
SUBSTITUTE HOUSE BILL 2224

State of Washington

53rd Legislature

1994 Regular Session

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

Read first time 01/28/94.

1 AN ACT Relating to department of licensing regulatory programs
2 concerning motor vehicles, vessels, and fuel taxes; amending RCW
3 46.04.670, 46.10.150, 46.10.170, 46.12.170, 46.12.181, 46.16.070,
4 46.16.210, 46.70.090, 46.70.124, 46.87.020, 46.87.040, 46.87.090,
5 46.87.335, 46.87.350, 70.84.090, 82.36.030, 82.36.060, 82.36.070,
6 82.36.120, 82.38.020, 82.38.090, 82.38.130, 82.38.170, 82.38.220, and
7 88.02.125; repealing RCW 46.16.080; and providing an effective date.

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

9 **Sec. 1.** RCW 46.04.670 and 1991 c 214 s 2 are each amended to read
10 as follows:

11 "Vehicle" includes every device capable of being moved upon a
12 public highway and in, upon, or by which any persons or property is or
13 may be transported or drawn upon a public highway, including bicycles.
14 The term does not include devices other than bicycles moved by human or
15 animal power or used exclusively upon stationary rails or tracks.
16 Mopeds shall not be considered vehicles or motor vehicles (~~only for~~
17 ~~the purposes of chapter 46.12 RCW, but not~~) for the purposes of
18 chapter 46.70 RCW. Bicycles shall not be considered vehicles for the
19 purposes of chapter 46.12, 46.16, or 46.70 RCW.

1 **Sec. 2.** RCW 46.10.150 and 1979 ex.s. c 182 s 12 are each amended
2 to read as follows:

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

9 **Sec. 3.** RCW 46.10.170 and 1993 c 54 s 7 are each amended to read
10 as follows:

11 From time to time, but at least once each four years, the
12 department shall determine the amount (~~(or proportion))~~ of moneys paid
13 to it as motor vehicle fuel tax (~~(, based on the tax rate in effect~~
14 ~~January 1, 1990, which))~~ that is tax on snowmobile fuel. Such
15 determination (~~(may be made in any manner which is, in the judgment of~~
16 ~~the director, reasonable, but the manner used to make such~~
17 ~~determination shall be reported at the end of each four year period to~~
18 ~~the legislature. To offset the actual cost of making such~~
19 ~~determination the treasurer shall retain in, and the department is~~
20 ~~authorized to expend from, the motor vehicle fund a sum equal to such~~
21 ~~actual cost))~~ shall use ninety gallons as the average yearly fuel usage
22 per snowmobile, the number of registered snowmobiles during the
23 calendar year under determination, and the fuel tax rate in effect
24 January 1, 1990.

25 **Sec. 4.** RCW 46.12.170 and 1979 ex.s. c 113 s 2 are each amended to
26 read as follows:

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

1 Whenever there is no outstanding secured obligation and no
2 commitment to make advances and incur obligations or otherwise give
3 value, the secured party must assign the certificate of ownership to
4 the debtor or the debtor's assignee and transmit the certificate to the
5 department with an accompanying fee of one dollar and twenty-five cents
6 in addition to all other fees. The department shall then issue a new
7 certificate of ownership and transmit it to the owner. If the affected
8 secured party fails to either assign or transmit the certificate of
9 ownership to the department within ten days after proper demand, that
10 secured party shall be liable to the debtor for one hundred dollars,
11 and in addition for any loss caused to the debtor by such failure.

12 **Sec. 5.** RCW 46.12.181 and 1990 c 250 s 31 are each amended to read
13 as follows:

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

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

28 **Sec. 6.** RCW 46.16.070 and 1993 sp.s. c 23 s 60 are each amended to
29 read as follows:

30 (1) In lieu of all other vehicle licensing fees, unless
31 specifically exempt, and in addition to the excise tax prescribed in
32 chapter 82.44 RCW and the mileage fees prescribed for buses and stages
33 in RCW 46.16.125, there shall be paid and collected annually for each
34 truck, motor truck, truck tractor, road tractor, tractor, bus, auto
35 stage, or for hire vehicle with seating capacity of more than six,
36 based upon the declared combined gross weight or declared gross weight

