SUBSTITUTE HOUSE BILL 2312

State of Washington 59th Legislature 2005 Regular Session

By House Committee on Transportation (originally sponsored by Representatives Murray and Simpson)

READ FIRST TIME 04/14/05.

1 AN ACT Relating to transportation revenue; amending RCW 82.36.025, 2 82.38.030, 46.68.090, 46.68.110, 82.38.035, 82.38.045, 43.84.092, 3 46.68.035, 46.16.237, 46.16.270, 46.20.055, 46.20.070, 46.20.117, 46.20.120, 46.20.311, 46.20.049, and 43.135.045; reenacting and 4 amending RCW 43.84.092, 46.16.070, 46.16.070, 46.16.070, and 46.20.308; 5 adding new sections to chapter 46.68 RCW; adding a new section to 6 7 chapter 46.16 RCW; adding a new chapter to Title 46 RCW; creating new 8 sections; providing effective dates; providing expiration dates; and 9 declaring an emergency.

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

11

INTENT

12 <u>NEW SECTION.</u> Sec. 1. The legislature recognizes that the 2003 13 nickel package for transportation improvements was only intended as a 14 first phase in addressing the state's transportation problems. This 15 transportation improvement act of 2005 is intended to provide the next 16 phase in funding for critical transportation projects across the state. 17 The legislature further intends that revenues raised under this act for 1 a project or series of projects in a corridor that cost one billion 2 dollars or more must be supplemented with tolls and taxes from regional 3 and local transportation partners.

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PART I - VEHICLE FUEL TAXES

5 **Sec. 101.** RCW 82.36.025 and 2003 c 361 s 401 are each amended to 6 read as follows:

7 (1) A motor vehicle fuel tax rate of twenty-three cents per gallon8 applies to the sale, distribution, or use of motor vehicle fuel.

9 (2) Beginning July 1, 2003, an additional and cumulative motor 10 <u>vehicle</u> fuel tax rate of five cents per gallon applies to the sale, 11 distribution, or use of motor vehicle fuel. This subsection (2) 12 expires when the bonds issued for transportation 2003 projects are 13 retired.

14 (3) Beginning July 1, 2005, an additional and cumulative motor
 15 vehicle fuel tax rate of three cents per gallon applies to the sale,
 16 distribution, or use of motor vehicle fuel.

17 (4) Beginning July 1, 2006, an additional and cumulative motor 18 vehicle fuel tax rate of three cents per gallon applies to the sale, 19 distribution, or use of motor vehicle fuel.

20 (5) Beginning July 1, 2007, an additional and cumulative motor 21 vehicle fuel tax rate of two cents per gallon applies to the sale, 22 distribution, or use of motor vehicle fuel.

23 (6) Beginning July 1, 2008, an additional and cumulative motor 24 vehicle fuel tax rate of one and one-half cents per gallon applies to 25 the sale, distribution, or use of motor vehicle fuel.

26 **Sec. 102.** RCW 82.38.030 and 2003 c 361 s 402 are each amended to 27 read as follows:

(1) There is hereby levied and imposed upon special fuel users a tax at the rate of twenty-three cents per gallon of special fuel, or each one hundred cubic feet of compressed natural gas, measured at standard pressure and temperature.

32 (2) Beginning July 1, 2003, an additional and cumulative tax rate
 33 of five cents per gallon of special fuel, or each one hundred cubic
 34 feet of compressed natural gas, measured at standard pressure and

1 temperature shall be imposed on special fuel users. This subsection 2 (2) expires when the bonds issued for transportation 2003 projects are 3 retired.

4 (3) <u>Beginning July 1, 2005, an additional and cumulative tax rate</u>
5 <u>of three cents per gallon of special fuel, or each one hundred cubic</u>
6 <u>feet of compressed natural gas, measured at standard pressure and</u>
7 <u>temperature shall be imposed on special fuel users.</u>

8 (4) Beginning July 1, 2006, an additional and cumulative tax rate 9 of three cents per gallon of special fuel, or each one hundred cubic 10 feet of compressed natural gas, measured at standard pressure and 11 temperature shall be imposed on special fuel users.

12 (5) Beginning July 1, 2007, an additional and cumulative tax rate 13 of two cents per gallon of special fuel, or each one hundred cubic feet 14 of compressed natural gas, measured at standard pressure and 15 temperature shall be imposed on special fuel users.

16 (6) Beginning July 1, 2008, an additional and cumulative tax rate 17 of one and one-half cents per gallon of special fuel, or each one 18 hundred cubic feet of compressed natural gas, measured at standard 19 pressure and temperature shall be imposed on special fuel users.

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(7) Taxes are imposed when:

(a) Special fuel is removed in this state from a terminal if the special fuel is removed at the rack unless the removal is to a licensed exporter for direct delivery to a destination outside of the state, or the removal is to a special fuel distributor for direct delivery to an international fuel tax agreement licensee under RCW 82.38.320;

26 (b) Special fuel is removed in this state from a refinery if either 27 of the following applies:

(i) The removal is by bulk transfer and the refiner or the owner ofthe special fuel immediately before the removal is not a licensee; or

30 (ii) The removal is at the refinery rack unless the removal is to 31 a licensed exporter for direct delivery to a destination outside of the 32 state, or the removal is to a special fuel distributor for direct 33 delivery to an international fuel tax agreement licensee under RCW 34 82.38.320;

35 (c) Special fuel enters into this state for sale, consumption, use,36 or storage if either of the following applies:

37 (i) The entry is by bulk transfer and the importer is not a 38 licensee; or 1

(ii) The entry is not by bulk transfer;

2 (d) Special fuel is sold or removed in this state to an unlicensed
3 entity unless there was a prior taxable removal, entry, or sale of the
4 special fuel;

5 (e) Blended special fuel is removed or sold in this state by the 6 blender of the fuel. The number of gallons of blended special fuel 7 subject to tax is the difference between the total number of gallons of 8 blended special fuel removed or sold and the number of gallons of 9 previously taxed special fuel used to produce the blended special fuel;

10 (f) Dyed special fuel is used on a highway, as authorized by the 11 internal revenue code, unless the use is exempt from the special fuel 12 tax;

13 (g) Dyed special fuel is held for sale, sold, used, or is intended 14 to be used in violation of this chapter;

(h) Special fuel purchased by an international fuel tax agreementlicensee under RCW 82.38.320 is used on a highway; and

(i) Special fuel is sold by a licensed special fuel supplier to a
special fuel distributor, special fuel importer, or special fuel
blender and the special fuel is not removed from the bulk transferterminal system.

21 $\left(\left(\frac{4}{4}\right)\right)$ (8) The tax imposed by this chapter, if required to be 22 collected by the licensee, is held in trust by the licensee until paid 23 to the department, and a licensee who appropriates or converts the tax 24 collected to his or her own use or to any use other than the payment of 25 the tax to the extent that the money required to be collected is not available for payment on the due date as prescribed in this chapter is 26 27 guilty of a felony, or gross misdemeanor in accordance with the theft and anticipatory provisions of Title 9A RCW. A person, partnership, 28 corporation, or corporate officer who fails to collect the tax imposed 29 by this section, or who has collected the tax and fails to pay it to 30 31 the department in the manner prescribed by this chapter, is personally 32 liable to the state for the amount of the tax.

33 **Sec. 103.** RCW 46.68.090 and 2003 c 361 s 403 are each amended to 34 read as follows:

(1) All moneys that have accrued or may accrue to the motor vehicle fund from the motor vehicle fuel tax and special fuel tax shall be first expended for purposes enumerated in (a) and (b) of this

1 subsection. The remaining net tax amount shall be distributed monthly 2 by the state treasurer in accordance with subsections $(2)((\frac{-}{, (3), \text{ and}}))$ 3 (4)) through (7) of this section.

4 (a) For payment of refunds of motor vehicle fuel tax and special 5 fuel tax that has been paid and is refundable as provided by law;

6 (b) For payment of amounts to be expended pursuant to 7 appropriations for the administrative expenses of the offices of state 8 treasurer, state auditor, and the department of licensing of the state 9 of Washington in the administration of the motor vehicle fuel tax and 10 the special fuel tax, which sums shall be distributed monthly.

(2) All of the remaining net tax amount collected under RCW
82.36.025(1) and 82.38.030(1) shall be distributed as set forth in (a)
through (j) of this section.

(a) For distribution to the motor vehicle fund an amount equal to
44.387 percent to be expended for highway purposes of the state as
defined in RCW 46.68.130;

(b) For distribution to the special category C account, hereby created in the motor vehicle fund, an amount equal to 3.2609 percent to be expended for special category C projects. Special category C projects are category C projects that, due to high cost only, will require bond financing to complete construction.

The following criteria, listed in order of priority, shall be used in determining which special category C projects have the highest priority:

25 (i) Accident experience;

26 (ii) Fatal accident experience;

(iii) Capacity to move people and goods safely and at reasonablespeeds without undue congestion; and

29 (iv) Continuity of development of the highway transportation 30 network.

Moneys deposited in the special category C account in the motor vehicle fund may be used for payment of debt service on bonds the proceeds of which are used to finance special category C projects under this subsection (2)(b);

35 (c) For distribution to the Puget Sound ferry operations account in 36 the motor vehicle fund an amount equal to 2.3283 percent;

37 (d) For distribution to the Puget Sound capital construction38 account in the motor vehicle fund an amount equal to 2.3726 percent;

(e) For distribution to the urban arterial trust account in the
 motor vehicle fund an amount equal to 7.5597 percent;

3 (f) For distribution to the transportation improvement account in 4 the motor vehicle fund an amount equal to 5.6739 percent and expended 5 in accordance with RCW 47.26.086;

6 (g) For distribution to the cities and towns from the motor vehicle 7 fund an amount equal to 10.6961 percent in accordance with RCW 8 46.68.110;

(h) For distribution to the counties from the motor vehicle fund an 9 10 amount equal to 19.2287 percent: (i) Out of which there shall be distributed from time to time, as directed by the department of 11 12 transportation, those sums as may be necessary to carry out the 13 provisions of RCW 47.56.725; and (ii) less any amounts appropriated to 14 the county road administration board to implement the provisions of RCW 47.56.725(4), with the balance of such county share to be distributed 15 monthly as the same accrues for distribution in accordance with RCW 16 17 46.68.120;

(i) For distribution to the county arterial preservation account, 18 hereby created in the motor vehicle fund an amount equal to 1.9565 19 These funds shall be distributed by the county road 20 percent. 21 administration board to counties in proportions corresponding to the 22 number of paved arterial lane miles in the unincorporated area of each county and shall be used for improvements to sustain the structural, 23 24 safety, and operational integrity of county arterials. The county road 25 administration board shall adopt reasonable rules and develop policies to implement this program and to assure that a pavement management 26 27 system is used;

(j) For distribution to the rural arterial trust account in the motor vehicle fund an amount equal to 2.5363 percent and expended in accordance with RCW 36.79.020.

