
ENGROSSED SUBSTITUTE HOUSE BILL 1954

State of Washington 63rd Legislature 2013 2nd Special Session

By House Transportation (originally sponsored by Representatives Clibborn, Moscoso, Fey, Ryu, Riccelli, Farrell, Lias, Pollet, Ormsby, Tarleton, Roberts, Wylie, Morris, Bergquist, and Moeller)

READ FIRST TIME 04/26/13.

1 AN ACT Relating to transportation revenue; amending RCW 82.36.025,
2 82.38.030, 46.68.090, 46.68.090, 46.10.530, 79A.25.070, 46.17.100,
3 46.20.293, 46.29.050, 46.68.041, 46.68.020, 46.68.280, 46.68.390,
4 47.76.250, 46.17.355, 46.68.035, 81.77.160, 46.17.323, 46.17.050,
5 46.17.060, 46.20.202, 36.73.015, 36.73.020, 36.73.065, 82.14.045,
6 82.80.140, 47.10.882, 47.56.894, and 47.56.892; reenacting and amending
7 RCW 43.84.092, 43.84.092, 46.09.520, and 46.52.130; adding new sections
8 to chapter 46.68 RCW; adding a new section to chapter 46.17 RCW; adding
9 new sections to chapter 82.80 RCW; adding new sections to chapter 82.14
10 RCW; adding new sections to chapter 36.57A RCW; adding new sections to
11 chapter 47.10 RCW; adding a new section to chapter 47.29 RCW; creating
12 new sections; repealing RCW 82.36.029 and 82.38.---; repealing 2013 c
13 225 s 103 (uncodified); repealing 2012 c 74 s 18 (uncodified);
14 providing effective dates; providing contingent effective dates;
15 providing expiration dates; providing contingent expiration dates; and
16 declaring an emergency.

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

18 **MOTOR VEHICLE AND SPECIAL FUEL TAXES**

1 **Sec. 101.** RCW 82.36.025 and 2007 c 515 s 3 are each amended to
2 read as follows:

3 (1) A motor vehicle fuel tax rate of twenty-three cents per gallon
4 on motor vehicle fuel shall be imposed on motor vehicle fuel licensees,
5 other than motor vehicle fuel distributors.

6 (2) Beginning July 1, 2003, an additional and cumulative motor
7 vehicle fuel tax rate of five cents per gallon on motor vehicle fuel
8 shall be imposed on motor vehicle fuel licensees, other than motor
9 vehicle fuel distributors. This subsection (2) expires when the bonds
10 issued for transportation 2003 projects are retired.

11 (3) Beginning July 1, 2005, an additional and cumulative motor
12 vehicle fuel tax rate of three cents per gallon on motor vehicle fuel
13 shall be imposed on motor vehicle fuel licensees, other than motor
14 vehicle fuel distributors.

15 (4) Beginning July 1, 2006, an additional and cumulative motor
16 vehicle fuel tax rate of three cents per gallon on motor vehicle fuel
17 shall be imposed on motor vehicle fuel licensees, other than motor
18 vehicle fuel distributors.

19 (5) Beginning July 1, 2007, an additional and cumulative motor
20 vehicle fuel tax rate of two cents per gallon on motor vehicle fuel
21 shall be imposed on motor vehicle fuel licensees, other than motor
22 vehicle fuel distributors.

23 (6) Beginning July 1, 2008, an additional and cumulative motor
24 vehicle fuel tax rate of one and one-half cents per gallon on motor
25 vehicle fuel shall be imposed on motor vehicle fuel licensees, other
26 than motor vehicle fuel distributors.

27 (7) Beginning August 1, 2013, an additional and cumulative motor
28 vehicle fuel tax rate of six cents per gallon on motor vehicle fuel
29 shall be imposed on motor vehicle fuel licensees, other than motor
30 vehicle fuel distributors.

31 (8) Beginning July 1, 2014, an additional and cumulative motor
32 vehicle fuel tax rate of four and one-half cents per gallon on motor
33 vehicle fuel shall be imposed on motor vehicle fuel licensees, other
34 than motor vehicle fuel distributors.

35 **Sec. 102.** RCW 82.38.030 and 2007 c 515 s 21 are each amended to
36 read as follows:

37 (1) Before July 1, 2015:

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

5 ~~((+2))~~ (b) Beginning July 1, 2003, an additional and cumulative
6 tax rate of five cents per gallon of special fuel, or each one hundred
7 cubic feet of compressed natural gas, measured at standard pressure and
8 temperature shall be imposed on special fuel licensees, other than
9 special fuel distributors. This subsection ~~((+2))~~ (1)(b) expires when
10 the bonds issued for transportation 2003 projects are retired.

11 ~~((+3))~~ (c) Beginning July 1, 2005, an additional and cumulative
12 tax rate of three cents per gallon of special fuel, or each one hundred
13 cubic feet of compressed natural gas, measured at standard pressure and
14 temperature shall be imposed on special fuel licensees, other than
15 special fuel distributors.

16 ~~((+4))~~ (d) Beginning July 1, 2006, an additional and cumulative
17 tax rate of three cents per gallon of special fuel, or each one hundred
18 cubic feet of compressed natural gas, measured at standard pressure and
19 temperature shall be imposed on special fuel licensees, other than
20 special fuel distributors.

21 ~~((+5))~~ (e) Beginning July 1, 2007, an additional and cumulative
22 tax rate of two cents per gallon of special fuel, or each one hundred
23 cubic feet of compressed natural gas, measured at standard pressure and
24 temperature shall be imposed on special fuel licensees, other than
25 special fuel distributors.

26 ~~((+6))~~ (f) Beginning July 1, 2008, an additional and cumulative
27 tax rate of one and one-half cents per gallon of special fuel, or each
28 one hundred cubic feet of compressed natural gas, measured at standard
29 pressure and temperature shall be imposed on special fuel licensees,
30 other than special fuel distributors.

31 ~~((+7))~~ (g) Beginning August 1, 2013, an additional and cumulative
32 tax rate of six cents per gallon of special fuel, or each one hundred
33 cubic feet of compressed natural gas, measured at standard pressure and
34 temperature shall be imposed on special fuel licensees, other than
35 special fuel distributors.

36 (h) Beginning July 1, 2014, an additional and cumulative tax rate
37 of four and one-half cents per gallon of special fuel, or each one

1 hundred cubic feet of compressed natural gas, measured at standard
2 pressure and temperature shall be imposed on special fuel licensees,
3 other than special fuel distributors.

4 (i) Taxes are imposed when:

5 ~~((a))~~ (i) Special fuel is removed in this state from a terminal
6 if the special fuel is removed at the rack unless the removal is to a
7 licensed exporter for direct delivery to a destination outside of the
8 state, or the removal is by a special fuel supplier for direct delivery
9 to an international fuel tax agreement licensee under RCW 82.38.320;

10 ~~((b))~~ (ii) Special fuel is removed in this state from a refinery
11 if either of the following applies:

12 ~~((i))~~ (A) The removal is by bulk transfer and the refiner or the
13 owner of the special fuel immediately before the removal is not a
14 licensee; or

15 ~~((ii))~~ (B) The removal is at the refinery rack unless the removal
16 is to a licensed exporter for direct delivery to a destination outside
17 of the state, or the removal is to a special fuel supplier for direct
18 delivery to an international fuel tax agreement licensee under RCW
19 82.38.320;

20 ~~((c))~~ (iii) Special fuel enters into this state for sale,
21 consumption, use, or storage, unless the fuel enters this state for
22 direct delivery to an international fuel tax agreement licensee under
23 RCW 82.38.320, if either of the following applies:

24 ~~((i))~~ (A) The entry is by bulk transfer and the importer is not
25 a licensee; or

26 ~~((ii))~~ (B) The entry is not by bulk transfer;

27 ~~((d))~~ (iv) Special fuel is sold or removed in this state to an
28 unlicensed entity unless there was a prior taxable removal, entry, or
29 sale of the special fuel;

30 ~~((e))~~ (v) Blended special fuel is removed or sold in this state
31 by the blender of the fuel. The number of gallons of blended special
32 fuel subject to tax is the difference between the total number of
33 gallons of blended special fuel removed or sold and the number of
34 gallons of previously taxed special fuel used to produce the blended
35 special fuel;

36 ~~((f))~~ (vi) Dyed special fuel is used on a highway, as authorized
37 by the internal revenue code, unless the use is exempt from the special
38 fuel tax;

1 ~~((g))~~ (vii) Dyed special fuel is held for sale, sold, used, or is
2 intended to be used in violation of this chapter;

3 ~~((h))~~ (viii) Special fuel purchased by an international fuel tax
4 agreement licensee under RCW 82.38.320 is used on a highway; and

5 ~~((i))~~ (ix) Special fuel is sold by a licensed special fuel
6 supplier to a special fuel distributor, special fuel importer, or
7 special fuel blender and the special fuel is not removed from the bulk
8 transfer-terminal system.

9 (2) Beginning July 1, 2015:

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

14 (b) Beginning July 1, 2003, an additional and cumulative tax rate
15 of five cents per gallon of fuel, or each one hundred cubic feet of
16 compressed natural gas, measured at standard pressure and temperature
17 is imposed on fuel licensees. This subsection (2)(b) expires when the
18 bonds issued for transportation 2003 projects are retired.

19 (c) Beginning July 1, 2005, an additional and cumulative tax rate
20 of three cents per gallon of fuel, or each one hundred cubic feet of
21 compressed natural gas, measured at standard pressure and temperature
22 is imposed on fuel licensees.

23 (d) Beginning July 1, 2006, an additional and cumulative tax rate
24 of three cents per gallon of fuel, or each one hundred cubic feet of
25 compressed natural gas, measured at standard pressure and temperature
26 is imposed on fuel licensees.

27 (e) Beginning July 1, 2007, an additional and cumulative tax rate
28 of two cents per gallon of fuel, or each one hundred cubic feet of
29 compressed natural gas, measured at standard pressure and temperature
30 is imposed on fuel licensees.

31 (f) Beginning July 1, 2008, an additional and cumulative tax rate
32 of one and one-half cents per gallon of fuel, or each one hundred cubic
33 feet of compressed natural gas, measured at standard pressure and
34 temperature is imposed on fuel licensees.

35 (g) Beginning August 1, 2013, an additional and cumulative tax rate
36 of six cents per gallon of fuel, or each one hundred cubic feet of
37 compressed natural gas, measured at standard pressure and temperature
38 is imposed on fuel licensees.

1 (h) Beginning July 1, 2014, an additional and cumulative tax rate
2 of four and one-half cents per gallon of fuel, or each one hundred
3 cubic feet of compressed natural gas, measured at standard pressure and
4 temperature is imposed on fuel licensees.

5 (i) Taxes are imposed when:

6 (i) Fuel is removed in this state from a terminal if the fuel is
7 removed at the rack unless the removal is by a licensed supplier or
8 distributor for direct delivery to a destination outside of the state,
9 or the removal is by a fuel supplier for direct delivery to an
10 international fuel tax agreement licensee under RCW 82.38.320;

11 (ii) Fuel is removed in this state from a refinery if either of the
12 following applies:

13 (A) The removal is by bulk transfer and the refiner or the owner of
14 the fuel immediately before the removal is not a licensed supplier; or

15 (B) The removal is at the refinery rack unless the removal is to a
16 licensed supplier or distributor for direct delivery to a destination
17 outside of the state, or the removal is to a licensed supplier for
18 direct delivery to an international fuel tax agreement licensee under
19 RCW 82.38.320;

20 (iii) Fuel enters into this state for sale, consumption, use, or
21 storage, unless the fuel enters this state for direct delivery to an
22 international fuel tax agreement licensee under RCW 82.38.320, if
23 either of the following applies:

24 (A) The entry is by bulk transfer and the importer is not a
25 licensed supplier; or

26 (B) The entry is not by bulk transfer;

27 (iv) Fuel enters this state by means outside the bulk transfer-
28 terminal system and is delivered directly to a licensed terminal unless
29 the owner is a licensed distributor or supplier;

30 (v) Fuel is sold or removed in this state to an unlicensed entity
31 unless there was a prior taxable removal, entry, or sale of the fuel;

32 (vi) Blended fuel is removed or sold in this state by the blender
33 of the fuel. The number of gallons of blended fuel subject to tax is
34 the difference between the total number of gallons of blended fuel
35 removed or sold and the number of gallons of previously taxed fuel used
36 to produce the blended fuel;

37 (vii) Dyed special fuel is used on a highway, as authorized by the
38 internal revenue code, unless the use is exempt from the fuel tax;

1 (viii) Dyed special fuel is held for sale, sold, used, or is
2 intended to be used in violation of this chapter;

3 (ix) Special fuel purchased by an international fuel tax agreement
4 licensee under RCW 82.38.320 is used on a highway; and

5 (x) Fuel is sold by a licensed fuel supplier to a fuel distributor
6 or fuel blender and the fuel is not removed from the bulk transfer-
7 terminal system.

8 NEW SECTION. Sec. 103. 2013 c 225 s 103 (uncodified) is repealed.

9 **Sec. 104.** RCW 46.68.090 and 2011 c 120 s 4 are each amended to
10 read as follows:

11 (1) All moneys that have accrued or may accrue to the motor vehicle
12 fund from the motor vehicle fuel tax and special fuel tax shall be
13 first expended for purposes enumerated in (a) and (b) of this
14 subsection. The remaining net tax amount shall be distributed monthly
15 by the state treasurer in accordance with subsections (2) through
16 ~~((7))~~ (8) of this section.

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

19 (b) For payment of amounts to be expended pursuant to
20 appropriations for the administrative expenses of the offices of state
21 treasurer, state auditor, and the department of licensing of the state
22 of Washington in the administration of the motor vehicle fuel tax and
23 the special fuel tax, which sums shall be distributed monthly.

24 (2) All of the remaining net tax amount collected under RCW
25 82.36.025(1) and 82.38.030(1)(a) shall be distributed as set forth in
26 (a) through (j) of this subsection.

27 (a) For distribution to the motor vehicle fund an amount equal to
28 44.387 percent to be expended for highway purposes of the state as
29 defined in RCW 46.68.130;

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

35 The following criteria, listed in order of priority, shall be used

1 in determining which special category C projects have the highest
2 priority:

3 (i) Accident experience;

4 (ii) Fatal accident experience;

5 (iii) Capacity to move people and goods safely and at reasonable
6 speeds without undue congestion; and

7 (iv) Continuity of development of the highway transportation
8 network.

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

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

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

17 (e) For distribution to the transportation improvement account in
18 the motor vehicle fund an amount equal to 7.5597 percent;

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

22 (g) For distribution to the cities and towns from the motor vehicle
23 fund an amount equal to 10.6961 percent in accordance with RCW
24 46.68.110;

25 (h) For distribution to the counties from the motor vehicle fund an
26 amount equal to 19.2287 percent: (i) Out of which there shall be
27 distributed from time to time, as directed by the department of
28 transportation, those sums as may be necessary to carry out the
29 provisions of RCW 47.56.725; and (ii) less any amounts appropriated to
30 the county road administration board to implement the provisions of RCW
31 47.56.725(4), with the balance of such county share to be distributed
32 monthly as the same accrues for distribution in accordance with RCW
33 46.68.120;

34 (i) For distribution to the county arterial preservation account,
35 hereby created in the motor vehicle fund an amount equal to 1.9565
36 percent. These funds shall be distributed by the county road
37 administration board to counties in proportions corresponding to the
38 number of paved arterial lane miles in the unincorporated area of each

1 county and shall be used for improvements to sustain the structural,
2 safety, and operational integrity of county arterials. The county road
3 administration board shall adopt reasonable rules and develop policies
4 to implement this program and to assure that a pavement management
5 system is used;

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

9 (3) The remaining net tax amount collected under RCW 82.36.025(2)
10 and 82.38.030(~~((+2))~~) (1)(b) shall be distributed to the transportation
11 2003 account (nickel account).

12 (4) The remaining net tax amount collected under RCW 82.36.025(3)
13 and 82.38.030(~~((+3))~~) (1)(c) shall be distributed as follows:

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

16 (b) 8.3333 percent shall be distributed to counties of the state in
17 accordance with RCW 46.68.120; and

18 (c) The remainder shall be distributed to the transportation
19 partnership account created in RCW 46.68.290.

