S-4527.2

SUBSTITUTE SENATE BILL 6755

State of Washington 56th Legislature 2000 Regular Session

By Senate Committee on Transportation (originally sponsored by Senators Haugen, Gardner, Patterson, Shin, Costa, Morton, Horn, Bauer, Prentice and Benton)

Read first time 02/08/2000.

AN ACT Relating to the state patrol highway account; amending RCW 43.43.115, 46.01.140, 46.16.010, 46.32.090, 46.32.100, 46.68.030, 46.68.035, 47.68.255, 63.35.040, 63.35.050, 82.48.020, 82.49.010, and 88.02.118; reenacting and amending RCW 43.84.092 and 46.61.5054; creating a new section; providing an effective date; providing a retroactive effective date; and declaring an emergency.

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

8 <u>NEW SECTION.</u> **Sec. 1.** The state patrol highway account is 9 abolished and all funds in it are transferred to the motor vehicle 10 fund.

11 **Sec. 2.** RCW 43.43.115 and 1993 c 438 s 1 are each amended to read 12 as follows:

Whenever real property owned by the state of Washington and under the jurisdiction of the Washington state patrol is no longer required, it may be sold at fair market value. All proceeds received from the sale of real property, less any real estate broker commissions, shall be deposited into the ((state patrol highway account)) motor vehicle fund: PROVIDED, That if accounts or funds other than the ((state

patrol highway account)) motor vehicle fund have contributed to the purchase or improvement of the real property, the office of financial management shall determine the proportional equity of each account or fund in the property and improvements, and shall direct the proceeds to be deposited proportionally therein.

6 Sec. 3. RCW 43.84.092 and 1999 c 380 s 9, 1999 c 309 s 929, 1999 7 c 268 s 5, and 1999 c 94 s 4 are each reenacted and amended to read as 8 follows:

9 (1) All earnings of investments of surplus balances in the state 10 treasury shall be deposited to the treasury income account, which 11 account is hereby established in the state treasury.

12 (2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash 13 14 management improvement act of 1990. The treasury income account is 15 subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by 16 the cash management improvement act. Refunds of interest to the 17 18 federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. 19 The office of financial management shall determine the amounts due to or 20 21 from the federal government pursuant to the cash management improvement 22 act. The office of financial management may direct transfers of funds 23 between accounts as deemed necessary to implement the provisions of the 24 cash management improvement act, and this subsection. Refunds or 25 allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section. 26

27 (3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services 28 29 on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and 30 affected state agencies. The treasury income account is subject in all 31 respects to chapter 43.88 RCW, but no appropriation is required for 32 33 payments to financial institutions. Payments shall occur prior to 34 distribution of earnings set forth in subsection (4) of this section. (4) Monthly, the state treasurer shall distribute the earnings 35 36 credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury 37 38 income account except:

The following accounts and funds 1 shall receive their (a) 2 proportionate share of earnings based upon each account's and fund's 3 average daily balance for the period: The capitol building 4 construction account, the Cedar River channel construction and 5 operation account, the Central Washington University capital projects charitable, educational, penal and reformatory 6 account, the 7 institutions account, the common school construction fund, the county 8 criminal justice assistance account, the county sales and use tax 9 equalization account, the data processing building construction 10 account, the deferred compensation administrative account, the deferred compensation principal account, the department of retirement systems 11 expense account, the drinking water assistance account, the Eastern 12 13 Washington University capital projects account, the education construction fund, the emergency reserve fund, the federal forest 14 15 revolving account, the health services account, the state higher 16 education construction account, the higher education account, the 17 public health services account, the health system capacity account, the personal health services account, the highway infrastructure account, 18 19 the industrial insurance premium refund account, the judges' retirement 20 account, the judicial retirement administrative account, the judicial retirement principal account, the local leasehold excise tax account, 21 22 the local real estate excise tax account, the local sales and use tax 23 account, the medical aid account, the mobile home park relocation fund, 24 the municipal criminal justice assistance account, the municipal sales 25 and use tax equalization account, the natural resources deposit 26 account, the perpetual surveillance and maintenance account, the public employees' retirement system plan 1 account, the public employees' 27 retirement system plan 2 account, the Puyallup tribal settlement 28 29 account, the resource management cost account, the site closure 30 account, the special wildlife account, the state employees' insurance 31 account, the state employees' insurance reserve account, the state investment board expense account, the state investment board commingled 32 33 trust fund accounts, the supplemental pension account, the teachers' 34 retirement system plan 1 account, the teachers' retirement system 35 combined plan 2 and plan 3 account, the tobacco prevention and control settlement 36 account, the tobacco account, the transportation 37 infrastructure account, the tuition recovery trust fund, the University 38 of Washington bond retirement fund, the University of Washington 39 building account, the volunteer fire fighters' and reserve officers'