31 (3) ((One hundred percent of)) The remaining net tax amount 32 collected under RCW 82.36.025(2) and 82.38.030(2) shall be distributed 33 to the transportation 2003 account (nickel account).

34 (4) <u>The remaining net tax amount collected under RCW 82.36.025(3)</u>
 35 <u>and 82.38.030(3) shall be distributed as follows:</u>

36 (a) 8.3333 percent shall be distributed to the incorporated cities 37 and towns of the state in accordance with RCW 46.68.110;

- (b) 8.3333 percent shall be distributed to counties of the state in
 accordance with RCW 46.68.120; and
- 3 (c) The remainder shall be distributed to the transportation 2005
 4 account created in section 104 of this act.
- 5 (5) The remaining net tax amount collected under RCW 82.36.025(4)
 6 and 82.38.030(4) shall be distributed as follows:
- 7 (a) 8.3333 percent shall be distributed to the incorporated cities
 8 and towns of the state in accordance with RCW 46.68.110;
- 9 (b) 8.3333 percent shall be distributed to counties of the state in 10 accordance with RCW 46.68.120; and
- 11 (c) The remainder shall be distributed to the transportation 2005 12 account created in section 104 of this act.
- 13 (6) The remaining net tax amount collected under RCW 82.36.025 (5) 14 and (6) and 82.38.030 (5) and (6) shall be distributed to the 15 transportation 2005 account created in section 104 of this act.
- 16 (7) Nothing in this section or in RCW 46.68.130 may be construed so 17 as to violate any terms or conditions contained in any highway 18 construction bond issues now or hereafter authorized by statute and 19 whose payment is by such statute pledged to be paid from any excise 20 taxes on motor vehicle fuel and special fuels.
- 21 <u>NEW SECTION.</u> Sec. 104. A new section is added to chapter 46.68
 22 RCW to read as follows:
- 23 The transportation 2005 account is hereby created in the state treasury. All distributions to the account from RCW 46.68.090 must be 24 deposited into the account. Money in the account may be spent only 25 26 after appropriation. Expenditures from the account must be used only 27 for projects or improvements identified as transportation 2005 projects or improvements in the omnibus transportation appropriations act, 28 29 including any principal and interest on bonds authorized for the 30 projects or improvements.
- 31 <u>NEW SECTION.</u> Sec. 105. A new section is added to chapter 46.68
 32 RCW to read as follows:
- The freight mobility investment account is hereby created in the state treasury. Money in the account may be spent only after appropriation. Expenditures from the account may be used only for

1 freight mobility projects identified in the omnibus transportation 2 appropriations act, including any principal and interest on bonds 3 authorized for the projects or improvements.

4 **Sec. 106.** RCW 46.68.110 and 2003 c 361 s 404 are each amended to 5 read as follows:

Funds credited to the incorporated cities and towns of the state as set forth in RCW 46.68.090(((2)(g))) shall be subject to deduction and distribution as follows:

(1) One and one-half percent of such sums distributed under RCW 9 $46.68.090((\frac{2}{2}))$ shall be deducted monthly as such sums are credited 10 11 and set aside for the use of the department of transportation for the supervision of work and expenditures of such incorporated cities and 12 towns on the city and town streets thereof, including the supervision 13 and administration of federal-aid programs for which the department of 14 15 transportation has responsibility: PROVIDED, That any moneys so 16 retained and not expended shall be credited in the succeeding biennium to the incorporated cities and towns in proportion to deductions herein 17 made; 18

19 (2) Thirty-three one-hundredths of one percent of such funds 20 distributed under RCW 46.68.090(((2)(g))) shall be deducted monthly, as 21 such funds accrue, and set aside for the use of the department of 22 transportation for the purpose of funding the cities' share of the 23 costs of highway jurisdiction studies and other studies. Any funds so 24 retained and not expended shall be credited in the succeeding biennium 25 to the cities in proportion to the deductions made;

26 (3) One percent of such funds distributed under RCW $46.68.090((\frac{(2)(g)}{g}))$ shall be deducted monthly, as such funds accrue, to 27 28 be deposited in the urban arterial trust account, to implement the city 29 hardship assistance program, as provided in RCW 47.26.164. However, 30 any moneys so retained and not required to carry out the program as of 31 July 1st of each odd-numbered year thereafter, shall be provided within sixty days to the treasurer and distributed in the manner prescribed in 32 subsection (5) of this section; 33

34 (4) After making the deductions under subsections (1) through (3) 35 of this section and RCW 35.76.050, 31.86 percent of the fuel tax 36 distributed to the cities and towns in RCW 46.68.090(($\frac{(2)(g)}{(g)}$)) shall be 37 allocated to the incorporated cities and towns in the manner set forth

in subsection (5) of this section and subject to deductions in 1 2 subsections (1), (2), and (3) of this section, subject to RCW 35.76.050, to be used exclusively for: The construction, improvement, 3 chip sealing, seal-coating, and repair for arterial highways and city 4 streets as those terms are defined in RCW 46.04.030 and 46.04.120; the 5 maintenance of arterial highways and city streets for those cities with 6 7 a population of less than fifteen thousand; or the payment of any municipal indebtedness which may be incurred in the construction, 8 improvement, chip sealing, seal-coating, and repair of arterial 9 10 highways and city streets; and

(5) The balance remaining to the credit of incorporated cities and towns after such deduction shall be apportioned monthly as such funds accrue among the several cities and towns within the state ratably on the basis of the population last determined by the office of financial management.

16 Sec. 107. RCW 82.38.035 and 2003 c 361 s 405 are each amended to 17 read as follows:

(1) A licensed supplier shall remit tax on special fuel to the
 department as provided in RCW 82.38.030(((3)(a))) (7)(a). On a two party exchange, or buy-sell agreement between two licensed suppliers,
 the receiving exchange partner or buyer shall remit the tax.

(2) A refiner shall remit tax to the department on special fuel removed from a refinery as provided in RCW $82.38.030((\frac{(3)(b)}{(b)}))$ (7)(b).

(3) An importer shall remit tax to the department on special fuel imported into this state as provided in RCW $82.38.030((\frac{(3)(c)}{(2)}))$ (7)(c).

26 (4) A blender shall remit tax to the department on the removal or 27 sale of blended special fuel as provided in RCW $82.38.030((\frac{3}{e}))$ 28 (7)(e).

29 (5) A dyed special fuel user shall remit tax to the department on 30 the use of dyed special fuel as provided in RCW 82.38.030(((3)(f)))31 (7)(f).

32 **Sec. 108.** RCW 82.38.045 and 1998 c 176 s 54 are each amended to 33 read as follows:

A terminal operator is jointly and severally liable for remitting the tax imposed under RCW 82.38.030((+1)) if, at the time of removal:

1 (1) The position holder with respect to the special fuel is a 2 person other than the terminal operator and is not a licensee;

(2) The terminal operator is not a licensee;

3

4 (3) The position holder has an expired internal revenue service 5 notification certificate issued under chapter 26, C.F.R. Part 48; or

6 (4) The terminal operator had reason to believe that information on 7 the notification certificate was false.

8 Sec. 109. RCW 43.84.092 and 2003 c 361 s 602, 2003 c 324 s 1, 2003 9 c 150 s 2, and 2003 c 48 s 2 are each reenacted and amended to read as 10 follows:

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

(2) The treasury income account shall be utilized to pay or receive 14 15 funds associated with federal programs as required by the federal cash 16 management improvement act of 1990. The treasury income account is 17 subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by 18 Refunds of interest to the 19 the cash management improvement act. 20 federal treasury required under the cash management improvement act 21 fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or 22 23 from the federal government pursuant to the cash management improvement 24 act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the 25 26 cash management improvement act, and this subsection. Refunds or 27 allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section. 28

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

1 (4) Monthly, the state treasurer shall distribute the earnings 2 credited to the treasury income account. The state treasurer shall 3 credit the general fund with all the earnings credited to the treasury 4 income account except:

The following accounts and funds shall receive their 5 (a) proportionate share of earnings based upon each account's and fund's 6 7 average daily balance for the period: The capitol building construction account, the Cedar River channel construction and 8 operation account, the Central Washington University capital projects 9 10 the charitable, educational, penal and account, reformatory institutions account, the common school construction fund, the county 11 12 criminal justice assistance account, the county sales and use tax 13 equalization account, the data processing building construction 14 account, the deferred compensation administrative account, the deferred compensation principal account, the department of retirement systems 15 expense account, the drinking water assistance account, the drinking 16 17 water assistance administrative account, the drinking water assistance repayment account, the Eastern Washington University capital projects 18 account, the education construction fund, the election account, the 19 emergency reserve fund, The Evergreen State College capital projects 20 account, the federal forest revolving account, the freight mobility 21 22 investment account, the health services account, the public health services account, the health system capacity account, the personal 23 24 health services account, the state higher education construction 25 account, the higher education construction account, the highway 26 infrastructure account, the industrial insurance premium refund 27 account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the 28 local leasehold excise tax account, the local real estate excise tax 29 account, the local sales and use tax account, the medical aid account, 30 31 the mobile home park relocation fund, the multimodal transportation 32 account, the municipal criminal justice assistance account, the municipal sales and use tax equalization account, the natural resources 33 34 deposit account, the oyster reserve land account, the perpetual 35 surveillance and maintenance account, the public employees' retirement 36 system plan 1 account, the public employees' retirement system combined 37 plan 2 and plan 3 account, the public facilities construction loan 38 revolving account beginning July 1, 2004, the public health

supplemental account, the public works assistance account, the Puyallup 1 2 tribal settlement account, the regional transportation investment district account, the resource management cost account, the site 3 closure account, the special wildlife account, the state employees' 4 5 insurance account, the state employees' insurance reserve account, the state investment board expense account, the state investment board б 7 commingled trust fund accounts, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system 8 9 plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco 10 settlement account, the transportation infrastructure account, the 11 12 transportation 2005 account, the tuition recovery trust fund, the 13 University of Washington bond retirement fund, the University of 14 Washington building account, the volunteer fire fighters' and reserve officers' relief and pension principal fund, the volunteer fire 15 fighters' and reserve officers' administrative fund, the Washington 16 17 fruit express account, the Washington judicial retirement system account, the Washington law enforcement officers' and fire fighters' 18 system plan 1 retirement account, the Washington law enforcement 19 officers' and fire fighters' system plan 2 retirement account, the 20 21 Washington school employees' retirement system combined plan 2 and 3 22 account, the Washington state health insurance pool account, the Washington state patrol retirement account, the Washington State 23 24 University building account, the Washington State University bond 25 retirement fund, the water pollution control revolving fund, and the Western Washington University capital projects account. Earnings 26 27 derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the 28 scientific permanent fund, and the state university permanent fund 29 shall be allocated to their respective beneficiary accounts. 30 All earnings to be distributed under this subsection (4)(a) shall first be 31 32 reduced by the allocation to the state treasurer's service fund pursuant to RCW 43.08.190. 33

