

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

Approved April 1, 1994

MIKE LOWRY

Governor of the State of Washington

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

FILED

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

**Secretary of State
State of Washington**

ENGROSSED 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.

1 AN ACT Relating to department of licensing regulatory programs
2 concerning motor vehicles, vessels, and fuel taxes; amending RCW
3 46.01.230, 46.04.670, 46.10.150, 46.10.170, 46.12.160, 46.12.170,
4 46.12.181, 46.16.070, 46.16.210, 46.70.090, 46.70.124, 46.87.020,
5 46.87.040, 46.87.090, 46.87.335, 46.87.350, 70.84.090, 82.36.030,
6 82.36.060, 82.36.070, 82.36.120, 82.38.020, 82.38.090, 82.38.130,
7 82.38.170, 82.38.220, and 88.02.125; repealing RCW 46.16.080; and
8 providing an effective date.

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

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

12 (1) The department of licensing is authorized to accept checks and
13 money orders for payment of drivers' licenses, certificates of
14 ownership and registration, motor vehicle excise taxes, gross weight
15 fees, and other fees and taxes collected by the department, in
16 accordance with regulations adopted by the director. The director's
17 regulations shall duly provide for the public's convenience consistent
18 with sound business practice and shall encourage the annual renewal of
19 vehicle registrations by mail to the department, authorizing checks and

1 money orders for payment. Such regulations shall contain provisions
2 for cancellation of any registrations, licenses, or permits paid for by
3 checks or money orders which are not duly paid and for the necessary
4 accounting procedures in such cases: PROVIDED, That any bona fide
5 purchaser for value of a vehicle shall not be liable or responsible
6 for any prior uncollected taxes and fees paid, pursuant to this
7 section, by a check which has subsequently been dishonored: AND
8 PROVIDED FURTHER, That no transfer of ownership of a vehicle may be
9 denied to a bona fide purchaser for value of a vehicle if there are
10 outstanding uncollected fees or taxes for which a predecessor paid,
11 pursuant to this section, by check which has subsequently been
12 dishonored nor shall the new owner be required to pay any fee for
13 replacement vehicle license number plates that may be required pursuant
14 to RCW 46.16.270 as now or hereafter amended.

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

24 (3) Whenever registrations, licenses, or permits have been paid for
25 by checks that have been dishonored by nonacceptance or nonpayment, a
26 reasonable handling fee may be assessed for each such instrument.
27 Notwithstanding provisions of any other laws, county auditors, agents,
28 and subagents, appointed or approved by the director pursuant to RCW
29 46.01.140, may collect restitution, and where they have collected
30 restitution may retain the reasonable handling fee. The amount of the
31 reasonable handling fee may be set by rule by the director.

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

36 **Sec. 2.** RCW 46.04.670 and 1991 c 214 s 2 are each amended to read
37 as follows:

1 "Vehicle" includes every device capable of being moved upon a
2 public highway and in, upon, or by which any persons or property is or
3 may be transported or drawn upon a public highway, including bicycles.
4 The term does not include devices other than bicycles moved by human or
5 animal power or used exclusively upon stationary rails or tracks.
6 Mopeds shall not be considered vehicles or motor vehicles (~~only for~~
7 ~~the purposes of chapter 46.12 RCW, but not~~) for the purposes of
8 chapter 46.70 RCW. Bicycles shall not be considered vehicles for the
9 purposes of chapter 46.12, 46.16, or 46.70 RCW.

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

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

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

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

34 **Sec. 5.** RCW 46.12.160 and 1975 c 25 s 12 are each amended to read
35 as follows:

1 If the ~~((director))~~ department determines at any time that an
2 applicant for certificate of ownership or for a certificate of license
3 registration for a vehicle is not entitled thereto, ~~((he))~~ the
4 department may refuse to issue such certificate or to license the
5 vehicle and ~~((he))~~ may, for like reason, after notice, and in the
6 exercise of discretion, cancel license registration already acquired or
7 any outstanding certificate of ownership. ~~((The notice shall be served~~
8 ~~personally or sent by certified mail return receipt requested.))~~ Notice
9 of cancellation may be accomplished by sending a notice by first class
10 mail using the last known address in department records for the
11 registered or legal vehicle owner or owners, and recording the
12 transmittal on an affidavit of first class mail. It shall then be
13 unlawful for any person to remove, drive, or operate the vehicle until
14 a proper certificate of ownership or license registration has been
15 issued, and any person removing, driving, or operating such vehicle
16 after the refusal of the ~~((director))~~ department to issue certificates
17 or the revocation thereof shall be guilty of a gross misdemeanor.

