

CERTIFICATION OF ENROLLMENT

**SUBSTITUTE HOUSE BILL 1682**

Chapter 388, Laws of 2023

68th Legislature  
2023 Regular Session

WASHINGTON AUTO THEFT PREVENTION AUTHORITY ACCOUNT—DEPOSITS

EFFECTIVE DATE: July 1, 2023

Passed by the House April 18, 2023  
Yeas 97 Nays 0

LAURIE JINKINS

**Speaker of the House of  
Representatives**

Passed by the Senate April 12, 2023  
Yeas 49 Nays 0

DENNY HECK

**President of the Senate**

Approved May 9, 2023 2:21 PM

JAY INSLEE

**Governor of the State of Washington**

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 1682** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BERNARD DEAN

**Chief Clerk**

FILED

May 10, 2023

**Secretary of State  
State of Washington**

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**SUBSTITUTE HOUSE BILL 1682**

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AS AMENDED BY THE SENATE

Passed Legislature - 2023 Regular Session

**State of Washington                      68th Legislature                      2023 Regular Session**

**By** House Appropriations (originally sponsored by Representatives Maycumber, Chapman, Barnard, Reeves, Riccelli, Bateman, Springer, Volz, Chambers, Mosbrucker, Robertson, Leavitt, Jacobsen, Christian, and Rule)

READ FIRST TIME 02/22/23.

1            AN ACT Relating to the Washington auto theft prevention authority  
2 account; amending RCW 46.63.110, 46.66.080, and 48.14.020; creating a  
3 new section; providing an effective date; and declaring an emergency.

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

5            NEW SECTION.        **Sec. 1.**        The Washington auto theft prevention  
6 authority account was created in 2007 to provide dedicated funding  
7 from traffic infraction collections to support programs designed to  
8 prevent and prosecute motor vehicle theft. The legislature finds that  
9 over the years, funding from the account has been diverted to other  
10 nonauto theft uses such as department of corrections' operations and  
11 youth gang prevention programs. The legislature further finds that  
12 revenues from traffic infractions have decreased as more drivers  
13 access diversion and deferral programs designed to assist people with  
14 retaining their licenses. Fund diversions and decreasing traffic  
15 infraction revenue threaten the viability of motor vehicle theft  
16 prevention programs at a time when the number of motor vehicle thefts  
17 have increased 88 percent between the year 2021 and 2022. In order to  
18 provide more secure funding to combat and prevent motor vehicle  
19 theft, the legislature intends each fiscal year to deposit into the  
20 Washington auto theft prevention authority account \$7,000,000 of  
21 insurance premium tax collections that would otherwise be deposited

1 to the general fund and to have this deposit grow by inflation. The  
2 legislature further intends for moneys collected from the traffic  
3 infraction surcharge in RCW 46.63.110(7)(b) to be deposited into the  
4 state general fund.

5 **Sec. 2.** RCW 46.63.110 and 2021 c 240 s 3 are each amended to  
6 read as follows:

7 (1)(a) A person found to have committed a traffic infraction  
8 shall be assessed a monetary penalty. No penalty may exceed (~~two~~  
9 ~~hundred and fifty dollars~~) \$250 for each offense unless authorized  
10 by this chapter or title.

11 (b) The court may waive or remit any monetary penalty, fee, cost,  
12 assessment, or other monetary obligation associated with a traffic  
13 infraction unless the specific monetary obligation in question is  
14 prohibited from being waived or remitted by state law.

15 (2) The monetary penalty for a violation of (a) RCW 46.55.105(2)  
16 is (~~two hundred fifty dollars~~) \$250 for each offense; (b) RCW  
17 46.61.210(1) is (~~five hundred dollars~~) \$500 for each offense. No  
18 penalty assessed under this subsection (2) may be reduced.

19 (3) The supreme court shall prescribe by rule a schedule of  
20 monetary penalties for designated traffic infractions. This rule  
21 shall also specify the conditions under which local courts may  
22 exercise discretion in assessing fines and penalties for traffic  
23 infractions. The legislature respectfully requests the supreme court  
24 to adjust this schedule every two years for inflation.