(b) The following accounts and funds shall receive eighty percent
of their proportionate share of earnings based upon each account's or
fund's average daily balance for the period: The aeronautics account,
the aircraft search and rescue account, the county arterial
preservation account, the department of licensing services account, the

essential rail assistance account, the ferry bond retirement fund, the 1 2 grade crossing protective fund, the high capacity transportation account, the highway bond retirement fund, the highway safety account, 3 the motor vehicle fund, the motorcycle safety education account, the 4 5 pilotage account, the public transportation systems account, the Puget Sound capital construction account, the Puget Sound ferry operations б 7 account, the recreational vehicle account, the rural arterial trust account, the safety and education account, the special category C 8 account, the state patrol highway account, the transportation 2003 9 account (nickel account), the transportation equipment fund, the 10 11 transportation fund, the transportation improvement account, the 12 transportation improvement board bond retirement account, and the urban 13 arterial trust account.

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

17 **Sec. 110.** RCW 43.84.092 and 2004 c 242 s 60 are each amended to 18 read as follows:

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

22 (2) The treasury income account shall be utilized to pay or receive 23 funds associated with federal programs as required by the federal cash 24 management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is 25 26 required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the 27 federal treasury required under the cash management improvement act 28 fall under RCW 43.88.180 and shall not require appropriation. 29 The office of financial management shall determine the amounts due to or 30 31 from the federal government pursuant to the cash management improvement The office of financial management may direct transfers of funds 32 act. between accounts as deemed necessary to implement the provisions of the 33 cash management improvement act, and this subsection. Refunds or 34 35 allocations shall occur prior to the distributions of earnings set 36 forth in subsection (4) of this section.

(3) Except for the provisions of RCW 43.84.160, the treasury income 1 2 account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, 3 safekeeping, and disbursement functions for the state treasury and 4 5 affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for 6 7 payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section. 8

9 (4) Monthly, the state treasurer shall distribute the earnings 10 credited to the treasury income account. The state treasurer shall 11 credit the general fund with all the earnings credited to the treasury 12 income account except:

13 The following accounts and funds shall receive their (a) 14 proportionate share of earnings based upon each account's and fund's average daily balance for the period: The capitol building 15 construction account, the Cedar River channel construction and 16 operation account, the Central Washington University capital projects 17 the charitable, educational, penal and 18 account, reformatory institutions account, the common school construction fund, the county 19 criminal justice assistance account, the county sales and use tax 20 21 equalization account, the data processing building construction 22 account, the deferred compensation administrative account, the deferred compensation principal account, the department of retirement systems 23 24 expense account, the drinking water assistance account, the drinking 25 water assistance administrative account, the drinking water assistance repayment account, the Eastern Washington University capital projects 26 27 account, the education construction fund, the election account, the emergency reserve fund, The Evergreen State College capital projects 28 account, the federal forest revolving account, the freight mobility 29 investment account, the health services account, the public health 30 31 services account, the health system capacity account, the personal 32 health services account, the state higher education construction account, the higher education construction account, the highway 33 34 infrastructure account, the industrial insurance premium refund account, the judges' retirement account, the judicial retirement 35 administrative account, the judicial retirement principal account, the 36 37 local leasehold excise tax account, the local real estate excise tax 38 account, the local sales and use tax account, the medical aid account,

the mobile home park relocation fund, the multimodal transportation 1 account, the municipal criminal justice assistance account, the 2 municipal sales and use tax equalization account, the natural resources 3 deposit account, the oyster reserve land account, the perpetual 4 surveillance and maintenance account, the public employees' retirement 5 system plan 1 account, the public employees' retirement system combined 6 7 plan 2 and plan 3 account, the public facilities construction loan revolving account beginning July 1, 2004, the public health 8 supplemental account, the public works assistance account, the Puyallup 9 10 tribal settlement account, the regional transportation investment district account, the resource management cost account, the site 11 12 closure account, the special wildlife account, the state employees' insurance account, the state employees' insurance reserve account, the 13 14 state investment board expense account, the state investment board commingled trust fund accounts, the supplemental pension account, the 15 Tacoma Narrows toll bridge account, the teachers' retirement system 16 17 plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco 18 settlement account, the transportation infrastructure account, the 19 transportation 2005 account, the tuition recovery trust fund, the 20 University of Washington bond retirement fund, the University of 21 22 Washington building account, the volunteer fire fighters' and reserve officers' relief and pension principal fund, the volunteer fire 23 fighters' and reserve officers' administrative fund, the Washington 24 fruit express account, the Washington judicial retirement system 25 account, the Washington law enforcement officers' and fire fighters' 26 27 system plan 1 retirement account, the Washington law enforcement officers' and fire fighters' system plan 2 retirement account, the 28 Washington public safety employees' plan 2 retirement account, the 29 Washington school employees' retirement system combined plan 2 and 3 30 account, the Washington state health insurance pool account, the 31 32 Washington state patrol retirement account, the Washington State University building account, the Washington State University bond 33 retirement fund, the water pollution control revolving fund, and the 34 35 Western Washington University capital projects account. Earnings 36 derived from investing balances of the agricultural permanent fund, the 37 normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state university permanent fund 38

1 shall be allocated to their respective beneficiary accounts. All 2 earnings to be distributed under this subsection (4)(a) shall first be 3 reduced by the allocation to the state treasurer's service fund 4 pursuant to RCW 43.08.190.

(b) The following accounts and funds shall receive eighty percent 5 of their proportionate share of earnings based upon each account's or 6 7 fund's average daily balance for the period: The aeronautics account, search and rescue account, the county arterial 8 the aircraft preservation account, the department of licensing services account, the 9 10 essential rail assistance account, the ferry bond retirement fund, the grade crossing protective fund, the high capacity transportation 11 account, the highway bond retirement fund, the highway safety account, 12 13 the motor vehicle fund, the motorcycle safety education account, the pilotage account, the public transportation systems account, the Puget 14 Sound capital construction account, the Puget Sound ferry operations 15 account, the recreational vehicle account, the rural arterial trust 16 17 account, the safety and education account, the special category C account, the state patrol highway account, the transportation 2003 18 19 account (nickel account), the transportation equipment fund, the 20 transportation fund, the transportation improvement account, the 21 transportation improvement board bond retirement account, and the urban 22 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.

26

PART II - FEES ADMINISTERED ACCORDING TO VEHICLE WEIGHT

NEW SECTION. Sec. 201. (1) There shall be paid and collected 27 annually for motor vehicles subject to the fee under RCW 46.16.0621, 28 except motor homes, a vehicle weight fee. The amount of the fee shall 29 30 be based upon the vehicle scale weight, which is correlated with vehicle size and roadway lane usage. Fees imposed under this section 31 32 must be used for transportation purposes, and shall not be used for the general support of state government. The vehicle weight fee shall be 33 34 that portion of the fee as reflected on the scale weight set forth in 35 schedule B provided in RCW 46.16.070 that is in excess of the fee

1 imposed under RCW 46.16.0621. This fee is due at the time of initial 2 and renewal of vehicle registration. The fee collected under this 3 section shall be deposited in the multimodal transportation account.

4 (2) For the purpose of administering this section, the department 5 shall rely on the vehicle empty scale weights as provided by vehicle 6 manufacturers, or other sources defined by the department, to determine 7 the weight of each vehicle. The department shall adopt rules for 8 determining weight for vehicles without manufacturer empty scale 9 weights.

10 <u>NEW SECTION.</u> Sec. 202. In addition to any other fees or charges, 11 there shall be paid and collected annually for motor homes a vehicle 12 weight fee of seventy-five dollars. This fee is due at the time of 13 initial and renewal of vehicle registration. The fee collected under 14 this section shall be deposited in the multimodal transportation 15 account.

16 <u>NEW SECTION.</u> Sec. 203. A new section is added to chapter 46.16
17 RCW to read as follows:

In lieu of the license tab fees provided in RCW 46.16.0621, private 18 use single-axle trailers of two thousand pounds scale weight or less 19 20 may be licensed upon the payment of a license fee in the sum of fifteen dollars, but only if the trailer is operated upon public highways. The 21 22 license fee must be collected annually for each registration year or 23 fraction of a registration year. This reduced license fee applies only to trailers operated for personal use of the owners, and not trailers 24 25 held for rental to the public or used in any commercial or business The proceeds from the fees collected under this section 26 endeavor. shall be distributed in accordance with RCW 46.68.035. 27

28 Sec. 204. RCW 46.16.070 and 2003 c 361 s 201 and 2003 c 1 s 3 are 29 each reenacted and amended to read as follows:

30 (1) In lieu of all other vehicle licensing fees, unless 31 specifically exempt, and in addition to the mileage fees prescribed for 32 buses and stages in RCW 46.16.125, there shall be paid and collected 33 annually for each truck, motor truck, truck tractor, road tractor, 34 tractor, bus, auto stage, or for hire vehicle with seating capacity of 1 more than six, based upon the declared combined gross weight or 2 declared gross weight under chapter 46.44 RCW, the following licensing 3 fees by ((such gross)) weight:

4	((declared-gross)) weight schedule a	s	CHEDULE B
5	4,000 lbs \$ ((30.00))	\$	((30.00))
6	35.00		35.00
7	6,000 lbs \$ ((30.00))	\$	((30.00))
8	45.00		45.00
9	8,000 lbs \$ ((30.00))	\$	((30.00))
10	55.00		55.00
11	10,000 lbs\$ 62.00	\$	62.00
12	12,000 lbs\$ 79.00	\$	79.00
13	14,000 lbs\$ 90.00	\$	90.00
14	16,000 lbs\$ 102.00	\$	102.00
15	18,000 lbs\$ 154.00	\$	154.00
16	20,000 lbs\$ 171.00	\$	171.00
17	22.000 lbs\$ 185.00	\$	185.00
18	24,000 lbs\$ 200.00	\$	200.00
19	26,000 lbs \$ 211.00	\$	211.00
20	28.000 lbs\$ 249.00	\$	249.00
21	30,000 lbs \$ 287.00	\$	287.00
22	32,000 lbs\$ 346.00	\$	346.00
23	34.000 lbs\$ 368.00	\$	368.00
24	36.000 lbs\$ 399.00	\$	399.00
25	38,000 lbs\$ 438.00	\$	438.00
26	40,000 lbs\$ 501.00	\$	501.00
27	42,000 lbs\$ 521.00	\$	611.00
28	44,000 lbs\$ 532.00	\$	622.00
29	46,000 lbs\$ 572.00	\$	662.00
30	48,000 lbs\$ 596.00	\$	686.00
31	50,000 lbs \$ 647.00	\$	737.00
32	52,000 lbs\$ 680.00	\$	770.00
33	54,000 lbs\$ 734.00	\$	824.00
34	56,000 lbs\$ 775.00	\$	865.00
35	58,000 lbs\$ 806.00	\$	896.00
36	60,000 lbs\$ 859.00	\$	949.00
37	62,000 lbs\$ 921.00	\$	1,011.00
38	64,000 lbs\$ 941.00	\$	1,031.00
39	66,000 lbs\$ 1,048.00	\$	1,138.00
40	68,000 lbs \$ 1,093.00	\$	1,183.00
41	70,000 lbs \$ 1,177.00	\$	1,267.00
42	72,000 lbs\$ 1,259.00	\$	1,349.00

1	74,000 lbs	\$ 1,368.00	\$ 1,458.00
2	76,000 lbs	\$ 1,478.00	\$ 1,568.00
3	78,000 lbs	\$ 1,614.00	\$ 1,704.00
4	80,000 lbs	\$ 1,742.00	\$ 1,832.00
5	82,000 lbs	\$ 1,863.00	\$ 1,953.00
б	84,000 lbs	\$ 1,983.00	\$ 2,073.00
7	86,000 lbs	\$ 2,104.00	\$ 2,194.00
8	88,000 lbs	\$ 2,225.00	\$ 2,315.00
9	90,000 lbs	\$ 2,346.00	\$ 2,436.00
10	92,000 lbs	\$ 2,466.00	\$ 2,556.00
11	94,000 lbs	\$ 2,587.00	\$ 2,677.00
12	96,000 lbs	\$ 2,708.00	\$ 2,798.00
13	98,000 lbs	\$ 2,829.00	\$ 2,919.00
14	100,000 lbs	\$ 2,949.00	\$ 3,039.00
15	102,000 lbs	\$ 3,070.00	\$ 3,160.00
16	104,000 lbs	\$ 3,191.00	\$ 3,281.00
17	105,500 lbs	\$ 3,312.00	\$ 3,402.00

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

21 Every truck, motor truck, truck tractor, and tractor exceeding 6,000 pounds empty scale weight registered under chapter 46.16, 46.87, 22 or 46.88 RCW shall be licensed for not less than one hundred fifty 23 24 percent of its empty weight unless the amount would be in excess of the 25 legal limits prescribed for such a vehicle in RCW 46.44.041 or 26 46.44.042, in which event the vehicle shall be licensed for the maximum 27 weight authorized for such a vehicle or unless the vehicle is used only 28 for the purpose of transporting any well drilling machine, air compressor, rock crusher, conveyor, hoist, donkey engine, cook house, 29 30 tool house, bunk house, or similar machine or structure attached to or 31 made a part of such vehicle.

32 The following provisions apply when increasing gross or combined 33 gross weight for a vehicle licensed under this section:

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

38 (b) Upon surrender of the current certificate of registration or 39 cab card, the new licensing fees due shall be reduced by the amount of

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

(2) The proceeds from the fees collected under subsection (1) of 3 this section shall be distributed in accordance with RCW 46.68.035. 4 5

(3) This section expires January 1, 2008.

6 Sec. 205. RCW 46.16.070 and 2003 c 361 s 201 and 2003 c 1 s 3 are 7 each reenacted and amended to read as follows:

(1) In lieu of all other vehicle licensing fees, unless 8 9 specifically exempt, and in addition to the mileage fees prescribed for buses and stages in RCW 46.16.125, there shall be paid and collected 10 11 annually for each truck, motor truck, truck tractor, road tractor, tractor, bus, auto stage, or for hire vehicle with seating capacity of 12 more than six, based upon the declared combined gross weight or 13 declared gross weight under chapter 46.44 RCW, the following licensing 14 15 fees by ((such gross)) weight:

16	((declared-gross)) weight	SC	CHEDULE A	s	CHEDULE B
17	4,000 lbs	\$	((30.00))	\$	((30.00))
18			<u>40.00</u>		<u>40.00</u>
19	6,000 lbs	\$	((30.00))	\$	((30.00))
20			<u>50.00</u>		<u>50.00</u>
21	8,000 lbs	\$	((30.00))	\$	((30.00))
22			<u>60.00</u>		<u>60.00</u>
23	10,000 lbs	\$	((62.00))	\$	((62.00))
24			<u>67.00</u>		<u>67.00</u>
25	12,000 lbs	\$	79.00	\$	79.00
26	14,000 lbs	\$	90.00	\$	90.00
27	16,000 lbs	\$	102.00	\$	102.00
28	18,000 lbs	\$	154.00	\$	154.00
29	20,000 lbs	\$	171.00	\$	171.00
30	22,000 lbs	\$	185.00	\$	185.00
31	24,000 lbs	\$	200.00	\$	200.00
32	26,000 lbs	\$	211.00	\$	211.00
33	28,000 lbs	\$	249.00	\$	249.00
34	30,000 lbs	\$	287.00	\$	287.00
35	32,000 lbs	\$	346.00	\$	346.00
36	34,000 lbs	\$	368.00	\$	368.00
37	36,000 lbs	\$	399.00	\$	399.00
38	38,000 lbs	\$	438.00	\$	438.00

1	40,000 lbs	\$ 501.00	\$ 501.00
2	42,000 lbs	\$ 521.00	\$ 611.00
3	44,000 lbs	\$ 532.00	\$ 622.00
4	46,000 lbs	\$ 572.00	\$ 662.00
5	48,000 lbs	\$ 596.00	\$ 686.00
6	50,000 lbs	\$ 647.00	\$ 737.00
7	52,000 lbs	\$ 680.00	\$ 770.00
8	54,000 lbs	\$ 734.00	\$ 824.00
9	56,000 lbs	\$ 775.00	\$ 865.00
10	58,000 lbs	\$ 806.00	\$ 896.00
11	60,000 lbs	\$ 859.00	\$ 949.00
12	62,000 lbs	\$ 921.00	\$ 1,011.00
13	64,000 lbs	\$ 941.00	\$ 1,031.00
14	66,000 lbs	\$ 1,048.00	\$ 1,138.00
15	68,000 lbs	\$ 1,093.00	\$ 1,183.00
16	70,000 lbs	\$ 1,177.00	\$ 1,267.00
17	72,000 lbs	\$ 1,259.00	\$ 1,349.00
18	74,000 lbs	\$ 1,368.00	\$ 1,458.00
19	76,000 lbs	\$ 1,478.00	\$ 1,568.00
20	78,000 lbs	\$ 1,614.00	\$ 1,704.00
21	80,000 lbs	\$ 1,742.00	\$ 1,832.00
22	82,000 lbs	\$ 1,863.00	\$ 1,953.00
23	84,000 lbs	\$ 1,983.00	\$ 2,073.00
24	86,000 lbs	\$ 2,104.00	\$ 2,194.00
25	88,000 lbs	\$ 2,225.00	\$ 2,315.00
26	90,000 lbs	\$ 2,346.00	\$ 2,436.00
27	92,000 lbs	\$ 2,466.00	\$ 2,556.00
28	94,000 lbs	\$ 2,587.00	\$ 2,677.00
29	96,000 lbs	\$ 2,708.00	\$ 2,798.00
30	98,000 lbs	\$ 2,829.00	\$ 2,919.00
31	100,000 lbs	\$ 2,949.00	\$ 3,039.00
32	102,000 lbs	\$ 3,070.00	\$ 3,160.00
33	104,000 lbs	\$ 3,191.00	\$ 3,281.00
34	105,500 lbs	\$ 3,312.00	\$ 3,402.00
		1.1	

35 Schedule A applies to vehicles either used exclusively for hauling 36 logs or that do not tow trailers. Schedule B applies to vehicles that 37 tow trailers and are not covered under Schedule A.

Every truck, motor truck, truck tractor, and tractor exceeding 6,000 pounds empty scale weight registered under chapter 46.16, 46.87, or 46.88 RCW shall be licensed for not less than one hundred fifty percent of its empty weight unless the amount would be in excess of the legal limits prescribed for such a vehicle in RCW 46.44.041 or 46.44.042, in which event the vehicle shall be licensed for the maximum

weight authorized for such a vehicle or unless the vehicle is used only for the purpose of transporting any well drilling machine, air compressor, rock crusher, conveyor, hoist, donkey engine, cook house, tool house, bunk house, or similar machine or structure attached to or made a part of such vehicle.

6 The following provisions apply when increasing gross or combined 7 gross weight for a vehicle licensed under this section:

8 (a) The new license fee will be one-twelfth of the fee listed above 9 for the new gross weight, multiplied by the number of months remaining 10 in the period for which licensing fees have been paid, including the 11 month in which the new gross weight is effective.

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

16 (2) The proceeds from the fees collected under subsection (1) of17 this section shall be distributed in accordance with RCW 46.68.035.

18 (3) This section expires January 1, 2010.