1 thereof pursuant to the provisions of chapter 46.44 RCW, the following
2 licensing fees by such gross weight:

3	<u>DECLARED GROSS WEIGHT</u>	<u>SCHEDULE A</u>	<u>SCHEDULE B</u>
4	4,000 lbs.	\$ 37.00	\$ 37.00
5	6,000 lbs.	\$ 44.00	\$ 44.00
6	8,000 lbs.	\$ 55.00	\$ 55.00
7	10,000 lbs.	\$ 62.00	\$ 62.00
8	12,000 lbs.	\$ 72.00	\$ 72.00
9	14,000 lbs.	\$ 82.00	\$ 82.00
10	16,000 lbs.	\$ 92.00	\$ 92.00
11	18,000 lbs.	\$ 137.00	\$ 137.00
12	20,000 lbs.	\$ 152.00	\$ 152.00
13	22,000 lbs.	\$ 164.00	\$ 164.00
14	24,000 lbs.	\$ 177.00	\$ 177.00
15	26,000 lbs.	\$ 187.00	\$ 187.00
16	28,000 lbs.	\$ 220.00	\$ 220.00
17	30,000 lbs.	\$ 253.00	\$ 253.00
18	32,000 lbs.	\$ 304.00	\$ 304.00
19	34,000 lbs.	\$ 323.00	\$ 323.00
20	36,000 lbs.	\$ 350.00	\$ 350.00
21	38,000 lbs.	\$ 384.00	\$ 384.00
22	40,000 lbs.	\$ 439.00	\$ 439.00
23	42,000 lbs.	\$ 456.00	\$ 546.00
24	44,000 lbs.	\$ 466.00	\$ 556.00
25	46,000 lbs.	\$ 501.00	\$ 591.00
26	48,000 lbs.	\$ 522.00	\$ 612.00
27	50,000 lbs.	\$ 566.00	\$ 656.00
28	52,000 lbs.	\$ 595.00	\$ 685.00
29	54,000 lbs.	\$ 642.00	\$ 732.00
30	56,000 lbs.	\$ 677.00	\$ 767.00
31	58,000 lbs.	\$ 704.00	\$ 794.00
32	60,000 lbs.	\$ 750.00	\$ 840.00
33	62,000 lbs.	\$ 804.00	\$ 894.00
34	64,000 lbs.	\$ 822.00	\$ 912.00
35	66,000 lbs.	\$ 915.00	\$ 1,005.00
36	68,000 lbs.	\$ 954.00	\$ 1,044.00
37	70,000 lbs.	\$ 1,027.00	\$ 1,117.00
38	72,000 lbs.	\$ 1,098.00	\$ 1,188.00
39	74,000 lbs.	\$ 1,193.00	\$ 1,283.00

1	76,000 lbs.	. . . . .	<u>\$ 1,289.00</u>	. . . . .	\$ 1,379.00
2	78,000 lbs.	. . . . .	<u>\$ 1,407.00</u>	. . . . .	\$ 1,497.00
3	80,000 lbs.	. . . . .	<u>\$ 1,518.00</u>	. . . . .	\$ 1,608.00
4	82,000 lbs.	. . . . .	<u>\$ 1,623.00</u>	. . . . .	\$ 1,713.00
5	84,000 lbs.	. . . . .	<u>\$ 1,728.00</u>	. . . . .	\$ 1,818.00
6	86,000 lbs.	. . . . .	<u>\$ 1,833.00</u>	. . . . .	\$ 1,923.00
7	88,000 lbs.	. . . . .	<u>\$ 1,938.00</u>	. . . . .	\$ 2,028.00
8	90,000 lbs.	. . . . .	<u>\$ 2,043.00</u>	. . . . .	\$ 2,133.00
9	92,000 lbs.	. . . . .	<u>\$ 2,148.00</u>	. . . . .	\$ 2,238.00
10	94,000 lbs.	. . . . .	<u>\$ 2,253.00</u>	. . . . .	\$ 2,343.00
11	96,000 lbs.	. . . . .	<u>\$ 2,358.00</u>	. . . . .	\$ 2,448.00
12	98,000 lbs.	. . . . .	<u>\$ 2,463.00</u>	. . . . .	\$ 2,553.00
13	100,000 lbs.	. . . . .	<u>\$ 2,568.00</u>	. . . . .	\$ 2,658.00
14	102,000 lbs.	. . . . .	<u>\$ 2,673.00</u>	. . . . .	\$ 2,763.00
15	104,000 lbs.	. . . . .	<u>\$ 2,778.00</u>	. . . . .	\$ 2,868.00
16	105,500 lbs.	. . . . .	<u>\$ 2,883.00</u>	. . . . .	\$ 2,973.00

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

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

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

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

37 (b) Upon surrender of the current certificate of registration or
38 cab card, the new licensing fees due shall be reduced by the amount of

1 the licensing fees previously paid for the same period for which new
2 fees are being charged.

