor vehicle excise taxes, gross weight fees, and other fees and taxes collected by the department, in accordance with regulations adopted by the director. The director’s regulations shall duly provide for the public’s convenience consistent with sound business practice and shall encourage the annual renewal of vehicle registrations by mail to the department, authorizing checks and
money orders for payment. Such regulations shall contain provisions
for cancellation of any registrations, licenses, or permits paid for by
checks or money orders which are not duly paid and for the necessary
accounting procedures in such cases: PROVIDED, That any bona fide
purchaser for value of a vehicle shall not be liable or responsible
for any prior uncollected taxes and fees paid, pursuant to this
section, by a check which has subsequently been dishonored: AND
PROVIDED FURTHER, That no transfer of ownership of a vehicle may be
denied to a bona fide purchaser for value of a vehicle if there are
outstanding uncollected fees or taxes for which a predecessor paid,
pursuant to this section, by check which has subsequently been
dishonored nor shall the new owner be required to pay any fee for
replacement vehicle license number plates that may be required pursuant
to RCW 46.16.270 as now or hereafter amended.

(2) It is a traffic infraction to fail to surrender within ten days
to the department or any authorized agent of the department any
certificate, license, or permit after being notified ((by certified
mail)) that such certificate, license, or permit has been canceled
pursuant to this section. Notice of cancellation may be accomplished
by sending a notice by first class mail using the last known address in
department records for the holder of the certificate, license, or
permit, and recording the transmittal on an affidavit of first class
mail.

(3) Whenever registrations, licenses, or permits have been paid for
by checks that have been dishonored by nonacceptance or nonpayment, a
reasonable handling fee may be assessed for each such instrument.
Notwithstanding provisions of any other laws, county auditors, agents,
and subagents, appointed or approved by the director pursuant to RCW
46.01.140, may collect restitution, and where they have collected
restitution may retain the reasonable handling fee. The amount of the
reasonable handling fee may be set by rule by the director.

(4) In those counties where the county auditor has been appointed
an agent of the director under RCW 46.01.140, the auditor shall
continue to process mail-in registration renewals until directed
otherwise by legislative authority.

Sec. 2. RCW 46.04.670 and 1991 c 214 s 2 are each amended to read
as follows:
"Vehicle" includes every device capable of being moved upon a public highway and in, upon, or by which any persons or property is or may be transported or drawn upon a public highway, including bicycles. The term does not include devices other than bicycles moved by human or animal power or used exclusively upon stationary rails or tracks. Mopeds shall not be considered vehicles or motor vehicles (only for the purposes of chapter 46.12 RCW, but not) for the purposes of chapter 46.70 RCW. Bicycles shall not be considered vehicles for the purposes of chapter 46.12, 46.16, or 46.70 RCW.

**Sec. 3.** RCW 46.10.150 and 1979 ex.s. c 182 s 12 are each amended to read as follows:

From time to time, but at least once each biennium, the director shall request the state treasurer to refund from the motor vehicle fund amounts which have been determined to be a tax on snowmobile fuel, and the treasurer shall refund such amounts (less the cost of making the determination) determined under RCW 46.10.170, and place them in the snowmobile account in the general fund.

**Sec. 4.** RCW 46.10.170 and 1993 c 54 s 7 are each amended to read as follows:

From time to time, but at least once each four years, the department shall determine the amount (or proportion) of moneys paid to it as motor vehicle fuel tax (based on the tax rate in effect January 1, 1990, which) is tax on snowmobile fuel. Such determination (may be made in any manner which is, in the judgment of the director, reasonable, but the manner used to make such determination shall be reported at the end of each four-year period to the legislature.) To offset the actual cost of making such determination the treasurer shall retain in, and the department is authorized to expend from, the motor vehicle fund a sum equal to such actual cost shall use one hundred thirty-five gallons as the average yearly fuel usage per snowmobile, the number of registered snowmobiles during the calendar year under determination, and the fuel tax rate in effect January 1, 1990.

**Sec. 5.** RCW 46.12.160 and 1975 c 25 s 12 are each amended to read as follows:
If the ((director)) department determines at any time that an applicant for certificate of ownership or for a certificate of license registration for a vehicle is not entitled thereto, ((he)) the department may refuse to issue such certificate or to license the vehicle and ((he)) may, for like reason, after notice, and in the exercise of discretion, cancel license registration already acquired or any outstanding certificate of ownership. ((The notice shall be served personally or sent by certified mail return receipt requested.)) Notice of cancellation may be accomplished by sending a notice by first class mail using the last known address in department records for the registered or legal vehicle owner or owners, and recording the transmittal on an affidavit of first class mail. It shall then be unlawful for any person to remove, drive, or operate the vehicle until a proper certificate of ownership or license registration has been issued and any person removing, driving, or operating such vehicle after the refusal of the ((director)) department to issue certificates or the revocation thereof shall be guilty of a gross misdemeanor.

Sec. 6. RCW 46.12.170 and 1979 ex.s. c 113 s 2 are each amended to read as follows:

If, after a certificate of ownership is issued, a security interest is granted on the vehicle described therein, the registered owner or secured party shall, within ten days thereafter, present an application to the department, to which shall be attached the certificate of ownership last issued covering the vehicle, or such other documentation as may be required by the department, which application shall be upon a form provided by the department and shall be accompanied by a fee of one dollar and twenty-five cents in addition to all other fees. The department, if satisfied that there should be a reissue of the certificate, shall note such change upon the vehicle records and issue to the secured party a new certificate of ownership.

Whenever there is no outstanding secured obligation and no commitment to make advances and incur obligations or otherwise give value, the secured party must assign the certificate of ownership to the debtor or the debtor’s assignee and transmit the certificate to the department with an accompanying fee of one dollar and twenty-five cents in addition to all other fees. The department shall then issue a new certificate of ownership and transmit it to the owner. If the affected secured party fails to either assign or transmit the certificate of ownership, the department may refuse to issue such certificate or to license the vehicle and may, for like reason, after notice, and in the exercise of discretion, cancel license registration already acquired or any outstanding certificate of ownership. ((The notice shall be served personally or sent by certified mail return receipt requested.)) Notice of cancellation may be accomplished by sending a notice by first class mail using the last known address in department records for the registered or legal vehicle owner or owners, and recording the transmittal on an affidavit of first class mail. It shall then be unlawful for any person to remove, drive, or operate the vehicle until a proper certificate of ownership or license registration has been issued and any person removing, driving, or operating such vehicle after the refusal of the ((director)) department to issue certificates or the revocation thereof shall be guilty of a gross misdemeanor.
ownership to the department within ten days after proper demand, that
secured party shall be liable to the debtor for one hundred dollars,
and in addition for any loss caused to the debtor by such failure.