25 (4) There shall be a penalty of (~~twenty-five dollars~~) \$25 for  
26 failure to respond to a notice of traffic infraction except where the  
27 infraction relates to parking as defined by local law, ordinance,  
28 regulation, or resolution or failure to pay a monetary penalty  
29 imposed pursuant to this chapter. A local legislative body may set a  
30 monetary penalty not to exceed (~~twenty-five dollars~~) \$25 for  
31 failure to respond to a notice of traffic infraction relating to  
32 parking as defined by local law, ordinance, regulation, or  
33 resolution. The local court, whether a municipal, police, or district  
34 court, shall impose the monetary penalty set by the local legislative  
35 body.

36 (5) Monetary penalties provided for in chapter 46.70 RCW which  
37 are civil in nature and penalties which may be assessed for  
38 violations of chapter 46.44 RCW relating to size, weight, and load of

1 motor vehicles are not subject to the limitation on the amount of  
2 monetary penalties which may be imposed pursuant to this chapter.

3 (6) Whenever a monetary penalty, fee, cost, assessment, or other  
4 monetary obligation is imposed by a court under this chapter, it is  
5 immediately payable and is enforceable as a civil judgment under  
6 Title 6 RCW. If the court determines that a person is not able to pay  
7 a monetary obligation in full, the court shall enter into a payment  
8 plan with the person in accordance with RCW 46.63.190 and standards  
9 that may be set out in court rule.

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 be  
13 assessed:

14 (a) A fee of (~~five dollars~~) \$5 per infraction. Under no  
15 circumstances shall this fee be reduced or waived. Revenue from this  
16 fee shall 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~~) \$10 per infraction. Under no  
20 circumstances shall this fee be reduced or waived. Revenue from this  
21 fee shall be forwarded to the state treasurer for deposit in the  
22 (~~Washington auto theft prevention authority account~~) general fund;  
23 and

24 (c) A fee of (~~five dollars~~) \$5 per infraction. Under no  
25 circumstances shall this fee be reduced or waived. Revenue from this  
26 fee shall be forwarded to the state treasurer for deposit in the  
27 traumatic brain injury account established in RCW 74.31.060.

28 (8)(a) In addition to any other penalties imposed under this  
29 section and not subject to the limitation of subsection (1) of this  
30 section, a person found to have committed a traffic infraction other  
31 than of RCW 46.61.527 or 46.61.212 shall be assessed an additional  
32 penalty of \$24. The court may not reduce, waive, or suspend the  
33 additional penalty unless the court finds the offender to be  
34 indigent. If a court authorized community restitution program for  
35 offenders is available in the jurisdiction, the court shall allow  
36 offenders to offset all or a part of the penalty due under this  
37 subsection (8) by participation in the court authorized community  
38 restitution program.

39 (b) \$12.50 of the additional penalty under (a) of this subsection  
40 shall be remitted to the state treasurer. The remaining revenue from

1 the additional penalty must be remitted under chapters 2.08, 3.46,  
2 3.50, 3.62, 10.82, and 35.20 RCW. Money remitted under this  
3 subsection to the state treasurer must be deposited as follows: \$8.50  
4 in the state general fund and \$4 in the driver licensing technology  
5 support account created under RCW 46.68.067. The moneys deposited  
6 into the driver licensing technology support account must be used to  
7 support information technology systems used by the department to  
8 communicate with the judicial information system, manage driving  
9 records, and implement court orders. The balance of the revenue  
10 received by the county or city treasurer under this subsection must  
11 be deposited into the county or city current expense fund. Moneys  
12 retained by the city or county under this subsection shall constitute  
13 reimbursement for any liabilities under RCW 43.135.060.

14 (9) If a legal proceeding, such as garnishment, has commenced to  
15 collect any delinquent amount owed by the person for any penalty  
16 imposed by the court under this section, the person may request a  
17 payment plan pursuant to RCW 46.63.190.

18 (10) The monetary penalty for violating RCW 46.37.395 is: (a)  
19 (~~Two hundred fifty dollars~~) \$250 for the first violation; (b)  
20 (~~five hundred dollars~~) \$500 for the second violation; and (c)  
21 (~~seven hundred fifty dollars~~) \$750 for each violation thereafter.

22 (11) The additional monetary penalty for a violation of RCW  
23 46.20.500 is not subject to assessments or fees provided under this  
24 section.