relief and pension principal ((account)) fund, the volunteer fire 1 fighters' ((relief)) and ((pension)) reserve officers' administrative 2 3 ((account)) fund, the Washington judicial retirement system account, 4 the Washington law enforcement officers' and fire fighters' system plan 5 1 retirement account, the Washington law enforcement officers' and fire fighters' system plan 2 retirement account, the Washington school 6 7 employees' retirement system combined plan 2 and 3 account, the 8 Washington state patrol retirement account, the Washington State 9 University building account, the Washington State University bond 10 retirement fund, the water pollution control revolving fund, and the Western Washington University capital projects account. 11 Earnings derived from investing balances of the agricultural permanent fund, the 12 13 normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state university permanent fund 14 15 shall be allocated to their respective beneficiary accounts. All 16 earnings to be distributed under this subsection (4)(a) shall first be 17 reduced by the allocation to the state treasurer's service fund pursuant to RCW 43.08.190. 18

19 (b) The following accounts and funds shall receive eighty percent 20 of their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The aeronautics account, 21 22 the aircraft search and rescue account, the county arterial 23 preservation account, the department of licensing services account, the 24 essential rail assistance account, the ferry bond retirement fund, the 25 grade crossing protective fund, the high capacity transportation 26 account, the highway bond retirement fund, the highway safety account, 27 the motor vehicle fund, the motorcycle safety education account, the pilotage account, the public transportation systems account, the Puget 28 29 Sound capital construction account, the Puget Sound ferry operations 30 account, the recreational vehicle account, the rural arterial trust account, the safety and education account, the special category C 31 32 account, ((the state patrol highway account,)) the transportation 33 equipment fund, the transportation fund, the transportation improvement 34 account, the transportation improvement board bond retirement account, 35 and the urban arterial trust account.

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

1 sec. 4. RCW 46.01.140 and 1996 c 315 s 1 are each amended to read
2 as follows:

3 (1) The county auditor, if appointed by the director of licensing 4 shall carry out the provisions of this title relating to the licensing 5 of vehicles and the issuance of vehicle license number plates under the 6 direction and supervision of the director and may with the approval of 7 the director appoint assistants as special deputies and recommend 8 subagents to accept applications and collect fees for vehicle licenses 9 and transfers and to deliver vehicle license number plates.

10 (2) A county auditor appointed by the director may request that the director appoint subagencies within the county. Upon authorization of 11 the director, the auditor shall advertise a request for proposals and 12 13 use the process for soliciting vendors under RCW 39.04.190(2), except that the provision requiring the contract to be awarded to the lowest 14 15 responsible bidder shall not apply. The auditor shall submit all proposals to the director, and shall recommend the appointment of one 16 17 or more subagents who have applied through the request for proposal process. The director has final appointment authority. 18

19 (3)(a) A county auditor who is appointed as an agent by the 20 department shall enter into a standard contract provided by the 21 director, developed with the advice of the title and registration 22 advisory committee.

(b) A subagent appointed under subsection (2) of this section shall enter into a standard contract with the county auditor, developed with the advice of the title and registration advisory committee. The director shall provide the standard contract to county auditors.

(c) The contracts provided for in (a) and (b) of this subsectionmust contain at a minimum provisions that:

(i) Describe the responsibilities, and where applicable, the liability, of each party relating to the service expectations and levels, equipment to be supplied by the department, and equipment maintenance;

(ii) Require the specific type of insurance or bonds so that the state is protected against any loss of collected motor vehicle tax revenues or loss of equipment;

(iii) Specify the amount of training that will be provided by thestate, the county auditor, or subagents;

(iv) Describe allowable costs that may be charged to vehiclelicensing activities as provided for in (d) of this subsection;

(v) Describe the causes and procedures for termination of the
 contract, which may include mediation and binding arbitration.

3 (d) The department shall develop procedures that will standardize 4 and prescribe allowable costs that may be assigned to vehicle licensing 5 and vessel registration and title activities performed by county 6 auditors.