Sec. 7. RCW 46.12.181 and 1990 c 250 s 31 are each amended to read
as follows:

If a certificate of ownership or a certificate of license
registration is lost, stolen, mutilated or destroyed or becomes
illegible, the first priority secured party or, if none, the owner or
legal representative of the owner named in the certificate, as shown by
the records of the department, shall promptly make application for and
may obtain a duplicate upon tender of one dollar and twenty-five cents
in addition to all other fees and upon furnishing information
satisfactory to the department. The duplicate certificate of ownership
or license registration shall contain the legend, "This is a duplicate
certificate." It shall be mailed to the first priority secured party
named in it or, if none, to the owner.

A person recovering an original certificate of ownership or title
registration for which a duplicate has been issued shall promptly
surrender the original certificate to the department.

Sec. 8. RCW 46.16.070 and 1993 sp.s. c 23 s 60 are each amended to
read as follows:

(1) In lieu of all other vehicle licensing fees, unless
specifically exempt, and in addition to the excise tax prescribed in
chapter 82.44 RCW and the mileage fees prescribed for buses and stages
in RCW 46.16.125, there shall be paid and collected annually for each
truck, motor truck, truck tractor, road tractor, tractor, bus, auto
stage, or for hire vehicle with seating capacity of more than six,
based upon the declared combined gross weight or declared gross weight
thereof pursuant to the provisions of chapter 46.44 RCW, the following
licensing fees by such gross weight:

<table>
<thead>
<tr>
<th>DECLARED GROSS WEIGHT</th>
<th>SCHEDULE A</th>
<th>SCHEDULE B</th>
</tr>
</thead>
<tbody>
<tr>
<td>4,000 lbs.</td>
<td>$ 37.00</td>
<td>$ 37.00</td>
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<tr>
<td>6,000 lbs.</td>
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<td>8,000 lbs.</td>
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<td>10,000 lbs.</td>
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<td>12,000 lbs.</td>
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<td>14,000 lbs.</td>
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<td>$ 82.00</td>
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<tr>
<td>Weight (lbs.)</td>
<td>Rate 1</td>
<td>Rate 2</td>
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<tr>
<td>16,000</td>
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<td>$2,043.00</td>
<td>$2,043.00</td>
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<tr>
<td>92,000</td>
<td>$2,148.00</td>
<td>$2,148.00</td>
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</tbody>
</table>
94,000 lbs. ..... $ 2,253.00 ..... $ 2,343.00
96,000 lbs. ..... $ 2,358.00 ..... $ 2,448.00
98,000 lbs. ..... $ 2,463.00 ..... $ 2,553.00
100,000 lbs. ..... $ 2,568.00 ..... $ 2,658.00
102,000 lbs. ..... $ 2,673.00 ..... $ 2,763.00
104,000 lbs. ..... $ 2,778.00 ..... $ 2,868.00
105,500 lbs. ..... $ 2,883.00 ..... $ 2,973.00

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

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

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

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

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

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

Sec. 9. RCW 46.16.210 and 1977 c 8 s 1 are each amended to read as follows:

(1) Upon receipt of the application and proper fee for original vehicle license, the director shall make a recheck of the application and in the event that there is any error in the application it may be
returned to the county auditor or other agent to effectively secure the
correction of such error, who shall return the same corrected to the
director.

(2) Application for the renewal of a vehicle license shall be made
to the director or his agents, including county auditors, by the
registered owner on a form prescribed by the director. The application
must be accompanied by the certificate of registration for the last
registration period in which the vehicle was registered in Washington
unless the applicant submits a preprinted application mailed from
Olympia, and the payment of such license fees and excise tax as may be
required by law. Such application shall be handled in the same manner
and the fees transmitted to the state treasurer in the same manner as
in the case of an original application. Any such application which
upon validation becomes a renewal certificate need not have entered
upon it the name of the lien holder, if any, of the vehicle concerned.

(3) Persons expecting to be out of the state during the normal
forty-five day renewal period of a vehicle license may secure renewal
of such vehicle license ((for a period of thirty days prior thereto))
and have license plates or tabs preissued by making application to the
director or his agents upon forms prescribed by the director. The
application must be accompanied by the certificate of registration for
the last registration period in which the vehicle was registered in
Washington and be accompanied by such license fees, ((including a
special handling fee of two dollars; one dollar to be retained by the
issuing agency, and one dollar to be deposited in the highway safety
fund)), and excise tax as may be required by law.

(4) Application for the annual renewal of a vehicle license number
plate to the director or his agents shall not be required for those
vehicles owned, rented, or leased by the state of Washington, or by any
county, city, town, school district, or other political subdivision of
the state of Washington.

Sec. 10. RCW 46.70.090 and 1992 c 222 s 2 are each amended to read
as follows:

(1) The department shall issue a vehicle dealer license plate which
shall be attached to the rear of the vehicle only and which is capable
of distinguishing the classification of the dealer, to vehicle dealers
properly licensed pursuant to this chapter and shall, upon application,
issue manufacturer’s license plates to manufacturers properly licensed pursuant to this chapter.

(2) The department shall issue to a vehicle dealer up to three vehicle dealer license plates. After the third dealer plate is issued, the department shall limit the number of dealer plates to six percent of the vehicles sold during the preceding license period. For an original license the vehicle dealer license applicant shall estimate the first year’s sales. The director or director’s designee may waive these dealer plate issuance restrictions for a vehicle dealer if the waiver both serves the purposes of this chapter and is essential to the continuation of the business. The director shall adopt rules to implement this waiver.

(3) Motor vehicle dealer license plates may be used:

(a) To demonstrate motor vehicles held for sale when operated by an individual holding a valid operator’s license, if a dated demonstration permit, valid for no more than seventy-two hours, is carried in the vehicle at all times it is operated by any such individual.

(b) On motor vehicles owned, held for sale, and which are in fact available for sale by the firm when operated by an officer of the corporation, partnership, or proprietorship or by their spouses, or by ((a bona fide full-time)) an employee of the firm, if a card so identifying any such individual is carried in the vehicle at all times it is operated by such individual. Any such vehicle so operated may be used to transport the dealer’s own tools, parts, and equipment of a total weight not to exceed five hundred pounds.

(c) On motor vehicles being tested for repair.

(d) On motor vehicles being moved to or from a motor vehicle dealer’s place of business for sale.

(e) On motor vehicles being moved to or from motor vehicle service and repair facilities before sale.

(f) On motor vehicles being moved to or from motor vehicle exhibitions within the state of Washington, if any such exhibition does not exceed a period of twenty days.

(4) Mobile home and travel trailer dealer license plates may be used:

(a) On units hauled to or from the place of business of the manufacturer and the place of business of the dealer or to and from places of business of the dealer.
(b) On mobile homes hauled to a customer’s location for set-up after sale.

(c) On travel trailers held for sale to demonstrate the towing capability of the vehicle if a dated demonstration permit, valid for not more than seventy-two hours, is carried with the vehicle at all times.

(d) On mobile homes being hauled from a customer’s location if the requirements of RCW 46.44.170 and 46.44.175 are met.