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

5 **Sec. 7.** RCW 46.16.210 and 1977 c 8 s 1 are each amended to read as
6 follows:

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

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

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

36 (4) Application for the annual renewal of a vehicle license number
37 plate to the director or his agents shall not be required for those
38 vehicles owned, rented, or leased by the state of Washington, or by any

1 county, city, town, school district, or other political subdivision of
2 the state of Washington.

3 **Sec. 8.** RCW 46.70.090 and 1992 c 222 s 2 are each amended to read
4 as follows:

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

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

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

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

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

34 (c) On motor vehicles being tested for repair.

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

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

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

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

6 (a) On units hauled to or from the place of business of the
7 manufacturer and the place of business of the dealer or to and from
8 places of business of the dealer.

9 (b) On mobile homes hauled to a customer's location for set-up
10 after sale.

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

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

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

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

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

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

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

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

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

36 (c) On vehicles being tested for repair.

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

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

6 (6) Manufacturers properly licensed pursuant to this chapter may
7 apply for and obtain manufacturer license plates and may be used:

8 (a) On vehicles being moved to or from the place of business of a
9 manufacturer to a vehicle dealer within this state who is properly
10 licensed pursuant to this chapter.

11 (b) To test vehicles for repair.

12 (7) Vehicle dealer license plates and manufacturer license plates
13 shall not be used for any purpose other than set forth in this section
14 and specifically shall not be:

15 (a) Used on any vehicle not within the class for which the vehicle
16 dealer or manufacturer license plates are issued unless specifically
17 provided for in this section.

18 (b) Loaned to any person for any reason not specifically provided
19 for in this section.

20 (c) Used on any vehicles for the transportation of any person,
21 produce, freight, or commodities unless specifically provided for in
22 this section, except there shall be permitted the use of such vehicle
23 dealer license plates on a vehicle transporting commodities in the
24 course of a demonstration over a period not to exceed seventy-two
25 consecutive hours from the commencement of such demonstration, if a
26 representative of the dealer is present and accompanies such vehicle
27 during the course of the demonstration.

28 (d) Used on any vehicle sold to a resident of another state to
29 transport such vehicle to that other state in lieu of a trip permit or
30 in lieu of vehicle license plates obtained from that other state.

31 (e) Used on any new vehicle unless the vehicle dealer has provided
32 the department a current service agreement with the manufacturer or
33 distributor of that vehicle as provided in RCW 46.70.041(1)(k).

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

1 **Sec. 9.** RCW 46.70.124 and 1990 c 250 s 29 are each amended to read
2 as follows:

3 (~~In the case of~~) Vehicle dealers shall possess a separate
4 certificate of ownership(~~, either of the dealer or of the dealer's~~
5 ~~immediate vendor properly assigned, shall be required covering~~) or
6 other evidence of ownership approved by the department for each used
7 vehicle kept in the dealer's possession. Evidence of ownership shall
8 be either in the name of the dealer or in the name of the dealer's
9 immediate vendor properly assigned. In the case of consigned vehicles,
10 the vehicle dealer may possess a completed consignment contract that
11 includes a guaranteed title from the seller in lieu of the required
12 certificate of ownership.