7 (e) The contracts may include any provision that the director deems 8 necessary to ensure acceptable service and the full collection of 9 vehicle and vessel tax revenues.

10 (f) The director may waive any provisions of the contract deemed 11 necessary in order to ensure that readily accessible service is 12 provided to the citizens of the state.

13 (4)(a) At any time any application is made to the director, the county auditor, or other agent pursuant to any law dealing with 14 licenses, registration, or the right to operate any vehicle or vessel 15 upon the public highways or waters of this state, excluding applicants 16 17 already paying such fee under RCW 46.16.070 or 46.16.085, the applicant shall pay to the director, county auditor, or other agent a fee of 18 19 three dollars for each application in addition to any other fees 20 required by law.

(b) Counties that do not cover the expenses of vehicle licensing and vessel registration and title activities may submit to the department a request for cost-coverage moneys. The request must be submitted on a form developed by the department. The department shall develop procedures to verify whether a request is reasonable. Payment shall be made on requests found to be allowable from the licensing services account.

(c) Applicants for certificates of ownership, including applicants paying fees under RCW 46.16.070 or 46.16.085, shall pay to the director, county auditor, or other agent a fee of four dollars in addition to any other fees required by law.

(d) The fees under (a) and (c) of this subsection, if paid to the county auditor as agent of the director, or if paid to a subagent of the county auditor, shall be paid to the county treasurer in the same manner as other fees collected by the county auditor and credited to the county current expense fund. If the fee is paid to another agent of the director, the fee shall be used by the agent to defray his or her expenses in handling the application.

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1 (5) A subagent shall collect a service fee of (a) seven dollars and 2 fifty cents for changes in a certificate of ownership, with or without 3 registration renewal, or verification of record and preparation of an 4 affidavit of lost title other than at the time of the title application 5 or transfer and (b) three dollars for registration renewal only, 6 issuing a transit permit, or any other service under this section.

7 (6) If the fee is collected by the state patrol as agent for the 8 director, the fee so collected shall be certified to the state 9 treasurer and deposited to the credit of the ((state patrol highway account)) motor vehicle fund. 10 If the fee is collected by the department of transportation as agent for the director, the fee shall 11 be certified to the state treasurer and deposited to the credit of the 12 motor vehicle fund. All such fees collected by the director or 13 14 branches of his office shall be certified to the state treasurer and 15 deposited to the credit of the highway safety fund.

16 (7) Any county revenues that exceed the cost of providing vehicle 17 licensing and vessel registration and title activities in a county, 18 calculated in accordance with the procedures in subsection (3)(d) of 19 this section, shall be expended as determined by the county legislative 20 authority during the process established by law for adoption of county 21 budgets.

22 (8) The director may adopt rules to implement this section.

23 **Sec. 5.** RCW 46.16.010 and 1999 c 277 s 4 are each amended to read 24 as follows:

(1) It is a violation for a person to operate any vehicle over and along a public highway of this state without first having obtained and having in full force and effect a current and proper vehicle license and display vehicle license number plates therefor as by this chapter provided.

30 (a) Failure to make initial registration of a vehicle before 31 operating it on the highways of this state is a violation of this 32 section. Anyone who violates this section is liable for a penalty of 33 three hundred fifty dollars for each violation in addition to all other 34 penalties provided by law. Persons violating this subsection shall 35 make payment as prescribed in subsection (2)(b) of this section.

36 (b) Failure to renew an expired registration before operation on 37 the highways of this state is a traffic infraction, which shall not be 38 resolved through the civil process instituted under this section.

1 (2)(a) The licensing of a vehicle in another state by a resident of 2 this state, as defined in RCW 46.16.028, to avoid the payment of any 3 tax or license fee imposed in connection with registration, is a 4 violation of this section, and violators are liable for a monetary 5 penalty not less than one thousand dollars but not more than ten 6 thousand dollars for each violation.