(e) On any motor vehicle owned by the dealer which is used only to move vehicles legally bearing mobile home and travel trailer dealer license plates of the dealer so owning any such motor vehicle.

(f) On vehicles being moved to or from vehicle exhibitions within the state of Washington, if any such exhibition does not exceed a period of twenty days.

(5) Miscellaneous vehicle dealer license plates may be used:

(a) To demonstrate any miscellaneous vehicle: PROVIDED, That:

(i) No such vehicle may be demonstrated on a public highway unless the customer has an appropriate endorsement on his driver’s license, if such endorsement is required to operate such vehicle; and

(ii) A dated demonstration permit, valid for no more than seventy-two hours, is carried with the vehicle at all times it is operated by any such individual.

(b) On vehicles owned, held for sale, and which are in fact available for sale, by the firm when operated by an officer of the corporation, partnership, or proprietorship or by a bona fide full-time employee of the firm, if a card so identifying such individual is carried in the vehicle at all times it is operated by him.

(c) On vehicles being tested for repair.

(d) On vehicles being transported to or from the place of business of the manufacturer and the place of business of the dealer or to and from places of business of the dealer.

(e) On vehicles on which any other item sold or to be sold by the dealer is transported from the place of business of the manufacturer to the place of business of the dealer or to and from places of business of the dealer if such vehicle and such item are purchased or sold as one package.

(6) Manufacturers properly licensed pursuant to this chapter may apply for and obtain manufacturer license plates and may be used:
(a) On vehicles being moved to or from the place of business of a 
manufacturer to a vehicle dealer within this state who is properly 
licensed pursuant to this chapter.
(b) To test vehicles for repair.

(7) Vehicle dealer license plates and manufacturer license plates 
shall not be used for any purpose other than set forth in this section 
and specifically shall not be:
(a) Used on any vehicle not within the class for which the vehicle 
dealer or manufacturer license plates are issued unless specifically 
provided for in this section.
(b) Loaned to any person for any reason not specifically provided 
for in this section.
(c) Used on any vehicles for the transportation of any person, 
produce, freight, or commodities unless specifically provided for in 
this section, except there shall be permitted the use of such vehicle 
dealer license plates on a vehicle transporting commodities in the 
course of a demonstration over a period not to exceed seventy-two 
consecutive hours from the commencement of such demonstration, if a 
representative of the dealer is present and accompanies such vehicle 
during the course of the demonstration.
(d) Used on any vehicle sold to a resident of another state to 
transport such vehicle to that other state in lieu of a trip permit or 
in lieu of vehicle license plates obtained from that other state.
(e) Used on any new vehicle unless the vehicle dealer has provided 
the department a current service agreement with the manufacturer or 
distributor of that vehicle as provided in RCW 46.70.041(1)(k).

(8) In addition to or in lieu of any sanction imposed by the 
director pursuant to RCW 46.70.101 for unauthorized use of vehicle 
dealer license plates or manufacturer license plates, the director may 
order that any or all vehicle dealer license plates or manufacturer 
license plates issued pursuant to this chapter be confiscated for such 
period as he deems appropriate.

Sec. 11. RCW 46.70.124 and 1990 c 250 s 29 are each amended to 
read as follows:

((In the case of)) Vehicle dealers shall possess a separate 
certificate of ownership((, either of the dealer or of the dealer’s 
immediate vendor properly assigned, shall be required covering)) or 
other evidence of ownership approved by the department for each used
vehicle kept in the dealer’s possession. **Evidence of ownership shall be either in the name of the dealer or in the name of the dealer’s immediate vendor properly assigned.** In the case of consigned vehicles, the vehicle dealer may possess a completed consignment contract that includes a guaranteed title from the seller in lieu of the required certificate of ownership.

**Sec. 12.** RCW 46.87.020 and 1993 c 307 s 12 are each amended to read as follows:

Terms used in this chapter have the meaning given to them in the International Registration Plan (IRP), the Uniform Vehicle Registration, Proration, and Reciprocity Agreement (Western Compact), chapter 46.04 RCW, or as otherwise defined in this section. Definitions given to terms by the IRP and the Western Compact, as applicable, shall prevail unless given a different meaning in this chapter or in rules adopted under authority of this chapter.

(1) "Apportionable vehicle" has the meaning given by the IRP, except that it does not include vehicles with a declared gross weight of twelve thousand pounds or less. Apportionable vehicles include trucks, tractors, truck tractors, road tractors, and buses, each as separate and licensable vehicles. For IRP jurisdictions that require the registration of nonmotor vehicles, this term may include trailers, semitrailers, and pole trailers as applicable, each as separate and licensable vehicles.

(2) "Cab card" is a certificate of registration issued for a vehicle by the registering jurisdiction under the Western Compact. Under the IRP, it is a certificate of registration issued by the base jurisdiction for a vehicle upon which is disclosed the jurisdictions and registered gross weights in such jurisdictions for which the vehicle is registered.

(3) "Commercial vehicle" is a term used by the Western Compact and means any vehicle, except recreational vehicles, vehicles displaying restricted plates, and government owned or leased vehicles, that is operated and registered in more than one jurisdiction and is used or maintained for the transportation of persons for hire, compensation, or profit, or is designed, used, or maintained primarily for the transportation of property and:

(a) Is a motor vehicle having a declared gross weight in excess of twenty-six thousand pounds; or
(b) Is a motor vehicle having three or more axles with a declared gross weight in excess of twelve thousand pounds; or

(c) Is a motor vehicle, trailer, pole trailer, or semitrailer used in combination when the gross weight or declared gross weight of the combination exceeds twenty-six thousand pounds combined gross weight. The nonmotor vehicles mentioned are only applicable to those jurisdictions requiring the registration of such vehicles.

Although a two-axle motor vehicle, trailer, pole trailer, semitrailer, or any combination of such vehicles with an actual or declared gross weight or declared combined gross weight exceeding twelve thousand pounds but not more than twenty-six thousand is not considered to be a commercial vehicle, at the option of the owner, such vehicles may be considered as "commercial vehicles" for the purpose of proportional registration. The nonmotor vehicles mentioned are only applicable to those jurisdictions requiring the registration of such vehicles.

Commercial vehicles include trucks, tractors, truck tractors, road tractors, and buses. Trailers, pole trailers, and semitrailers, will also be considered as commercial vehicles for those jurisdictions who require registration of such vehicles.

(4) "Credentials" means cab cards, apportioned plates (for Washington-based fleets), and validation tabs issued for proportionally registered vehicles.

(5) "Declared combined gross weight" means the total unladen weight of any combination of vehicles plus the weight of the maximum load to be carried on the combination of vehicles as set by the registrant in the application pursuant to chapter 46.44 RCW and for which registration fees have been or are to be paid.