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

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

31 Whenever there is no outstanding secured obligation and no
32 commitment to make advances and incur obligations or otherwise give
33 value, the secured party must assign the certificate of ownership to
34 the debtor or the debtor's assignee and transmit the certificate to the
35 department with an accompanying fee of one dollar and twenty-five cents
36 in addition to all other fees. The department shall then issue a new
37 certificate of ownership and transmit it to the owner. If the affected
38 secured party fails to either assign or transmit the certificate of

1 ownership to the department within ten days after proper demand, that
2 secured party shall be liable to the debtor for one hundred dollars,
3 and in addition for any loss caused to the debtor by such failure.

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

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

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

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

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

31	<u>DECLARED GROSS WEIGHT</u>	<u>SCHEDULE A</u>	<u>SCHEDULE B</u>
32	4,000 lbs.	<u>\$ 37.00</u>	\$ 37.00
33	6,000 lbs.	<u>\$ 44.00</u>	\$ 44.00
34	8,000 lbs.	<u>\$ 55.00</u>	\$ 55.00
35	10,000 lbs.	<u>\$ 62.00</u>	\$ 62.00
36	12,000 lbs.	<u>\$ 72.00</u>	\$ 72.00
37	14,000 lbs.	<u>\$ 82.00</u>	\$ 82.00

1	16,000 lbs.		<u>\$ 92.00</u>		\$ 92.00
2	18,000 lbs.		<u>\$ 137.00</u>		\$ 137.00
3	20,000 lbs.		<u>\$ 152.00</u>		\$ 152.00
4	22,000 lbs.		<u>\$ 164.00</u>		\$ 164.00
5	24,000 lbs.		<u>\$ 177.00</u>		\$ 177.00
6	26,000 lbs.		<u>\$ 187.00</u>		\$ 187.00
7	28,000 lbs.		<u>\$ 220.00</u>		\$ 220.00
8	30,000 lbs.		<u>\$ 253.00</u>		\$ 253.00
9	32,000 lbs.		<u>\$ 304.00</u>		\$ 304.00
10	34,000 lbs.		<u>\$ 323.00</u>		\$ 323.00
11	36,000 lbs.		<u>\$ 350.00</u>		\$ 350.00
12	38,000 lbs.		<u>\$ 384.00</u>		\$ 384.00
13	40,000 lbs.		<u>\$ 439.00</u>		\$ 439.00
14	42,000 lbs.		<u>\$ 456.00</u>		\$ 546.00
15	44,000 lbs.		<u>\$ 466.00</u>		\$ 556.00
16	46,000 lbs.		<u>\$ 501.00</u>		\$ 591.00
17	48,000 lbs.		<u>\$ 522.00</u>		\$ 612.00
18	50,000 lbs.		<u>\$ 566.00</u>		\$ 656.00
19	52,000 lbs.		<u>\$ 595.00</u>		\$ 685.00
20	54,000 lbs.		<u>\$ 642.00</u>		\$ 732.00
21	56,000 lbs.		<u>\$ 677.00</u>		\$ 767.00
22	58,000 lbs.		<u>\$ 704.00</u>		\$ 794.00
23	60,000 lbs.		<u>\$ 750.00</u>		\$ 840.00
24	62,000 lbs.		<u>\$ 804.00</u>		\$ 894.00
25	64,000 lbs.		<u>\$ 822.00</u>		\$ 912.00
26	66,000 lbs.		<u>\$ 915.00</u>		\$ 1,005.00
27	68,000 lbs.		<u>\$ 954.00</u>		\$ 1,044.00
28	70,000 lbs.		<u>\$ 1,027.00</u>		\$ 1,117.00
29	72,000 lbs.		<u>\$ 1,098.00</u>		\$ 1,188.00
30	74,000 lbs.		<u>\$ 1,193.00</u>		\$ 1,283.00
31	76,000 lbs.		<u>\$ 1,289.00</u>		\$ 1,379.00
32	78,000 lbs.		<u>\$ 1,407.00</u>		\$ 1,497.00
33	80,000 lbs.		<u>\$ 1,518.00</u>		\$ 1,608.00
34	82,000 lbs.		<u>\$ 1,623.00</u>		\$ 1,713.00
35	84,000 lbs.		<u>\$ 1,728.00</u>		\$ 1,818.00
36	86,000 lbs.		<u>\$ 1,833.00</u>		\$ 1,923.00
37	88,000 lbs.		<u>\$ 1,938.00</u>		\$ 2,028.00
38	90,000 lbs.		<u>\$ 2,043.00</u>		\$ 2,133.00
39	92,000 lbs.		<u>\$ 2,148.00</u>		\$ 2,238.00