20 (5) The remaining net tax amount collected under RCW 82.36.025(4)
21 and 82.38.030(~~((+4))~~) (1)(d) shall be distributed as follows:

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

24 (b) 8.3333 percent shall be distributed to counties of the state in
25 accordance with RCW 46.68.120; and

26 (c) The remainder shall be distributed to the transportation
27 partnership account created in RCW 46.68.290.

28 (6) The remaining net tax amount collected under RCW 82.36.025 (5)
29 and (6) and 82.38.030 (~~((+5))~~) (1)(e) and (~~((+6))~~) (f) shall be
30 distributed to the transportation partnership account created in RCW
31 46.68.290.

32 (7) The remaining net tax amount collected under RCW 82.36.025 (7)
33 and (8) and 82.38.030(1) (g) and (h) shall be distributed as follows:

34 (a) 5 percent shall be distributed to counties under RCW 46.68.122;

35 (b) 5 percent shall be distributed to cities under RCW 46.68.110;

36 (c) 5 percent shall be distributed to the Puget Sound ferry
37 operations account created in RCW 47.60.530;

1 (d) 7.5 percent shall be distributed to the Puget Sound capital
2 construction account created in RCW 47.60.505; and

3 (e) The remainder shall be distributed to the connecting
4 Washington account created in section 106 of this act.

5 (8) Nothing in this section or in RCW 46.68.130 may be construed so
6 as to violate any terms or conditions contained in any highway
7 construction bond issues now or hereafter authorized by statute and
8 whose payment is by such statute pledged to be paid from any excise
9 taxes on motor vehicle fuel and special fuels.

10 **Sec. 105.** RCW 46.68.090 and 2013 c 225 s 645 are each amended to
11 read as follows:

12 (1) All moneys that have accrued or may accrue to the motor vehicle
13 fund from the motor vehicle fuel tax and special fuel tax must be first
14 expended for purposes enumerated in (a) and (b) of this subsection.
15 The remaining net tax amount must be distributed monthly by the state
16 treasurer in accordance with subsections (2) through ~~((+7))~~ (8) of
17 this section.

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

20 (b) For payment of amounts to be expended pursuant to
21 appropriations for the administrative expenses of the offices of state
22 treasurer, state auditor, and the department of licensing of the state
23 of Washington in the administration of the motor vehicle fuel tax and
24 the special fuel tax, which sums must be distributed monthly.

25 (2) All of the remaining net tax amount collected under RCW
26 82.38.030~~((+1))~~ (2)(a) must be distributed as set forth in (a) through
27 (j) of this subsection.

28 (a) For distribution to the motor vehicle fund an amount equal to
29 44.387 percent to be expended for highway purposes of the state as
30 defined in RCW 46.68.130;

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

36 (ii) The following criteria, listed in order of priority, must be

1 used in determining which special category C projects have the highest
2 priority:

- 3 (A) Accident experience;
- 4 (B) Fatal accident experience;
- 5 (C) Capacity to move people and goods safely and at reasonable
6 speeds without undue congestion; and
- 7 (D) Continuity of development of the highway transportation
8 network.

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

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

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

17 (e) For distribution to the transportation improvement account in
18 the motor vehicle fund an amount equal to 7.5597 percent;

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

22 (g) For distribution to the cities and towns from the motor vehicle
23 fund an amount equal to 10.6961 percent in accordance with RCW
24 46.68.110;

25 (h) For distribution to the counties from the motor vehicle fund an
26 amount equal to 19.2287 percent: (i) Out of which there must be
27 distributed from time to time, as directed by the department of
28 transportation, those sums as may be necessary to carry out the
29 provisions of RCW 47.56.725; and (ii) less any amounts appropriated to
30 the county road administration board to implement the provisions of RCW
31 47.56.725(4), with the balance of such county share to be distributed
32 monthly as the same accrues for distribution in accordance with RCW
33 46.68.120;

34 (i) For distribution to the county arterial preservation account,
35 hereby created in the motor vehicle fund an amount equal to 1.9565
36 percent. These funds must be distributed by the county road
37 administration board to counties in proportions corresponding to the
38 number of paved arterial lane miles in the unincorporated area of each

1 county and must be used for improvements to sustain the structural,
2 safety, and operational integrity of county arterials. The county road
3 administration board must adopt reasonable rules and develop policies
4 to implement this program and to assure that a pavement management
5 system is used;

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

9 (3) The remaining net tax amount collected under RCW
10 82.38.030(2)(b) must be distributed to the transportation 2003 account
11 (nickel account).

12 (4) The remaining net tax amount collected under RCW
13 82.38.030(~~(+3)~~) (2)(c) must be distributed as follows:

14 (a) 8.3333 percent must be distributed to the incorporated cities
15 and towns of the state in accordance with RCW 46.68.110;

16 (b) 8.3333 percent must be distributed to counties of the state in
17 accordance with RCW 46.68.120; and

18 (c) The remainder must be distributed to the transportation
19 partnership account created in RCW 46.68.290.

20 (5) The remaining net tax amount collected under RCW
21 82.38.030(~~(+4)~~) (2)(d) must be distributed as follows:

22 (a) 8.3333 percent must be distributed to the incorporated cities
23 and towns of the state in accordance with RCW 46.68.110;

24 (b) 8.3333 percent must be distributed to counties of the state in
25 accordance with RCW 46.68.120; and

26 (c) The remainder must be distributed to the transportation
27 partnership account created in RCW 46.68.290.

28 (6) The remaining net tax amount collected under RCW 82.38.030
29 (~~(+5)~~) (2)(e) and (~~(+6)~~) (f) must be distributed to the
30 transportation partnership account created in RCW 46.68.290.

31 (7) The remaining net tax amount collected under RCW 82.38.030(2)
32 (g) and (h) must be distributed as follows:

33 (a) 5 percent must be distributed to counties under RCW 46.68.122;

34 (b) 5 percent must be distributed to cities under RCW 46.68.110;

35 (c) 5 percent must be distributed to the Puget Sound ferry
36 operations account created in RCW 47.60.530;

37 (d) 7.5 percent must be distributed to the Puget Sound capital
38 construction account created in RCW 47.60.505; and

1 (e) The remainder must be distributed to the connecting
2 Washington account created in section 106 of this act.

3 (8) Nothing in this section or in RCW 46.68.130 may be construed so
4 as to violate any terms or conditions contained in any highway
5 construction bond issues now or hereafter authorized by statute and
6 whose payment is by such statute pledged to be paid from any excise
7 taxes on motor vehicle fuel and special fuels.

8 NEW SECTION. Sec. 106. A new section is added to chapter 46.68
9 RCW to read as follows:

10 The connecting Washington account is created in the motor vehicle
11 fund. All receipts from RCW 46.68.090(7)(e), 46.17.355(7), and section
12 305 (1) and (2) of this act must be deposited into the account. Moneys
13 in the account may be spent only after appropriation. Expenditures
14 from the account must be used only for projects or improvements
15 identified as connecting Washington projects or improvements in a
16 transportation appropriations act, including any principal and interest
17 on bonds authorized for the projects or improvements, and for the
18 maintenance, operations, and preservation of the state highway system,
19 which is defined for purposes of this section as activities undertaken
20 to (1) provide, maintain, and operate serviceable roadways through
21 planned strategies of cost-effective treatments to existing roadways
22 and appurtenances that preserve the highway system, (2) retard future
23 deterioration, (3) preserve or improve safety, and (4) maintain the
24 functional condition of the existing highway system.

25 **Sec. 107.** RCW 43.84.092 and 2013 c 251 s 3 and 2013 c 96 s 3 are
26 each reenacted and amended to read as follows:

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

30 (2) The treasury income account shall be utilized to pay or receive
31 funds associated with federal programs as required by the federal cash
32 management improvement act of 1990. The treasury income account is
33 subject in all respects to chapter 43.88 RCW, but no appropriation is
34 required for refunds or allocations of interest earnings required by
35 the cash management improvement act. Refunds of interest to the
36 federal treasury required under the cash management improvement act

1 fall under RCW 43.88.180 and shall not require appropriation. The
2 office of financial management shall determine the amounts due to or
3 from the federal government pursuant to the cash management improvement
4 act. The office of financial management may direct transfers of funds
5 between accounts as deemed necessary to implement the provisions of the
6 cash management improvement act, and this subsection. Refunds or
7 allocations shall occur prior to the distributions of earnings set
8 forth in subsection (4) of this section.

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

17 (4) Monthly, the state treasurer shall distribute the earnings
18 credited to the treasury income account. The state treasurer shall
19 credit the general fund with all the earnings credited to the treasury
20 income account except:

21 (a) The following accounts and funds shall receive their
22 proportionate share of earnings based upon each account's and fund's
23 average daily balance for the period: The aeronautics account, the
24 aircraft search and rescue account, the Alaskan Way viaduct replacement
25 project account, the budget stabilization account, the capital vessel
26 replacement account, the capitol building construction account, the
27 Cedar River channel construction and operation account, the Central
28 Washington University capital projects account, the charitable,
29 educational, penal and reformatory institutions account, the cleanup
30 settlement account, the Columbia river basin water supply development
31 account, the Columbia river basin taxable bond water supply development
32 account, the Columbia river basin water supply revenue recovery
33 account, the common school construction fund, the connecting Washington
34 account, the county arterial preservation account, the county criminal
35 justice assistance account, the deferred compensation administrative
36 account, the deferred compensation principal account, the department of
37 licensing services account, the department of retirement systems
38 expense account, the developmental disabilities community trust

1 account, the drinking water assistance account, the drinking water
2 assistance administrative account, the drinking water assistance
3 repayment account, the Eastern Washington University capital projects
4 account, the Interstate 405 express toll lanes operations account, the
5 education construction fund, the education legacy trust account, the
6 election account, the energy freedom account, the energy recovery act
7 account, the essential rail assistance account, The Evergreen State
8 College capital projects account, the federal forest revolving account,
9 the ferry bond retirement fund, the freight mobility investment
10 account, the freight mobility multimodal account, the grade crossing
11 protective fund, the public health services account, the high capacity
12 transportation account, the state higher education construction
13 account, the higher education construction account, the highway bond
14 retirement fund, the highway infrastructure account, the highway safety
15 fund, the high occupancy toll lanes operations account, the hospital
16 safety net assessment fund, the industrial insurance premium refund
17 account, the judges' retirement account, the judicial retirement
18 administrative account, the judicial retirement principal account, the
19 local leasehold excise tax account, the local real estate excise tax
20 account, the local sales and use tax account, the marine resources
21 stewardship trust account, the medical aid account, the mobile home
22 park relocation fund, the motor vehicle fund, the motorcycle safety
23 education account, the multimodal transportation account, the municipal
24 criminal justice assistance account, the natural resources deposit
25 account, the oyster reserve land account, the pension funding
26 stabilization account, the perpetual surveillance and maintenance
27 account, the public employees' retirement system plan 1 account, the
28 public employees' retirement system combined plan 2 and plan 3 account,
29 the public facilities construction loan revolving account beginning
30 July 1, 2004, the public health supplemental account, the public works
31 assistance account, the Puget Sound capital construction account, the
32 Puget Sound ferry operations account, the real estate appraiser
33 commission account, the recreational vehicle account, the regional
34 mobility grant program account, the resource management cost account,
35 the rural arterial trust account, the rural mobility grant program
36 account, the rural Washington loan fund, the site closure account, the
37 skilled nursing facility safety net trust fund, the small city pavement
38 and sidewalk account, the special category C account, the special

1 wildlife account, the state employees' insurance account, the state
2 employees' insurance reserve account, the state investment board
3 expense account, the state investment board commingled trust fund
4 accounts, the state patrol highway account, the state route number 520
5 civil penalties account, the state route number 520 corridor account,
6 the state wildlife account, the supplemental pension account, the
7 Tacoma Narrows toll bridge account, the teachers' retirement system
8 plan 1 account, the teachers' retirement system combined plan 2 and
9 plan 3 account, the tobacco prevention and control account, the tobacco
10 settlement account, the toll facility bond retirement account, the
11 transportation 2003 account (nickel account), the transportation
12 equipment fund, the transportation fund, the transportation improvement
13 account, the transportation improvement board bond retirement account,
14 the transportation infrastructure account, the transportation
15 partnership account, the traumatic brain injury account, the tuition
16 recovery trust fund, the University of Washington bond retirement fund,
17 the University of Washington building account, the volunteer
18 firefighters' and reserve officers' relief and pension principal fund,
19 the volunteer firefighters' and reserve officers' administrative fund,
20 the Washington judicial retirement system account, the Washington law
21 enforcement officers' and firefighters' system plan 1 retirement
22 account, the Washington law enforcement officers' and firefighters'
23 system plan 2 retirement account, the Washington public safety
24 employees' plan 2 retirement account, the Washington school employees'
25 retirement system combined plan 2 and 3 account, the Washington state
26 economic development commission account, the Washington state health
27 insurance pool account, the Washington state patrol retirement account,
28 the Washington State University building account, the Washington State
29 University bond retirement fund, the water pollution control revolving
30 administration account, the water pollution control revolving fund, and
31 the Western Washington University capital projects account. Earnings
32 derived from investing balances of the agricultural permanent fund, the
33 normal school permanent fund, the permanent common school fund, the
34 scientific permanent fund, the state university permanent fund, and the
35 state reclamation revolving account shall be allocated to their
36 respective beneficiary accounts.

37 (b) Any state agency that has independent authority over accounts
38 or funds not statutorily required to be held in the state treasury that

1 deposits funds into a fund or account in the state treasury pursuant to
2 an agreement with the office of the state treasurer shall receive its
3 proportionate share of earnings based upon each account's or fund's
4 average daily balance for the period.

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

8 **Sec. 108.** RCW 43.84.092 and 2013 c 251 s 4 and 2013 c 96 s 4 are
9 each reenacted and amended to read as follows:

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

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

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

36 (4) Monthly, the state treasurer shall distribute the earnings

1 credited to the treasury income account. The state treasurer shall
2 credit the general fund with all the earnings credited to the treasury
3 income account except:

4 (a) The following accounts and funds shall receive their
5 proportionate share of earnings based upon each account's and fund's
6 average daily balance for the period: The aeronautics account, the
7 aircraft search and rescue account, the Alaskan Way viaduct replacement
8 project account, the budget stabilization account, the capital vessel
9 replacement account, the capitol building construction account, the
10 Cedar River channel construction and operation account, the Central
11 Washington University capital projects account, the charitable,
12 educational, penal and reformatory institutions account, the cleanup
13 settlement account, the Columbia river basin water supply development
14 account, the Columbia river basin taxable bond water supply development
15 account, the Columbia river basin water supply revenue recovery
16 account, the Columbia river crossing project account, the common school
17 construction fund, the connecting Washington account, the county
18 arterial preservation account, the county criminal justice assistance
19 account, the deferred compensation administrative account, the deferred
20 compensation principal account, the department of licensing services
21 account, the department of retirement systems expense account, the
22 developmental disabilities community trust account, the drinking water
23 assistance account, the drinking water assistance administrative
24 account, the drinking water assistance repayment account, the Eastern
25 Washington University capital projects account, the Interstate 405
26 express toll lanes operations account, the education construction fund,
27 the education legacy trust account, the election account, the energy
28 freedom account, the energy recovery act account, the essential rail
29 assistance account, The Evergreen State College capital projects
30 account, the federal forest revolving account, the ferry bond
31 retirement fund, the freight mobility investment account, the freight
32 mobility multimodal account, the grade crossing protective fund, the
33 public health services account, the high capacity transportation
34 account, the state higher education construction account, the higher
35 education construction account, the highway bond retirement fund, the
36 highway infrastructure account, the highway safety fund, the high
37 occupancy toll lanes operations account, the hospital safety net
38 assessment fund, the industrial insurance premium refund account, the

1 judges' retirement account, the judicial retirement administrative
2 account, the judicial retirement principal account, the local leasehold
3 excise tax account, the local real estate excise tax account, the local
4 sales and use tax account, the marine resources stewardship trust
5 account, the medical aid account, the mobile home park relocation fund,
6 the motor vehicle fund, the motorcycle safety education account, the
7 multimodal transportation account, the municipal criminal justice
8 assistance account, the natural resources deposit account, the oyster
9 reserve land account, the pension funding stabilization account, the
10 perpetual surveillance and maintenance account, the public employees'
11 retirement system plan 1 account, the public employees' retirement
12 system combined plan 2 and plan 3 account, the public facilities
13 construction loan revolving account beginning July 1, 2004, the public
14 health supplemental account, the public works assistance account, the
15 Puget Sound capital construction account, the Puget Sound ferry
16 operations account, the real estate appraiser commission account, the
17 recreational vehicle account, the regional mobility grant program
18 account, the resource management cost account, the rural arterial trust
19 account, the rural mobility grant program account, the rural Washington
20 loan fund, the site closure account, the skilled nursing facility
21 safety net trust fund, the small city pavement and sidewalk account,
22 the special category C account, the special wildlife account, the state
23 employees' insurance account, the state employees' insurance reserve
24 account, the state investment board expense account, the state
25 investment board commingled trust fund accounts, the state patrol
26 highway account, the state route number 520 civil penalties account,
27 the state route number 520 corridor account, the state wildlife
28 account, the supplemental pension account, the Tacoma Narrows toll
29 bridge account, the teachers' retirement system plan 1 account, the
30 teachers' retirement system combined plan 2 and plan 3 account, the
31 tobacco prevention and control account, the tobacco settlement account,
32 the toll facility bond retirement account, the transportation 2003
33 account (nickel account), the transportation equipment fund, the
34 transportation fund, the transportation improvement account, the
35 transportation improvement board bond retirement account, the
36 transportation infrastructure account, the transportation partnership
37 account, the traumatic brain injury account, the tuition recovery trust
38 fund, the University of Washington bond retirement fund, the University

1 of Washington building account, the volunteer firefighters' and reserve
2 officers' relief and pension principal fund, the volunteer
3 firefighters' and reserve officers' administrative fund, the Washington
4 judicial retirement system account, the Washington law enforcement
5 officers' and firefighters' system plan 1 retirement account, the
6 Washington law enforcement officers' and firefighters' system plan 2
7 retirement account, the Washington public safety employees' plan 2
8 retirement account, the Washington school employees' retirement system
9 combined plan 2 and 3 account, the Washington state economic
10 development commission account, the Washington state health insurance
11 pool account, the Washington state patrol retirement account, the
12 Washington State University building account, the Washington State
13 University bond retirement fund, the water pollution control revolving
14 administration account, the water pollution control revolving fund, and
15 the Western Washington University capital projects account. Earnings
16 derived from investing balances of the agricultural permanent fund, the
17 normal school permanent fund, the permanent common school fund, the
18 scientific permanent fund, the state university permanent fund, and the
19 state reclamation revolving account shall be allocated to their
20 respective beneficiary accounts.