(6) "Declared gross weight" means the total unladen weight of any vehicle plus the weight of the maximum load to be carried on the vehicle as set by the registrant in the application pursuant to chapter 46.44 RCW and for which registration fees have been or are to be paid. In the case of a bus, auto stage, or a passenger-carrying for hire vehicle with a seating capacity of more than six, the declared gross weight shall be determined by multiplying the average load factor of one hundred and fifty pounds by the number of seats in the vehicle, including the driver’s seat, and add this amount to the unladen weight of the vehicle. If the resultant gross weight is not listed in RCW
46.16.070, it will be increased to the next higher gross weight so
listed pursuant to chapter 46.44 RCW.

(7) "Department" means the department of licensing.

(8) "Fleet" means one or more commercial vehicles in the Western
Compact and one or more apportionable vehicles in the IRP.

(9) "In-jurisdiction miles" means the total miles accumulated in a
jurisdiction during the preceding year by vehicles of the fleet while
they were a part of the fleet.

(10) "IRP" means the International Registration Plan.

(11) "Jurisdiction" means and includes a state, territory or
possession of the United States, the District of Columbia, the
Commonwealth of Puerto Rico, a foreign country, and a state or province
of a foreign country.

(12) "Owner" means a person or business firm who holds the legal
title to a vehicle, or if a vehicle is the subject of an agreement for
its conditional sale with the right of purchase upon performance of the
conditions stated in the agreement and with an immediate right of
possession vested in the conditional vendee, or if a vehicle is subject
to a lease, contract, or other legal arrangement vesting right of
possession or control, for security or otherwise, or if a mortgagor of
a vehicle is entitled to possession, then the owner is deemed to be the
person or business firm in whom is vested right of possession or
control.

(13) "Preceding year" means the period of twelve consecutive months
ending ((three months before the registration or license year)) on the
last full calendar quarter, at least four months before the beginning
of the registration year for which proportional registration is sought.

(14) "Properly registered," as applied to the place of registration
under the provisions of the Western Compact, means:

(a) In the case of a commercial vehicle, the jurisdiction in which
it is registered if the commercial enterprise in which the vehicle is
used has a place of business therein, and, if the vehicle is most
frequently dispatched, garaged, serviced, maintained, operated, or
otherwise controlled in or from that place of business, and the vehicle
has been assigned to that place of business; or

(b) In the case of a commercial vehicle, the jurisdiction where,
because of an agreement or arrangement between two or more
jurisdictions, or pursuant to a declaration, the vehicle has been
registered as required by that jurisdiction.
In case of doubt or dispute as to the proper place of registration of a commercial vehicle, the department shall make the final determination, but in making such determination, may confer with departments of the other jurisdictions affected.

(15) "Prorate percentage" is the factor that is applied to the total proratable fees and taxes to determine the apportionable or prorate fees required for registration in a particular jurisdiction. It is determined by dividing the in-jurisdiction miles for a particular jurisdiction by the total miles. This term is synonymous with the term "mileage percentage."

(16) "Registrant" means a person, business firm, or corporation in whose name or names a vehicle or fleet of vehicles is registered.

(17) "Registration year" means the twelve-month period during which the registration plates issued by the base jurisdiction are valid according to the laws of the base jurisdiction.

(18) "Total miles" means the total number of miles accumulated in all jurisdictions during the preceding year by all vehicles of the fleet while they were a part of the fleet. Mileage accumulated by vehicles of the fleet that did not engage in interstate operations is not included in the fleet miles.

(19) "Western Compact" means the Uniform Vehicle Registration, Proration, and Reciprocity Agreement.

Sec. 13. RCW 46.87.040 and 1987 c 244 s 19 are each amended to read as follows:

Additional gross weight may be purchased for proportionally registered motor vehicles to the limits authorized under chapter 46.44 RCW. Reregistration at the higher gross weight (maximum gross weights under this chapter are ((forty)) fifty-four thousand pounds for a solo three-axle truck or ((eighty)) one hundred five thousand five hundred pounds for a combination) for the balance of the registration year, including the full registration month in which the vehicle is initially licensed at the higher gross weight. The apportionable or proportional fee initially paid to the state of Washington, reduced for the number of full registration months the license was in effect, will be deducted from the total fee to be paid to this state for licensing at the higher gross weight for the balance of the registration year. No credit or refund will be given for a reduction of gross weight.
Sec. 14. RCW 46.87.090 and 1987 c 244 s 24 are each amended to read as follows:

(1) To replace an apportioned vehicle license plate(s), cab card, or validation tab(s) due to loss, defacement, or destruction, the registrant shall apply to the department on forms furnished for that purpose. The application, together with proper payment and other documentation as indicated, shall be filed with the department as follows:

(a) Apportioned plate(s) - a fee of ten dollars shall be charged for vehicles required to display two apportioned plates or five dollars for vehicles required to display one apportioned plate. The cab card of the vehicle for which a plate is requested shall accompany the application. The department shall issue a new apportioned plate(s) with validation tab(s) and a new cab card upon acceptance of the completed application form, old cab card, and the required replacement fee.

(b) Cab card - a fee of two dollars shall be charged for each card. If this is a duplicate cab card, it will be noted thereon.

(c) Validation year tab(s) - a fee of two dollars shall be charged for each vehicle.

(2) ((If available, backing plates may be purchased from the department for a fee of two dollars each. These plates are used on vehicles registered under provisions of the Western Compact to display validation tabs issued by the prorate jurisdictions as evidence of proportional registration for each vehicle so registered.

(3))) All fees collected under this section shall be deposited to the motor vehicle fund.

Sec. 15. RCW 46.87.335 and 1991 c 339 s 5 are each amended to read as follows:

Except in the case of violations of filing a false or fraudulent application, if the department deems mitigation of penalties, fees, and interest to be reasonable and in the best interests of carrying out the purpose of this chapter, it may mitigate such assessments upon whatever terms the department deems proper, giving consideration to the degree and extent of the lack of records and reporting errors. The department may ascertain the facts regarding recordkeeping and payment penalties in lieu of more elaborate proceedings under this chapter.
Sec. 16. RCW 46.87.350 and 1987 c 244 s 48 are each amended to read as follows:

If an owner of proportionally registered vehicles for which an assessment has become final is delinquent in the payment of an obligation imposed under this chapter, the department may give notice of the amount of the delinquency by registered or certified mail to all persons having in their possession or under their control any credits or other personal property belonging to the vehicle owner or owing any debts to the owner, at the time of the receipt by them of the notice. Thereafter, a person so notified shall neither transfer nor make other disposition of those credits, personal property, or debts until the department consents to a transfer or other disposition. A person so notified shall, within twenty days after receipt of the notice, advise the department of any and all such credits, personal property, or debts in their possession, under their control or owing by them, as the case may be, and shall forthwith deliver such credits, personal property, or debts to the department or its duly authorized representative to be applied to the indebtedness involved.

If a person fails to answer the notice within the time prescribed by this section, it is lawful for the court upon application of the department and after the time to answer the notice has expired, to render judgment by default against the person for the full amount claimed by the department in the notice to withhold and deliver, together with costs.