25 (12) The additional monetary fine for a violation of RCW  
26 46.61.110, 46.61.145, 46.61.180, 46.61.185, 46.61.190, and 46.61.205  
27 is not subject to assessments or fees provided under this section.

28 (13) The additional monetary penalties for a violation of RCW  
29 46.61.165 are not subject to assessments or fees provided under this  
30 section.

31 **Sec. 3.** RCW 46.66.080 and 2015 3rd sp.s. c 4 s 964 are each  
32 amended to read as follows:

33 (1) The Washington auto theft prevention authority account is  
34 created in the state treasury, subject to appropriation. (~~All~~  
35 ~~revenues from the traffic infraction surcharge in RCW~~  
36 ~~46.63.110(7)(b))~~ Revenues consist of deposits to the account under  
37 RCW 48.14.020(1)(b) and all receipts from gifts, grants, bequests,  
38 devises, or other funds from public and private sources to support  
39 the activities of the auto theft prevention authority must be

1 deposited into the account. Expenditures from the account may be used  
2 only for activities relating to motor vehicle theft, including  
3 education, prevention, law enforcement, investigation, prosecution,  
4 and confinement. (~~During the 2011-2013, 2013-2015, and 2015-2017~~  
5 ~~fiscal biennia, the legislature may appropriate moneys from the~~  
6 ~~Washington auto theft prevention authority account for criminal~~  
7 ~~justice purposes and community building and may transfer funds to the~~  
8 ~~state general fund such amounts as reflect the excess fund balance of~~  
9 ~~the account.~~)

10 (2) The authority shall allocate moneys appropriated from the  
11 account to public agencies for the purpose of establishing,  
12 maintaining, and supporting programs that are designed to prevent  
13 motor vehicle theft, including:

14 (a) Financial support to prosecution agencies to increase the  
15 effectiveness of motor vehicle theft prosecution;

16 (b) Financial support to a unit of local government or a team  
17 consisting of units of local governments to increase the  
18 effectiveness of motor vehicle theft enforcement;

19 (c) Financial support for the procurement of equipment and  
20 technologies for use by law enforcement agencies for the purpose of  
21 enforcing motor vehicle theft laws; and

22 (d) Financial support for programs that are designed to educate  
23 and assist the public in the prevention of motor vehicle theft.

24 (3) The costs of administration shall not exceed (~~ten~~) 10  
25 percent of the moneys in the account in any one year so that the  
26 greatest possible portion of the moneys available to the authority is  
27 expended on combating motor vehicle theft.

28 (4) Prior to awarding any moneys from the Washington auto theft  
29 prevention authority account for motor vehicle theft enforcement, the  
30 auto theft prevention authority must verify that the financial award  
31 includes sufficient funding to cover proposed activities(~~(, which~~  
32 ~~include, but are not limited to: (a) State, municipal, and county~~  
33 ~~offender and juvenile confinement costs; (b) administration costs;~~  
34 ~~(c) law enforcement costs; (d) prosecutor costs; and (e) court costs,~~  
35 ~~with a priority being given to ensuring that sufficient funding is~~  
36 ~~available to cover state, municipal, and county offender and juvenile~~  
37 ~~confinement costs)).~~

38 (5) Moneys expended from the Washington auto theft prevention  
39 authority account under subsection (2) of this section shall be used

1 to supplement, not supplant, other moneys that are available for  
2 motor vehicle theft prevention.

3 (6) Grants provided under subsection (2) of this section  
4 constitute reimbursement for purposes of RCW 43.135.060(1).

5 **Sec. 4.** RCW 48.14.020 and 2021 c 281 s 7 are each amended to  
6 read as follows:

7 (1)(a) Subject to other provisions of this chapter, each  
8 authorized insurer except title insurers and registered eligible  
9 captive insurers as defined in RCW 48.201.020 shall on or before the  
10 first day of March of each year pay to the state treasurer through  
11 the commissioner's office a tax on premiums. Except as provided in  
12 subsection (3) of this section, such tax shall be in the amount of  
13 two percent of all premiums, excluding amounts returned to or the  
14 amount of reductions in premiums allowed to holders of industrial  
15 life policies for payment of premiums directly to an office of the  
16 insurer, collected or received by the insurer under RCW 48.14.090  
17 during the preceding calendar year other than ocean marine and  
18 foreign trade insurances, after deducting premiums paid to  
19 policyholders as returned premiums, upon risks or property resident,  
20 situated, or to be performed in this state. For tax purposes, the  
21 reporting of premiums shall be on a written basis or on a paid-for  
22 basis consistent with the basis required by the annual statement. For  
23 the purposes of this section the consideration received by an insurer  
24 for the granting of an annuity shall not be deemed to be a premium.