7 (b) The penalty provided in subsection (1)(a) of this section and 8 this subsection is due and payable when the person incurring it 9 receives a notice in writing from the state patrol describing the 10 violation and advising the person that the penalty is due. The state patrol may, upon written application for review, received within 11 fifteen days, remit or mitigate a penalty provided for in this section 12 13 or discontinue an action to recover the penalty upon such terms it deems proper and may ascertain the facts in a manner and under rules it 14 15 deems proper. If the amount of the penalty is not paid to the state 16 patrol within fifteen days after receipt of the notice imposing the 17 penalty, or application for remission or mitigation has not been made within fifteen days after the violator has received notice of the 18 19 disposition of the application, the attorney general shall bring an action in the name of the state of Washington in the superior court of 20 Thurston county or of any other county in which the violator resides or 21 does business, to recover the penalty, administrative fees, 22 and 23 attorneys' fees and costs incurred in recovering the penalties. All 24 penalties recovered under this section shall be paid into the state 25 treasury and credited to the ((state patrol highway account of the)) 26 motor vehicle fund ((for the license fraud task force)).

(c) The avoided taxes and fees shall be deposited and distributed
 in the same manner as if the taxes and fees were properly paid in a
 timely fashion.

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(3) These provisions shall not apply to the following vehicles:

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(a) Electric-assisted bicycles;

(b) Farm vehicles if operated within a radius of fifteen miles of the farm where principally used or garaged, farm tractors and farm implements including trailers designed as cook or bunk houses used exclusively for animal herding temporarily operating or drawn upon the public highways, and trailers used exclusively to transport farm implements from one farm to another during the daylight hours or at night when such equipment has lights that comply with the law;

Spray or fertilizer applicator rigs designed and used 1 (C) 2 exclusively for spraying or fertilization in the conduct of 3 agricultural operations and not primarily for the purpose of 4 transportation, and nurse rigs or equipment auxiliary to the use of and designed or modified for the fueling, repairing, or loading of spray 5 and fertilizer applicator rigs and not used, designed, or modified 6 7 primarily for the purpose of transportation;

8 (d) Fork lifts operated during daylight hours on public highways 9 adjacent to and within five hundred feet of the warehouses which they 10 serve: PROVIDED FURTHER, That these provisions shall not apply to 11 vehicles used by the state parks and recreation commission exclusively 12 for park maintenance and operations upon public highways within state 13 parks;

14 (e) "Special highway construction equipment" defined as follows: 15 Any vehicle which is designed and used primarily for grading of 16 highways, paving of highways, earth moving, and other construction work 17 on highways and which is not designed or used primarily for the transportation of persons or property on a public highway and which is 18 19 only incidentally operated or moved over the highway. It includes, but is not limited to, road construction and maintenance machinery so 20 designed and used such as portable air compressors, air drills, asphalt 21 22 spreaders, bituminous mixers, bucket loaders, track laying tractors, ditchers, leveling graders, finishing machines, motor graders, paving 23 24 mixers, road rollers, scarifiers, earth moving scrapers and carryalls, 25 lighting plants, welders, pumps, power shovels and draglines, self-26 propelled and tractor-drawn earth moving equipment and machinery, including dump trucks and tractor-dump trailer combinations which 27 28 either (i) are in excess of the legal width, or (ii) which, because of 29 their length, height, or unladen weight, may not be moved on a public 30 highway without the permit specified in RCW 46.44.090 and which are not 31 operated laden except within the boundaries of the project limits as defined by the contract, and other similar types of construction 32 equipment, or (iii) which are driven or moved upon a public highway 33 34 only for the purpose of crossing such highway from one property to another, provided such movement does not exceed five hundred feet and 35 36 the vehicle is equipped with wheels or pads which will not damage the 37 roadway surface.

38 Exclusions:

1 "Special highway construction equipment" does not include any of 2 the following:

3 Dump trucks originally designed to comply with the legal size and 4 weight provisions of this code notwithstanding any subsequent 5 modification which would require a permit, as specified in RCW 6 46.44.090, to operate such vehicles on a public highway, including 7 trailers, truck-mounted transit mixers, cranes and shovels, or other 8 vehicles designed for the transportation of persons or property to 9 which machinery has been attached.

10 (4) The following vehicles, whether operated solo or in 11 combination, are exempt from license registration and displaying 12 license plates as required by this chapter:

(a) A converter gear used to convert a semitrailer into a trailer or a two-axle truck or tractor into a three or more axle truck or tractor or used in any other manner to increase the number of axles of a vehicle. Converter gear includes an auxiliary axle, booster axle, dolly, and jeep axle.

(b) A tow dolly that is used for towing a motor vehicle behind another motor vehicle. The front or rear wheels of the towed vehicle are secured to and rest on the tow dolly that is attached to the towing vehicle by a tow bar.