19 Sec. 206. RCW 46.16.070 and 2003 c 361 s 201 and 2003 c 1 s 3 are 20 each reenacted and amended to read as follows:

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

29	((declared-gross)) weight sched	DULE A SC	HEDULE B
30	4,000 lbs \$ ((3	0.00))\$	((30.00))
31		45.00	<u>45.00</u>
32	6,000 lbs \$ ((3	0.00))\$	((30.00))
33		<u>55.00</u>	<u>55.00</u>
34	8,000 lbs \$ ((3	0.00))\$	((30.00))
35		<u>65.00</u>	<u>65.00</u>

1	10,000 lbs	\$	((62.00))	\$	((62.00))
2	10,000 1001 1111 1111	Ŷ	<u>72.00</u>	Ψ	<u>72.00</u>
3	12,000 lbs	\$	79.00	\$	79.00
4	14,000 lbs	\$	90.00	\$	90.00
5	16,000 lbs	\$	102.00	\$	102.00
6	18,000 lbs	\$	154.00	\$	154.00
7	20,000 lbs	\$	171.00	\$	171.00
8	22,000 lbs	\$	185.00	\$	185.00
9	24,000 lbs	\$	200.00	\$	200.00
10	26,000 lbs	\$	211.00	\$	211.00
11	28,000 lbs	\$	249.00	\$	249.00
12	30,000 lbs	\$	287.00	\$	287.00
13	32,000 lbs	\$	346.00	\$	346.00
14	34,000 lbs	\$	368.00	\$	368.00
15	36,000 lbs	\$	399.00	\$	399.00
16	38,000 lbs	\$	438.00	\$	438.00
17	40,000 lbs	\$	501.00	\$	501.00
18	42,000 lbs	\$	521.00	\$	611.00
19	44,000 lbs	\$	532.00	\$	622.00
20	46,000 lbs	\$	572.00	\$	662.00
21	48,000 lbs	\$	596.00	\$	686.00
22	50,000 lbs	\$	647.00	\$	737.00
23	52,000 lbs	\$	680.00	\$	770.00
24	54,000 lbs	\$	734.00	\$	824.00
25	56,000 lbs	\$	775.00	\$	865.00
26	58,000 lbs	\$	806.00	\$	896.00
27	60,000 lbs	\$	859.00	\$	949.00
28	62,000 lbs	\$	921.00	\$	1,011.00
29	64,000 lbs	\$	941.00	\$	1,031.00
30	66,000 lbs	\$	1,048.00	\$	1,138.00
31	68,000 lbs	\$	1,093.00	\$	1,183.00
32	70,000 lbs	\$	1,177.00	\$	1,267.00
33	72,000 lbs	\$	1,259.00	\$	1,349.00
34	74,000 lbs	\$	1,368.00	\$	1,458.00
35	76,000 lbs	\$	1,478.00	\$	1,568.00
36	78,000 lbs	\$	1,614.00	\$	1,704.00
37	80,000 lbs	\$	1,742.00	\$	1,832.00
38	82,000 lbs	\$	1,863.00	\$	1,953.00
39	84,000 lbs	\$	1,983.00	\$	2,073.00
40	86,000 lbs	\$	2,104.00	\$	2,194.00
41	88,000 lbs	\$	2,225.00	\$	2,315.00
42	90,000 lbs	\$	2,346.00	\$	2,436.00
43	92,000 lbs	\$	2,466.00	\$	2,556.00
44	94,000 lbs	\$	2,587.00	\$	2,677.00

1	96,000 lbs	\$ 2,708.00	\$ 2,798.00
2	98,000 lbs	\$ 2,829.00	\$ 2,919.00
3	100,000 lbs	\$ 2,949.00	\$ 3,039.00
4	102,000 lbs	\$ 3,070.00	\$ 3,160.00
5	104,000 lbs	\$ 3,191.00	\$ 3,281.00
6	105,500 lbs	\$ 3,312.00	\$ 3,402.00

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

Every truck, motor truck, truck tractor, and tractor exceeding 10 6,000 pounds empty scale weight registered under chapter 46.16, 46.87, 11 or 46.88 RCW shall be licensed for not less than one hundred fifty 12 percent of its empty weight unless the amount would be in excess of the 13 legal limits prescribed for such a vehicle in RCW 46.44.041 14 or 15 46.44.042, in which event the vehicle shall be licensed for the maximum weight authorized for such a vehicle or unless the vehicle is used only 16 for the purpose of transporting any well drilling machine, air 17 compressor, rock crusher, conveyor, hoist, donkey engine, cook house, 18 19 tool house, bunk house, or similar machine or structure attached to or made a part of such vehicle. 20

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

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

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

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

33 Sec. 207. RCW 46.68.035 and 2003 c 361 s 202 are each amended to 34 read 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 (1) The sum of two dollars for each vehicle shall be deposited into 2 the multimodal transportation account, except that for each vehicle 3 registered by a county auditor or agent to a county auditor pursuant to 4 RCW 46.01.140, the sum of two dollars shall be credited to the current 5 county expense fund.

б

(2) The remainder shall be distributed as follows:

7 (a) ((21.963)) 23.225 percent shall be deposited into the state
8 patrol highway account of the motor vehicle fund;

9 (b) ((1.411)) <u>1.428</u> percent shall be deposited into the Puget Sound 10 ferry operations account of the motor vehicle fund;

11 (c) ((7.240)) <u>6.163</u> percent shall be deposited into the 12 transportation 2003 account (nickel account); and

13 (d) <u>Beginning July 1, 2005, and every July 1st thereafter, seven</u> 14 <u>million five hundred thousand dollars shall be deposited in the freight</u> 15 <u>mobility investment account created in section 105 of this act;</u>

16 (e) The remaining proceeds shall be deposited into the motor 17 vehicle fund.

18

PART III - MISCELLANEOUS FEES

19 Sec. 301. RCW 46.16.237 and 1987 c 52 s 1 are each amended to read 20 as follows:

21 All vehicle license number plates issued after January 1, 1968, or such earlier date as the director may prescribe with respect to plates 22 23 issued in any county, shall be treated with fully reflectorized materials designed to increase the visibility and legibility of such 24 25 plates at night. In addition to all other fees prescribed by law, there shall be paid and collected for each vehicle license number plate 26 27 treated with such materials, the sum of ((fifty cents)) two dollars and for each set of two plates, the sum of ((one dollar: PROVIDED, 28 HOWEVER,)) four dollars. However, one plate is available only to those 29 30 vehicles that by law require only one plate. Such fees shall be deposited in the motor vehicle fund. 31

32 **Sec. 302.** RCW 46.16.270 and 1997 c 291 s 3 are each amended to 33 read as follows:

The total replacement plate fee shall be deposited in the motor vehicle fund.

Upon the loss, defacement, or destruction of one or both of the 1 2 vehicle license number plates issued for any vehicle where more than one plate was originally issued or where one or both have become so 3 illegible or in such a condition as to be difficult to distinguish, or 4 5 upon the owner's option, the owner of the vehicle shall make application for new vehicle license number plates upon a form furnished б 7 by the director. The application shall be filed with the director or the director's authorized agent, accompanied by the certificate of 8 license registration of the vehicle and a fee in the amount of 9 ((three)) ten dollars per plate, whereupon the director, or the 10 director's authorized agent, shall issue new vehicle license number 11 plates to the applicant. It shall be accompanied by a fee of two 12 13 dollars for a new motorcycle license number plate. In the event the director has issued license period tabs or a windshield emblem instead 14 of vehicle license number plates, and upon the loss, defacement, or 15 16 destruction of the tabs or windshield emblem, application shall be made 17 on a form provided by the director and in the same manner as above described, and shall be accompanied by a fee of one dollar for each 18 pair of tabs or for each windshield emblem, whereupon the director 19 20 shall issue to the applicant a duplicate pair of tabs, year tabs, and 21 when necessary month tabs or a windshield emblem to replace those lost, 22 defaced, or destroyed. For vehicles owned, rented, or leased by the state of Washington or by any county, city, town, school district, or 23 24 other political subdivision of the state of Washington or United States 25 government, or owned or leased by the governing body of an Indian tribe as defined in RCW 46.16.020, a fee shall be charged for replacement of 26 27 a vehicle license number plate only to the extent required by the provisions of RCW 46.16.020, ((46.16.061,)) 46.16.237, and 46.01.140. 28 29 For vehicles owned, rented, or leased by foreign countries or international bodies to which the United States government is a 30 31 signatory by treaty, the payment of any fee for the replacement of a 32 vehicle license number plate shall not be required.

33 **Sec. 303.** RCW 46.20.055 and 2004 c 249 s 3 are each amended to 34 read as follows:

35 (1) Driver's instruction permit. The department may issue a 36 driver's instruction permit with or without a photograph to an 37 applicant who has successfully passed all parts of the examination other than the driving test, provided the information required by RCW
46.20.091, paid a fee of ((fifteen)) twenty dollars, and meets the
following requirements:

4

(a) Is at least fifteen and one-half years of age; or

(b) Is at least fifteen years of age and:

5 6

(i) Has submitted a proper application; and

7 (ii) Is enrolled in a traffic safety education program offered, 8 approved, and accredited by the superintendent of public instruction or 9 offered by a driver training school licensed and inspected by the 10 department of licensing under chapter 46.82 RCW, that includes practice 11 driving.

(2) Waiver of written examination for instruction permit. The
 department may waive the written examination, if, at the time of
 application, an applicant is enrolled in:

15 (a) A traffic safety education course as defined by RCW 16 28A.220.020(2); or

(b) A course of instruction offered by a licensed driver trainingschool as defined by RCW 46.82.280(1).

19 The department may require proof of registration in such a course 20 as it deems necessary.

(3) Effect of instruction permit. A person holding a driver's
 instruction permit may drive a motor vehicle, other than a motorcycle,
 upon the public highways if:

24

(a) The person has immediate possession of the permit; and

(b) An approved instructor, or a licensed driver with at least fiveyears of driving experience, occupies the seat beside the driver.

27 (4) Term of instruction permit. A driver's instruction permit is
28 valid for one year from the date of issue.

29

(a) The department may issue one additional one-year permit.

30 (b) The department may issue a third driver's permit if it finds 31 after an investigation that the permittee is diligently seeking to 32 improve driving proficiency.

33 (c) A person applying to renew an instruction permit must submit34 the application to the department in person.

35 **Sec. 304.** RCW 46.20.070 and 2004 c 249 s 4 are each amended to 36 read as follows: (1) Agricultural driving permit authorized. The director may issue
 a juvenile agricultural driving permit to a person under the age of
 eighteen years if:

4 (a) The application is signed by the applicant and the applicant's5 father, mother, or legal guardian;

6 (b) The applicant has passed the driving examination required by 7 RCW 46.20.120;

8 (c) The department has investigated the applicant's need for the 9 permit and determined that the need justifies issuance;

10 (d) The department has determined the applicant is capable of 11 operating a motor vehicle without endangering himself or herself or 12 other persons and property; and

(e) The applicant has paid a fee of ((fifteen)) twenty dollars.
The permit must contain a photograph of the person.