13 **Sec. 10.** RCW 46.87.020 and 1993 c 307 s 12 are each amended to
14 read as follows:

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

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

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

36 (3) "Commercial vehicle" is a term used by the Western Compact and
37 means any vehicle, except recreational vehicles, vehicles displaying
38 restricted plates, and government owned or leased vehicles, that is

1 operated and registered in more than one jurisdiction and is used or
2 maintained for the transportation of persons for hire, compensation, or
3 profit, or is designed, used, or maintained primarily for the
4 transportation of property and:

5 (a) Is a motor vehicle having a declared gross weight in excess of
6 twenty-six thousand pounds; or

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

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

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

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

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

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

35 (6) "Declared gross weight" means the total unladen weight of any
36 vehicle plus the weight of the maximum load to be carried on the
37 vehicle as set by the registrant in the application pursuant to chapter
38 46.44 RCW and for which registration fees have been or are to be paid.
39 In the case of a bus, auto stage, or a passenger-carrying for hire

1 vehicle with a seating capacity of more than six, the declared gross
2 weight shall be determined by multiplying the average load factor of
3 one hundred and fifty pounds by the number of seats in the vehicle,
4 including the driver's seat, and add this amount to the unladen weight
5 of the vehicle. If the resultant gross weight is not listed in RCW
6 46.16.070, it will be increased to the next higher gross weight so
7 listed pursuant to chapter 46.44 RCW.

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

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

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

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

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

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

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

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

35 (a) In the case of a commercial vehicle, the jurisdiction in which
36 it is registered if the commercial enterprise in which the vehicle is
37 used has a place of business therein, and, if the vehicle is most
38 frequently dispatched, garaged, serviced, maintained, operated, or

1 otherwise controlled in or from that place of business, and the vehicle
2 has been assigned to that place of business; or

3 (b) In the case of a commercial vehicle, the jurisdiction where,
4 because of an agreement or arrangement between two or more
5 jurisdictions, or pursuant to a declaration, the vehicle has been
6 registered as required by that jurisdiction.

7 In case of doubt or dispute as to the proper place of registration
8 of a commercial vehicle, the department shall make the final
9 determination, but in making such determination, may confer with
10 departments of the other jurisdictions affected.

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

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

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

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

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

29 **Sec. 11.** RCW 46.87.040 and 1987 c 244 s 19 are each amended to
30 read as follows:

31 Additional gross weight may be purchased for proportionally
32 registered motor vehicles to the limits authorized under chapter 46.44
33 RCW. Reregistration at the higher gross weight (maximum gross weights
34 under this chapter are ((~~forty~~)) fifty-four thousand pounds for a solo
35 three-axle truck or ((~~eighty~~)) one hundred five thousand five hundred
36 pounds for a combination) for the balance of the registration year,
37 including the full registration month in which the vehicle is initially
38 licensed at the higher gross weight. The apportionable or proportional

1 fee initially paid to the state of Washington, reduced for the number
2 of full registration months the license was in effect, will be deducted
3 from the total fee to be paid to this state for licensing at the higher
4 gross weight for the balance of the registration year. No credit or
5 refund will be given for a reduction of gross weight.

6 **Sec. 12.** RCW 46.87.090 and 1987 c 244 s 24 are each amended to
7 read as follows:

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

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

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

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

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

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

33 **Sec. 13.** RCW 46.87.335 and 1991 c 339 s 5 are each amended to read
34 as follows:

35 Except in the case of violations of filing a false or fraudulent
36 application, if the department deems mitigation of penalties, fees, and
37 interest to be reasonable and in the best interests of carrying out the

1 purpose of this chapter, it may mitigate such assessments upon whatever
2 terms the department deems proper, giving consideration to the degree
3 and extent of the lack of records and reporting errors. The department
4 may ascertain the facts regarding recordkeeping and payment penalties
5 in lieu of more elaborate proceedings under this chapter.

6 **Sec. 14.** RCW 46.87.350 and 1987 c 244 s 48 are each amended to
7 read as follows:

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

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

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

36 **Sec. 15.** RCW 70.84.090 and 1985 c 309 s 1 are each amended to read
37 as follows:

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

15 (2) This section does not apply to:

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

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

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

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

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

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

37 (6) Any person who intentionally displays a license plate(~~(, decal,)~~)
38 or (~~(special card)~~) placard which is invalid, or which was not
39 lawfully issued to that person, for the purpose of obtaining refueling

1 service under subsection (1) of this section shall be subject to a
2 civil fine of one hundred dollars for each such violation.