Upon service, the notice and order to withhold and deliver constitutes a continuing lien on property of the taxpayer. The department shall include in the caption of the notice to withhold and deliver "continuing lien." The effective date of a notice to withhold and deliver served under this section is the date of service of the notice.

Sec. 17. RCW 70.84.090 and 1985 c 309 s 1 are each amended to read as follows:

(1) Every person, firm, partnership, association, trustee, or corporation which operates a gasoline service station, or other facility which offers gasoline or other motor vehicle fuel for sale to the public from such a facility, shall provide, upon request, refueling service to disabled drivers, unaccompanied by passengers capable of safely providing refueling service, of vehicles which display a
disabled person’s license plate or placard issued by the department of licensing. The price charged for the motor vehicle fuel in such a case shall be no greater than that which the facility otherwise would charge the public generally to purchase motor vehicle fuel without refueling service. This section does not require a facility to provide disabled drivers with services, including but not limited to checking oil or cleaning windshields, other than refueling services.

(2) This section does not apply to:

(a) Exclusive self-service gas stations which have remotely controlled gas pumps and which never provide pump island service; and

(b) Convenience stores which sell gasoline, which have remotely controlled gas pumps and which never provide pump island service.

(3) Any person who, as a responsible managing individual setting service policy of a station or facility or as an employee acting independently against set service policy, acts in violation of this section is guilty of a misdemeanor. This subsection shall be enforced by the prosecuting attorney.

(4) The human rights commission shall, upon the filing of a verified written complaint by any person, investigate the actions of any person, firm, partnership, association, trustee, or corporation alleged to have violated this section. The complaint shall be in the form prescribed by the commission. The commission may, upon its own motion, issue complaints and conduct investigations of alleged violations of this section.

RCW 49.60.240 through 49.60.280 shall apply to complaints under this section.

(5) In addition to those matters referred pursuant to subsection (3) of this section, the prosecuting attorney may investigate and prosecute alleged violations of this section.

(6) Any person who intentionally displays a license plate or placard which is invalid, or which was not lawfully issued to that person, for the purpose of obtaining refueling service under subsection (1) of this section shall be subject to a civil fine of one hundred dollars for each such violation.

(7) A notice setting forth the provisions of this section shall be provided by the department of licensing to every person, firm, partnership, association, trustee, or corporation which operates a
gasoline service station, or other facility which offers gasoline or other motor vehicle fuel for sale to the public from such a facility.

(8) A notice setting forth the provisions of this section shall be provided by the department of licensing to every person who is issued a disabled person’s license plate or special card placard.

(9) For the purposes of this section, "refueling service" means the service of pumping motor vehicle fuel into the fuel tank of a motor vehicle.

(10) Nothing in this section limits or restricts the rights or remedies provided under chapter 49.60 RCW.

Sec. 18. RCW 82.36.030 and 1993 c 54 s 2 are each amended to read as follows:

Every distributor shall on or before the twenty-fifth day of each calendar month file, on forms furnished by the department, a statement signed by the distributor or his authorized agent showing the total number of gallons of motor vehicle fuel sold, distributed, or used by such distributor within this state during the preceding calendar month and, for counties within which an additional excise tax on motor vehicle fuel has been levied by that jurisdiction under RCW 82.80.010, showing the total number of gallons of motor vehicle fuel sold, distributed, or used by the distributor within the boundaries of the county during the preceding calendar month.

(If any distributor fails to file such report, the department shall proceed forthwith to determine from the best available sources, the amount of motor vehicle fuel sold, distributed, or used by such distributor for the unreported period, and said determination shall be presumed to be correct for that period until proved by competent evidence to be otherwise. The department shall immediately assess the excise tax in the amount so determined, adding thereto a penalty of up to ten percent for failure to report. Such penalty shall be cumulative of other penalties herein provided. All statements filed with the department, as required in this section, shall be public records.

If any distributor establishes by a fair preponderance of evidence that his or her failure to file a report by the due date was attributable to reasonable cause and was not intentional or willful, the department may waive the penalty imposed by this section.)
Sec. 19. RCW 82.36.060 and 1973 c 96 s 1 are each amended to read as follows:

Every person, before becoming a distributor or continuing in business as a distributor, shall make an application to the department for a license authorizing the applicant to engage in business as a distributor. Applications for such licenses shall be made to the department on forms to be furnished by the department (and shall be accompanied by a fee of ten dollars).

Before granting any license authorizing any person to engage in business as a distributor, the department shall require applicant to file with the department, in such form as shall be prescribed by the department, a corporate surety bond duly executed by the applicant as principal, payable to the state and conditioned for faithful performance of all the requirements of this chapter, including the payment of all taxes, penalties, and other obligations arising out of this chapter. The total amount of the bond or bonds, required of any distributor shall be fixed by the department and may be increased or reduced by the department at any time subject to the limitations herein provided. In fixing the total amount of the bond or bonds required of any distributor, the department shall require a bond or bonds equivalent in total amount to twice the estimated monthly excise tax determined in such manner as the department may deem proper. If at any time the estimated excise tax to become due during the succeeding month amounts to more than fifty percent of the established bond, the department shall require additional bonds or securities to maintain the marginal ratio herein specified or shall demand excise tax payments to be made weekly or semimonthly to meet the requirements hereof.

In lieu of a bond in excess of five thousand dollars the distributor may file with the department a property statement setting forth a complete description of all his property and the values thereof, and showing the amount of any indebtedness or encumbrance thereon to the end that the department may ascertain whether or not the distributor can be compelled to respond in twice the amount of the taxes due or to become due hereunder. If the department determines that the distributor can be compelled to respond in twice the amount of the tax the department may accept such statement in lieu of a bond in excess of five thousand dollars. The department may at any time demand from the distributor a new property statement and may at any time if the department deems the property of the distributor insufficient to
secure the payment of twice the amount of the taxes require the distributor to furnish a bond in such amount as will secure the payment of twice the amount of the taxes.

The total amount of the bond or bonds required of any distributor shall never be less than five thousand dollars nor more than fifty thousand dollars.

No recoveries on any bond or the execution of any new bond shall invalidate any bond and no revocation of any license shall effect the validity of any bond but the total recoveries under any one bond shall not exceed the amount of the bond.

In lieu of any such bond or bonds in total amount as herein fixed, a distributor may deposit with the state treasurer, under such terms and conditions as the department may prescribe, a like amount of lawful money of the United States or bonds or other obligations of the United States, the state, or any county of the state, of an actual market value not less than the amount so fixed by the department.

Any surety on a bond furnished by a distributor as provided herein shall be released and discharged from any and all liability to the state accruing on such bond after the expiration of thirty days from the date upon which such surety has lodged with the department a written request to be released and discharged, but this provision shall not operate to relieve, release, or discharge the surety from any liability already accrued or which shall accrue before the expiration of the thirty day period. The department shall promptly, upon receiving any such request, notify the distributor who furnished the bond; and unless the distributor, on or before the expiration of the thirty day period, files a new bond, or makes a deposit in accordance with the requirements of this section, the department shall forthwith cancel the distributor’s license. Whenever a new bond is furnished by a distributor, the department shall cancel his old bond as soon as the department and the attorney general are satisfied that all liability under the old bond has been fully discharged.