22 **Sec. 6.** RCW 46.32.090 and 1996 c 86 s 1 are each amended to read 23 as follows:

The department shall collect a fee of ten dollars, in addition to 24 25 all other fees and taxes, for each motor vehicle base plated in the 26 state of Washington that is subject to highway inspections and terminal 27 audits under RCW 46.32.080, at the time of registration and renewal of registration under chapter 46.16 or 46.87 RCW, or the International 28 29 Registration Plan if based [base] plated in a foreign jurisdiction. 30 The ten-dollar fee must be apportioned for those vehicles operating interstate and registered under the International Registration Plan. 31 32 This fee does not apply to nonmotor-powered vehicles, including 33 trailers. Refunds will not be provided for fees paid under this 34 section when the vehicle is no longer subject to RCW 46.32.080. The department may deduct an amount equal to the cost of administering the 35 36 All remaining fees shall be deposited with the state program. treasurer and credited to the ((state patrol highway account of the)) 37 38 motor vehicle fund.

1 sec. 7. RCW 46.32.100 and 1998 c 172 s 1 are each amended to read
2 as follows:

3 In addition to all other penalties provided by law, a commercial 4 motor vehicle that is subject to terminal safety audits under this chapter and an officer, agent, or employee of a company operating a 5 commercial motor vehicle who violates or who procures, aids, or abets б 7 in the violation of this title or any order or rule of the state patrol 8 is liable for a penalty of one hundred dollars for each violation, 9 except for each violation of 49 C.F.R. Pt. 382, controlled substances 10 and alcohol use and testing, 49 C.F.R. Sec. 391.15, disqualification of drivers, and 49 C.F.R. Sec. 396.9(c)(2), moving a vehicle placed out of 11 service before the out of service defects have been satisfactorily 12 13 repaired, for which the person is liable for a penalty of five hundred dollars. Each violation is a separate and distinct offense, and in 14 15 case of a continuing violation every day's continuance is a separate 16 and distinct violation.

17 The penalty provided in this section is due and payable when the person incurring it receives a notice in writing from the patrol 18 19 describing the violation and advising the person that the penalty is 20 due. The patrol may, upon written application for review, received within fifteen days, remit or mitigate a penalty provided for in this 21 22 section or discontinue a prosecution to recover the penalty upon such 23 terms it deems proper and may ascertain the facts upon all such 24 applications in such manner and under such rules as it deems proper. 25 If the amount of the penalty is not paid to the patrol within fifteen 26 days after receipt of the notice imposing the penalty, or application 27 for remission or mitigation has not been made within fifteen days after the violator has received notice of the disposition of the application, 28 29 the attorney general shall bring an action in the name of the state of 30 Washington in the superior court of Thurston county or of some other 31 county in which the violator does business, to recover the penalty. In all such actions the procedure and rules of evidence are the same as an 32 33 ordinary civil action except as otherwise provided in this chapter. 34 All penalties recovered under this section shall be paid into the state 35 treasury and credited to the ((state patrol highway account of the)) motor vehicle fund. 36

37 Sec. 8. RCW 46.61.5054 and 1995 c 398 s 15 and 1995 c 332 s 13 are 38 each reenacted and amended to read as follows:

(1)(a) In addition to penalties set forth in ((RCW 46.61.5051 1 through 46.61.5053 until September 1, 1995, and)) RCW 46.61.5055 2 3 ((thereafter)), a one hundred twenty-five dollar fee shall be assessed 4 to a person who is either convicted, sentenced to a lesser charge, or given deferred prosecution, as a result of an arrest for violating RCW 5 46.61.502, 46.61.504, 46.61.520, or 46.61.522. This fee is for the 6 7 purpose of funding the Washington state toxicology laboratory and the 8 Washington state patrol for grants and activities to increase the 9 conviction rate and decrease the incidence of persons driving under the 10 influence of alcohol or drugs.

(b) Upon a verified petition by the person assessed the fee, the court may suspend payment of all or part of the fee if it finds that the person does not have the ability to pay.

(c) When a minor has been adjudicated a juvenile offender for an offense which, if committed by an adult, would constitute a violation of RCW 46.61.502, 46.61.504, 46.61.520, or 46.61.522, the court shall assess the one hundred twenty-five dollar fee under (a) of this subsection. Upon a verified petition by a minor assessed the fee, the court may suspend payment of all or part of the fee if it finds that the minor does not have the ability to pay the fee.