15 (2) Effect of agricultural driving permit. (a) The permit
 16 authorizes the holder to:

(i) Drive a motor vehicle on the public highways of this state in connection with farm work. The holder may drive only within a restricted farming locality described on the permit; and

(ii) Participate in the classroom portion of a traffic safety education course authorized under RCW 28A.220.030 or the classroom portion of a traffic safety education course offered by a driver training school licensed and inspected by the department of licensing under chapter 46.82 RCW offered in the community where the holder resides.

(b) The director may transfer the permit from one farming localityto another. A transfer is not a renewal of the permit.

28 (3) Term and renewal of agricultural driving permit. An
 29 agricultural driving permit expires one year from the date of issue.

30 (a) A person under the age of eighteen who holds a permit may renew31 the permit by paying a fee of fifteen dollars.

32 (b) A person applying to renew an agricultural driving permit must33 submit the application to the department in person.

34 (c) An agricultural driving permit is invalidated when a permittee 35 attains age eighteen. In order to drive a motor vehicle on a highway 36 he or she must obtain a motor vehicle driver's license under this 37 chapter. (4) Suspension, revocation, or cancellation. The director has sole
 discretion to suspend, revoke, or cancel a juvenile agricultural
 driving permit if:

4 (a) The permittee has been found to have committed an offense that 5 requires mandatory suspension or revocation of a driver's license; or

6 (b) The director is satisfied that the permittee has violated the 7 permit's restrictions.

8 **Sec. 305.** RCW 46.20.117 and 2004 c 249 s 5 are each amended to 9 read as follows:

(1) Issuance. The department shall issue an identicard, containing
 a picture, if the applicant:

12 (a) Does not hold a valid Washington driver's license;

13 (b) Proves his or her identity as required by RCW 46.20.035; and

(c) Pays the required fee. The fee is ((fifteen)) twenty dollars unless an applicant is a recipient of continuing public assistance grants under Title 74 RCW, who is referred in writing by the secretary of social and health services. For those persons the fee must be the actual cost of production of the identicard.

19

(2) **Design and term**. The identicard must:

(a) Be distinctly designed so that it will not be confused with theofficial driver's license; and

(b) Expire on the fifth anniversary of the applicant's birthdateafter issuance.

24 (3) Renewal. An application for identicard renewal may be25 submitted by means of:

26

(a) Personal appearance before the department; or

(b) Mail or electronic commerce, if permitted by rule of the department and if the applicant did not renew his or her identicard by mail or by electronic commerce when it last expired. However, the department may accept an application for renewal of an identicard submitted by means of mail or electronic commerce only if specific authority and funding is provided for this purpose by June 30, 2004, in the omnibus transportation appropriations act.

An identicard may not be renewed by mail or by electronic commerce unless the renewal issued by the department includes a photograph of the identicard holder.

(4) Cancellation. The department may cancel an identicard if the 1 2 holder of the identicard used the card or allowed others to use the card in violation of RCW 46.20.0921. 3

4 Sec. 306. RCW 46.20.120 and 2004 c 249 s 6 are each amended to read as follows: 5

An applicant for a new or renewed driver's license must 6 7 successfully pass a driver licensing examination to qualify for a driver's license. The department shall give examinations at places and 8 times reasonably available to the people of this state. 9

10

(1) Waiver. The department may waive:

(a) All or any part of the examination of any person applying for 11 the renewal of a driver's license unless the department determines that 12 the applicant is not qualified to hold a driver's license under this 13 14 title; or

15 (b) The actual demonstration of the ability to operate a motor 16 vehicle if the applicant:

(i) Surrenders a valid driver's license issued by the person's 17 previous home state; and 18

19

(ii) Is otherwise qualified to be licensed.

(2) Fee. Each applicant for a new license must pay an examination 20 21 fee of ((ten)) twenty dollars.

22 (a) The examination fee is in addition to the fee charged for issuance of the license. 23

24

(b) "New license" means a license issued to a driver:

25 (i) Who has not been previously licensed in this state; or

26 (ii) Whose last previous Washington license has been expired for more than five years. 27

(3) An application for driver's license renewal may be submitted by 28 29 means of:

30 (a) Personal appearance before the department; or

31 (b) Mail or electronic commerce, if permitted by rule of the department and if the applicant did not renew his or her license by 32 mail or by electronic commerce when it last expired. However, the 33 department may accept an application for renewal of a driver's license 34 submitted by means of mail or electronic commerce only if specific 35 36 authority and funding is provided for this purpose by June 30, 2004, in 37 the omnibus transportation appropriations act.

(4) A person whose license expired or will expire while he or she
 is living outside the state, may:

(a) Apply to the department to extend the validity of his or her 3 license for no more than twelve months. If the person establishes to 4 the department's satisfaction that he or she is unable to return to 5 Washington before the date his or her license expires, the department 6 7 shall extend the person's license. The department may grant consecutive extensions, but in no event may the cumulative total of 8 extensions exceed twelve months. An extension granted under this 9 10 section does not change the expiration date of the license for purposes of RCW 46.20.181. The department shall charge a fee of five dollars 11 12 for each license extension;

13 (b) Apply to the department to renew his or her license by mail or, 14 if permitted by rule of the department, by electronic commerce even if subsection (3)(b) of this section would not otherwise allow renewal by 15 16 that means. If the person establishes to the department's satisfaction 17 that he or she is unable to return to Washington within twelve months of the date that his or her license expires, the department shall renew 18 the person's license by mail or, if permitted by rule of the 19 20 department, by electronic commerce.

(5) If a qualified person submits an application for renewal under subsection (3)(b) or (4)(b) of this section, he or she is not required to pass an examination nor provide an updated photograph. A license renewed by mail or by electronic commerce that does not include a photograph of the licensee must be labeled "not valid for identification purposes."

27 **Sec. 307.** RCW 46.20.308 and 2004 c 187 s 1 and 2004 c 95 s 2 are 28 each reenacted and amended to read as follows:

(1) Any person who operates a motor vehicle within this state is 29 30 deemed to have given consent, subject to the provisions of RCW 31 46.61.506, to a test or tests of his or her breath or blood for the purpose of determining the alcohol concentration or presence of any 32 drug in his or her breath or blood if arrested for any offense where, 33 at the time of the arrest, the arresting officer has reasonable grounds 34 35 to believe the person had been driving or was in actual physical 36 control of a motor vehicle while under the influence of intoxicating

liquor or any drug or was in violation of RCW 46.61.503. Neither
 consent nor this section precludes a police officer from obtaining a
 search warrant for a person's breath or blood.

(2) The test or tests of breath shall be administered at the 4 5 direction of a law enforcement officer having reasonable grounds to believe the person to have been driving or in actual physical control б 7 of a motor vehicle within this state while under the influence of intoxicating liquor or any drug or the person to have been driving or 8 in actual physical control of a motor vehicle while having alcohol in 9 a concentration in violation of RCW 46.61.503 in his or her system and 10 being under the age of twenty-one. However, in those instances where 11 12 the person is incapable due to physical injury, physical incapacity, or 13 other physical limitation, of providing a breath sample or where the 14 person is being treated in a hospital, clinic, doctor's office, emergency medical vehicle, ambulance, or other similar facility or 15 where the officer has reasonable grounds to believe that the person is 16 17 under the influence of a drug, a blood test shall be administered by a qualified person as provided in RCW 46.61.506(5). The officer shall 18 inform the person of his or her right to refuse the breath or blood 19 test, and of his or her right to have additional tests administered by 20 21 any qualified person of his or her choosing as provided in RCW The officer shall warn the driver, in substantially the 22 46.61.506. 23 following language, that:

(a) If the driver refuses to take the test, the driver's license,
permit, or privilege to drive will be revoked or denied for at least
one year; and

(b) If the driver refuses to take the test, the driver's refusal totake the test may be used in a criminal trial; and

(c) If the driver submits to the test and the test is administered, 29 the driver's license, permit, or privilege to drive will be suspended, 30 31 revoked, or denied for at least ninety days if the driver is age 32 twenty-one or over and the test indicates the alcohol concentration of the driver's breath or blood is 0.08 or more, or if the driver is under 33 age twenty-one and the test indicates the alcohol concentration of the 34 35 driver's breath or blood is 0.02 or more, or if the driver is under age 36 twenty-one and the driver is in violation of RCW 46.61.502 or 37 46.61.504.

(3) Except as provided in this section, the test administered shall 1 be of the breath only. If an individual is unconscious or is under 2 arrest for the crime of vehicular homicide as provided in RCW 46.61.520 3 or vehicular assault as provided in RCW 46.61.522, or if an individual 4 is under arrest for the crime of driving while under the influence of 5 intoxicating liquor or drugs as provided in RCW 46.61.502, which arrest 6 7 results from an accident in which there has been serious bodily injury to another person, a breath or blood test may be administered without 8 the consent of the individual so arrested. 9

10 (4) Any person who is dead, unconscious, or who is otherwise in a 11 condition rendering him or her incapable of refusal, shall be deemed 12 not to have withdrawn the consent provided by subsection (1) of this 13 section and the test or tests may be administered, subject to the 14 provisions of RCW 46.61.506, and the person shall be deemed to have 15 received the warnings required under subsection (2) of this section.

16 (5) If, following his or her arrest and receipt of warnings under 17 subsection (2) of this section, the person arrested refuses upon the 18 request of a law enforcement officer to submit to a test or tests of 19 his or her breath or blood, no test shall be given except as authorized 20 under subsection (3) or (4) of this section.