1	94,000 lbs.	. . . . .	\$ 2,253.00	. . . . .	\$ 2,343.00
2	96,000 lbs.	. . . . .	\$ 2,358.00	. . . . .	\$ 2,448.00
3	98,000 lbs.	. . . . .	\$ 2,463.00	. . . . .	\$ 2,553.00
4	100,000 lbs.	. . . . .	\$ 2,568.00	. . . . .	\$ 2,658.00
5	102,000 lbs.	. . . . .	\$ 2,673.00	. . . . .	\$ 2,763.00
6	104,000 lbs.	. . . . .	\$ 2,778.00	. . . . .	\$ 2,868.00
7	105,500 lbs.	. . . . .	\$ 2,883.00	. . . . .	\$ 2,973.00

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

11 Every truck, motor truck, truck tractor, and tractor exceeding
12 6,000 pounds empty scale weight registered under chapter 46.16, 46.87,
13 or 46.88 RCW shall be licensed for not less than one hundred fifty
14 percent of its empty weight unless the amount would be in excess of the
15 legal limits prescribed for such a vehicle in RCW 46.44.041 or
16 46.44.042, in which event the vehicle shall be licensed for the maximum
17 weight authorized for such a vehicle or unless the vehicle is used only
18 for the purpose of transporting any well drilling machine, air
19 compressor, rock crusher, conveyor, hoist, donkey engine, cook house,
20 tool house, bunk house, or similar machine or structure attached to or
21 made a part of such vehicle.

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

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

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

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

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

36 (1) Upon receipt of the application and proper fee for original
37 vehicle license, the director shall make a recheck of the application
38 and in the event that there is any error in the application it may be

1 returned to the county auditor or other agent to effectively secure the
2 correction of such error, who shall return the same corrected to the
3 director.

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

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

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

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

34 (1) The department shall issue a vehicle dealer license plate which
35 shall be attached to the rear of the vehicle only and which is capable
36 of distinguishing the classification of the dealer, to vehicle dealers
37 properly licensed pursuant to this chapter and shall, upon application,

1 issue manufacturer's license plates to manufacturers properly licensed
2 pursuant to this chapter.

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

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

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

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

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

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

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

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

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

36 (a) On units hauled to or from the place of business of the
37 manufacturer and the place of business of the dealer or to and from
38 places of business of the dealer.

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

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

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

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

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

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

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

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

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

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

28 (c) On vehicles being tested for repair.

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

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

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

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

4 (b) To test vehicles for repair.

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

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

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

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

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

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

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

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

35 (~~In the case of~~) Vehicle dealers shall possess a separate
36 certificate of ownership(~~, either of the dealer or of the dealer's~~
37 ~~immediate vendor properly assigned, shall be required covering~~) or
38 other evidence of ownership approved by the department for each used

1 vehicle kept in the dealer's possession. Evidence of ownership shall
2 be either in the name of the dealer or in the name of the dealer's
3 immediate vendor properly assigned. In the case of consigned vehicles,
4 the vehicle dealer may possess a completed consignment contract that
5 includes a guaranteed title from the seller in lieu of the required
6 certificate of ownership.

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

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

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

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

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

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

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

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

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

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

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

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

29 (6) "Declared gross weight" means the total unladen weight of any
30 vehicle plus the weight of the maximum load to be carried on the
31 vehicle as set by the registrant in the application pursuant to chapter
32 46.44 RCW and for which registration fees have been or are to be paid.
33 In the case of a bus, auto stage, or a passenger-carrying for hire
34 vehicle with a seating capacity of more than six, the declared gross
35 weight shall be determined by multiplying the average load factor of
36 one hundred and fifty pounds by the number of seats in the vehicle,
37 including the driver's seat, and add this amount to the unladen weight
38 of the vehicle. If the resultant gross weight is not listed in RCW

1 46.16.070, it will be increased to the next higher gross weight so
2 listed pursuant to chapter 46.44 RCW.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

25 Additional gross weight may be purchased for proportionally
26 registered motor vehicles to the limits authorized under chapter 46.44
27 RCW. Reregistration at the higher gross weight (maximum gross weights
28 under this chapter are (~~forty~~) fifty-four thousand pounds for a solo
29 three-axle truck or (~~eighty~~) one hundred five thousand five hundred
30 pounds for a combination) for the balance of the registration year,
31 including the full registration month in which the vehicle is initially
32 licensed at the higher gross weight. The apportionable or proportional
33 fee initially paid to the state of Washington, reduced for the number
34 of full registration months the license was in effect, will be deducted
35 from the total fee to be paid to this state for licensing at the higher
36 gross weight for the balance of the registration year. No credit or
37 refund will be given for a reduction of gross weight.