21 (b) Any state agency that has independent authority over accounts
22 or funds not statutorily required to be held in the state treasury that
23 deposits funds into a fund or account in the state treasury pursuant to
24 an agreement with the office of the state treasurer shall receive its
25 proportionate share of earnings based upon each account's or fund's
26 average daily balance for the period.

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

30 **Sec. 109.** RCW 46.09.520 and 2010 1st sp.s. c 37 s 936 and 2010 c
31 161 s 222 are each reenacted and amended to read as follows:

32 (1) From time to time, but at least once each year, the state
33 treasurer shall refund from the motor vehicle fund one percent of the
34 motor vehicle fuel tax revenues collected under chapter 82.36 RCW,
35 based on a tax rate of: (a) Nineteen cents per gallon of motor vehicle
36 fuel from July 1, 2003, through June 30, 2005; (b) twenty cents per
37 gallon of motor vehicle fuel from July 1, 2005, through June 30, 2007;

1 (c) twenty-one cents per gallon of motor vehicle fuel from July 1,
2 2007, through June 30, 2009; (d) twenty-two cents per gallon of motor
3 vehicle fuel from July 1, 2009, through June 30, 2011; (~~and~~) (e)
4 twenty-three cents per gallon of motor vehicle fuel beginning July 1,
5 2011; (f) twenty-nine cents per gallon of motor vehicle fuel beginning
6 August 1, 2013; (g) thirty-three and one-half cents per gallon of motor
7 vehicle fuel beginning July 1, 2014; and (h) forty-eight cents per
8 gallon of motor vehicle fuel beginning July 1, 2029, and thereafter,
9 less proper deductions for refunds and costs of collection as provided
10 in RCW 46.68.090.

11 (2) The treasurer shall place these funds in the general fund as
12 follows:

13 (a) Thirty-six percent shall be credited to the ORV and nonhighway
14 vehicle account and administered by the department of natural resources
15 solely for acquisition, planning, development, maintenance, and
16 management of ORV, nonmotorized, and nonhighway road recreation
17 facilities, and information programs and maintenance of nonhighway
18 roads;

19 (b) Three and one-half percent shall be credited to the ORV and
20 nonhighway vehicle account and administered by the department of fish
21 and wildlife solely for the acquisition, planning, development,
22 maintenance, and management of ORV, nonmotorized, and nonhighway road
23 recreation facilities and the maintenance of nonhighway roads;

24 (c) Two percent shall be credited to the ORV and nonhighway vehicle
25 account and administered by the parks and recreation commission solely
26 for the acquisition, planning, development, maintenance, and management
27 of ORV, nonmotorized, and nonhighway road recreation facilities; and

28 (d) Fifty-eight and one-half percent shall be credited to the
29 nonhighway and off-road vehicle activities program account to be
30 administered by the board for planning, acquisition, development,
31 maintenance, and management of ORV, nonmotorized, and nonhighway road
32 recreation facilities and for education, information, and law
33 enforcement programs. The funds under this subsection shall be
34 expended in accordance with the following limitations:

35 (i) Not more than thirty percent may be expended for education,
36 information, and law enforcement programs under this chapter;

37 (ii) Not less than seventy percent may be expended for ORV,

1 nonmotorized, and nonhighway road recreation facilities. Except as
2 provided in (d)(iii) of this subsection, of this amount:

3 (A) Not less than thirty percent, together with the funds the board
4 receives under RCW 46.68.045, may be expended for ORV recreation
5 facilities;

6 (B) Not less than thirty percent may be expended for nonmotorized
7 recreation facilities. Funds expended under this subsection
8 (2)(d)(ii)(B) shall be known as Ira Spring outdoor recreation
9 facilities funds; and

10 (C) Not less than thirty percent may be expended for nonhighway
11 road recreation facilities;

12 (iii) The board may waive the minimum percentage cited in (d)(ii)
13 of this subsection due to insufficient requests for funds or projects
14 that score low in the board's project evaluation. Funds remaining
15 after such a waiver must be allocated in accordance with board policy.

16 (3) On a yearly basis an agency may not, except as provided in RCW
17 46.68.045, expend more than ten percent of the funds it receives under
18 this chapter for general administration expenses incurred in carrying
19 out this chapter.

20 (4) During the 2009-2011 fiscal biennium, the legislature may
21 appropriate such amounts as reflect the excess fund balance in the NOVA
22 account to the department of natural resources to install consistent
23 off-road vehicle signage at department-managed recreation sites, and to
24 implement the recreation opportunities on department-managed lands in
25 the Reiter block and Ahtanum state forest, and to the state parks and
26 recreation commission. The legislature finds that the appropriation of
27 funds from the NOVA account during the 2009-2011 fiscal biennium for
28 maintenance and operation of state parks or to improve accessibility
29 for boaters and off-road vehicle users at state parks will benefit
30 boaters and off-road vehicle users and others who use nonhighway and
31 nonmotorized recreational facilities. The appropriations under this
32 subsection are not required to follow the specific distribution
33 specified in subsection (2) of this section.

34 **Sec. 110.** RCW 46.10.530 and 2003 c 361 s 408 are each amended to
35 read as follows:

36 From time to time, but at least once each four years, the
37 department shall determine the amount of moneys paid to it as motor

1 vehicle fuel tax that is tax on snowmobile fuel. Such determination
2 shall use one hundred thirty-five gallons as the average yearly fuel
3 usage per snowmobile, the number of registered snowmobiles during the
4 calendar year under determination, and a fuel tax rate of: (1)
5 Nineteen cents per gallon of motor vehicle fuel from July 1, 2003,
6 through June 30, 2005; (2) twenty cents per gallon of motor vehicle
7 fuel from July 1, 2005, through June 30, 2007; (3) twenty-one cents per
8 gallon of motor vehicle fuel from July 1, 2007, through June 30, 2009;
9 (4) twenty-two cents per gallon of motor vehicle fuel from July 1,
10 2009, through June 30, 2011; (~~and~~) (5) twenty-three cents per gallon
11 of motor vehicle fuel beginning July 1, 2011; (6) twenty-nine cents per
12 gallon of motor vehicle fuel beginning August 1, 2013; (7) thirty-three
13 and one-half cents per gallon of motor vehicle fuel beginning July 1,
14 2014; and (8) forty-eight cents per gallon of motor vehicle fuel
15 beginning July 1, 2029, and thereafter.

16 **Sec. 111.** RCW 79A.25.070 and 2010 c 23 s 3 are each amended to
17 read as follows:

18 Upon expiration of the time limited by RCW 82.36.330 for claiming
19 of refunds of tax on marine fuel, the state of Washington shall succeed
20 to the right to such refunds. The director of licensing, after taking
21 into account past and anticipated claims for refunds from and deposits
22 to the marine fuel tax refund account, shall request the state
23 treasurer to transfer monthly from the marine fuel tax refund account
24 an amount equal to the proportion of the moneys in the account
25 representing a motor vehicle fuel tax rate of: (1) Nineteen cents per
26 gallon of motor vehicle fuel from July 1, 2003, through June 30, 2005;
27 (2) twenty cents per gallon of motor vehicle fuel from July 1, 2005,
28 through June 30, 2007; (3) twenty-one cents per gallon of motor vehicle
29 fuel from July 1, 2007, through June 30, 2009; (4) twenty-two cents per
30 gallon of motor vehicle fuel from July 1, 2009, through June 30, 2011;
31 (~~and~~) (5) twenty-three cents per gallon of motor vehicle fuel
32 beginning July 1, 2011; (6) twenty-nine cents per gallon of motor
33 vehicle fuel beginning August 1, 2013; (7) thirty-three and one-half
34 cents per gallon of motor vehicle fuel beginning July 1, 2014; and (8)
35 forty-eight cents per gallon of motor vehicle fuel beginning July 1,
36 2029, and thereafter, to the recreation resource account and the
37 remainder to the motor vehicle fund.

1 NEW SECTION. Sec. 112. The following acts or parts of acts are
2 each repealed:

- 3 (1) RCW 82.36.029 (Deductions--Handling losses--Reports) and 1998
4 c 176 s 10; and
5 (2) RCW 82.38. . . . and 2013 c 225 s 205.

6 **DISTRIBUTION OF EXISTING FEES**

7 **Sec. 201.** RCW 46.17.100 and 2012 c 74 s 1 are each amended to read
8 as follows:

9 Before accepting an application for a certificate of title as
10 required in this title, the department, county auditor or other agent,
11 or subagent appointed by the director shall require the applicant to
12 pay a fifteen dollar application fee in addition to any other fees and
13 taxes required by law.

14 ~~((1) Five dollars of))~~ The certificate of title application fee
15 must be distributed under RCW 46.68.020.

16 ~~((2) Ten dollars of the certificate of title application fee must
17 be credited to the transportation 2003 account (nickel account) created
18 in RCW 46.68.280.))~~

19 **Sec. 202.** RCW 46.20.293 and 2012 c 74 s 4 are each amended to read
20 as follows:

21 The department is authorized to provide juvenile courts with the
22 department's record of traffic charges compiled under RCW 46.52.101 and
23 13.50.200, against any minor upon the request of any state juvenile
24 court or duly authorized officer of any juvenile court of this state.
25 Further, the department is authorized to provide any juvenile court
26 with any requested service which the department can reasonably perform
27 which is not inconsistent with its legal authority which substantially
28 aids juvenile courts in handling traffic cases and which promotes
29 highway safety.

30 The department is authorized to furnish to the parent, parents, or
31 guardian of any person under eighteen years of age who is not
32 emancipated from such parent, parents, or guardian, the department
33 records of traffic charges compiled against the person and shall
34 collect for the copy a fee of thirteen dollars, ~~((fifty))~~ thirty-eight

1 and one-half percent of which must be deposited in the highway safety
2 fund and (~~(fifty)~~) sixty-one and one-half percent of which must be
3 deposited according to RCW 46.68.038.

4 **Sec. 203.** RCW 46.29.050 and 2012 c 74 s 5 are each amended to read
5 as follows:

6 (1) The department shall upon request furnish any person or his or
7 her attorney a certified abstract of his or her driving record, which
8 abstract shall include enumeration of any motor vehicle accidents in
9 which such person has been involved. Such abstract shall (a) indicate
10 the total number of vehicles involved, whether the vehicles were
11 legally parked or moving, and whether the vehicles were occupied at the
12 time of the accident; and (b) contain reference to any convictions of
13 the person for violation of the motor vehicle laws as reported to the
14 department, reference to any findings that the person has committed a
15 traffic infraction which have been reported to the department, and a
16 record of any vehicles registered in the name of the person. The
17 department shall collect for each abstract the sum of thirteen dollars,
18 (~~(fifty)~~) thirty-eight and one-half percent of which shall be deposited
19 in the highway safety fund and (~~(fifty)~~) sixty-one and one-half percent
20 of which must be deposited according to RCW 46.68.038.

21 (2) The department shall upon request furnish any person who may
22 have been injured in person or property by any motor vehicle, with an
23 abstract of all information of record in the department pertaining to
24 the evidence of the ability of any driver or owner of any motor vehicle
25 to respond in damages. The department shall collect for each abstract
26 the sum of thirteen dollars, (~~(fifty)~~) thirty-eight and one-half
27 percent of which shall be deposited in the highway safety fund and
28 (~~(fifty)~~) sixty-one and one-half percent of which must be deposited
29 according to RCW 46.68.038.

30 **Sec. 204.** RCW 46.52.130 and 2012 c 74 s 6 and 2012 c 73 s 1 are
31 each reenacted and amended to read as follows:

32 Upon a proper request, the department may furnish an abstract of a
33 person's driving record as permitted under this section.

34 (1) **Contents of abstract of driving record.** An abstract of a
35 person's driving record, whenever possible, must include:

1 (a) An enumeration of motor vehicle accidents in which the person
2 was driving, including:

3 (i) The total number of vehicles involved;

4 (ii) Whether the vehicles were legally parked or moving;

5 (iii) Whether the vehicles were occupied at the time of the
6 accident; and

7 (iv) Whether the accident resulted in a fatality;

8 (b) Any reported convictions, forfeitures of bail, or findings that
9 an infraction was committed based upon a violation of any motor vehicle
10 law;

11 (c) The status of the person's driving privilege in this state; and

12 (d) Any reports of failure to appear in response to a traffic
13 citation or failure to respond to a notice of infraction served upon
14 the named individual by an arresting officer.

15 (2) **Release of abstract of driving record.** An abstract of a
16 person's driving record may be furnished to the following persons or
17 entities:

18 (a) **Named individuals.** (i) An abstract of the full driving record
19 maintained by the department may be furnished to the individual named
20 in the abstract.

21 (ii) Nothing in this section prevents a court from providing a copy
22 of the driver's abstract to the individual named in the abstract,
23 provided that the named individual has a pending or open infraction or
24 criminal case in that court. A pending case includes criminal cases
25 that have not reached a disposition by plea, stipulation, trial, or
26 amended charge. An open infraction or criminal case includes cases on
27 probation, payment agreement or subject to, or in collections. Courts
28 may charge a reasonable fee for the production and copying of the
29 abstract for the individual.

30 (b) **Employers or prospective employers.** (i)(A) An abstract of the
31 full driving record maintained by the department may be furnished to an
32 employer or prospective employer or an agent acting on behalf of an
33 employer or prospective employer of the named individual for purposes
34 related to driving by the individual as a condition of employment or
35 otherwise at the direction of the employer.

36 (B) Release of an abstract of the driving record of an employee or
37 prospective employee requires a statement signed by: (I) The employee
38 or prospective employee that authorizes the release of the record; and

1 (II) the employer attesting that the information is necessary for
2 employment purposes related to driving by the individual as a condition
3 of employment or otherwise at the direction of the employer. If the
4 employer or prospective employer authorizes an agent to obtain this
5 information on their behalf, this must be noted in the statement.