21 (6) If, after arrest and after the other applicable conditions and 22 requirements of this section have been satisfied, a test or tests of the person's blood or breath is administered and the test results 23 24 indicate that the alcohol concentration of the person's breath or blood 25 is 0.08 or more if the person is age twenty-one or over, or 0.02 or more if the person is under the age of twenty-one, or the person 26 27 refuses to submit to a test, the arresting officer or other law enforcement officer at whose direction any test has been given, or the 28 department, where applicable, if the arrest results in a test of the 29 person's blood, shall: 30

31 (a) Serve notice in writing on the person on behalf of the 32 department of its intention to suspend, revoke, or deny the person's 33 license, permit, or privilege to drive as required by subsection (7) of 34 this section;

35 (b) Serve notice in writing on the person on behalf of the 36 department of his or her right to a hearing, specifying the steps he or 37 she must take to obtain a hearing as provided by subsection (8) of this 38 section;

(c) Mark the person's Washington state driver's license or permit
 to drive, if any, in a manner authorized by the department;

(d) Serve notice in writing that the marked license or permit, if 3 any, is a temporary license that is valid for sixty days from the date 4 5 of arrest or from the date notice has been given in the event notice is given by the department following a blood test, or until the 6 7 suspension, revocation, or denial of the person's license, permit, or privilege to drive is sustained at a hearing pursuant to subsection (8) 8 of this section, whichever occurs first. No temporary license is valid 9 to any greater degree than the license or permit that it replaces; and 10

(e) Immediately notify the department of the arrest and transmit to the department within seventy-two hours, except as delayed as the result of a blood test, a sworn report or report under a declaration authorized by RCW 9A.72.085 that states:

(i) That the officer had reasonable grounds to believe the arrested person had been driving or was in actual physical control of a motor vehicle within this state while under the influence of intoxicating liquor or drugs, or both, or was under the age of twenty-one years and had been driving or was in actual physical control of a motor vehicle while having an alcohol concentration in violation of RCW 46.61.503;

(ii) That after receipt of the warnings required by subsection (2) of this section the person refused to submit to a test of his or her blood or breath, or a test was administered and the results indicated that the alcohol concentration of the person's breath or blood was 0.08 or more if the person is age twenty-one or over, or was 0.02 or more if the person is under the age of twenty-one; and

27

(iii) Any other information that the director may require by rule.

(7) The department of licensing, upon the receipt of a sworn report 28 or report under a declaration authorized by RCW 9A.72.085 under 29 subsection (6)(e) of this section, shall suspend, revoke, or deny the 30 31 person's license, permit, or privilege to drive or any nonresident 32 operating privilege, as provided in RCW 46.20.3101, such suspension, revocation, or denial to be effective beginning sixty days from the 33 date of arrest or from the date notice has been given in the event 34 notice is given by the department following a blood test, or when 35 36 sustained at a hearing pursuant to subsection (8) of this section, 37 whichever occurs first.

(8) A person receiving notification under subsection (6)(b) of this 1 section may, within thirty days after the notice has been given, 2 request in writing a formal hearing before the department. The person 3 shall pay a fee of ((one)) two hundred dollars as part of the request. 4 If the request is mailed, it must be postmarked within thirty days 5 after receipt of the notification. Upon timely receipt of such a б 7 request for a formal hearing, including receipt of the required ((one)) two hundred dollar fee, the department shall afford the person an 8 opportunity for a hearing. The department may waive the required 9 ((one)) two hundred dollar fee if the person is an indigent as defined 10 in RCW 10.101.010. Except as otherwise provided in this section, the 11 12 hearing is subject to and shall be scheduled and conducted in 13 accordance with RCW 46.20.329 and 46.20.332. The hearing shall be 14 conducted in the county of the arrest, except that all or part of the hearing may, at the discretion of the department, be conducted by 15 telephone or other electronic means. The hearing shall be held within 16 17 sixty days following the arrest or following the date notice has been given in the event notice is given by the department following a blood 18 test, unless otherwise agreed to by the department and the person, in 19 which case the action by the department shall be stayed, and any valid 20 21 temporary license marked under subsection (6)(c) of this section 22 extended, if the person is otherwise eligible for licensing. For the purposes of this section, the scope of the hearing shall cover the 23 24 issues of whether a law enforcement officer had reasonable grounds to 25 believe the person had been driving or was in actual physical control of a motor vehicle within this state while under the influence of 26 27 intoxicating liquor or any drug or had been driving or was in actual physical control of a motor vehicle within this state while having 28 alcohol in his or her system in a concentration of 0.02 or more if the 29 person was under the age of twenty-one, whether the person was placed 30 31 under arrest, and (a) whether the person refused to submit to the test 32 or tests upon request of the officer after having been informed that such refusal would result in the revocation of the person's license, 33 permit, or privilege to drive, or (b) if a test or tests were 34 35 administered, whether the applicable requirements of this section were 36 satisfied before the administration of the test or tests, whether the 37 person submitted to the test or tests, or whether a test was administered without express consent as permitted under this section, 38

and whether the test or tests indicated that the alcohol concentration 1 2 of the person's breath or blood was 0.08 or more if the person was age twenty-one or over at the time of the arrest, or 0.02 or more if the 3 person was under the age of twenty-one at the time of the arrest. 4 The 5 sworn report or report under a declaration authorized by RCW 9A.72.085 submitted by a law enforcement officer is prima facie evidence that the б 7 officer had reasonable grounds to believe the person had been driving or was in actual physical control of a motor vehicle within this state 8 9 while under the influence of intoxicating liquor or drugs, or both, or the person had been driving or was in actual physical control of a 10 motor vehicle within this state while having alcohol in his or her 11 system in a concentration of 0.02 or more and was under the age of 12 13 twenty-one and that the officer complied with the requirements of this 14 section.

A hearing officer shall conduct the hearing, may issue subpoenas 15 for the attendance of witnesses and the production of documents, and 16 17 shall administer oaths to witnesses. The hearing officer shall not issue a subpoena for the attendance of a witness at the request of the 18 19 person unless the request is accompanied by the fee required by RCW 5.56.010 for a witness in district court. The sworn report or report 20 21 under a declaration authorized by RCW 9A.72.085 of the law enforcement 22 officer and any other evidence accompanying the report shall be without further evidentiary foundation 23 admissible and the 24 certifications authorized by the criminal rules for courts of limited 25 jurisdiction shall be admissible without further evidentiary foundation. The person may be represented by counsel, may question 26 27 witnesses, may present evidence, and may testify. The department shall order that the suspension, revocation, or denial either be rescinded or 28 29 sustained.

(9) If the suspension, revocation, or denial is sustained after 30 31 such a hearing, the person whose license, privilege, or permit is 32 suspended, revoked, or denied has the right to file a petition in the superior court of the county of arrest to review the final order of 33 revocation by the department in the same manner as an appeal from a 34 decision of a court of limited jurisdiction. Notice of appeal must be 35 filed within thirty days after the date the final order is served or 36 37 the right to appeal is waived. Notwithstanding RCW 46.20.334, RALJ 38 1.1, or other statutes or rules referencing de novo review, the appeal

shall be limited to a review of the record of the administrative 1 2 hearing. The appellant must pay the costs associated with obtaining the record of the hearing before the hearing officer. The filing of 3 the appeal does not stay the effective date of the suspension, 4 revocation, or denial. A petition filed under this subsection must 5 include the petitioner's grounds for requesting review. Upon granting 6 7 petitioner's request for review, the court shall review the department's final order of suspension, revocation, or denial as 8 The review must be limited to a 9 expeditiously as possible. 10 determination of whether the department has committed any errors of The superior court shall accept those factual determinations 11 law. 12 supported by substantial evidence in the record: (a) That were 13 expressly made by the department; or (b) that may reasonably be inferred from the final order of the department. The superior court 14 may reverse, affirm, or modify the decision of the department or remand 15 the case back to the department for further proceedings. 16 The decision 17 of the superior court must be in writing and filed in the clerk's office with the other papers in the case. The court shall state the 18 reasons for the decision. If judicial relief is sought for a stay or 19 other temporary remedy from the department's action, the court shall 20 21 not grant such relief unless the court finds that the appellant is 22 likely to prevail in the appeal and that without a stay the appellant will suffer irreparable injury. If the court stays the suspension, 23 24 revocation, or denial it may impose conditions on such stay.

25 (10)(a) If a person whose driver's license, permit, or privilege to 26 drive has been or will be suspended, revoked, or denied under 27 subsection (7) of this section, other than as a result of a breath or blood test refusal, and who has not committed an offense for which he 28 or she was granted a deferred prosecution under chapter 10.05 RCW, 29 petitions a court for a deferred prosecution on criminal charges 30 arising out of the arrest for which action has been or will be taken 31 under subsection (7) of this section, the court may direct the 32 department to stay any actual or proposed suspension, revocation, or 33 denial for at least forty-five days but not more than ninety days. 34 Ιf 35 the court stays the suspension, revocation, or denial, it may impose conditions on such stay. If the person is otherwise eligible for 36 37 licensing, the department shall issue a temporary license, or extend 38 any valid temporary license marked under subsection (6) of this

section, for the period of the stay. If a deferred prosecution 1 2 treatment plan is not recommended in the report made under RCW 10.05.050, or if treatment is rejected by the court, or if the person 3 declines to accept an offered treatment plan, or if the person violates 4 5 any condition imposed by the court, then the court shall immediately direct the department to cancel the stay and any temporary marked 6 7 license or extension of a temporary license issued under this 8 subsection.

(b) A suspension, revocation, or denial imposed under this section, 9 other than as a result of a breath or blood test refusal, shall be 10 stayed if the person is accepted for deferred prosecution as provided 11 12 in chapter 10.05 RCW for the incident upon which the suspension, 13 revocation, or denial is based. If the deferred prosecution is terminated, the stay shall be lifted and the suspension, revocation, or 14 denial reinstated. If the deferred prosecution is completed, the stay 15 shall be lifted and the suspension, revocation, or denial canceled. 16

(c) The provisions of (b) of this subsection relating to a stay of a suspension, revocation, or denial and the cancellation of any suspension, revocation, or denial do not apply to the suspension, revocation, denial, or disqualification of a person's commercial driver's license or privilege to operate a commercial motor vehicle.

(11) When it has been finally determined under the procedures of this section that a nonresident's privilege to operate a motor vehicle in this state has been suspended, revoked, or denied, the department shall give information in writing of the action taken to the motor vehicle administrator of the state of the person's residence and of any state in which he or she has a license.

28 **Sec. 308.** RCW 46.20.311 and 2004 c 95 s 3 are each amended to read 29 as follows:

30 (1)(a) The department shall not suspend a driver's license or 31 privilege to drive a motor vehicle on the public highways for a fixed 32 period of more than one year, except as specifically permitted under 33 RCW 46.20.267, 46.20.342, or other provision of law.

(b) Except for a suspension under RCW 46.20.267, 46.20.289,
46.20.291(5), 46.61.740, or 74.20A.320, whenever the license or driving
privilege of any person is suspended by reason of a conviction, a
finding that a traffic infraction has been committed, pursuant to

1 chapter 46.29 RCW, or pursuant to RCW 46.20.291 or 46.20.308, the 2 suspension shall remain in effect until the person gives and thereafter 3 maintains proof of financial responsibility for the future as provided 4 in chapter 46.29 RCW.