1 **Sec. 14.** RCW 46.87.090 and 1987 c 244 s 24 are each amended to
2 read as follows:

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

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

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

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

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

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

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

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

1 **Sec. 16.** RCW 46.87.350 and 1987 c 244 s 48 are each amended to
2 read as follows:

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

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

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

33 (1) Every person, firm, partnership, association, trustee, or
34 corporation which operates a gasoline service station, or other
35 facility which offers gasoline or other motor vehicle fuel for sale to
36 the public from such a facility, shall provide, upon request, refueling
37 service to disabled drivers, unaccompanied by passengers capable of
38 safely providing refueling service, of vehicles which display a

1 disabled person's license plate(~~(, decal,)~~) or (~~(special-card)~~) placard
2 issued by the department of licensing. The price charged for the motor
3 vehicle fuel in such a case shall be no greater than that which the
4 facility otherwise would charge the public generally to purchase motor
5 vehicle fuel without refueling service. This section does not require
6 a facility to provide disabled drivers with services, including but not
7 limited to checking oil or cleaning windshields, other than refueling
8 services.

9 (2) This section does not apply to:

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

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

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

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

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

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

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

35 (7) A notice setting forth the provisions of this section shall be
36 provided by the department of licensing to every person, firm,
37 partnership, association, trustee, or corporation which operates a
38

1 gasoline service station, or other facility which offers gasoline or
2 other motor vehicle fuel for sale to the public from such a facility.

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

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

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

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

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

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

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

1 **Sec. 19.** RCW 82.36.060 and 1973 c 96 s 1 are each amended to read
2 as follows:

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

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

28 In lieu of a bond in excess of five thousand dollars the
29 distributor may file with the department a property statement setting
30 forth a complete description of all his property and the values
31 thereof, and showing the amount of any indebtedness or encumbrance
32 thereon to the end that the department may ascertain whether or not the
33 distributor can be compelled to respond in twice the amount of the
34 taxes due or to become due hereunder. If the department determines
35 that the distributor can be compelled to respond in twice the amount of
36 the tax the department may accept such statement in lieu of a bond in
37 excess of five thousand dollars. The department may at any time demand
38 from the distributor a new property statement and may at any time if
39 the department deems the property of the distributor insufficient to

1 secure the payment of twice the amount of the taxes require the
2 distributor to furnish a bond in such amount as will secure the payment
3 of twice the amount of the taxes.

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

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

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

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

33 The department may require a distributor to give a new or
34 additional surety bond or to deposit additional securities of the
35 character specified in this section if, in its opinion, the security of
36 the surety bond theretofore filed by such distributor, or the market
37 value of the properties deposited as security by the distributor, shall
38 become impaired or inadequate; and upon the failure of the distributor
39 to give such new or additional surety bond or to deposit additional

1 securities within thirty days after being requested so to do by the
2 department, the department shall forthwith cancel his license.

3 **Sec. 20.** RCW 82.36.070 and 1973 c 96 s 2 are each amended to read
4 as follows:

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

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

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

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

32 In the event an application for a license to transact business as
33 a distributor is filed by any person whose license has heretofore been
34 canceled for cause by the department, or if the department is of the
35 opinion that the application is not filed in good faith, or that the
36 application is filed by some person as a subterfuge for the real person
37 in interest whose license has heretofore been canceled for cause, the
38 department, after a hearing, of which the applicant shall be given five

1 days' notice in writing and at which the applicant may appear in person
2 or by counsel and present testimony, may refuse to issue such a person
3 a license to transact business as a distributor.)) The department may
4 refuse to issue or may revoke a motor vehicle fuel distributor license,
5 to a person: (1) Who formerly held a motor vehicle fuel distributor's
6 license that, before the time of filing for application, has been
7 revoked or canceled for cause; (2) who is a subterfuge for the real
8 party in interest whose license has been revoked or canceled for cause;
9 (3) who, as an individual licensee or officer, director, owner, or
10 managing employee of a nonindividual licensee, has had a motor vehicle
11 fuel distributor license revoked or canceled for cause; (4) who has an
12 unsatisfied debt to the state assessed under either chapter 82.36,
13 82.37, 82.38, 82.42, or 46.87 RCW; or (5) upon other sufficient cause
14 being shown. Before such a refusal or revocation, the department shall
15 grant the applicant a hearing and shall give the applicant at least
16 twenty days' written notice of the time and place of the hearing.