6 (C) Upon request of the person named in the abstract provided under
7 this subsection, and upon that same person furnishing copies of court
8 records ruling that the person was not at fault in a motor vehicle
9 accident, the department must indicate on any abstract provided under
10 this subsection that the person was not at fault in the motor vehicle
11 accident.

12 (ii) In addition to the methods described in (b)(i) of this
13 subsection, the director may enter into a contractual agreement with an
14 employer or its agent for the purpose of reviewing the driving records
15 of existing employees for changes to the record during specified
16 periods of time. The department shall establish a fee for this
17 service, which must be deposited in the highway safety fund. The fee
18 for this service must be set at a level that will not result in a net
19 revenue loss to the state. Any information provided under this
20 subsection must be treated in the same manner and is subject to the
21 same restrictions as driving record abstracts.

22 (c) **Volunteer organizations.** (i) An abstract of the full driving
23 record maintained by the department may be furnished to a volunteer
24 organization or an agent for a volunteer organization for which the
25 named individual has submitted an application for a position that would
26 require driving by the individual at the direction of the volunteer
27 organization.

28 (ii) Release of an abstract of the driving record of a prospective
29 volunteer requires a statement signed by: (A) The prospective
30 volunteer that authorizes the release of the record; and (B) the
31 volunteer organization attesting that the information is necessary for
32 purposes related to driving by the individual at the direction of the
33 volunteer organization. If the volunteer organization authorizes an
34 agent to obtain this information on their behalf, this must be noted in
35 the statement.

36 (d) **Transit authorities.** An abstract of the full driving record
37 maintained by the department may be furnished to an employee or agent

1 of a transit authority checking prospective volunteer vanpool drivers
2 for insurance and risk management needs.

3 (e) **Insurance carriers.** (i) An abstract of the driving record
4 maintained by the department covering the period of not more than the
5 last three years may be furnished to an insurance company or its agent:

6 (A) That has motor vehicle or life insurance in effect covering the
7 named individual;

8 (B) To which the named individual has applied; or

9 (C) That has insurance in effect covering the employer or a
10 prospective employer of the named individual.

11 (ii) The abstract provided to the insurance company must:

12 (A) Not contain any information related to actions committed by law
13 enforcement officers or firefighters, as both terms are defined in RCW
14 41.26.030, or by Washington state patrol officers, while driving
15 official vehicles in the performance of their occupational duty. This
16 does not apply to any situation where the vehicle was used in the
17 commission of a misdemeanor or felony;

18 (B) Include convictions under RCW 46.61.5249 and 46.61.525, except
19 that the abstract must report the convictions only as negligent driving
20 without reference to whether they are for first or second degree
21 negligent driving; and

22 (C) Exclude any deferred prosecution under RCW 10.05.060, except
23 that if a person is removed from a deferred prosecution under RCW
24 10.05.090, the abstract must show the deferred prosecution as well as
25 the removal.

26 (iii) Any policy of insurance may not be canceled, nonrenewed,
27 denied, or have the rate increased on the basis of information
28 regarding an accident included in the abstract of a driving record,
29 unless the policyholder was determined to be at fault.

30 (iv) Any insurance company or its agent, for underwriting purposes
31 relating to the operation of commercial motor vehicles, may not use any
32 information contained in the abstract relative to any person's
33 operation of motor vehicles while not engaged in such employment. Any
34 insurance company or its agent, for underwriting purposes relating to
35 the operation of noncommercial motor vehicles, may not use any
36 information contained in the abstract relative to any person's
37 operation of commercial motor vehicles.

1 (v) The director may enter into a contractual agreement with an
2 insurance company or its agent for the limited purpose of reviewing the
3 driving records of existing policyholders for changes to the record
4 during specified periods of time. The department shall establish a fee
5 for this service, which must be deposited in the highway safety fund.
6 The fee for this service must be set at a level that will not result in
7 a net revenue loss to the state. Any information provided under this
8 subsection must be treated in the same manner and is subject to the
9 same restrictions as driving record abstracts.

10 (f) **Alcohol/drug assessment or treatment agencies.** An abstract of
11 the driving record maintained by the department covering the period of
12 not more than the last five years may be furnished to an alcohol/drug
13 assessment or treatment agency approved by the department of social and
14 health services to which the named individual has applied or been
15 assigned for evaluation or treatment, for purposes of assisting
16 employees in making a determination as to what level of treatment, if
17 any, is appropriate, except that the abstract must:

18 (i) Also include records of alcohol-related offenses, as defined in
19 RCW 46.01.260(2), covering a period of not more than the last ten
20 years; and

21 (ii) Indicate whether an alcohol-related offense was originally
22 charged as a violation of either RCW 46.61.502 or 46.61.504.

23 (g) **City attorneys and county prosecuting attorneys.** An abstract
24 of the full driving record maintained by the department, including
25 whether a recorded violation is an alcohol-related offense, as defined
26 in RCW 46.01.260(2), that was originally charged as a violation of
27 either RCW 46.61.502 or 46.61.504, may be furnished to city attorneys
28 or county prosecuting attorneys. City attorneys and county prosecuting
29 attorneys may provide the driving record to alcohol/drug assessment or
30 treatment agencies approved by the department of social and health
31 services to which the named individual has applied or been assigned for
32 evaluation or treatment.

33 (h) **State colleges, universities, or agencies, or units of local
34 government.** An abstract of the full driving record maintained by the
35 department may be furnished to (i) state colleges, universities, or
36 agencies for employment and risk management purposes or (ii) units of
37 local government authorized to self-insure under RCW 48.62.031 for
38 employment and risk management purposes.

1 (i) **Superintendent of public instruction.** An abstract of the full
2 driving record maintained by the department may be furnished to the
3 superintendent of public instruction for review of public school bus
4 driver records. The superintendent or superintendent's designee may
5 discuss information on the driving record with an authorized
6 representative of the employing school district for employment and risk
7 management purposes.

8 (3) **Release to third parties prohibited.** Any person or entity
9 receiving an abstract of a person's driving record under subsection
10 (2)(b) through (i) of this section shall use the abstract exclusively
11 for his, her, or its own purposes or as otherwise expressly permitted
12 under this section, and shall not divulge any information contained in
13 the abstract to a third party.

14 (4) **Fee.** The director shall collect a thirteen dollar fee for each
15 abstract of a person's driving record furnished by the department.
16 ~~((Fifty))~~ Thirty-eight and one-half percent of the fee must be
17 deposited in the highway safety fund, and ~~((fifty))~~ sixty-one and one-
18 half percent of the fee must be deposited according to RCW 46.68.038.

19 (5) **Violation.** (a) Any negligent violation of this section is a
20 gross misdemeanor.

21 (b) Any intentional violation of this section is a class C felony.

22 **Sec. 205.** RCW 46.68.041 and 2004 c 95 s 15 are each amended to
23 read as follows:

24 (1) Except as provided in subsection (2) of this section, the
25 department ~~((shall))~~ must forward all funds accruing under ~~((the~~
26 ~~provisions of))~~ chapter 46.20 RCW together with a proper identifying,
27 detailed report to the state treasurer who ~~((shall))~~ must deposit such
28 moneys to the credit of the highway safety fund.

29 (2)(a) Sixty-three percent of each fee collected by the department
30 under RCW 46.20.311 (1)(e)(ii), (2)(b)(ii), and (3)(b) ~~((shall))~~ must
31 be deposited in the impaired driving safety account.

32 (b)(i) Twenty-four dollars of each driver's license issuance fee
33 paid under RCW 46.20.161 must be deposited in the Puget Sound ferry
34 operations account.

35 (ii) If the driver's license issuance fee paid under RCW 46.20.161
36 is for a driver's license with a term of less than six years, the

1 amount to be deposited in the Puget Sound ferry operations account is
2 four dollars multiplied by the number of years in the term of the
3 driver's license.

4 (c)(i)(A) Six dollars of each driver's license renewal fee paid
5 under RCW 46.20.181(2) is for the sole use of the department of
6 transportation for local programs.

7 (B)(I) Twenty-five percent of moneys received under this subsection
8 (2)(c)(i) must be deposited in the freight mobility investment account
9 for the freight mobility strategic investment board to meet urgent
10 freight corridor improvement and preservation needs.

11 (II) Seventy-five percent of moneys received under this subsection
12 (2)(c)(i) must be deposited in the pedestrian, bicycle, and safe routes
13 to school account created in section 210 of this act for safe routes to
14 school program projects.

15 (ii) Twelve dollars of each driver's license renewal fee paid under
16 RCW 46.20.181(2) must be deposited in the Puget Sound ferry operations
17 account.

18 (iii) Six dollars of each driver's license renewal fee paid under
19 RCW 46.20.181(2) must be deposited in the county arterial preservation
20 account for the county road administration board for the county
21 arterial preservation program.

22 (d) Thirty dollars of each identicard fee paid under RCW 46.20.117
23 must be deposited in the transportation improvement account for the
24 transportation improvement board.

25 (e)(i) Two dollars and fifty cents of each driver's instruction
26 permit fee paid under RCW 46.20.055 must be deposited in the state
27 patrol highway account.

28 (ii) Two dollars and fifty cents of each driver's instruction
29 permit fee paid under RCW 46.20.055 must be deposited in the small city
30 pavement and sidewalk account for the transportation improvement board
31 small city pavement and sidewalk program.

32 (f) Fifteen dollars of each driver's licensing examination fee paid
33 under RCW 46.20.120(2) must be deposited in the state patrol highway
34 account.

35 (g) Five dollars of each duplicate or replacement fee paid under
36 RCW 46.20.200 must be deposited in the state patrol highway account.

37 (h) One hundred seventy-five dollars of each hearing request fee

1 paid under RCW 46.20.308 must be deposited in the state patrol highway
2 account.

3 **Sec. 206.** RCW 46.68.020 and 2011 c 171 s 84 are each amended to
4 read as follows:

5 The director shall forward all fees for certificates of title or
6 other moneys accruing under chapters 46.12 and 46.17 RCW to the state
7 treasurer, together with a proper identifying detailed report. The
8 state treasurer shall credit these moneys as follows:

9 FEE	REQUIRED IN	ESTABLISHED IN	DISTRIBUTION
10 ORV certificate of title fee	RCW 46.09.320	RCW 46.17.100	RCW 47.66.070
11 Original certificate of title	RCW 46.12.530	RCW 46.17.100	RCW 47.66.070
12 Penalty for late transfer	RCW 46.12.650	RCW 46.17.140	RCW 47.66.070
13 Motor change	RCW 46.12.590	RCW 46.17.100	RCW ((46.68.280)) 14 <u>47.66.070</u>
15 Transfer certificate of title	RCW 46.12.650	RCW 46.17.100	RCW ((46.68.280)) 16 <u>47.66.070</u>
17 Security interest changes	RCW 46.12.675	RCW 46.17.100	RCW ((46.68.280)) 18 <u>47.66.070</u>
19 Duplicate certificate of title	RCW 46.12.580	RCW 46.17.100	RCW ((46.68.280)) 20 <u>47.66.070</u>
21 Stolen vehicle check	RCW 46.12.570	RCW 46.17.120	RCW 46.68.070
22 Vehicle identification	RCW 46.12.560	RCW 46.17.135	RCW 46.68.070
23 number assignment			

24 **Sec. 207.** RCW 46.68.280 and 2003 c 361 s 601 are each amended to
25 read as follows:

26 (1) The transportation 2003 account (nickel account) is hereby
27 created in the motor vehicle fund. Money in the account may be spent
28 only after appropriation. Expenditures from the account must be used
29 only for projects or improvements identified as transportation 2003
30 projects or improvements in the omnibus transportation budget and to
31 pay the principal and interest on the bonds authorized for
32 transportation 2003 projects or improvements. Upon completion of the
33 projects or improvements identified as transportation 2003 projects or
34 improvements, moneys deposited in this account must only be used to pay
35 the principal and interest on the bonds authorized for transportation

1 2003 projects or improvements, and any funds in the account in excess
2 of the amount necessary to make the principal and interest payments may
3 be used for maintenance on the completed projects or improvements.

4 (2) The "nickel account" means the transportation 2003 account.

5 (3) Beginning September 2015, by the last day of September,
6 December, March, and June of each year, the state treasurer shall
7 transfer four million two hundred thousand dollars from the multimodal
8 transportation account to the nickel account, for a total transfer of
9 thirty-three million six hundred thousand dollars per biennium.

10 **Sec. 208.** RCW 46.68.390 and 2012 c 74 s 9 are each amended to read
11 as follows:

12 (1) The public transportation grant program account is created in
13 the state treasury. Moneys in the account may be spent only after
14 appropriation. Expenditures from the account may be used only for
15 grants to aid transit authorities with operations.

16 (2) Beginning September 2015, by the last day of September,
17 December, March, and June of each year, the state treasurer shall
18 transfer three million two hundred fifty thousand dollars from the
19 multimodal transportation account to the public transportation grant
20 program account, for a total transfer of twenty-six million dollars per
21 biennium.

22 NEW SECTION. **Sec. 209.** 2012 c 74 s 18 (uncodified) is repealed.

23 NEW SECTION. **Sec. 210.** A new section is added to chapter 46.68
24 RCW to read as follows:

25 (1) The pedestrian, bicycle, and safe routes to school account is
26 created in the motor vehicle fund. All receipts from driver's license
27 renewal fees collected under RCW 46.68.041(2)(c)(i)(B)(II) must be
28 deposited into the account. Moneys in the account may be spent only
29 after appropriation. Expenditures from the account may be used only
30 for pedestrian, bicycle, and safe routes to school projects.

31 (2) Beginning September 2015, by the last day of September,
32 December, March, and June of each year, the state treasurer shall
33 transfer six hundred fifty thousand dollars from the motor vehicle
34 account to the pedestrian, bicycle, and safe routes to school account,

1 for a total transfer of five million two hundred thousand dollars per
2 biennium.

3 (3) Beginning September 2015, by the last day of September,
4 December, March, and June of each year, the state treasurer shall
5 transfer two million dollars from the multimodal transportation account
6 to the pedestrian, bicycle, and safe routes to school account, for a
7 total transfer of sixteen million dollars per biennium.

8 **Sec. 211.** RCW 47.76.250 and 2009 c 160 s 1 are each amended to
9 read as follows:

10 (1) The essential rail assistance account is created in the state
11 treasury. Moneys in the account may be appropriated only for the
12 purposes specified in this section.

13 (2) Moneys appropriated from the account to the department of
14 transportation may be used by the department or distributed by the
15 department to cities, county rail districts, counties, economic
16 development councils, port districts, and privately or publicly owned
17 railroads for the purpose of:

18 (a) Acquiring, rebuilding, rehabilitating, or improving rail lines;

19 (b) Purchasing or rehabilitating railroad equipment necessary to
20 maintain essential rail service;

21 (c) Constructing railroad improvements to mitigate port access or
22 mainline congestion;

23 (d) Construction of loading facilities to increase business on
24 light density lines or to mitigate the impacts of abandonment;

25 (e) Preservation, including operation, of light density lines, as
26 identified by the Washington state department of transportation, in
27 compliance with this chapter; or

28 (f) Preserving rail corridors for future rail purposes by purchase
29 of rights-of-way. The department shall first pursue transportation
30 enhancement program funds, available under the federal surface
31 transportation program, to the greatest extent practicable to preserve
32 rail corridors. Purchase of rights-of-way may include track, bridges,
33 and associated elements, and must meet the following criteria:

34 (i) The right-of-way has been identified and evaluated in the state
35 rail plan prepared under this chapter;

36 (ii) The right-of-way may be or has been abandoned; and

37 (iii) The right-of-way has potential for future rail service.

1 (3) The department or the participating local jurisdiction is
2 responsible for maintaining any right-of-way acquired under this
3 chapter, including provisions for drainage management, fire and weed
4 control, and liability associated with ownership.

5 (4) Nothing in this section impairs the reversionary rights of
6 abutting landowners, if any, without just compensation.

7 (5) The department, cities, county rail districts, counties, and
8 port districts may grant franchises to private railroads for the right
9 to operate on lines acquired under this chapter.

10 (6) The department, cities, county rail districts, counties, and
11 port districts may grant trackage rights over rail lines acquired under
12 this chapter.

13 (7) If rail lines or rail rights-of-way are used by county rail
14 districts, port districts, state agencies, or other public agencies for
15 the purposes of rail operations and are later abandoned, the rail lines
16 or rail rights-of-way cannot be used for any other purposes without the
17 consent of the underlying fee title holder or reversionary rights
18 holder, or until compensation has been made to the underlying fee title
19 holder or reversionary rights holder.