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

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

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

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

17 **Sec. 16.** RCW 82.36.030 and 1993 c 54 s 2 are each amended to read
18 as follows:

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

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

1 If any distributor establishes by a fair preponderance of evidence
2 that his or her failure to file a report by the due date was
3 attributable to reasonable cause and was not intentional or willful,
4 the department may waive the penalty imposed by this section.))

5 **Sec. 17.** RCW 82.36.060 and 1973 c 96 s 1 are each amended to read
6 as follows:

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

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

32 In lieu of a bond in excess of five thousand dollars the
33 distributor may file with the department a property statement setting
34 forth a complete description of all his property and the values
35 thereof, and showing the amount of any indebtedness or encumbrance
36 thereon to the end that the department may ascertain whether or not the
37 distributor can be compelled to respond in twice the amount of the
38 taxes due or to become due hereunder. If the department determines

1 that the distributor can be compelled to respond in twice the amount of
2 the tax the department may accept such statement in lieu of a bond in
3 excess of five thousand dollars. The department may at any time demand
4 from the distributor a new property statement and may at any time if
5 the department deems the property of the distributor insufficient to
6 secure the payment of twice the amount of the taxes require the
7 distributor to furnish a bond in such amount as will secure the payment
8 of twice the amount of the taxes.

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

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

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

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

38 The department may require a distributor to give a new or
39 additional surety bond or to deposit additional securities of the

1 character specified in this section if, in its opinion, the security of
2 the surety bond theretofore filed by such distributor, or the market
3 value of the properties deposited as security by the distributor, shall
4 become impaired or inadequate; and upon the failure of the distributor
5 to give such new or additional surety bond or to deposit additional
6 securities within thirty days after being requested so to do by the
7 department, the department shall forthwith cancel his license.

8 **Sec. 18.** RCW 82.36.070 and 1973 c 96 s 2 are each amended to read
9 as follows:

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

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

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

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

37 In the event an application for a license to transact business as
38 a distributor is filed by any person whose license has heretofore been

1 canceled for cause by the department, or if the department is of the
2 opinion that the application is not filed in good faith, or that the
3 application is filed by some person as a subterfuge for the real person
4 in interest whose license has heretofore been canceled for cause, the
5 department, after a hearing, of which the applicant shall be given five
6 days' notice in writing and at which the applicant may appear in person
7 or by counsel and present testimony, may refuse to issue such a person
8 a license to transact business as a distributor.)) The department may
9 refuse to issue or may revoke a motor vehicle fuel distributor license,
10 to a person: (1) Who formerly held a motor vehicle fuel distributor's
11 license that, before the time of filing for application, has been
12 revoked or canceled for cause; (2) who is a subterfuge for the real
13 party in interest whose license has been revoked or canceled for cause;
14 (3) who, as an individual licensee or officer, director, owner, or
15 managing employee of a nonindividual licensee, has had a motor vehicle
16 fuel distributor license revoked or canceled for cause; (4) who has an
17 unsatisfied debt to the state assessed under either chapter 82.36,
18 82.37, 82.38, 82.42, or 46.87 RCW; or (5) upon other sufficient cause
19 being shown. Before such a refusal or revocation, the department shall
20 grant the applicant a hearing and shall give the applicant at least
21 twenty days' written notice of the time and place of the hearing.

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

25 **Sec. 19.** RCW 82.36.120 and 1991 c 339 s 3 are each amended to read
26 as follows:

27 If a distributor is delinquent in the payment of an obligation
28 imposed under this chapter, the department may give notice of the
29 amount of the delinquency by registered or certified mail to all
30 persons having in their possession or under their control any credits
31 or other personal property belonging to such distributor, or owing any
32 debts to such distributor at the time of receipt by them of such
33 notice. Upon service, the notice and order to withhold and deliver
34 constitutes a continuing lien on property of the taxpayer. The
35 department shall include in the caption of the notice to withhold and
36 deliver "continuing lien." The effective date of a notice to withhold
37 and deliver served under this section is the date of service of the
38 notice. A person so notified shall neither transfer nor make any other

1 disposition of such credits, personal property, or debts until the
2 department consents to a transfer or other disposition. All persons so
3 notified must, within twenty days after receipt of the notice, advise
4 the department of any and all such credits, personal property, or debts
5 in their possession, under their control or owing by them, as the case
6 may be, and shall deliver upon demand the credits, personal property,
7 or debts to the department or its duly authorized representative to be
8 applied to the indebtedness involved.