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

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

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

1 may be, and shall deliver upon demand the credits, personal property,
2 or debts to the department or its duly authorized representative to be
3 applied to the indebtedness involved.

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

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

12 As hereinafter used in this chapter:

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

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

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

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

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

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

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

36 (8) "Special fuel user" means any person purchasing special fuel
37 into bulk storage without payment of the special fuel tax for
38 subsequent use in a motor vehicle, or any person engaged in interstate

1 commercial operation of motor vehicles any part of which is within this
2 state.

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

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

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

14 ~~((12))~~ (11) "Bond" means: (a) A bond duly executed by such
15 special fuel dealer or special fuel user as principal with a corporate
16 surety qualified under the provisions of chapter 48.28 RCW which bond
17 shall be payable to the state of Washington conditioned upon faithful
18 performance of all requirements of this chapter, including the payment
19 of all taxes, penalties, and other obligations of such dealer, arising
20 out of this chapter; or (b) a deposit with the state treasurer by the
21 special fuel dealer or special fuel user, under such terms and
22 conditions as the department may prescribe, a like amount of lawful
23 money of the United States or bonds or other obligations of the United
24 States, the state of Washington, or any county of said state, of an
25 actual market value not less than the amount so fixed by the
26 department; or (c) such other instruments as the department may
27 determine and prescribe by rule to protect the interests of the state
28 and to insure compliance of the requirements of this chapter.

29 ~~((13))~~ (12) "Lessor" means any person (a) whose principal
30 business is the bona fide leasing or renting of motor vehicles without
31 drivers for compensation to the general public, and (b) who maintains
32 established places of business and whose lease or rental contracts
33 require such motor vehicles to be returned to the established places of
34 business.

35 ~~((14))~~ (13) "Natural gas" means naturally occurring mixtures of
36 hydrocarbon gases and vapors consisting principally of methane, whether
37 in gaseous or liquid form.

1 (~~(15)~~) (14) "Standard pressure and temperature" means fourteen
2 and seventy-three hundredths pounds of pressure per square inch at
3 sixty degrees Fahrenheit.

4 **Sec. 23.** RCW 82.38.090 and 1993 c 54 s 6 are each amended to read
5 as follows:

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

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

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

1 utilizing special fuel for heating purposes only are not required to be
2 licensed.

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

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

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

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

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

32 Any surety on a bond furnished by a special fuel dealer or special
33 fuel user as provided herein shall be released and discharged from any
34 and all liability to the state accruing on such bond after the
35 expiration of forty-five days from the date which such surety shall
36 have lodged with the department a written request to be released and
37 discharged, but this provision shall not operate to relieve, release,
38 or discharge the surety from any liability already accrued or which

1 shall accrue before the expiration of the forty-five day period. The
2 department shall promptly, upon receiving any such request, notify the
3 special fuel dealer or special fuel user who furnished the bond, and
4 unless the special fuel dealer or special fuel user shall, on or before
5 the expiration of the forty-five day period, file a new bond, in
6 accordance with the requirements of this section, or make a deposit in
7 lieu thereof as provided in (~~subsection (12) of~~) RCW 82.38.020(11),
8 the department forthwith shall cancel the special fuel dealer's or
9 special fuel user's license.

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

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

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

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

35 (3) If any special fuel dealer or special fuel user, whether or not
36 he or she is licensed as such, fails, neglects, or refuses to file a
37 special fuel tax report, the department (~~shall~~) may, on the basis of
38 information available to it, determine the tax liability of the special

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

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

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

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

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

37 (8) Except in the case of a fraudulent report or of neglect or
38 refusal to make a report, every deficiency shall be assessed under
39 subsection (2) of this section within three years from the twenty-fifth

1 day of the next succeeding calendar month following the reporting
2 period for which the amount is proposed to be determined or within
3 three years after the return is filed, whichever period expires the
4 later.

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

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

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

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

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

35 (12) Any person who, upon audit or investigation by the department,
36 is found to have not paid special fuel taxes as required by this
37 chapter shall be subject to cancellation of all vehicle registrations
38 for vehicles utilizing special fuel as a means of propulsion. Any
39 unexpired Washington tonnage on the vehicles in question may be

1 transferred to a purchaser of the vehicles upon application to the
2 department who shall hold such tonnage in its custody until a sale of
3 the vehicle is made or the tonnage has expired.

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

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

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

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

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

36 (1) Vessel dealers shall possess a certificate of ~~((title for each~~
37 ~~used vessel or))~~ ownership, a manufacturer's statement of origin, a

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

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

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

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

34 NEW SECTION. Sec. 29. Sections 8 and 28 of this act take effect
35 July 1, 1994.

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