20 (8) The department of transportation shall develop criteria for
21 prioritizing freight rail projects that meet the minimum eligibility
22 requirements for state assistance under RCW 47.76.240. The department
23 shall develop criteria in consultation with the Washington state
24 freight rail policy advisory committee. Project criteria should
25 consider the level of local financial commitment to the project as well
26 as cost/benefit ratio. Counties, local communities, railroads,
27 shippers, and others who benefit from the project should participate
28 financially to the greatest extent practicable.

29 (9) Moneys received by the department from franchise fees, trackage
30 rights fees, and loan payments shall be redeposited in the essential
31 rail assistance account. Repayment of loans made under this section
32 shall occur within a period not longer than fifteen years, as set by
33 the department. The repayment schedule and rate of interest, if any,
34 shall be determined before the distribution of the moneys.

35 (10) The state shall maintain a contingent interest in any
36 equipment, property, rail line, or facility that has outstanding grants
37 or loans. The owner may not use the line as collateral, remove track,

1 bridges, or associated elements for salvage, or use it in any other
2 manner subordinating the state's interest without permission from the
3 department.

4 (11) Moneys may be granted for improvements to privately owned
5 railroads, railroad property, or other private property under this
6 chapter for freight rail projects that meet the minimum eligibility
7 criteria for state assistance under RCW 47.76.240, and which are
8 supported by contractual consideration. At a minimum, such contractual
9 consideration shall consist of defined benefits to the public with a
10 value equal to or greater than the grant amount, and where the grant
11 recipient provides the state a contingent interest adequate to ensure
12 that such public benefits are realized.

13 (12) Beginning September 2013, by the last day of September,
14 December, March, and June of each year, the state treasurer shall
15 transfer two hundred seventy-five thousand dollars from the multimodal
16 transportation account to the essential rail assistance account, for a
17 total transfer of two million two hundred thousand dollars per
18 biennium.

19 **FEEES**

20 **Sec. 301.** RCW 46.17.355 and 2011 c 171 s 61 are each amended to
21 read as follows:

22 (1) In lieu of the vehicle license fee required under RCW 46.17.350
23 and before accepting an application for a vehicle registration for
24 motor vehicles described in RCW 46.16A.455, the department, county
25 auditor or other agent, or subagent appointed by the director shall
26 require the applicant, unless specifically exempt, to pay the following
27 license fee by weight:

28

29 WEIGHT	SCHEDULE A	SCHEDULE B
30 4,000 pounds	(\$ 38.00) \$ 53.00	(\$ 38.00) \$ 53.00
31 6,000 pounds	(\$ 48.00) \$ 73.00	(\$ 48.00) \$ 73.00
32 8,000 pounds	(\$ 58.00) \$ 93.00	(\$ 58.00) \$ 93.00
33 10,000 pounds	(\$ 60.00) \$ 93.00	(\$ 60.00) \$ 93.00

1	12,000 pounds	\$ 77.00	\$ 77.00
2	14,000 pounds	\$ 88.00	\$ 88.00
3	16,000 pounds	\$ 100.00	\$ 100.00
4	18,000 pounds	\$ 152.00	\$ 152.00
5	20,000 pounds	\$ 169.00	\$ 169.00
6	22,000 pounds	\$ 183.00	\$ 183.00
7	24,000 pounds	\$ 198.00	\$ 198.00
8	26,000 pounds	\$ 209.00	\$ 209.00
9	28,000 pounds	\$ 247.00	\$ 247.00
10	30,000 pounds	\$ 285.00	\$ 285.00
11	32,000 pounds	\$ 344.00	\$ 344.00
12	34,000 pounds	\$ 366.00	\$ 366.00
13	36,000 pounds	\$ 397.00	\$ 397.00
14	38,000 pounds	\$ 436.00	\$ 436.00
15	40,000 pounds	\$ 499.00	\$ 499.00
16	42,000 pounds	\$ 519.00	\$ 609.00
17	44,000 pounds	\$ 530.00	\$ 620.00
18	46,000 pounds	\$ 570.00	\$ 660.00
19	48,000 pounds	\$ 594.00	\$ 684.00
20	50,000 pounds	\$ 645.00	\$ 735.00
21	52,000 pounds	\$ 678.00	\$ 768.00
22	54,000 pounds	\$ 732.00	\$ 822.00
23	56,000 pounds	\$ 773.00	\$ 863.00
24	58,000 pounds	\$ 804.00	\$ 894.00
25	60,000 pounds	\$ 857.00	\$ 947.00
26	62,000 pounds	\$ 919.00	\$ 1,009.00
27	64,000 pounds	\$ 939.00	\$ 1,029.00
28	66,000 pounds	\$ 1,046.00	\$ 1,136.00
29	68,000 pounds	\$ 1,091.00	\$ 1,181.00
30	70,000 pounds	\$ 1,175.00	\$ 1,265.00
31	72,000 pounds	\$ 1,257.00	\$ 1,347.00
32	74,000 pounds	\$ 1,366.00	\$ 1,456.00
33	76,000 pounds	\$ 1,476.00	\$ 1,566.00
34	78,000 pounds	\$ 1,612.00	\$ 1,702.00
35	80,000 pounds	\$ 1,740.00	\$ 1,830.00
36	82,000 pounds	\$ 1,861.00	\$ 1,951.00
37	84,000 pounds	\$ 1,981.00	\$ 2,071.00

1	86,000 pounds	\$ 2,102.00	\$ 2,192.00
2	88,000 pounds	\$ 2,223.00	\$ 2,313.00
3	90,000 pounds	\$ 2,344.00	\$ 2,434.00
4	92,000 pounds	\$ 2,464.00	\$ 2,554.00
5	94,000 pounds	\$ 2,585.00	\$ 2,675.00
6	96,000 pounds	\$ 2,706.00	\$ 2,796.00
7	98,000 pounds	\$ 2,827.00	\$ 2,917.00
8	100,000 pounds	\$ 2,947.00	\$ 3,037.00
9	102,000 pounds	\$ 3,068.00	\$ 3,158.00
10	104,000 pounds	\$ 3,189.00	\$ 3,279.00
11	105,500 pounds	\$ 3,310.00	\$ 3,400.00

12 (2) Schedule A applies to vehicles either used exclusively for
13 hauling logs or that do not tow trailers. Schedule B applies to
14 vehicles that tow trailers and are not covered under Schedule A.

15 (3) If the resultant gross weight is not listed in the table
16 provided in subsection (1) of this section, it must be increased to the
17 next higher weight.

18 (4) The license fees provided in subsection (1) of this section and
19 the freight project fee provided in subsection (6) of this section are
20 in addition to the filing fee required under RCW 46.17.005 and any
21 other fee or tax required by law.

22 (5) Except as provided otherwise in this section, the license fee
23 based on declared gross weight as provided in subsection (1) of this
24 section must be distributed under RCW 46.68.035.

25 (6) In addition to the license fee based on declared gross weight
26 as provided in subsection (1) of this section, the department, county
27 auditor or other agent, or subagent appointed by the director must
28 require an applicant with a vehicle with a declared gross weight of
29 more than 10,000 pounds, unless specifically exempt, to pay a freight
30 project fee equal to fifteen percent of the license fee provided in
31 subsection (1) of this section, rounded to the nearest whole dollar,
32 which must be deposited in the connecting Washington account created in
33 section 106 of this act to be used for major freight corridors.

34 (7)(a) Fifteen dollars of each license fee based on declared gross
35 weight, as provided in subsection (1) of this section, paid by an
36 applicant with a vehicle with a declared gross weight of 4,000 pounds

1 or less must be deposited in the connecting Washington account created
2 in section 106 of this act.

3 (b) Twenty-five dollars of each license fee based on declared gross
4 weight, as provided in subsection (1) of this section, paid by an
5 applicant with a vehicle with a declared gross weight of 6,000 pounds
6 or less, but more than 4,000 pounds, must be deposited in the
7 connecting Washington account created in section 106 of this act.

8 (c) Thirty-five dollars of each license fee based on declared gross
9 weight, as provided in subsection (1) of this section, paid by an
10 applicant with a vehicle with a declared gross weight of 8,000 pounds
11 or less, but more than 6,000 pounds, must be deposited in the
12 connecting Washington account created in section 106 of this act.

13 (d) Thirty-three dollars of each license fee based on declared
14 gross weight, as provided in subsection (1) of this section, paid by an
15 applicant with a vehicle with a declared gross weight of 10,000 pounds
16 or less, but more than 8,000 pounds, must be deposited in the
17 connecting Washington account created in section 106 of this act.

18 NEW SECTION. Sec. 302. Section 301 of this act applies to vehicle
19 registrations that are due or become due on or after February 1, 2014.

20 **Sec. 303.** RCW 46.68.035 and 2010 c 161 s 804 are each amended to
21 read as follows:

22 Except as provided in RCW 46.17.355 (6) and (7), the director shall
23 forward all proceeds from vehicle license fees received by the director
24 for vehicles registered under RCW 46.17.350(1) (c) and (k), 46.17.355,
25 and 46.17.400(1)(c) to the state treasurer to be distributed into
26 accounts according to the following method:

27 (1) 22.36 percent must be deposited into the state patrol highway
28 account of the motor vehicle fund;

29 (2) 1.375 percent must be deposited into the Puget Sound ferry
30 operations account of the motor vehicle fund;

31 (3) 5.237 percent must be deposited into the transportation 2003
32 account (nickel account);

33 (4) 11.533 percent must be deposited into the transportation
34 partnership account created in RCW 46.68.290; and

35 (5) The remaining proceeds must be deposited into the motor vehicle
36 fund.

1 **Sec. 304.** RCW 81.77.160 and 1997 c 434 s 1 are each amended to
2 read as follows:

3 (1) The commission, in fixing and altering collection rates charged
4 by every solid waste collection company under this section, shall
5 include in the base for the collection rates:

6 (a) All charges for the disposal of solid waste at the facility or
7 facilities designated by a local jurisdiction under a local
8 comprehensive solid waste management plan or ordinance; (~~and~~)

9 (b) All known and measurable costs related to implementation of the
10 approved county or city comprehensive solid waste management plan; and

11 (c) All taxes and fees imposed or increased under this act.

12 (2) If a solid waste collection company files a tariff to recover
13 the costs specified under this section, and the commission suspends the
14 tariff, the portion of the tariff covering costs specified in this
15 section shall be placed in effect by the commission at the request of
16 the company on an interim basis as of the originally filed effective
17 date, subject to refund, pending the commission's final order. The
18 commission may adopt rules to implement this section.

19 (3) This section applies to a solid waste collection company that
20 has an affiliated interest under chapter 81.16 RCW with a facility, if
21 the total cost of disposal, including waste transfer, transport, and
22 disposal charges, at the facility is equal to or lower than any other
23 reasonable and currently available option.

24 NEW SECTION. **Sec. 305.** A new section is added to chapter 46.17
25 RCW to read as follows:

26 (1) The department and a county auditor or other agent appointed by
27 the director shall collect a service fee of five dollars for each
28 vehicle registration renewal processed by the department or that county
29 auditor's or other agent's office. The service fee must be deposited
30 into the connecting Washington account created in section 106 of this
31 act.

32 (2) The department and a county auditor or other agent appointed by
33 the director shall collect a service fee of twelve dollars for each
34 certificate of title transaction processed by the department or that
35 county auditor's or other agent's office. The service fee must be
36 deposited into the connecting Washington account created in section 106
37 of this act.

1 NEW SECTION. Sec. 306. Section 305 of this act applies to vehicle
2 registrations that are due or become due on or after June 1, 2014.

3 **Sec. 307.** RCW 46.17.323 and 2012 c 74 s 10 are each amended to
4 read as follows:

5 (1) Before accepting an application for an annual vehicle
6 registration renewal for ~~((an electric))~~ a vehicle that uses
7 ~~((propulsion units powered solely by))~~ at least one method of
8 propulsion that is capable of being reenergized by an external source
9 of electricity, the department, county auditor or other agent, or
10 subagent appointed by the director must require the applicant to pay a
11 one hundred dollar fee in addition to any other fees and taxes required
12 by law. The one hundred dollar fee is due only at the time of annual
13 registration renewal.

14 (2) This section only applies to:

15 (a) A vehicle that is designed to have the capability to drive at
16 a speed of more than thirty-five miles per hour; and

17 (b) An annual vehicle registration renewal that is due on or after
18 February 1, 2013.

19 (3)(a) The fee under this section is imposed to provide funds to
20 mitigate the impact of vehicles on state roads and highways and for the
21 purpose of evaluating the feasibility of transitioning from a revenue
22 collection system based on fuel taxes to a road user assessment system,
23 and is separate and distinct from other vehicle license fees. Proceeds
24 from the fee must be ~~((used for highway purposes, and))~~ deposited into
25 the transportation innovative partnership account created in RCW
26 47.29.230 for the purpose of creating and funding the Washington
27 electric vehicle infrastructure bank as provided in section 601 of this
28 act. Once the total number of electric vehicles subject to this fee
29 has reached one-half of one percent of the state's total registered
30 vehicle fleet, proceeds must be deposited in the motor vehicle fund
31 created in RCW 46.68.070 ~~((, subject to))~~ and distributed in the manner
32 provided in (b) of this subsection.

33 (b) ~~((If in any year the amount of proceeds from the fee collected~~
34 ~~under this section exceeds one million dollars, the excess amount over~~
35 ~~one million dollars must be deposited))~~ Any fee proceeds eligible for
36 deposit in the motor vehicle fund must be distributed as follows:

- 1 (i) Seventy percent to the motor vehicle fund created in RCW
- 2 46.68.070;
- 3 (ii) Fifteen percent to the transportation improvement account
- 4 created in RCW 47.26.084; and
- 5 (iii) Fifteen percent to the rural arterial trust account created
- 6 in RCW 36.79.020.

7 **Sec. 308.** RCW 46.17.050 and 2010 c 161 s 505 are each amended to
8 read as follows:

9 Before accepting a report of sale filed under RCW 46.12.650(2), the
10 department, county auditor or other agent, or subagent appointed by the
11 director shall require the applicant to pay(~~(+~~
12 ~~(1))~~) the filing fee under RCW 46.17.005(1), the license plate
13 technology fee under RCW 46.17.015, (~~(and)~~) the license service fee
14 under RCW 46.17.025 (~~(to the county auditor or other agent; and~~
15 ~~(2) The subagent)~~), and the service fee under RCW 46.17.040(2) (~~(to~~
16 ~~the subagent)~~). Any service fees collected by the department under
17 this section must be deposited in the multimodal transportation account
18 created in RCW 47.66.070.

19 **Sec. 309.** RCW 46.17.060 and 2010 c 161 s 507 are each amended to
20 read as follows:

21 Before accepting a transitional ownership record filed under RCW
22 46.12.660, the department, county auditor or other agent, or subagent
23 appointed by the director shall require the applicant to pay(~~(+~~
24 ~~(1))~~) the filing fee under RCW 46.17.005(1), the license plate
25 technology fee under RCW 46.17.015, (~~(and)~~) the license service fee
26 under RCW 46.17.025 (~~(to the county auditor or other agent; and~~
27 ~~(2) The subagent)~~), and the service fee under RCW 46.17.040(2) (~~(to~~
28 ~~the subagent)~~). Any service fees collected by the department under
29 this section must be deposited in the multimodal transportation account
30 created in RCW 47.66.070.

31 **Sec. 310.** RCW 46.20.202 and 2007 c 7 s 1 are each amended to read
32 as follows:

33 (1) The department may enter into a memorandum of understanding
34 with any federal agency for the purposes of facilitating the crossing

1 of the border between the state of Washington and the Canadian province
2 of British Columbia.

3 (2) The department may enter into an agreement with the Canadian
4 province of British Columbia for the purposes of implementing a border-
5 crossing initiative.

6 (3)(a) The department may issue an enhanced driver's license or
7 identicard for the purposes of crossing the border between the state of
8 Washington and the Canadian province of British Columbia to an
9 applicant who provides the department with proof of: United States
10 citizenship, identity, and state residency. The department shall
11 continue to offer a standard driver's license and identicard. If the
12 department chooses to issue an enhanced driver's license, the
13 department must allow each applicant to choose between a standard
14 driver's license or identicard, or an enhanced driver's license or
15 identicard.