The department may require a distributor to give a new or additional surety bond or to deposit additional securities of the character specified in this section if, in its opinion, the security of the surety bond theretofore filed by such distributor, or the market value of the properties deposited as security by the distributor, shall become impaired or inadequate; and upon the failure of the distributor to give such new or additional surety bond or to deposit additional
Sec. 20. RCW 82.36.070 and 1973 c 96 s 2 are each amended to read as follows:

The application in proper form having been accepted for filing, the filing fee paid, and the bond or other security having been accepted and approved, the department shall issue to the applicant a license to transact business as a distributor in the state, and such license shall be valid until canceled or revoked.

The license so issued by the department shall not be assignable, and shall be valid only for the distributor in whose name issued.

The department shall keep and file all applications and bonds with an alphabetical index thereof, together with a record of all licensed distributors.

Each distributor shall be assigned a license number upon qualifying for a license hereunder, and the department shall issue to each such licensee a license certificate which shall be displayed conspicuously by the distributor at his principal place of business. ((The department shall also issue separate license cards for each bulk storage plant operated by such distributor. Such license cards shall indicate the number so assigned the distributor, the location of the storage plant for which the card is used, and such other information as the department may prescribe. The license card shall be conspicuously displayed at each bulk storage plant to which it is assigned, and it shall be unlawful for any distributor to operate or maintain a bulk storage plant in this state for the purpose of storing motor fuel without displaying such license card as herein provided. Bulk plant licenses shall be continuing until canceled or revoked. The distributor shall report on forms prescribed by the department any change in the number or capacity of bulk storage plants operated or maintained at the time such change occurs.

In the event an application for a license to transact business as a distributor is filed by any person whose license has heretofore been canceled for cause by the department, or if the department is of the opinion that the application is not filed in good faith, or that the application is filed by some person as a subterfuge for the real person in interest whose license has heretofore been canceled for cause, the department, after a hearing, of which the applicant shall be given five
days' notice in writing and at which the applicant may appear in person
or by counsel and present testimony, may refuse to issue such a person
a license to transact business as a distributor.)) The department may
refuse to issue or may revoke a motor vehicle fuel distributor license,
to a person: (1) Who formerly held a motor vehicle fuel distributor’s
license that, before the time of filing for application, has been
revoked or canceled for cause; (2) who is a subterfuge for the real
party in interest whose license has been revoked or canceled for cause;
(3) who, as an individual licensee or officer, director, owner, or
managing employee of a nonindividual licensee, has had a motor vehicle
fuel distributor license revoked or canceled for cause; (4) who has an
unsatisfied debt to the state assessed under either chapter 82.36,
82.37, 82.38, 82.42, or 46.87 RCW; or (5) upon other sufficient cause
being shown. Before such a refusal or revocation, the department shall
grant the applicant a hearing and shall give the applicant at least
twenty days' written notice of the time and place of the hearing.

The department may, in the exercise of reasonable discretion,
suspend a motor vehicle distributor license at any time before and
pending such a hearing for unpaid taxes or reasonable cause.

Sec. 21. RCW 82.36.120 and 1991 c 339 s 3 are each amended to read
as follows:

If a distributor is delinquent in the payment of an obligation
imposed under this chapter, the department may give notice of the
amount of the delinquency by registered or certified mail to all
persons having in their possession or under their control any credits
or other personal property belonging to such distributor, or owing any
debts to such distributor at the time of receipt by them of such
notice. Upon service, the notice and order to withhold and deliver
constitutes a continuing lien on property of the taxpayer. The
department shall include in the caption of the notice to withhold and
deliver "continuing lien." The effective date of a notice to withhold
and deliver served under this section is the date of service of the
notice. A person so notified shall neither transfer nor make any other
disposition of such credits, personal property, or debts until the
department consents to a transfer or other disposition. All persons so
notified must, within twenty days after receipt of the notice, advise
the department of any and all such credits, personal property, or debts
in their possession, under their control or owing by them, as the case
may be, and shall deliver upon demand the credits, personal property, or debts to the department or its duly authorized representative to be applied to the indebtedness involved.

If a person fails to answer the notice within the time prescribed by this section, it is lawful for the court, upon application of the department and after the time to answer the notice has expired, to render judgment by default against the person for the full amount claimed by the department in the notice to withhold and deliver, together with costs.

Sec. 22. RCW 82.38.020 and 1988 c 122 s 1 are each amended to read as follows:

As hereinafter used in this chapter:

(1) "Person" means every natural person, fiduciary, association or corporation. The term "person" as applied to an association means and includes the partners or members thereof, and as applied to corporations, the officers thereof.

(2) "Department" means the department of licensing.

(3) "Highway" means every way or place open to the use of the public, as a matter of right, for the purpose of vehicular travel.

(4) "Motor vehicle" means every self-propelled vehicle designed for operation upon land utilizing special fuel as the means of propulsion.

(5) "Special fuel" means and includes all combustible gases and liquids suitable for the generation of power for propulsion of motor vehicles, except that it does not include motor vehicle fuel as defined in chapter 82.36 RCW.

(6) "Bulk storage" means the placing of special fuel by a special fuel dealer into a receptacle other than the fuel supply tank of a motor vehicle.

(7) "Special fuel dealer" means any person engaged in the business of delivering special fuel into the fuel supply tank or tanks of a motor vehicle not then owned or controlled by him, or into bulk storage facilities for subsequent use in a motor vehicle. For this purpose the term "fuel supply tank or tanks" does not include cargo tanks even though fuel is withdrawn directly therefrom for propulsion of the vehicle.

(8) "Special fuel user" means any person purchasing special fuel into bulk storage without payment of the special fuel tax for subsequent use in a motor vehicle, or any person engaged in interstate
commercial operation of motor vehicles any part of which is within this state.

(9) ("Special fuel supplier" means any person engaged in the business of selling special fuel where delivery thereof is made other than, or in addition to, the manner prescribed under the definition of "special fuel dealer", but does not include any person making retail sales of special fuel exclusively for heating purposes.

(10) "Service station" means any location at which fueling of motor vehicles is offered to the general public.

(11) "Unbonded service station" means any service station at which an unbonded special fuel dealer regularly makes sales of special fuel by means of delivery thereof into the fuel supply tanks of motor vehicles.