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

15 **Sec. 20.** RCW 82.38.020 and 1988 c 122 s 1 are each amended to read
16 as follows:

17 As hereinafter used in this chapter:

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

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

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

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

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

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

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

1 though fuel is withdrawn directly therefrom for propulsion of the
2 vehicle.

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

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

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

15 ~~((11))~~ (10) "Unbonded service station" means any service station
16 at which an unbonded special fuel dealer regularly makes sales of
17 special fuel by means of delivery thereof into the fuel supply tanks of
18 motor vehicles.

19 ~~((12))~~ (11) "Bond" means: (a) A bond duly executed by such
20 special fuel dealer or special fuel user as principal with a corporate
21 surety qualified under the provisions of chapter 48.28 RCW which bond
22 shall be payable to the state of Washington conditioned upon faithful
23 performance of all requirements of this chapter, including the payment
24 of all taxes, penalties, and other obligations of such dealer, arising
25 out of this chapter; or (b) a deposit with the state treasurer by the
26 special fuel dealer or special fuel user, under such terms and
27 conditions as the department may prescribe, a like amount of lawful
28 money of the United States or bonds or other obligations of the United
29 States, the state of Washington, or any county of said state, of an
30 actual market value not less than the amount so fixed by the
31 department; or (c) such other instruments as the department may
32 determine and prescribe by rule to protect the interests of the state
33 and to insure compliance of the requirements of this chapter.

34 ~~((13))~~ (12) "Lessor" means any person (a) whose principal
35 business is the bona fide leasing or renting of motor vehicles without
36 drivers for compensation to the general public, and (b) who maintains
37 established places of business and whose lease or rental contracts
38 require such motor vehicles to be returned to the established places of
39 business.

1 (~~(14)~~) (13) "Natural gas" means naturally occurring mixtures of
2 hydrocarbon gases and vapors consisting principally of methane, whether
3 in gaseous or liquid form.

4 (~~(15)~~) (14) "Standard pressure and temperature" means fourteen
5 and seventy-three hundredths pounds of pressure per square inch at
6 sixty degrees Fahrenheit.

7 **Sec. 21.** RCW 82.38.090 and 1993 c 54 s 6 are each amended to read
8 as follows:

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

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

29 A special fuel user's license authorizes a person to purchase
30 special fuel into bulk storage for use in motor vehicles either on or
31 off the public highways of this state without payment of the special
32 fuel tax at time of purchase. Holders of special fuel licenses are all
33 subject to the bonding, reporting, tax payment, and record-keeping
34 provisions of this chapter. All purchases of special fuel by a
35 licensed special fuel user directly into the fuel supply tank of a
36 motor vehicle are subject to the special fuel tax at time of purchase.
37 Special authorization may be given to farmers, logging companies, and
38 construction companies to purchase special fuel directly into the

1 supply tanks of nonhighway equipment or into portable slip tanks for
2 nonhighway use without payment of the special fuel tax. Persons
3 utilizing special fuel for heating purposes only are not required to be
4 licensed.

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

16 **Sec. 22.** RCW 82.38.130 and 1979 c 40 s 9 are each amended to read
17 as follows:

18 The department may revoke the license of any special fuel dealer,
19 (~~special fuel supplier,~~) or special fuel user for any of the grounds
20 constituting cause for denial of a license set forth in RCW 82.38.120
21 or for other reasonable cause. Before revoking such license the
22 department shall notify the licensee to show cause within twenty days
23 of the date of the notice why the license should not be revoked:
24 PROVIDED, That at any time prior to and pending such hearing the
25 department may, in the exercise of reasonable discretion, suspend such
26 license.

27 The department shall cancel any license to act as a special fuel
28 dealer, (~~a special fuel supplier,~~) or a special fuel user immediately
29 upon surrender thereof by the holder.