16 (b) The department shall implement a one-to-many biometric matching
17 system for the enhanced driver's license or identicard. An applicant
18 for an enhanced driver's license or identicard shall submit a biometric
19 identifier as designated by the department. The biometric identifier
20 must be used solely for the purpose of verifying the identity of the
21 holders and for any purpose set out in RCW 46.20.037. Applicants are
22 required to sign a declaration acknowledging their understanding of the
23 one-to-many biometric match.

24 (c) The enhanced driver's license or identicard must include
25 reasonable security measures to protect the privacy of Washington state
26 residents, including reasonable safeguards to protect against
27 unauthorized disclosure of data about Washington state residents. If
28 the enhanced driver's license or identicard includes a radio frequency
29 identification chip, or similar technology, the department shall ensure
30 that the technology is encrypted or otherwise secure from unauthorized
31 data access.

32 (d) The requirements of this subsection are in addition to the
33 requirements otherwise imposed on applicants for a driver's license or
34 identicard. The department shall adopt such rules as necessary to meet
35 the requirements of this subsection. From time to time the department
36 shall review technological innovations related to the security of
37 identity cards and amend the rules related to enhanced driver's

1 licenses and identicards as the director deems consistent with this
2 section and appropriate to protect the privacy of Washington state
3 residents.

4 (e) Notwithstanding RCW 46.20.118, the department may make images
5 associated with enhanced drivers' licenses or identicards from the
6 negative file available to United States customs and border agents for
7 the purposes of verifying identity.

8 ~~(4) ((The department may set a fee for the issuance of enhanced~~
9 ~~drivers' licenses and identicards under this section.))~~ (a) The fee for
10 an enhanced driver's license or enhanced identicard is fifty-four
11 dollars, which is in addition to the fees for any regular driver's
12 license or identicard. If the enhanced driver's license or enhanced
13 identicard is issued, renewed, or extended for a period other than six
14 years, the fee for each class is nine dollars for each year that the
15 enhanced driver's license or enhanced identicard is issued, renewed, or
16 extended.

17 (b) Thirty-six dollars of each enhanced driver's license or
18 identicard fee, or six dollars of the fee for each class for each year
19 if the enhanced driver's license or enhanced identicard is issued,
20 renewed, or extended for a period other than six years, must be
21 deposited in the multimodal transportation account created in RCW
22 47.66.070.

23 **LOCAL REVENUE OPTIONS**

24 NEW SECTION. Sec. 401. (1) It is the intent of the legislature to
25 provide diversified local revenue options that may be tailored to the
26 needs of each jurisdiction, in addition to any increases in funding
27 provided through already existing partnerships between the state and
28 local communities, such as the motor vehicle fuel taxes. In the case
29 of public transit systems in particular, there is a need for additional
30 revenue sources beyond the current sales and use tax options, which
31 may, on their own, not be sufficient to meet the funding challenges of
32 a particular system.

33 (2) It is also the intent that local governments coordinate with
34 other municipalities, transit systems, transportation benefit
35 districts, planning organizations, and other transportation agencies.
36 It is critical that all transportation infrastructure is well planned,

1 coordinated, and maintained at the local levels to provide a seamless
2 transportation infrastructure to enable people and goods to move safely
3 and efficiently throughout the state and to bolster and improve the
4 state's economy.

5 (3) The legislature finds that the purchasing power of funds to pay
6 for local transportation needs continues to decline while costs have
7 risen. Without additional funding, counties and cities will continue
8 to struggle financially to preserve and maintain county roads, city
9 streets, and bridges; pavement conditions will to continue to decline;
10 and public transit systems will be forced to cut services at a time
11 when demand for transit services is increasing.

12 **Sec. 402.** RCW 36.73.015 and 2012 c 152 s 1 are each amended to
13 read as follows:

14 The definitions in this section apply throughout this chapter
15 unless the context clearly requires otherwise.

16 (1) "City" means a city or town.

17 (2) "District" means a transportation benefit district created
18 under this chapter.

19 (3) "Low-income" means household income that is at or below forty-
20 five percent of the median household income, adjusted for household
21 size, for the district in which the fees, taxes, or tolls were imposed.

22 (4) "Rebate program" means an optional program established by a
23 transportation benefit district that includes a city with a population
24 of five hundred thousand persons or more for the purpose of providing
25 rebates to low-income individuals for fees, taxes, and/or tolls imposed
26 by such transportation benefit district for: (a) Vehicle fees imposed
27 under RCW 36.73.040(3)(b); (b) sales and use taxes imposed under RCW
28 36.73.040(3)(a); and/or (c) tolls imposed under RCW 36.73.040(3)(d).

29 (5) "Supplemental transportation improvement" or "supplemental
30 improvement" means any project, work, or undertaking to provide public
31 transportation service, in addition to a district's existing or planned
32 voter-approved transportation improvements, proposed by a participating
33 city member of the district under RCW 36.73.180.

34 (6) "Transportation improvement" means a project contained in the
35 transportation plan of the state, a regional transportation planning
36 organization, city, county, or eligible jurisdiction as identified in
37 RCW 36.73.020(2). A project may include, but is not limited to,

1 investment in new or existing highways of statewide significance,
2 principal arterials of regional significance, high capacity
3 transportation, public transportation, and other transportation
4 projects and programs of local, regional, or statewide significance
5 including transportation demand management. Projects may also include
6 the operation, preservation, and maintenance of these facilities or
7 programs.

8 **Sec. 403.** RCW 36.73.020 and 2010 c 250 s 1 are each amended to
9 read as follows:

10 (1) The legislative authority of a county or city may establish a
11 transportation benefit district within the county or city area or
12 within the area specified in subsection (2) of this section, for the
13 purpose of acquiring, constructing, improving, providing, and funding
14 a transportation improvement within the district that is consistent
15 with any existing state, regional, or local transportation plans and
16 necessitated by existing or reasonably foreseeable congestion levels.
17 The transportation improvements shall be owned by the county of
18 jurisdiction if located in an unincorporated area, by the city of
19 jurisdiction if located in an incorporated area, or by the state in
20 cases where the transportation improvement is or becomes a state
21 highway. However, if deemed appropriate by the governing body of the
22 transportation benefit district, a transportation improvement may be
23 owned by a participating port district or transit district, unless
24 otherwise prohibited by law. Transportation improvements shall be
25 administered and maintained as other public streets, roads, highways,
26 and transportation improvements. To the extent practicable, the
27 district shall consider the following criteria when selecting
28 transportation improvements:

- 29 (a) Reduced risk of transportation facility failure and improved
30 safety;
- 31 (b) Improved travel time;
- 32 (c) Improved air quality;
- 33 (d) Increases in daily and peak period trip capacity;
- 34 (e) Improved modal connectivity;
- 35 (f) Improved freight mobility;
- 36 (g) Cost-effectiveness of the investment;
- 37 (h) Optimal performance of the system through time;

1 (i) Improved accessibility for, or other benefits to, persons with
2 special transportation needs as defined in RCW 47.06B.012; and

3 (j) Other criteria, as adopted by the governing body.

4 (2) Subject to subsection (6) of this section, the district may
5 include area within more than one county, city, port district, county
6 transportation authority, reservation of a federally recognized tribe,
7 or public transportation benefit area, if the legislative authority of
8 each participating jurisdiction has agreed to the inclusion as provided
9 in an interlocal agreement adopted pursuant to chapter 39.34 RCW.
10 However, the boundaries of the district need not include all territory
11 within the boundaries of the participating jurisdictions comprising the
12 district.

13 (3) The members of the legislative authority proposing to establish
14 the district, acting ex officio and independently, shall constitute the
15 governing body of the district: PROVIDED, That where a district
16 includes area within more than one jurisdiction under subsection (2) of
17 this section, the district shall be governed under an interlocal
18 agreement adopted pursuant to chapter 39.34 RCW, with the governing
19 body being composed of (a) at least five members including at least one
20 elected official from the legislative authority of each participating
21 jurisdiction or (b) the governing body of the metropolitan planning
22 organization serving the district, but only if the district boundaries
23 are identical to the boundaries of the metropolitan planning
24 organization serving the district.

25 (4) The treasurer of the jurisdiction proposing to establish the
26 district shall act as the ex officio treasurer of the district, unless
27 an interlocal agreement states otherwise.

28 (5) The electors of the district shall all be registered voters
29 residing within the district.

30 (6) Prior to December 1, 2007, the authority under this section,
31 regarding the establishment of or the participation in a district,
32 shall not apply to:

33 (a) Counties with a population greater than one million five
34 hundred thousand persons and any adjoining counties with a population
35 greater than five hundred thousand persons;

36 (b) Cities with any area within the counties under (a) of this
37 subsection; and

1 (c) Other jurisdictions with any area within the counties under (a)
2 of this subsection.

3 **Sec. 404.** RCW 36.73.065 and 2012 c 152 s 3 are each amended to
4 read as follows:

5 (1) Except as provided in subsection (4) of this section, taxes,
6 fees, charges, and tolls may not be imposed by a district without
7 approval of a majority of the voters in the district voting on a
8 proposition at a general or special election. The proposition must
9 include a specific description of: (a) The transportation improvement
10 or improvements proposed by the district; (b) any rebate program
11 proposed to be established under RCW 36.73.067; and (c) the proposed
12 taxes, fees, charges, and the range of tolls imposed by the district to
13 raise revenue to fund the improvement or improvements or rebate
14 program, as applicable.

15 (2) Voter approval under this section must be accorded substantial
16 weight regarding the validity of a transportation improvement as
17 defined in RCW 36.73.015.

18 (3) A district may not increase any taxes, fees, charges, or range
19 of tolls imposed or change a rebate program under this chapter once the
20 taxes, fees, charges, tolls, or rebate program takes effect, unless
21 authorized by the district voters pursuant to RCW 36.73.160 or up to
22 forty dollars of the vehicle fee authorized in RCW 82.80.140 by the
23 governing board of the district.

24 (4)(a) A district that includes all the territory within the
25 boundaries of the jurisdiction, or jurisdictions, establishing the
26 district, but not including territory in which a fee is currently being
27 collected under RCW 82.80.140, may impose by a majority vote of the
28 governing board of the district the following fees and charges:

29 (i) Up to (~~twenty~~) forty dollars of the vehicle fee authorized in
30 RCW 82.80.140; or

31 (ii) A fee or charge in accordance with RCW 36.73.120.

32 (b) The vehicle fee authorized in (a) of this subsection may only
33 be imposed for a passenger-only ferry transportation improvement if the
34 vehicle fee is first approved by a majority of the voters within the
35 jurisdiction of the district.

36 (c)(i) A district solely comprised of a city or cities (~~shall~~)
37 may not impose the fees or charges identified in (a) of this subsection

1 within one hundred eighty days after July 22, 2007, unless the county
2 in which the city or cities reside, by resolution, declares that it
3 will not impose the fees or charges identified in (a) of this
4 subsection within the one hundred eighty-day period; or

5 (ii) A district solely comprised of a city or cities identified in
6 RCW 36.73.020(6)(b) may not impose the fees or charges until after May
7 22, 2008, unless the county in which the city or cities reside, by
8 resolution, declares that it will not impose the fees or charges
9 identified in (a) of this subsection through May 22, 2008.

10 (5) If the interlocal agreement in RCW 82.80.140(2)(a) cannot be
11 reached, a district that includes only the unincorporated territory of
12 a county may impose by a majority vote of the governing body of the
13 district up to (~~twenty~~) forty dollars of the vehicle fee authorized
14 in RCW 82.80.140.

15 NEW SECTION. **Sec. 405.** A new section is added to chapter 82.80
16 RCW to read as follows:

17 (1) A county with a population of one million or more may impose,
18 by approval of a majority of the registered voters of the county voting
19 on the proposition at a general or special election, a local motor
20 vehicle excise tax of up to one and one-half percent annually on the
21 value of every motor vehicle registered to a person residing within the
22 county based on any guidebook, report, or compendium of recognized
23 standing in the automotive industry, such as the Kelley Blue Book or
24 the National Automobile Dealers' Association Guide. A motor vehicle
25 excise tax may not be imposed on vehicles licensed under RCW 46.17.355,
26 except for motor vehicles with an unladen weight of six thousand pounds
27 or less, RCW 46.16A.425, 46.17.335, or 46.17.350(1)(c).

28 (2) A county imposing a tax under this section must contract,
29 before the effective date of the resolution or ordinance imposing the
30 local motor vehicle excise tax, administration and collection to the
31 department of licensing, as appropriate, which must deduct an amount,
32 as provided by contract, for administration and collection expenses
33 incurred by the department.

34 (3) If the department of licensing determines a value for a vehicle
35 pursuant to subsection (1) of this section, any person who pays a
36 locally imposed motor vehicle excise tax for that vehicle may appeal

1 the valuation to the department of licensing under chapter 34.05 RCW.
2 If the taxpayer is successful on appeal, the department must refund the
3 excess tax.

4 (4) The tax imposed under this section applies only when renewing
5 a vehicle registration, and is effective upon the registration renewal
6 date as provided by the department of licensing.

7 (5)(a) A county imposing a tax under this section must use sixty
8 percent of the net funds, after any deductions pursuant to subsection
9 (2) of this section, for the operation, maintenance, or capital needs
10 of public transportation systems.

11 (b) The remaining forty percent of the net funds, after any
12 deductions pursuant to subsection (2) of this section, must be used for
13 the operations and maintenance of local roads and must be distributed
14 on a pro rata basis to the county imposing the local motor vehicle
15 excise tax and to incorporated cities and towns within the county based
16 upon the population of the unincorporated portion of the county, the
17 population of an incorporated city, or the population of an
18 incorporated town as a percentage of the total population of the
19 county.

20 (6) For purposes of this section, the population of an incorporated
21 city or town is the most recent population determined by the office of
22 financial management.

23 **Sec. 406.** RCW 82.14.045 and 2008 c 86 s 102 are each amended to
24 read as follows:

25 (1) The legislative body of any city pursuant to RCW 35.92.060, of
26 any county which has created an unincorporated transportation benefit
27 area pursuant to RCW 36.57.100 and 36.57.110, of any public
28 transportation benefit area pursuant to RCW 36.57A.080 and 36.57A.090,
29 of any county transportation authority established pursuant to chapter
30 36.57 RCW, (~~and~~) of any metropolitan municipal corporation within a
31 county with a population of one million or more pursuant to chapter
32 35.58 RCW, and of any enhanced public transportation zone pursuant to
33 section 408 of this act, may, by resolution or ordinance for the sole
34 purpose of providing funds for the operation, maintenance, or capital
35 needs of public transportation systems or public transportation limited
36 to persons with special needs under RCW 36.57.130 and 36.57A.180, and
37 in lieu of the excise taxes authorized by RCW 35.95.040, submit an

1 authorizing proposition to the voters or include such authorization in
2 a proposition to perform the function of public transportation or
3 public transportation limited to persons with special needs under RCW
4 36.57.130 and 36.57A.180, and if approved by a majority of persons
5 voting thereon, impose a sales and use tax in accordance with the terms
6 of this chapter. Where an authorizing proposition is submitted by a
7 county on behalf of an unincorporated transportation benefit area, it
8 shall be voted upon by the voters residing within the boundaries of
9 such unincorporated transportation benefit area and, if approved, the
10 sales and use tax shall be imposed only within such area.
11 Notwithstanding any provisions of this section to the contrary, any
12 county in which a county public transportation plan has been adopted
13 pursuant to RCW 36.57.070 and the voters of such county have authorized
14 the imposition of a sales and use tax pursuant to the provisions of
15 section 10, chapter 167, Laws of 1974 ex. sess., prior to July 1, 1975,
16 shall be authorized to fix and impose a sales and use tax as provided
17 in this section at not to exceed the rate so authorized without
18 additional approval of the voters of such county as otherwise required
19 by this section.

20 The tax authorized by this section shall be in addition to the tax
21 authorized by RCW 82.14.030 and shall be collected from those persons
22 who are taxable by the state under chapters 82.08 and 82.12 RCW upon
23 the occurrence of any taxable event within such city, public
24 transportation benefit area, county, (~~(or)~~) metropolitan municipal
25 corporation, or enhanced public transportation zone as the case may be.
26 The rate of such tax shall be one-tenth, two-tenths, three-tenths,
27 four-tenths, five-tenths, six-tenths, seven-tenths, eight-tenths, or
28 nine-tenths of one percent of the selling price (in the case of a sales
29 tax) or value of the article used (in the case of a use tax). The rate
30 of such tax shall not exceed the rate authorized by the voters unless
31 such increase shall be similarly approved.