(c) If the suspension is the result of a violation of RCW 46.61.502 5 or 46.61.504, the department shall determine the person's eligibility 6 7 for licensing based upon the reports provided by the alcoholism agency or probation department designated under RCW 46.61.5056 and shall deny 8 9 reinstatement until enrollment and participation in an approved program 10 has been established and the person is otherwise qualified. If the suspension is the result of a violation of RCW 46.61.502 or 46.61.504, 11 12 and the person is required pursuant to RCW 46.20.720 to drive only a 13 motor vehicle equipped with a functioning ignition interlock, the 14 department shall determine the person's eligibility for licensing based upon written verification by a company doing business in the state that 15 16 it has installed the required device on a vehicle owned or operated by 17 the person seeking reinstatement. If, based upon notification from the interlock provider or otherwise, the department determines that an 18 interlock required under RCW 46.20.720 is no longer installed or 19 functioning as required, the department shall suspend the person's 20 21 license or privilege to drive. Whenever the license or driving 22 privilege of any person is suspended or revoked as a result of noncompliance with an ignition interlock requirement, the suspension 23 24 shall remain in effect until the person provides notice issued by a 25 company doing business in the state that a vehicle owned or operated by 26 the person is equipped with a functioning ignition interlock device.

(d) Whenever the license or driving privilege of any person is suspended as a result of certification of noncompliance with a child support order under chapter 74.20A RCW or a residential or visitation order, the suspension shall remain in effect until the person provides a release issued by the department of social and health services stating that the person is in compliance with the order.

33 (e)(i) The department shall not issue to the person a new, 34 duplicate, or renewal license until the person pays a reissue fee of 35 ((twenty)) seventy-five dollars.

(ii) If the suspension is the result of a violation of RCW
46.61.502 or 46.61.504, or is the result of administrative action under
RCW 46.20.308, the reissue fee shall be one hundred fifty dollars.

(2)(a) Any person whose license or privilege to drive a motor 1 2 vehicle on the public highways has been revoked, unless the revocation was for a cause which has been removed, is not entitled to have the 3 license or privilege renewed or restored until: 4 (i) After the 5 expiration of one year from the date the license or privilege to drive was revoked; (ii) after the expiration of the applicable revocation 6 7 period provided by RCW 46.20.3101 or 46.61.5055; (iii) after the expiration of two years for persons convicted of vehicular homicide; or 8 (iv) after the expiration of the applicable revocation period provided 9 10 by RCW 46.20.265.

11

(b)(i) After the expiration of the appropriate period, the person may make application for a new license as provided by law together with 12 13 a reissue fee in the amount of ((twenty)) seventy-five dollars.

14 (ii) If the revocation is the result of a violation of RCW 46.20.308, 46.61.502, or 46.61.504, the reissue fee shall be one 15 hundred fifty dollars. If the revocation is the result of a violation 16 17 of RCW 46.61.502 or 46.61.504, the department shall determine the person's eligibility for licensing based upon the reports provided by 18 the alcoholism agency or probation department designated under RCW 19 20 46.61.5056 and shall deny reissuance of a license, permit, or privilege 21 to drive until enrollment and participation in an approved program has been established and the person is otherwise qualified. 22 If the revocation is the result of a violation of RCW 46.61.502 or 46.61.504, 23 24 and the person is required pursuant to RCW 46.20.720 to drive only a 25 motor vehicle equipped with a functioning ignition interlock or other biological or technical device, the department shall determine the 26 27 person's eligibility for licensing based upon written verification by a company doing business in the state that it has installed the 28 required device on a vehicle owned or operated by the person applying 29 for a new license. If, following issuance of a new license, the 30 31 department determines, based upon notification from the interlock 32 provider or otherwise, that an interlock required under RCW 46.20.720 is no longer functioning, the department shall suspend the person's 33 license or privilege to drive until the department has received written 34 verification from an interlock provider that a functioning interlock is 35 36 installed.

37 (c) Except for a revocation under RCW 46.20.265, the department 38 shall not then issue a new license unless it is satisfied after

investigation of the driving ability of the person that it will be safe 1 2 to grant the privilege of driving a motor vehicle on the public highways, and until the person gives and thereafter maintains proof of 3 financial responsibility for the future as provided in chapter 46.29 4 RCW. For a revocation under RCW 46.20.265, the department shall not 5 issue a new license unless it is satisfied after investigation of the б 7 driving ability of the person that it will be safe to grant that person 8 the privilege of driving a motor vehicle on the public highways.

9 (3)(a) Whenever the driver's license of any person is suspended 10 pursuant to Article IV of the nonresident violators compact or RCW 11 46.23.020 or 46.20.289 or 46.20.291(5), the department shall not issue 12 to the person any new or renewal license until the person pays a 13 reissue fee of ((twenty)) seventy-five dollars.

(b) If the suspension is the result of a violation of the laws of this or any other state, province, or other jurisdiction involving (i) the operation or physical control of a motor vehicle upon the public highways while under the influence of intoxicating liquor or drugs, or (ii) the refusal to submit to a chemical test of the driver's blood alcohol content, the reissue fee shall be one hundred fifty dollars.

20 Sec. 309. RCW 46.20.049 and 1999 c 308 s 4 are each amended to 21 read as follows:

22 There shall be an additional fee for issuing any class of 23 commercial driver's license in addition to the prescribed fee required 24 for the issuance of the original driver's license. The additional fee for each class shall ((not exceed twenty)) be thirty dollars for the 25 26 original commercial driver's license or subsequent renewals((7 unless)). If the commercial driver's license is renewed or extended 27 for a period other than five years, ((in which case)) the fee for each 28 class shall ((not exceed four)) be six dollars for each year that the 29 30 commercial driver's license is renewed or extended. The fee shall be 31 deposited in the highway safety fund.

32

PART IV - MISCELLANEOUS PROVISIONS

33 **Sec. 401.** RCW 43.135.045 and 2003 1st sp.s. c 25 s 920 are each 34 amended to read as follows:

35 (1) The emergency reserve fund is established in the state

treasury. During each fiscal year, the state treasurer shall deposit 1 2 in the emergency reserve fund all general fund--state revenues in excess of the state expenditure limit for that fiscal year. Deposits 3 shall be made at the end of each fiscal quarter based on projections of 4 5 state revenues and the state expenditure limit. The treasurer shall make transfers between these accounts as necessary to reconcile actual 6 7 annual revenues and the expenditure limit for fiscal year 2000 and 8 thereafter.

9 (2) The legislature may appropriate moneys from the emergency 10 reserve fund only with approval of at least two-thirds of the members 11 of each house of the legislature, and then only if the appropriation 12 does not cause total expenditures to exceed the state expenditure limit 13 under this chapter.

(3) The emergency reserve fund balance shall not exceed five 14 percent of annual general fund--state revenues as projected by the 15 official state revenue forecast. Any balance in excess of five percent 16 17 shall be transferred on a quarterly basis by the state treasurer as follows: Seventy-five percent to the student achievement fund hereby 18 19 created in the state treasury and twenty-five percent to the general fund balance. The treasurer shall make transfers between these 20 accounts as necessary to reconcile actual annual revenues for fiscal 21 22 year 2000 and thereafter. When per-student state funding for the maintenance and operation of K-12 education meets a level of no less 23 24 than ninety percent of the national average of total funding from all 25 sources per student as determined by the most recent published data from the national center for education statistics of the United States 26 27 department of education, as calculated by the office of financial management, further deposits to the student achievement fund shall be 28 required only to the extent necessary to maintain the ninety-percent 29 30 level. Remaining funds are part of the general fund balance and these 31 funds are subject to the expenditure limits of this chapter.

32 (4) The education construction fund is hereby created in the state33 treasury.

(a) Funds may be appropriated from the education construction fund
 exclusively for common school construction or higher education
 construction.

37 (b) Funds may be appropriated for any other purpose only if 38 approved by a two-thirds vote of each house of the legislature and if approved by a vote of the people at the next general election. An appropriation approved by the people under this subsection shall result in an adjustment to the state expenditure limit only for the fiscal period for which the appropriation is made and shall not affect any subsequent fiscal period.

6 (5) Funds from the student achievement fund shall be appropriated 7 to the superintendent of public instruction strictly for distribution 8 to school districts to meet the provisions set out in the student 9 achievement act. Allocations shall be made on an equal per full-time 10 equivalent student basis to each school district.

11 (((6) Earnings of the emergency reserve fund under RCW 12 43.84.092(4)(a) shall be transferred quarterly to the multimodal 13 transportation account, except for those earnings that are in excess of 14 thirty-five million dollars each fiscal year. Within thirty days following any fiscal year in which earnings transferred to the 15 multimodal transportation account under this subsection did not total 16 17 thirty-five million dollars, the state treasurer shall transfer from 18 the emergency reserve fund an amount necessary to bring the total 19 deposited in the multimodal transportation account under this subsection to thirty-five million dollars. The revenues to the 20 21 multimodal transportation account reflected in this subsection provide 22 ongoing support for the transportation programs of the state. However, 23 it is the intent of the legislature that any new long term financial 24 support that may be subsequently provided for transportation programs 25 will be used to replace and supplant the revenues reflected in this 26 subsection, thereby allowing those revenues to be returned to the 27 purposes to which they were previously dedicated. No transfers from 28 the emergency reserve fund to the multimodal fund shall be made during 29 the 2003-05 fiscal biennium.))

30 <u>NEW SECTION.</u> **Sec. 402.** (1) Sections 201 through 204, 301, and 302 31 of this act apply to vehicle registrations that are due or become due 32 on or after January 1, 2006.

33 (2) Section 205 of this act applies to vehicle registrations that34 are due or become due on or after January 1, 2008.

35 (3) Section 206 of this act applies to vehicle registrations that36 are due or become due on or after January 1, 2010.

<u>NEW SECTION.</u> Sec. 403. (1) Section 110 of this act takes effect
 July 1, 2006.

3 (2) Sections 201 through 204 of this act take effect January 1, 4 2006.

5 (3) Section 205 of this act takes effect January 1, 2008.

6 (4) Section 206 of this act takes effect January 1, 2010.

7 <u>NEW SECTION.</u> Sec. 404. Sections 201 and 202 of this act 8 constitute a new chapter in Title 46 RCW.

9 <u>NEW SECTION.</u> Sec. 405. Sections 101 through 107, 109, 303 through 10 310, and 401 of this act are necessary for the immediate preservation 11 of the public peace, health, or safety, or support of the state 12 government and its existing public institutions, and take effect July 13 1, 2005.

14 <u>NEW SECTION.</u> Sec. 406. Section 109 of this act expires July 1, 15 2006.

16 <u>NEW SECTION.</u> Sec. 407. Part headings used in this act are not 17 part of the law.

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