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

34 Any surety on a bond furnished by a special fuel dealer or special
35 fuel user as provided herein shall be released and discharged from any
36 and all liability to the state accruing on such bond after the
37 expiration of forty-five days from the date which such surety shall
38 have lodged with the department a written request to be released and

1 discharged, but this provision shall not operate to relieve, release,
2 or discharge the surety from any liability already accrued or which
3 shall accrue before the expiration of the forty-five day period. The
4 department shall promptly, upon receiving any such request, notify the
5 special fuel dealer or special fuel user who furnished the bond, and
6 unless the special fuel dealer or special fuel user shall, on or before
7 the expiration of the forty-five day period, file a new bond, in
8 accordance with the requirements of this section, or make a deposit in
9 lieu thereof as provided in (~~subsection (12) of~~) RCW 82.38.020(11),
10 the department forthwith shall cancel the special fuel dealer's or
11 special fuel user's license.

12 The department may require a special fuel dealer or special fuel
13 user to give a new or additional surety bond or to deposit additional
14 securities of the character specified in (~~subsection (12) of~~) RCW
15 82.38.020(11) if, in its opinion, the security of the surety bond
16 therefor filed by such special fuel dealer or special fuel user, or the
17 market value of the properties deposited as security by such special
18 fuel dealer or special fuel user, shall become impaired or inadequate.
19 Upon failure of the special fuel dealer or special fuel user to give
20 such new or additional surety bond or to deposit additional securities
21 within forty-five days after being requested to do so by the
22 department, or after he shall fail or refuse to file reports and remit
23 or pay taxes at the intervals fixed by the department, the department
24 forthwith shall cancel his or her license.

25 **Sec. 23.** RCW 82.38.170 and 1991 c 339 s 7 are each amended to read
26 as follows:

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

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

37 (3) If any special fuel dealer or special fuel user, whether or not
38 he or she is licensed as such, fails, neglects, or refuses to file a

1 special fuel tax report, the department (~~shall~~) may, on the basis of
2 information available to it, determine the tax liability of the special
3 fuel dealer or the special fuel user for the period during which no
4 report was filed, and to the tax as thus determined, the department
5 shall add the penalty and interest provided in subsection (2) of this
6 section. An assessment made by the department pursuant to this
7 subsection or to subsection (2) of this section shall be presumed to be
8 correct, and in any case where the validity of the assessment is drawn
9 in question, the burden shall be on the person who challenges the
10 assessment to establish by a fair preponderance of the evidence that it
11 is erroneous or excessive as the case may be.

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

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

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

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

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

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

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

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

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

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

38 (12) Any person who, upon audit or investigation by the department,
39 is found to have not paid special fuel taxes as required by this

1 chapter shall be subject to cancellation of all vehicle registrations
2 for vehicles utilizing special fuel as a means of propulsion. Any
3 unexpired Washington tonnage on the vehicles in question may be
4 transferred to a purchaser of the vehicles upon application to the
5 department who shall hold such tonnage in its custody until a sale of
6 the vehicle is made or the tonnage has expired.

7 **Sec. 24.** RCW 82.38.220 and 1983 c 242 s 5 are each amended to read
8 as follows:

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

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

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

1 **Sec. 25.** RCW 88.02.125 and 1987 c 149 s 8 are each amended to read
2 as follows:

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

12 (2) A vessel dealer may display and sell consigned vessels or
13 vessels subject to an inventory security agreement if there is a
14 written and signed consignment agreement for each vessel or an
15 inventory security agreement covering all inventory vessels. The
16 consignment agreement shall include verification by the vessel dealer
17 that (~~a vessel title or manufacturer's statement of origin~~) evidence
18 of ownership by the consignor exists and its location, the name and
19 address of the registered owner, and the legal owner, if any. Vessels
20 that are subject to an inventory security interest shall be supported
21 with (~~a certificate of title or manufacturer's statement of origin~~)
22 evidence of ownership that is in the dealer's possession or the
23 possession of the inventory security party. Upon payment of the debt
24 secured for that vessel, the secured party shall deliver the
25 (~~certificate of title or the manufacturer's statement of origin~~)
26 ownership document, appropriately released, to the dealer. It is the
27 vessel dealer's responsibility to ensure that (~~title~~) ownership
28 documents are available for (~~title~~) ownership transfer upon the sale
29 of the vessel.

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

36 **NEW SECTION. Sec. 26.** RCW 46.16.080 and 1986 c 18 s 6, 1975 c 25
37 s 17, & 1961 c 12 s 46.16.080 are each repealed.

1 NEW SECTION. **Sec. 27.** Sections 6 and 26 of this act take effect
2 July 1, 1994.

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