(2) The fee assessed under subsection (1) of this section shall becollected by the clerk of the court and distributed as follows:

(a) Forty percent shall be subject to distribution under RCW
3.46.120, 3.50.100, 35.20.220, 3.62.020, 3.62.040, or 10.82.070.

25 (b) The remainder of the fee shall be forwarded to the state 26 treasurer who shall, through June 30, 1997, deposit: Fifty percent in the death investigations' account to be used solely for funding the 27 28 state toxicology laboratory blood or breath testing programs; and fifty percent in the ((state patrol highway account)) motor vehicle fund to 29 30 be used solely for funding activities to increase the conviction rate and decrease the incidence of persons driving under the influence of 31 alcohol or drugs. Effective July 1, 1997, the remainder of the fee 32 shall be forwarded to the state treasurer who shall deposit: 33 Fifteen 34 percent in the death investigations' account to be used solely for 35 funding the state toxicology laboratory blood or breath testing programs; and eighty-five percent in the ((state patrol highway 36 37 account)) motor vehicle fund to be used solely for funding activities to increase the conviction rate and decrease the incidence of persons 38 39 driving under the influence of alcohol or drugs.

1 (3) This section applies to any offense committed on or after July 2 1, 1993.

3 **Sec. 9.** RCW 46.68.030 and 1990 c 42 s 109 are each amended to read 4 as follows:

Except for proceeds from fees for vehicle licensing for vehicles 5 paying such fees under RCW 46.16.070 and 46.16.085, and as otherwise 6 7 provided for in chapter 46.16 RCW, all fees received by the director for vehicle licenses under the provisions of chapter 46.16 RCW shall be 8 9 forwarded to the state treasurer, accompanied by a proper identifying detailed report, and be deposited to the credit of the motor vehicle 10 fund, except that the proceeds from the vehicle license fee and renewal 11 12 license fee shall be deposited by the state treasurer as hereinafter provided. After ((July 1, 1981, that portion)) January 1, 2000, \$20.35 13 14 of each vehicle license fee ((in excess of \$7.40 and that portion)) and 15 <u>\$20.35</u> of each renewal license fee ((in excess of \$3.40)) shall be deposited in the state patrol highway account in the motor vehicle 16 fund, hereby created. Vehicle license fees, renewal license fees, and 17 18 all other funds in the state patrol highway account shall be for the 19 sole use of the Washington state patrol for highway activities of the Washington state patrol, subject to proper appropriations 20 and reappropriations therefor, for any fiscal biennium after June 30, 1981, 21 22 and twenty-seven and three-tenths percent of the proceeds from \$7.40 of 23 each vehicle license fee and \$3.40 of each renewal license fee shall be 24 deposited each biennium in the Puget Sound ferry operations account. 25 Any remaining amounts of vehicle license fees and renewal license fees 26 that are not deposited in the Puget Sound ferry operations account shall be deposited in the motor vehicle fund. 27

28 **Sec. 10.** RCW 46.68.035 and 1993 c 102 s 7 are each amended to read 29 as follows:

All proceeds from combined vehicle licensing fees received by the director for vehicles licensed under RCW 46.16.070 and 46.16.085 shall be forwarded to the state treasurer to be distributed into accounts according to the following method:

(1) The sum of two dollars for each vehicle shall be deposited into
 the ((highway safety)) multimodal fund, except that for each vehicle
 registered by a county auditor or agent to a county auditor pursuant to

RCW 46.01.140, the sum of two dollars shall be credited to the current
 county expense fund.

3 (2) The remainder shall be distributed as follows:

4 (a) ((23.677 percent shall be deposited into the state patrol 5 highway account of the motor vehicle fund;

6 (b)) 1.521 percent shall be deposited into the Puget Sound ferry
7 operations account of the motor vehicle fund; and

8 (((-))) (b) The remaining proceeds shall be deposited into the 9 motor vehicle fund.

10 **Sec. 11.** RCW 47.68.255 and 1999 c 277 s 6 are each amended to read 11 as follows:

(1) A person who is required to register an aircraft under this chapter and who registers an aircraft in another state or foreign country avoiding the Washington aircraft taxes, commits a violation of this section and is liable for those unpaid taxes and for a monetary penalty not less than one thousand dollars but not more than ten thousand dollars for each violation.