32 (2)(a) In the event a metropolitan municipal corporation imposes a
33 sales and use tax pursuant to this chapter no city, county which has
34 created an unincorporated transportation benefit area, public
35 transportation benefit area authority, or county transportation
36 authority wholly within such metropolitan municipal corporation shall
37 be empowered to impose and/or collect taxes under RCW 35.95.040 or this

1 section, but nothing herein shall prevent such city or county from
2 imposing sales and use taxes pursuant to any other authorization.

3 (b) In the event a county transportation authority imposes a sales
4 and use tax under this section, no city, county which has created an
5 unincorporated transportation benefit area, public transportation
6 benefit area, or metropolitan municipal corporation, located within the
7 territory of the authority, shall be empowered to impose or collect
8 taxes under RCW 35.95.040 or this section.

9 (c) In the event a public transportation benefit area imposes a
10 sales and use tax under this section, no city, county which has created
11 an unincorporated transportation benefit area, or metropolitan
12 municipal corporation, located wholly or partly within the territory of
13 the public transportation benefit area, shall be empowered to impose or
14 collect taxes under RCW 35.95.040 or this section.

15 (3) The legislative body of a public transportation benefit area
16 located in a county with a population of seven hundred thousand or more
17 that also contains a city with a population of seventy-five thousand or
18 more operating a transit system pursuant to chapter 35.95 RCW may
19 submit an authorizing proposition to the voters and, if approved by a
20 majority of persons voting on the proposition, impose a sales and use
21 tax in accordance with the terms of this chapter of one-tenth, two-
22 tenths, or three-tenths of one percent of the selling price, in the
23 case of a sales tax, or value of the article used, in the case of a use
24 tax, in addition to the rate in subsection (1) of this section.

25 **Sec. 407.** RCW 82.80.140 and 2010 c 161 s 917 are each amended to
26 read as follows:

27 (1) Subject to the provisions of RCW 36.73.065, a transportation
28 benefit district under chapter 36.73 RCW may fix and impose an annual
29 vehicle fee, not to exceed one hundred dollars per vehicle registered
30 in the district, for each vehicle subject to vehicle license fees under
31 RCW 46.17.350(1) (a), (c), (d), (e), (g), (h), (j), or (n) through (q)
32 and for each vehicle subject to gross weight license fees under RCW
33 46.17.355 with a scale weight of six thousand pounds or less.

34 (2)(a) A district that includes all the territory within the
35 boundaries of the jurisdiction, or jurisdictions, establishing the
36 district, but not including territory in which a fee is currently being

1 collected under this section, may impose by a majority vote of the
2 governing board of the district up to (~~twenty~~) forty dollars of the
3 vehicle fee authorized in subsection (1) of this section.

4 (i) If the district is countywide, the revenues of the fee
5 (~~shall~~) must be distributed to each city within the (~~county~~)
6 district by interlocal agreement that must be effective prior to
7 imposition of the fee. The interlocal agreement is effective when
8 approved by the (~~county~~) district and sixty percent of the cities
9 representing seventy-five percent of the population of the cities
10 within the (~~county~~) district in which the countywide fee is
11 collected.

12 (ii) If the district is less than countywide, the revenues of the
13 fee must be distributed to each city within the district by interlocal
14 agreement that must be effective prior to imposition of the fee.

15 (b) A district may not impose a fee under this subsection (2):

16 (i) For a passenger-only ferry transportation improvement unless
17 the vehicle fee is first approved by a majority of the voters within
18 the jurisdiction of the district; or

19 (ii) That, if combined with the fees previously imposed by another
20 district within its boundaries under RCW 36.73.065(4)(a)(i), exceeds
21 (~~twenty~~) forty dollars.

22 If a district imposes or increases a fee under this subsection (2)
23 that, if combined with the fees previously imposed by another district
24 within its boundaries, exceeds (~~twenty~~) forty dollars, the district
25 shall provide a credit for the previously imposed fees so that the
26 combined vehicle fee does not exceed (~~twenty~~) forty dollars.

27 (3) The department of licensing shall administer and collect the
28 fee. The department shall deduct a percentage amount, as provided by
29 contract, not to exceed one percent of the fees collected, for
30 administration and collection expenses incurred by it. The department
31 shall remit remaining proceeds to the custody of the state treasurer.
32 The state treasurer shall distribute the proceeds to the district on a
33 monthly basis.

34 (4) No fee under this section may be collected until six months
35 after approval under RCW 36.73.065.

36 (5) The vehicle fee under this section applies only when renewing
37 a vehicle registration, and is effective upon the registration renewal
38 date as provided by the department of licensing.

1 (6) The following vehicles are exempt from the fee under this
2 section:
3 (a) Campers, as defined in RCW 46.04.085;
4 (b) Farm tractors or farm vehicles, as defined in RCW 46.04.180 and
5 46.04.181;
6 (c) Mopeds, as defined in RCW 46.04.304;
7 (d) Off-road and nonhighway vehicles, as defined in RCW 46.04.365;
8 (e) Private use single-axle trailer, as defined in RCW 46.04.422;
9 (f) Snowmobiles, as defined in RCW 46.04.546; and
10 (g) Vehicles registered under chapter 46.87 RCW and the
11 international registration plan.

12 NEW SECTION. **Sec. 408.** A new section is added to chapter 82.14
13 RCW to read as follows:

14 (1)(a) The tax authorized under RCW 82.14.045 may also be imposed
15 by the legislative body of an enhanced public transportation zone
16 established under subsection (2) of this section if approved by the
17 voters in the enhanced public transportation zone in the manner
18 provided for in this section. The establishing transit agency must
19 consult with the department on sales tax collection methods when
20 establishing the boundaries of the enhanced public transportation zone.

21 (b) A tax imposed under (a) of this subsection, when combined with
22 the rate of tax imposed by the establishing transit agency under RCW
23 82.14.045, may not exceed the maximum rate allowed under RCW 82.14.045,
24 and expires three years after imposition. An establishing transit
25 agency may not reimpose a tax by means of an enhanced public
26 transportation zone. A tax imposed under (a) of this subsection must
27 be imposed only in the territory of the enhanced public transportation
28 zone. The revenue from the tax imposed under (a) of this subsection
29 must be expended only for public transportation service within the
30 enhanced public transportation zone and must not supplant existing
31 revenues allocated to the enhanced public transportation zone.

32 (c) Six months prior to the voter authorization of the tax
33 authorized under (a) of this subsection, the establishing transit
34 agency must determine a baseline level of fixed-route public
35 transportation service. This baseline level of service must be
36 publicly posted on the web site of the establishing transit agency.
37 Upon the collection of the tax imposed under (a) of this subsection,

1 fixed-route public transportation service within the enhanced public
2 transportation zone must increase proportionally to additional revenue
3 generated within the enhanced public transportation zone. Service
4 hours within the enhanced public transportation zone must increase from
5 the baseline level in accordance with the establishing transit agency's
6 most recent cost of fixed-route public transportation per service hour,
7 as approved by the national transit database. A report on the increase
8 in public transportation service must be publicly posted annually on
9 the establishing transit agency's web site.

10 (2)(a) The legislative body of a transit agency may establish an
11 enhanced public transportation zone within a portion of the boundaries
12 of the transit agency establishing the enhanced public transportation
13 zone. An enhanced public transportation zone may include all or a
14 portion of any county, city, or town as long as all or a portion of the
15 county, city, or town is within the territory of the establishing
16 transit agency. The boundaries of any enhanced public transportation
17 zone must follow election precinct lines as far as practicable. When
18 creating the zone boundaries, the establishing transit agency must
19 attempt to include a significant amount of the population that the
20 establishing transit agency designated as low income or minority for
21 purposes of Title VI of the federal civil rights act of 1964. An
22 enhanced public transportation zone may not include more than forty-
23 nine percent of the population of the establishing transit agency.

24 (b) The members of the legislative body of the transit agency
25 proposing to establish the enhanced public transportation zone, acting
26 ex officio and independently, constitutes the legislative body of the
27 enhanced public transportation zone.

28 (c) An enhanced public transportation zone may establish, finance,
29 and provide a public transportation system within its boundaries in the
30 same manner as authorized for the transit agency establishing the
31 enhanced public transportation zone. However, the establishing transit
32 agency must adopt a resolution or ordinance finding that the enhanced
33 public transportation zone warrants consistent and sustainable
34 transportation service levels of passenger capacity, speed, and service
35 frequency to serve persons within the enhanced public transportation
36 zone that would otherwise be substantially disadvantaged if the
37 enhanced public transportation zone were not created.

1 (d) An enhanced public transportation zone constitutes a body
2 corporate and possesses all the usual powers of a corporation for
3 public purposes as well as all other powers that may be conferred by
4 statute including, but not limited to, the authority to hire employees,
5 staff, and services, to enter into contracts, to acquire, hold, and
6 dispose of real and personal property, and to sue and be sued. Public
7 works contract limits applicable to the transit agency that established
8 the enhanced public transportation zone also apply to the enhanced
9 public transportation zone.

10 (e) An enhanced public transportation zone may be dissolved by a
11 majority vote of its legislative body when all contractual obligations
12 of the enhanced public transportation zone have either been discharged
13 or assumed by another governmental entity.

14 (3) For the purposes of this section:

15 (a) "Enhanced public transportation zone" means a quasi-municipal
16 corporation and independent taxing authority within the meaning of
17 Article VII, section 1 of the state Constitution, and a taxing district
18 within the meaning of Article VII, section 2 of the state Constitution,
19 created by the legislative body of a transit agency.

20 (b) "Transit agency" means a city-owned transit system, an
21 unincorporated transportation benefit area, a county transportation
22 authority, a metropolitan municipal corporation within a county with a
23 population of one million or more, and a public transportation benefit
24 area.

25 NEW SECTION. **Sec. 409.** A new section is added to chapter 36.57A
26 RCW to read as follows:

27 (1) A governing body of a public transportation benefit area may
28 establish one or more passenger-only ferry service districts within all
29 or a portion of the boundaries of the public transportation benefit
30 area establishing the passenger-only ferry service district. A
31 passenger-only ferry service district may include all or a portion of
32 a city or town as long as all or a portion of the city or town
33 boundaries are within the boundaries of the establishing public
34 transportation benefit area. The members of the public transportation
35 benefit area governing body proposing to establish the passenger-only
36 ferry service district, acting ex officio and independently, shall

1 constitute the governing body of the passenger-only ferry service
2 district.

3 (2) A passenger-only ferry service district may establish, finance,
4 and provide passenger-only ferry service, and associated services to
5 support and augment passenger-only ferry service operation, within its
6 boundaries in the same manner as authorized for public transportation
7 benefit areas under this chapter.

8 (3) A passenger-only ferry service district constitutes a body
9 corporate and possesses all the usual powers of a corporation for
10 public purposes as well as all other powers that may be conferred by
11 statute including, but not limited to, the authority to hire employees,
12 staff, and services, to enter into contracts, to acquire, hold, and
13 dispose of real and personal property, and to sue and be sued. Public
14 works contract limits applicable to the public transportation benefit
15 area that established the passenger-only ferry service district apply
16 to the area. For purposes of this section, "passenger-only ferry
17 service district" means a quasi-municipal corporation and independent
18 taxing authority within the meaning of Article VII, section 1 of the
19 state Constitution, and a taxing district within the meaning of Article
20 VII, section 2 of the state Constitution, created by the legislative
21 body of a public transportation benefit area.

22 (4) A passenger-only ferry service district may exercise the power
23 of eminent domain to obtain property for its authorized purposes in the
24 same manner as authorized for the public transportation benefit area
25 that established the passenger-only ferry service district.

26 (5) Before a passenger-only ferry service district may provide
27 passenger-only ferry service, it must develop a passenger-only ferry
28 investment plan including elements: To operate or contract for the
29 operation of passenger-only ferry services; to purchase, lease, or rent
30 ferry vessels and dock facilities for the provision of transit service;
31 and to identify other activities necessary to implement the plan. The
32 plan must set forth terminal locations to be served, projected costs of
33 providing services, and revenues to be generated from tolls, locally
34 collected tax revenues, and other revenue sources. The plan must
35 ensure that services provided under the plan are for the benefit of the
36 residents of the passenger-only ferry service district. The passenger-
37 only ferry service district may use any of its powers to carry out this
38 purpose, unless otherwise prohibited by law. In addition, the

1 passenger-only ferry service district may enter into contracts and
2 agreements to operate passenger-only ferry service and public-private
3 partnerships and design-build, general contractor/construction
4 management, or other alternative procurement processes substantially
5 consistent with chapter 39.10 RCW.

6 (6) A passenger-only ferry service district may be dissolved by a
7 majority vote of the governing body when all obligations under any
8 general obligation bonds issued by the passenger-only ferry service
9 district have been discharged and any other contractual obligations of
10 the passenger-only ferry service district have either been discharged
11 or assumed by another governmental entity.

12 NEW SECTION. **Sec. 410.** A new section is added to chapter 36.57A
13 RCW to read as follows:

14 (1) A passenger-only ferry service district may, as part of a
15 passenger-only ferry investment plan, recommend some or all of the
16 following revenue sources as provided in this chapter:

- 17 (a) A sales and use tax, as provided in section 411 of this act;
- 18 (b) A parking tax, as provided in section 412 of this act;
- 19 (c) Tolls for passengers and packages and, where applicable,
20 parking; and
- 21 (d) Charges or licensing fees for advertising, leasing space for
22 services to ferry passengers, and other revenue generating activities.

23 (2) Taxes may not be imposed without an affirmative vote of the
24 majority of the voters within the boundaries of the passenger-only
25 ferry service district voting on a single ballot proposition to both
26 approve a passenger-only ferry investment plan and to approve taxes to
27 implement the plan. Revenues from these taxes and fees may be used
28 only to implement the plan and must be used for the benefit of the
29 residents of the passenger-only ferry service district. A district may
30 contract with the department of revenue or other appropriate entities
31 for administration and collection of any of the taxes or charges
32 authorized in this section.

33 NEW SECTION. **Sec. 411.** A new section is added to chapter 82.14
34 RCW to read as follows:

35 Passenger-only ferry service districts providing passenger-only
36 ferry service as provided in section 409 of this act may submit an

1 authorizing proposition to the voters and, if approved by a majority of
2 persons voting, fix and impose a sales and use tax in accordance with
3 the terms of this chapter, solely for the purpose of providing
4 passenger-only ferry service and associated services to support and
5 augment passenger-only ferry service operation.

6 The tax authorized under this section is in addition to other taxes
7 authorized by law and must be collected from those persons who are
8 taxable by the state under chapters 82.08 and 82.12 RCW upon the
9 occurrence of a taxable event within the taxing district. The maximum
10 rate of the tax must be approved by the voters and may not exceed six-
11 tenths of one percent of the selling price in the case of a sales tax
12 or value of the article used in the case of a use tax.

13 NEW SECTION. **Sec. 412.** A new section is added to chapter 82.80
14 RCW to read as follows:

15 (1) Subject to the conditions of this section, a passenger-only
16 ferry service district may fix and impose a parking tax on all persons
17 engaged in a commercial parking business within its respective
18 jurisdiction.

19 (2) In lieu of the tax in subsection (1) of this section, a
20 passenger-only ferry service district may fix and impose a tax for the
21 act or privilege of parking a motor vehicle in a facility operated by
22 a commercial parking business.

23 The passenger-only ferry service district may provide that:

24 (a) The tax is paid by the operator or owner of the motor vehicle;

25 (b) The tax applies to all parking for which a fee is paid, whether
26 paid or leased, including parking supplied with a lease of
27 nonresidential space;

28 (c) The tax is collected by the operator of the facility and
29 remitted to the city, county, or passenger-only ferry service district;

30 (d) The tax is a fee per vehicle or is measured by the parking
31 charge;

32 (e) The tax rate varies with zoning or location of the facility,
33 the duration of the parking, the time of entry or exit, the type or use
34 of the vehicle, or other reasonable factors; and

35 (f) Tax exempt carpools, vehicles with handicapped decals, or
36 government vehicles are exempt from the tax.