(12) "Bond" means: (a) A bond duly executed by such special fuel dealer or special fuel user as principal with a corporate surety qualified under the provisions of chapter 48.28 RCW which bond shall be payable to the state of Washington conditioned upon faithful performance of all requirements of this chapter, including the payment of all taxes, penalties, and other obligations of such dealer, arising out of this chapter; or (b) a deposit with the state treasurer by the special fuel dealer or special fuel user, under such terms and conditions as the department may prescribe, a like amount of lawful money of the United States or bonds or other obligations of the United States, the state of Washington, or any county of said state, of an actual market value not less than the amount so fixed by the department; or (c) such other instruments as the department may determine and prescribe by rule to protect the interests of the state and to insure compliance of the requirements of this chapter.

(13) "Lessor" means any person (a) whose principal business is the bona fide leasing or renting of motor vehicles without drivers for compensation to the general public, and (b) who maintains established places of business and whose lease or rental contracts require such motor vehicles to be returned to the established places of business.

(14) "Natural gas" means naturally occurring mixtures of hydrocarbon gases and vapors consisting principally of methane, whether in gaseous or liquid form.
"Standard pressure and temperature" means fourteen and seventy-three hundredths pounds of pressure per square inch at sixty degrees Fahrenheit.

Sec. 23. RCW 82.38.090 and 1993 c 5 4 s 6 are each amended to read as follows:

It shall be unlawful for any person to act as a special fuel dealer((, a special fuel supplier)) or a special fuel user in this state unless such person is the holder of an uncanceled special fuel dealer’s((, a special fuel supplier’s)) or a special fuel user’s license issued to him or her by the department. ((A special fuel supplier’s license authorizes a person to sell special fuel without collecting the special fuel tax to other suppliers and dealers holding valid special fuel licenses.))

A special fuel dealer’s license authorizes a person to deliver previously untaxed special fuel into the fuel supply tanks of motor vehicles, collect the special fuel tax on behalf of the state at the time of delivery, and remit the taxes collected to the state as provided herein. A licensed special fuel dealer may also deliver untaxed special fuel into bulk storage facilities of a licensed special fuel user or dealer without collecting the special fuel tax. Special fuel dealers ((and suppliers)), when making deliveries of special fuel into bulk storage to any person not holding a valid special fuel license, must collect the special fuel tax at time of delivery, unless the person to whom the delivery is made is specifically exempted from the tax as provided herein.

A special fuel user’s license authorizes a person to purchase special fuel into bulk storage for use in motor vehicles either on or off the public highways of this state without payment of the special fuel tax at time of purchase. Holders of special fuel licenses are all subject to the bonding, reporting, tax payment, and record-keeping provisions of this chapter. All purchases of special fuel by a licensed special fuel user directly into the fuel supply tank of a motor vehicle are subject to the special fuel tax at time of purchase. Special authorization may be given to farmers, logging companies, and construction companies to purchase special fuel directly into the supply tanks of nonhighway equipment or into portable slip tanks for nonhighway use without payment of the special fuel tax. Persons
utilizing special fuel for heating purposes only are not required to be licensed.

Special fuel users operating motor vehicles in interstate commerce having two axles and a gross vehicle weight or registered gross vehicle weight not exceeding twenty-six thousand pounds are not required to be licensed. Special fuel users operating motor vehicles in interstate commerce having two axles and a gross vehicle weight or registered gross vehicle weight exceeding twenty-six thousand pounds, or having three or more axles regardless of weight, or a combination of vehicles, when the combination exceeds twenty-six thousand pounds gross vehicle weight, must comply with the licensing and reporting requirements of this chapter. A copy of the license must be carried in each motor vehicle entering this state from another state or province.

Sec. 24. RCW 82.38.130 and 1979 c 40 s 9 are each amended to read as follows:

The department may revoke the license of any special fuel dealer, ((special fuel supplier,)) or special fuel user for any of the grounds constituting cause for denial of a license set forth in RCW 82.38.120 or for other reasonable cause. Before revoking such license the department shall notify the licensee to show cause within twenty days of the date of the notice why the license should not be revoked: PROVIDED, That at any time prior to and pending such hearing the department may, in the exercise of reasonable discretion, suspend such license. The department shall cancel any license to act as a special fuel dealer, ((a special fuel supplier,)) or a special fuel user immediately upon surrender thereof by the holder.

((It shall be presumed that a special fuel dealer’s bond is in effect until such time as the department notifies all licensed special fuel suppliers to the contrary by mailing to their current address of record.))

Any surety on a bond furnished by a special fuel dealer or special fuel user as provided herein shall be released and discharged from any and all liability to the state accruing on such bond after the expiration of forty-five days from the date which such surety shall have lodged with the department a written request to be released and discharged, but this provision shall not operate to relieve, release, or discharge the surety from any liability already accrued or which
shall accrue before the expiration of the forty-five day period. The department shall promptly, upon receiving any such request, notify the special fuel dealer or special fuel user who furnished the bond, and unless the special fuel dealer or special fuel user shall, on or before the expiration of the forty-five day period, file a new bond, in accordance with the requirements of this section, or make a deposit in lieu thereof as provided in ((subsection (12) of)) RCW 82.38.020(11), the department forthwith shall cancel the special fuel dealer’s or special fuel user’s license.

The department may require a special fuel dealer or special fuel user to give a new or additional surety bond or to deposit additional securities of the character specified in ((subsection (12) of)) RCW 82.38.020(11) if, in its opinion, the security of the surety bond therefor filed by such special fuel dealer or special fuel user, or the market value of the properties deposited as security by such special fuel dealer or special fuel user, shall become impaired or inadequate. Upon failure of the special fuel dealer or special fuel user to give such new or additional surety bond or to deposit additional securities within forty-five days after being requested to do so by the department, or after he shall fail or refuse to file reports and remit or pay taxes at the intervals fixed by the department, the department forthwith shall cancel his or her license.

Sec. 25. RCW 82.38.170 and 1991 c 339 s 7 are each amended to read as follows:

(1) If any special fuel dealer or special fuel user fails to pay any taxes collected or due the state of Washington by said dealer or user within the time prescribed by RCW 82.38.150 and 82.38.160, said dealer or user shall pay in addition to such tax a penalty of ten percent of the amount thereof.

(2) If it be determined by the department that the tax reported by any special fuel dealer or special fuel user is deficient it ((shall)) may proceed to assess the deficiency on the basis of information available to it and there shall be added to this deficiency a penalty of ten percent of the amount of the deficiency.

(3) If any special fuel dealer or special fuel user, whether or not he or she is licensed as such, fails, neglects, or refuses to file a special fuel tax report, the department ((shall)) may, on the basis of information available to it, determine the tax liability of the special
fuel dealer or the special fuel user for the period during which no
report was filed, and to the tax as thus determined, the department
shall add the penalty and interest provided in subsection (2) of this
section. An assessment made by the department pursuant to this
subsection or to subsection (2) of this section shall be presumed to be
correct, and in any case where the validity of the assessment is drawn
in question, the burden shall be on the person who challenges the
assessment to establish by a fair preponderance of the evidence that it
is erroneous or excessive as the case may be.