18 (2) The penalty provided in this section is due and payable when the person incurring it receives a notice in writing from the state 19 patrol describing the violation and advising the person that the 20 The state patrol may, upon written application for 21 penalty is due. review, received within fifteen days, remit or mitigate a penalty 22 23 provided for in this section or discontinue an action to recover the 24 penalty upon such terms it deems proper and may ascertain the facts in 25 a manner and under rules it deems proper. If the amount of the penalty is not paid to the state patrol within fifteen days after receipt of 26 the notice imposing the penalty, or application for remission or 27 mitigation has not been made within fifteen days after the violator has 28 29 received notice of the disposition of the application, the attorney general shall bring an action in the name of the state of Washington in 30 the superior court of Thurston county or of any other county in which 31 the violator does business, to recover the penalty, administrative 32 33 fees, and attorneys' fees. All penalties recovered under this section 34 shall be paid into the state treasury and credited to the ((state patrol highway account of the)) motor vehicle fund ((for the license 35 fraud task force)). The department of revenue may assess and collect 36 the unpaid excise tax under chapter 82.32 RCW, including the penalties 37 and interest provided in chapter 82.32 RCW. 38

1 sec. 12. RCW 63.35.040 and 1989 c 222 s 4 are each amended to read
2 as follows:

The moneys arising from sales under the provisions of this chapter shall be first applied to the payment of the costs and expenses of the sale and then to the payment of lawful charges and expenses for the keep of said personal property and the balance, if any, shall be forwarded to the state treasurer to be deposited into the ((state <u>patrol highway account</u>)) motor vehicle fund.

9 **Sec. 13.** RCW 63.35.050 and 1989 c 222 s 5 are each amended to read 10 as follows:

If the owner of said personal property so sold, or the owner's 11 12 legal representative, shall, at any time within three years after such money shall have been deposited in the ((state patrol highway account)) 13 motor vehicle fund, furnish satisfactory evidence to the state 14 15 treasurer of the ownership of said personal property, the owner or the 16 owner's legal representative shall be entitled to receive from ((said state patrol highway account)) the motor vehicle fund the amount so 17 18 deposited therein with interest.

19 Sec. 14. RCW 82.48.020 and 1999 c 277 s 7 are each amended to read 20 as follows:

(1) An annual excise tax is hereby imposed for the privilege of 21 22 using any aircraft in the state. A current certificate of air 23 worthiness with a current inspection date from the appropriate federal 24 agency and/or the purchase of aviation fuel shall constitute the necessary evidence of aircraft use or intended use. The tax shall be 25 collected annually or under a staggered collection schedule as required 26 by the secretary by rule. No additional tax shall be imposed under 27 28 this chapter upon any aircraft upon the transfer of ownership thereof, 29 if the tax imposed by this chapter with respect to such aircraft has already been paid for the year in which transfer of ownership occurs. 30 31 A violation of this subsection is a misdemeanor punishable as provided 32 under chapter 9A.20 RCW.

33 (2)(a) Persons who are required to register aircraft under chapter 34 47.68 RCW and who register aircraft in another state or foreign country 35 and avoid the Washington aircraft taxes, violate this section and are 36 liable for a monetary penalty of not less than one thousand dollars but 37 not more than ten thousand dollars for each violation.

(b) The penalty provided in this section is due and payable when 1 2 the person incurring it receives a notice in writing from the state patrol describing the violation and advising the person that the 3 4 penalty is due. The state patrol may, upon written application for review, received within fifteen days, remit or mitigate a penalty 5 provided for in this section or discontinue an action to recover the 6 7 penalty upon such terms it deems proper and may ascertain the facts in 8 a manner and under rules it deems proper. If the amount of the penalty 9 is not paid to the state patrol within fifteen days after receipt of 10 the notice imposing the penalty, or application for remission or mitigation has not been made within fifteen days after the violator has 11 received notice of the disposition of the application, the attorney 12 13 general shall bring an action in the name of the state of Washington in the superior court of Thurston county or of any other county in which 14 15 the violator resides or does business, to recover the penalty, administrative fees, and attorneys' fees. In all such actions, the 16 procedure and rules of evidence are the same as an ordinary civil 17 action except as otherwise provided in this chapter. All penalties 18 19 recovered under this section shall be paid into the state treasury and 20 credited to the ((state patrol highway account of the)) motor vehicle fund ((for the license fraud task force)). 21

(3) The department of revenue may assess and collect the unpaid
 excise tax under chapter 82.32 RCW, including the penalties and
 interest provided in chapter 82.32 RCW.

(4) Except as provided under subsections (1) and (2) of this
section, a violation of this chapter is a misdemeanor punishable as
provided in chapter 9A.20 RCW.

