(SUBSTITUTED FOR - SEE 1ST SUB)

Requires that, by August 1st, November 1st, February 1st, and May 1st of every year, the department of transportation shall notify the state treasurer in writing of the amount of state sales and use tax paid under chapters 82.08 and 82.12 RCW by the Washington state ferries on the purchase of fuel for the preceding calendar quarter. By September 1st, December 1st, March 1st, and June 1st of every year, the state treasurer shall transfer an amount equal to the amount indicated by the department in their notification to the treasurer into the passenger ferry account created in RCW 47.60.645.

Requires that, by April 1, 2007, the department shall sell or otherwise dispose of the Washington state ferries Snohomish and Chinook for market value and deposit the proceeds of the sales into the passenger ferry account established under RCW 47.60.645.

Requires that, by April 1, 2007, the department shall sell or otherwise dispose of the Washington state ferries Skagit and Kalama for market value or offer the ferries as a grant to a Washington state public transportation benefit area or county for use on a ferry system operated by the recipient. Proceeds from the sale of the ferries shall be deposited in the passenger ferry account established under RCW 47.60.645.