25 (b) Beginning July 1, 2023, and July 1st of each year thereafter,  
26 the state treasurer shall deposit \$7,000,000 in moneys collected for  
27 premium taxes pursuant to this section into the Washington auto theft  
28 prevention authority account created in RCW 46.66.080. Beginning July  
29 1, 2023, the amount deposited under this subsection must be adjusted  
30 by the most current seasonally adjusted index of the consumer price  
31 index for all urban consumers as published by the bureau of labor  
32 statistics of the United States department of labor.

33 (2)(a) The taxes imposed in this section do not apply to amounts  
34 received by any life and disability insurer for health care services  
35 included within the definition of practice of dentistry under RCW  
36 18.32.020 except amounts received for pediatric oral services that  
37 qualify as coverage for the minimum essential coverage requirement  
38 under P.L. 111-148 (2010), as amended, and for stand-alone family  
39 dental plans as defined in RCW 43.71.080(4)(a), only when offered in

1 the individual market, as defined in RCW 48.43.005, or to a small  
2 group, as defined in RCW 48.43.005.

3 (b) Beginning January 1, 2014, moneys collected for premiums  
4 written on qualified health benefit plans and qualified dental plans  
5 offered through the health benefit exchange under chapter 43.71 RCW  
6 must be deposited in the health benefit exchange account under RCW  
7 43.71.060.

8 (3) In the case of insurers which require the payment by their  
9 policyholders at the inception of their policies of the entire  
10 premium thereon in the form of premiums or premium deposits which are  
11 the same in amount, based on the character of the risks, regardless  
12 of the length of term for which such policies are written, such tax  
13 shall be in the amount of two percent of the gross amount of such  
14 premiums and premium deposits upon policies on risks resident,  
15 located, or to be performed in this state, in force as of the thirty-  
16 first day of December next preceding, less the unused or unabsorbed  
17 portion of such premiums and premium deposits computed at the average  
18 rate thereof actually paid or credited to policyholders or applied in  
19 part payment of any renewal premiums or premium deposits on one-year  
20 policies expiring during such year.

21 (4) Each authorized insurer shall with respect to all ocean  
22 marine and foreign trade insurance contracts written within this  
23 state during the preceding calendar year, on or before the first day  
24 of March of each year pay to the state treasurer through the  
25 commissioner's office a tax of ninety-five one-hundredths of one  
26 percent on its gross underwriting profit. Such gross underwriting  
27 profit shall be ascertained by deducting from the net premiums (i.e.,  
28 gross premiums less all return premiums and premiums for reinsurance)  
29 on such ocean marine and foreign trade insurance contracts the net  
30 losses paid (i.e., gross losses paid less salvage and recoveries on  
31 reinsurance ceded) during such calendar year under such contracts. In  
32 the case of insurers issuing participating contracts, such gross  
33 underwriting profit shall not include, for computation of the tax  
34 prescribed by this subsection, the amounts refunded, or paid as  
35 participation dividends, by such insurers to the holders of such  
36 contracts.

37 (5) The state does hereby preempt the field of imposing excise or  
38 privilege taxes upon insurers or their appointed insurance producers,  
39 other than title insurers, and no county, city, town or other



1 municipal subdivision shall have the right to impose any such taxes  
2 upon such insurers or these insurance producers.

3 (6) If an authorized insurer collects or receives any such  
4 premiums on account of policies in force in this state which were  
5 originally issued by another insurer and which other insurer is not  
6 authorized to transact insurance in this state on its own account,  
7 such collecting insurer shall be liable for and shall pay the tax on  
8 such premiums.

9 NEW SECTION. **Sec. 5.** This act is necessary for the immediate  
10 preservation of the public peace, health, or safety, or support of  
11 the state government and its existing public institutions, and takes  
12 effect July 1, 2023.

Passed by the House April 18, 2023.

Passed by the Senate April 12, 2023.

Approved by the Governor May 9, 2023.

Filed in Office of Secretary of State May 10, 2023.

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