1 (3) "Commercial parking business" as used in this section, means
2 the ownership, lease, operation, or management of a commercial parking
3 lot in which fees are charged. "Commercial parking lot" means a
4 covered or uncovered area with stalls for the purpose of parking motor
5 vehicles.

6 (4) The rate of the tax under subsection (1) of this section may be
7 based either upon gross proceeds or the number of vehicle stalls
8 available for commercial parking use. The rates charged must be
9 uniform for the same class or type of commercial parking business.

10 (5) The passenger-only ferry service district levying the tax
11 provided for in subsection (1) or (2) of this section may provide for
12 its payment on a monthly, quarterly, or annual basis.

13 (6) The proceeds of the parking tax imposed by a passenger-only
14 ferry service district under subsection (1) or (2) of this section must
15 be used as provided in section 409 of this act.

16 NEW SECTION. **Sec. 413.** A new section is added to chapter 36.57A
17 RCW to read as follows:

18 (1) A passenger-only ferry service district may form a local
19 improvement district to provide any transportation improvement it has
20 the authority to provide, impose special assessments on all property
21 specially benefited by the transportation improvements, and issue
22 special assessment bonds or revenue bonds to fund the costs of the
23 transportation improvement. Local improvement districts must be
24 created and assessments must be made and collected pursuant to chapters
25 35.43, 35.44, 35.49, 35.50, 35.51, 35.53, and 35.54 RCW.

26 (2) The governing body of the passenger-only ferry service district
27 shall by resolution establish for each special assessment bond issue
28 the amount, date, terms, conditions, denominations, maximum fixed or
29 variable interest rate or rates, maturity or maturities, redemption
30 rights, registration privileges, if any, covenants, and form, including
31 registration as to principal and interest, registration as to principal
32 only, or bearer. Registration may include, but not be limited to: (a)
33 A book entry system of recording the ownership of a bond whether or not
34 physical bonds are issued; or (b) recording the ownership of a bond
35 together with the requirement that the transfer of ownership may only
36 be effected by the surrender of the old bond and either the reissuance
37 of the old bond or the issuance of a new bond to the new owner.

1 Facsimile signatures may be used on the bonds and any coupons. The
2 maximum term of any special assessment bonds may not exceed thirty
3 years beyond the date of issue. Special assessment bonds issued
4 pursuant to this section may not be an indebtedness of the passenger-
5 only ferry service district issuing the bonds, and the interest and
6 principal on the bonds may only be payable from special assessments
7 made for the improvement for which the bonds were issued and any local
8 improvement guaranty fund that the passenger-only ferry service
9 district has created. The owner or bearer of a special assessment bond
10 or any interest coupon issued pursuant to this section shall not have
11 any claim against the passenger-only ferry service district arising
12 from the bond or coupon except for the payment from special assessments
13 made for the improvement for which the bonds were issued and any local
14 improvement guaranty fund the passenger-only ferry service district has
15 created. The passenger-only ferry service district issuing the special
16 assessment bonds is not liable to the owner or bearer of any special
17 assessment bond or any interest coupon issued pursuant to this section
18 for any loss occurring in the lawful operation of its local improvement
19 guaranty fund. The substance of the limitations included in this
20 subsection must be plainly printed, written, or engraved on each
21 special assessment bond issued pursuant to this section.

22 (3) Assessments must reflect any credits given by the passenger-
23 only ferry service district for real property or property right
24 donations made pursuant to RCW 47.14.030.

25 (4) The governing body of the passenger-only ferry service district
26 may establish and pay moneys into a local improvement guaranty fund to
27 guarantee special assessment bonds issued by the passenger-only ferry
28 service district.

29 NEW SECTION. **Sec. 414.** A new section is added to chapter 36.57A
30 RCW to read as follows:

31 (1) To carry out the purposes of this chapter, a passenger-only
32 ferry service district may issue general obligation bonds, not to
33 exceed an amount, together with any other outstanding nonvoter-approved
34 general obligation indebtedness, equal to one and one-half percent of
35 the value of the taxable property within the area, as the term "value
36 of the taxable property" is defined in RCW 39.36.015. A passenger-only
37 ferry service district may also issue general obligation bonds for

1 capital purposes only, together with any outstanding general obligation
2 indebtedness, not to exceed an amount equal to five percent of the
3 value of the taxable property within the area, as the term "value of
4 the taxable property" is defined in RCW 39.36.015, when authorized by
5 the voters of the area pursuant to Article VIII, section 6 of the state
6 Constitution.

7 (2) General obligation bonds with a maturity in excess of twenty-
8 five years may not be issued. The governing body of the passenger-only
9 ferry service district shall by resolution determine for each general
10 obligation bond issue the amount, date, terms, conditions,
11 denominations, maximum fixed or variable interest rate or rates,
12 maturity or maturities, redemption rights, registration privileges,
13 manner of execution, manner of sale, callable provisions, if any,
14 covenants, and form, including registration as to principal and
15 interest, registration as to principal only, or bearer. Registration
16 may include, but not be limited to: (a) A book entry system of
17 recording the ownership of a bond whether or not physical bonds are
18 issued; or (b) recording the ownership of a bond together with the
19 requirement that the transfer of ownership may only be effected by the
20 surrender of the old bond and either the reissuance of the old bond or
21 the issuance of a new bond to the new owner. Facsimile signatures may
22 be used on the bonds and any coupons. Refunding general obligation
23 bonds may be issued in the same manner as general obligation bonds are
24 issued.

25 (3) Whenever general obligation bonds are issued to fund specific
26 projects or enterprises that generate revenues, charges, user fees, or
27 special assessments, the passenger-only ferry service district may
28 specifically pledge all or a portion of the revenues, charges, user
29 fees, or special assessments to refund the general obligation bonds.
30 The passenger-only ferry service district may also pledge any other
31 revenues that may be available to the area.

32 (4) In addition to general obligation bonds, a passenger-only ferry
33 service district may issue revenue bonds to be issued and sold in
34 accordance with chapter 39.46 RCW.

35 **TOLLING**

1 NEW SECTION. **Sec. 501.** In order to provide funds necessary for
2 the location, design, right-of-way, and construction of the Columbia
3 river crossing project, there shall be issued and sold upon the request
4 of the department of transportation up to six hundred fifty million
5 dollars of toll revenue bonds of the state of Washington in accordance
6 with sections 502 through 505 of this act. Each such bond shall
7 contain a recital that payment or redemption of the bond and payment of
8 the interest and any premium thereon is payable solely from and secured
9 solely by a direct pledge and charge upon toll revenue and is not a
10 general obligation of the state to which the full faith and credit of
11 the state is pledged.

12 Toll revenue is hereby pledged to the payment of any bonds and the
13 interest thereon issued under the authority of this act, and the
14 legislature agrees to continue to impose or cause to be imposed these
15 toll charges on the Columbia river crossing project, in amounts
16 sufficient to pay, when due, the principal and interest on all bonds
17 issued under the authority of this act.

18 NEW SECTION. **Sec. 502.** Upon the request of the department of
19 transportation, and in consultation with the tolling authority, the
20 state finance committee shall supervise and provide for the issuance,
21 sale, and retirement of the bonds authorized by this act in accordance
22 with chapter 39.42 RCW. Bonds authorized by this act shall be sold in
23 the manner, at time or times, in amounts, and at the price as the state
24 finance committee shall determine. No bonds may be offered for sale
25 without prior legislative appropriation of the net proceeds of the sale
26 of the bonds.

27 NEW SECTION. **Sec. 503.** The proceeds from the sale of bonds
28 authorized by this act shall be deposited in the Columbia river
29 crossing project account created under RCW 47.56.894 and shall be
30 available only for the purposes enumerated in section 501 of this act,
31 for the payment of bond anticipation notes or other interim financing,
32 if any, capitalizing interest on the bonds, and for the payment of bond
33 issuance costs, including the costs of underwriting.

34 NEW SECTION. **Sec. 504.** The state finance committee may determine
35 and include in any resolution authorizing the issuance of any bonds

1 under this act such terms, provisions, covenants, and conditions as it
2 may deem appropriate in order to assist with the marketing and sale of
3 the bonds, confer rights upon the owners of bonds, and safeguard rights
4 of the owners of bonds including, among other things:

5 (1) Provisions regarding the maintenance and operation of eligible
6 toll facilities;

7 (2) The pledges, uses, and priorities of application of toll
8 revenue;

9 (3) Provisions that bonds shall be payable from and secured solely
10 by toll revenue as provided by this act;

11 (4) In consultation with the department of transportation and the
12 tolling authority, financial covenants requiring that the eligible toll
13 facilities must produce specified coverage ratios of toll revenue to
14 debt service on bonds;

15 (5) The purposes and conditions that must be satisfied prior to the
16 issuance of any additional bonds that are to be payable from and
17 secured by any toll revenue on an equal basis with previously issued
18 and outstanding bonds payable from and secured by toll revenue;

19 (6) Provisions that bonds for which any toll revenue are pledged,
20 or for which a pledge of any toll revenue may be reserved, may be
21 structured on a senior, parity, subordinate, or special lien basis in
22 relation to any other bonds for which toll revenue is pledged, with
23 respect to toll revenue only; and

24 (7) Provisions regarding reserves, credit enhancement, liquidity
25 facilities, and payment agreements with respect to bonds.

26 Notwithstanding the foregoing, covenants and conditions detailing
27 the character of management, maintenance, and operation of eligible
28 toll facilities, insurance for eligible toll facilities, financial
29 management of toll revenue, and disposition of eligible toll facilities
30 must first be approved by the department of transportation.

31 The owner of any bond may by mandamus or other appropriate
32 proceeding require and compel performance of any duties imposed upon
33 the tolling authority and the department of transportation and their
34 respective officials, including any duties imposed upon or undertaken
35 by them or by their respective officers, agents, and employees, in
36 connection with the construction, maintenance, and operation of
37 eligible toll facilities and in connection with the collection,

1 deposit, investment, application, and disbursement of the proceeds of
2 the bonds and toll revenue.

3 NEW SECTION. **Sec. 505.** For the purposes of this act, "toll
4 revenue" means all toll receipts, all interest income derived from the
5 investment of toll receipts, and any gifts, grants, or other funds
6 received for the benefit of transportation facilities in the state,
7 including eligible toll facilities. However, for the purpose of any
8 pledge of toll revenue to the payment of particular bonds issued under
9 this act, "toll revenue" means and includes only such toll revenue or
10 portion thereof that is pledged to the payment of those bonds in the
11 resolution authorizing the issuance of such bonds. Toll revenue
12 constitutes "fees and revenues derived from the ownership or operation
13 of any undertaking, facility, or project" as that phrase is used in
14 Article VIII, section 1(c)(1) of the state Constitution.

15 For the purposes of this act, "tolling authority" has the same
16 meaning as in RCW 47.56.810.

17 **Sec. 506.** RCW 47.10.882 and 2011 c 377 s 3 are each amended to
18 read as follows:

19 The toll facility bond retirement account is created in the state
20 treasury for the purpose of payment of the principal of and interest
21 and premium on bonds. Both principal of and interest on the bonds
22 issued for the purposes of chapter 498, Laws of 2009 (~~and~~), chapter
23 377, Laws of 2011, and this act shall be payable from the toll facility
24 bond retirement account. The state finance committee may provide that
25 special subaccounts be created in the account to facilitate payment of
26 the principal of and interest on the bonds. The state finance
27 committee shall, on or before June 30th of each year, certify to the
28 state treasurer the amount required for principal and interest on the
29 bonds in accordance with the bond proceedings.

30 **Sec. 507.** RCW 47.56.894 and 2012 c 36 s 3 are each amended to read
31 as follows:

32 (1) A special account to be known as the Columbia river crossing
33 project account is created in the state treasury.

34 (2) Deposits to the account must include:

1 (a) All proceeds of bonds and loans issued for the Columbia river
2 crossing project, including any capitalized interest;

3 (b) All tolls and other revenues received from the operation of the
4 Columbia river crossing project as a toll facility to be deposited at
5 least monthly;

6 (c) Any interest that may be earned from the deposit or investment
7 of those revenues;

8 (d) Notwithstanding RCW 47.12.063, proceeds from the sale of any
9 surplus real property acquired for the Columbia river crossing project;
10 and

11 (e) All damages, liquidated or otherwise, collected under any
12 contract involving the Columbia river crossing project.

13 (3) Subject to the covenants made by the state in the bond
14 proceedings authorizing the issuance and sale of bonds for the Columbia
15 river crossing project, toll charges, other revenues, and interest
16 received from the operation of the Columbia river crossing project as
17 a toll facility may be used to pay any required costs allowed under RCW
18 47.56.820. The state treasurer may establish subaccounts for the
19 purpose of segregating toll charges, bond sale proceeds, and other
20 revenues.

21 **Sec. 508.** RCW 47.56.892 and 2012 c 36 s 4 are each amended to read
22 as follows:

23 For the Columbia river crossing project, the tolling authority may
24 set, adjust, and review toll rates and may enter into agreements with
25 the Oregon state transportation commission regarding the mutual or
26 joint setting, adjustment, and review of toll rates as the tolling
27 authority may find necessary to carry out the purposes of this section.
28 Any agreement between the tolling authority and the Oregon state
29 transportation commission made pursuant to this section takes effect,
30 and is not binding and enforceable until, thirty days after adjournment
31 of the (~~next-ensuing~~) 2013 regular legislative session. If the
32 tolling authority has not entered into an agreement with the Oregon
33 state transportation commission by December 31, 2015, this section
34 expires.

35 NEW SECTION. **Sec. 509.** Sections 501 through 505 of this act are
36 each added to chapter 47.10 RCW.

MISCELLANEOUS

NEW SECTION. **Sec. 601.** A new section is added to chapter 47.29 RCW to read as follows:

(1) A Washington electric vehicle infrastructure bank is hereby established. The Washington electric vehicle infrastructure bank shall provide financial assistance for the installation of publicly accessible electric vehicle charging stations within the state.

(2) Electric vehicle infrastructure receiving financial assistance must include both DC fast-charging stations and level 1 or 2 electric vehicle supply equipment. The department must confer with the Washington department of commerce, and seek input from experts representing local government, public utilities, electric vehicle manufacturer representatives, and current Washington state electric vehicle drivers to review information and advise the department on policies and priorities for deployment of public charging station locations.

(3) The department's public-private partnerships office must administer all funds dispersed and received, including any funds received under RCW 46.17.323 and deposited into the transportation innovative partnership account created under RCW 47.29.230. Prior to providing any financial assistance for electric vehicle infrastructure projects, the department must submit a business plan to the house of representatives and senate transportation committees of the legislature and to the governor's office.

(4) Annual progress reports must be transmitted to the legislature and governor as of December 1st of each year.

(5) This section expires July 1, 2023.

NEW SECTION. **Sec. 602.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. **Sec. 603.** Sections 101, 102 through 104, 106, 109 through 111, 210, 211, 301 through 306, 401 through 414, 501 through 506, and 508 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state

1 government and its existing public institutions, and take effect
2 immediately.

3 NEW SECTION. **Sec. 604.** Sections 107 and 112 of this act are
4 necessary for the immediate preservation of the public peace, health,
5 or safety, or support of the state government and its existing public
6 institutions, and take effect August 1, 2013.

7 NEW SECTION. **Sec. 605.** Sections 105 and 201 through 209 of this
8 act take effect July 1, 2015.

9 NEW SECTION. **Sec. 606.** Section 307 of this act takes effect April
10 1, 2014.

11 NEW SECTION. **Sec. 607.** Sections 308 and 309 of this act take
12 effect January 1, 2014.

13 NEW SECTION. **Sec. 608.** Section 310 of this act takes effect
14 February 1, 2014.

15 NEW SECTION. **Sec. 609.** Section 507 of this act takes effect if
16 the requirements set out in section 7, chapter 36, Laws of 2012 are
17 met.

18 NEW SECTION. **Sec. 610.** Section 107 of this act expires on the
19 date the requirements set out in section 7, chapter 36, Laws of 2012
20 are met.

21 NEW SECTION. **Sec. 611.** Section 108 of this act takes effect on
22 the date the requirements set out in section 7, chapter 36, Laws of
23 2012 are met.

24 NEW SECTION. **Sec. 612.** Sections 101 and 104 of this act expire
25 July 1, 2015.

26 NEW SECTION. **Sec. 613.** Section 307 of this act expires on the

1 effective date of legislation enacted by the legislature that imposes
2 a vehicle miles traveled fee or tax.

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