28 **Sec. 15.** RCW 82.49.010 and 1999 c 277 s 8 are each amended to read 29 as follows:

(1) An excise tax is imposed for the privilege of using a vessel upon the waters of this state, except vessels exempt under RCW 82.49.020. The annual amount of the excise tax is one-half of one percent of fair market value, as determined under this chapter, or five dollars, whichever is greater. Violation of this subsection is a misdemeanor.

(2)(a) A person who is required under chapter 88.02 RCW to register
 a vessel in this state and who registers the vessel in another state or
 foreign country and avoids the Washington watercraft taxes, violates

1 this section and is liable for those taxes and a monetary penalty not 2 less than one thousand dollars but not more than ten thousand dollars 3 for each violation.

4 (b) The penalty provided in this section is due and payable when the person incurring it receives a notice in writing from the state 5 patrol describing the violation and advising the person that the 6 7 The state patrol may, upon written application for penalty is due. 8 review, received within fifteen days, remit or mitigate a penalty 9 provided for in this section or discontinue an action to recover the 10 penalty upon such terms it deems proper and may ascertain the facts in a manner and under rules it deems proper. If the amount of the penalty 11 is not paid to the state patrol within fifteen days after receipt of 12 13 the notice imposing the penalty, or application for remission or mitigation has not been made within fifteen days after the violator has 14 15 received notice of the disposition of the application, the attorney 16 general shall bring an action in the name of the state of Washington in 17 the superior court of Thurston county or of any other county in which the violator resides or does business, to recover the penalty, 18 19 administrative fees, and attorneys' fees. All penalties recovered 20 under this section shall be paid into the state treasury and credited to the ((state patrol highway account of the)) motor vehicle fund ((for 21 the license fraud task force)). 22

23 (3) The excise tax upon a vessel registered for the first time in 24 this state shall be imposed for a twelve-month period, including the 25 month in which the vessel is registered, unless the director of licensing extends or diminishes vessel registration periods for the 26 27 purpose of staggered renewal periods under RCW 88.02.050. A vessel is registered for the first time in this state when the vessel was not 28 29 registered in this state for the immediately preceding registration 30 year, or when the vessel was registered in another jurisdiction for the 31 immediately preceding year. The excise tax on vessels required to be registered in this state on June 30, 1983, shall be paid by June 30, 32 33 1983.

34 **Sec. 16.** RCW 88.02.118 and 1999 c 277 s 10 are each amended to 35 read as follows:

(1)(a) It is a violation for any person owning a vessel subject to
 taxation under chapter 82.49 RCW to register a vessel in another state
 to avoid Washington state vessel taxes required under chapter 82.49 RCW

or to obtain a vessel dealer's registration for the purpose of avoiding
 taxes on vessels under chapter 82.49 RCW.

3 (b) The monetary penalty is not less than one thousand dollars but 4 not more than ten thousand dollars for each violation.

5 (2) The penalty provided in this section is due and payable when the person incurring it receives a notice in writing from the state 6 7 patrol describing the violation and advising the person that the 8 penalty is due. The state patrol may, upon written application for 9 review, received within fifteen days, remit or mitigate a penalty 10 provided for in this section or discontinue an action to recover the penalty upon such terms it deems proper and may ascertain the facts in 11 a manner and under rules it deems proper. If the amount of the penalty 12 13 is not paid to the state patrol within fifteen days after receipt of the notice imposing the penalty, or application for remission or 14 15 mitigation has not been made within fifteen days after the violator has 16 received notice of the disposition of the application, the attorney 17 general shall bring an action in the name of the state of Washington in the superior court of Thurston county or of any other county in which 18 19 the violator resides or does business, to recover the penalty, administrative fees, and attorneys' fees. In all such actions, the 20 procedure and rules of evidence are the same as an ordinary civil 21 action except as otherwise provided in this chapter. All penalties 22 23 recovered under this section shall be paid into the state treasury and 24 credited to the ((state patrol highway account of the)) motor vehicle 25 fund ((for the license fraud task force)).

26 <u>NEW SECTION.</u> Sec. 17. Section 9 of this act is necessary for the 27 immediate preservation of the public peace, health, or safety, or 28 support of the state government and its existing public institutions, 29 is remedial in nature, and takes effect retroactively as of January 1, 30 2000. The remainder of this act takes effect July 1, 2001.

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