(4) If any special fuel dealer or special fuel user shall establish
by a fair preponderance of evidence that his or her failure to file a
report or pay the proper amount of tax within the time prescribed was
due to reasonable cause and was not intentional or willful, the
department may waive the penalty prescribed in subsections (1), (2),
and (3) of this section.

(5) If any special fuel dealer or special fuel user shall file a
false or fraudulent report with intent to evade the tax imposed by this
chapter, there shall be added to the amount of deficiency determined by
the department a penalty equal to twenty-five percent of the
deficiency, in addition to the penalty provided in subsection (2) of
this section and all other penalties prescribed by law.

(6) Any fuel tax, penalties, and interest payable under this
chapter shall bear interest at the rate of one percent per month, or
fraction thereof, from the first day of the calendar month after the
amount or any portion thereof should have been paid until the date of
payment: PROVIDED, That the department may waive the interest when it
determines that the cost of processing the collection of the interest
exceeds the amount of interest due.

(7) Except in the case of violations of filing a false or
fraudulent report, if the department deems mitigation of penalties and
interest to be reasonable and in the best interests of carrying out the
purpose of this chapter, it may mitigate such assessments upon whatever
terms the department deems proper, giving consideration to the degree
and extent of the lack of records and reporting errors. The department
may ascertain the facts regarding recordkeeping and payment penalties
in lieu of more elaborate proceedings under this chapter.

(8) Except in the case of a fraudulent report or of neglect or
refusal to make a report, every deficiency shall be assessed under
subsection (2) of this section within three years from the twenty-fifth
day of the next succeeding calendar month following the reporting
period for which the amount is proposed to be determined or within
three years after the return is filed, whichever period expires the
later.

(9) Any special fuel dealer or special fuel user against whom an
assessment is made under the provisions of subsections (2) or (3) of
this section may petition for a reassessment thereof within thirty days
after service upon the special fuel dealer or special fuel user of
notice thereof. If such petition is not filed within such thirty day
period, the amount of the assessment becomes final at the expiration
thereof.

If a petition for reassessment is filed within the thirty day
period, the department shall reconsider the assessment and, if the
special fuel dealer or special fuel user has so requested in his or her
petition, shall grant such special fuel dealer or special fuel user an
oral hearing and give the special fuel dealer or special fuel user ten
days’ notice of the time and place thereof. The department may
continue the hearing from time to time. The decision of the department
upon a petition for reassessment shall become final thirty days after
service upon the special fuel dealer or special fuel user of notice
thereof.

Every assessment made by the department shall become due and
payable at the time it becomes final and if not paid to the department
when due and payable, there shall be added thereto a penalty of ten
percent of the amount of the tax.

(10) Any notice of assessment required by this section shall be
served personally or by mail; if by mail, service shall be made by
depositing such notice in the United States mail, postage prepaid
addressed to the special fuel dealer or special fuel user at his or her
address as the same appears in the records of the department.

(11) Any licensee who has had their special fuel user license,
special fuel dealer license, special fuel supplier license, or
combination thereof revoked shall pay a one hundred dollar penalty
prior to the issuance of a new license.

(12) Any person who, upon audit or investigation by the department,
is found to have not paid special fuel taxes as required by this
chapter shall be subject to cancellation of all vehicle registrations
for vehicles utilizing special fuel as a means of propulsion. Any
unexpired Washington tonnage on the vehicles in question may be
transferred to a purchaser of the vehicles upon application to the
department who shall hold such tonnage in its custody until a sale of
the vehicle is made or the tonnage has expired.

Sec. 26. RCW 82.38.220 and 1983 c 242 s 5 are each amended to read
as follows:

In the event any special fuel user or special fuel dealer is
delinquent in the payment of any obligation imposed under this chapter,
the department may give notice of the amount of such delinquency by
registered or certified mail to all persons having in their possession
or under their control any credits or other personal property belonging
to such user or dealer or owing any debts to such user or dealer, at
the time of the receipt by them of such notice. Any person so notified
shall neither transfer nor make other disposition of such credits,
personal property, or debts until the department consents to a transfer
or other disposition. All persons so notified must, within twenty days
after receipt of the notice, advise the department of any and all such
credits, personal property, or debts in their possession, under their
control or owing by them, as the case may be, and shall immediately
deliver such credits, personal property, or debts to the department or
its duly authorized representative to be applied to the indebtedness
involved.

Upon service, the notice and order to withhold and deliver
constitutes a continuing lien on property of the taxpayer. The
department shall include in the caption of the notice to withhold and
deliver "continuing lien." The effective date of a notice to withhold
and deliver served under this section is the date of service of the
notice.

If a person fails to answer the notice within the time prescribed
by this section, it is lawful for the court, upon application of the
department and after the time to answer the notice has expired, to
render judgment by default against ((such person)) the party named in
the notice to withhold and deliver for the full amount claimed by the
department in the notice to withhold and deliver, together with costs.

Sec. 27. RCW 88.02.125 and 1987 c 149 s 8 are each amended to read
as follows:

(1) Vessel dealers shall possess a certificate of ((title for each
used vessel or)) ownership, a manufacturer’s statement of origin, a
carpenter’s certificate, or a factory invoice ((with)) or other evidence of ownership approved by the department for each ((new)) vessel in the vessel dealer’s inventory unless the vessel for sale is consigned or subject to an inventory security agreement. ((Each certificate of title)) Evidence of ownership shall be either in the name of the dealer or in the name of the dealer’s immediate vendor properly assigned.

(2) A vessel dealer may display and sell consigned vessels or vessels subject to an inventory security agreement if there is a written and signed consignment agreement for each vessel or an inventory security agreement covering all inventory vessels. The consignment agreement shall include verification by the vessel dealer that ((a vessel title or manufacturer’s statement of origin)) evidence of ownership by the consignor exists and its location, the name and address of the registered owner, and the legal owner, if any. Vessels that are subject to an inventory security interest shall be supported with ((a certificate of title or manufacturer’s statement of origin)) evidence of ownership that is in the dealer’s possession or the possession of the inventory security party. Upon payment of the debt secured for that vessel, the secured party shall deliver the ((certificate of title or the manufacturer’s statement of origin)) ownership document, appropriately released, to the dealer. It is the vessel dealer’s responsibility to ensure that ((title)) ownership documents are available for ((title)) ownership transfer upon the sale of the vessel.

(3) Following the retail sale of any vessel, the dealer shall promptly make application and execute the assignment and warranty of the certificate of ((title)) ownership. Such assignment shall show any secured party holding a security interest created at the time of sale. The dealer shall deliver the certificate of ((title)) ownership and application for registration to the department.

NEW SECTION. Sec. 28. RCW 46.16.080 and 1986 c 18 s 6, 1975 c 25 s 17, & 1961 c 12 s 46.16.080 are each repealed.

NEW SECTION. Sec. 29. Sections 8 and 28 of this act take effect July 1, 1994.
Passed the House February 14, 1994.
Approved by the Governor April 1, 1994.
Filed in Office of Secretary of State April 1, 1994.