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**HOUSE BILL 1901**

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**State of Washington 64th Legislature 2015 Regular Session**

**By** Representatives Harmsworth, Farrell, Buys, Vick, Griffey, Young, Sells, and Peterson

AN ACT Relating to two-year registration periods for certain vehicles while maintaining existing annual vehicle registration fee amounts; amending RCW 46.16A.010, 46.16A.020, 46.16A.110, 46.16A.180, 46.17.015, 46.17.025, 46.17.305, 46.17.323, 46.17.350, 46.17.355, 46.17.365, 46.17.375, 46.68.030, 82.44.060, 82.50.460, and 82.80.140; adding a new section to chapter 46.16A RCW; providing an effective date; and providing a contingent expiration date.

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

**Sec.**  RCW 46.16A.010 and 2010 c 161 s 401 are each amended to read as follows:

For the purposes of this chapter unless the context clearly requires otherwise:

(1) "Commercial motor vehicle," for the purposes of requiring a department of transportation number, means the same as defined in RCW 46.25.010(6), or a motor vehicle used in commerce when the motor vehicle: (a) Has a gross vehicle weight rating of 11,794 kilograms or more (26,001 pounds or more) inclusive of a towed unit of a gross vehicle weight rating of more than 4,536 kilograms (10,000 pounds or more); (b) has a gross vehicle weight rating of 11,794 kilograms or more (26,001 pounds or more); or (c) is used in the transportation of hazardous materials, as defined in RCW 46.25.010(13);

(2) "Department of transportation number" means a department of transportation number from the federal motor carrier safety administration;

(3) "Interstate commercial motor vehicle" means a commercial vehicle that operates in more than one state;

(4) "Intrastate commercial motor vehicle" means a commercial vehicle that operates exclusively within the state of Washington;

(5) "Motor carrier" means a person or entity who has been issued a department of transportation number and who owns a commercial motor vehicle;

(6) "Registration year" means the effective period of a vehicle registration issued by the department. A registration year begins at 12:01 a.m. on the date of the calendar year designated by the department and ends at 12:00 a.m. the same day the following year unless otherwise specified;

(7) "Renewal notice" means the notice to renew a vehicle registration sent to the registered owner by the department;

(8) "Two-year registration period" means the effective period of a vehicle registration issued by the department for a two‑year period. A two-year registration period begins at 12:01 a.m. on the date of the calendar year designated by the department and ends at 12:00 a.m. the same day two years later unless otherwise specified.

**Sec.**  RCW 46.16A.020 and 2014 c 80 s 2 are each amended to read as follows:

(1) A person may designate either a one-year registration or a two‑year registration when registering a vehicle that is eligible for a two‑year registration period. If a two‑year registration is designated by the registered owner, all applicable taxes and fees must be collected for a twenty-four month period instead of a twelve-month period. The department, county auditor or other agent, or subagent appointed by the director shall assign a new registration year or two‑year registration period to a vehicle if:

(a) The registered ownership of the vehicle is being transferred, except as provided in subsection (4) of this section. The renewed vehicle registration is valid for a full ((~~twelve-month~~))registration year or two‑year registration period unless: (i) The vehicle changes ownership during the ((~~twelve-month~~))registration year or two‑year registration period, in which case the registration expires; or (ii) a specific expiration date is required by law, rule, or program; or

(b) The Washington vehicle registration has expired and the registered owner:

(i) Is a member of the United States armed forces;

(ii) Was stationed outside of Washington under military orders during the prior vehicle registration year or two‑year registration period; and

(iii) Provides the department a copy of the military orders.

(2) Each registration year may be divided into twelve registration months. Each two‑year registration period may be divided into twenty‑four registration months. Each registration month begins at 12:01 a.m. on a day of the month assigned by the department and ends at 12:00 a.m. on the same day the following month.

(3) A registration period extends through the end of the next business day when the final day of a registration year or two‑year registration period or month falls on a Saturday, Sunday, or legal holiday.

(4) A vehicle registration does not expire when a change in vehicle ownership is the result of one or more of the following circumstances:

(a) When adding a lien holder to the certificate of title or removing a lien holder from the certificate of title;

(b) When a vehicle is transferred from one spouse or registered domestic partner to another;

(c) When removing a deceased spouse or registered domestic partner from the certificate of title;

(d) When a vehicle is transferred by gift or inheritance to one or more members of the registered owner's immediate family;

(e) When a vehicle is transferred into or out of a trust in which the registered owner or one or more immediate family members of the registered owner is the beneficiary;

(f) When a leaseholder buys out the leased vehicle; or

(g) When a person changes his or her name.

**Sec.**  RCW 46.16A.110 and 2014 c 80 s 3 are each amended to read as follows:

(1) A registered owner or the registered owner's authorized representative must apply for a renewal vehicle registration to the department, county auditor or other agent, or subagent appointed by the director on a form approved by the director. The application for a renewal vehicle registration must be accompanied by a draft, money order, certified bank check, or cash for all fees and taxes required by law for the application for a renewal vehicle registration.

(2)(a) When a vehicle changes ownership, the person taking ownership or his or her authorized representative must apply for a renewal vehicle registration as provided in subsection (1) of this section and, except as provided in (b) of this subsection, pay all the taxes and fees that are due at the time of registration renewal. For the purposes of this section, when a vehicle is sold to a vehicle dealer for resale, the application for a renewal registration need not be made until the vehicle is sold by the vehicle dealer.

(b) The person taking ownership or his or her authorized representative must be given credit for the portion of a motor vehicle excise tax, including the motor vehicle excise tax collected under RCW 81.104.160, that reflects the remaining period for which the tax was initially paid by the previous owner.

(3) An application and the fees and taxes for a renewal vehicle registration must be handled in the same manner as an original vehicle registration application. The registration does not need to show the name of the lien holder when the application for renewal vehicle registration becomes the renewal registration upon validation.

(4) A person expecting to be out of state during the normal renewal period of a vehicle registration may renew a vehicle registration and have license plates or tabs preissued by applying for a renewal as described in subsection (1) of this section. A vehicle registration may be renewed for the subsequent registration year or two‑year registration period up to eighteen months before the current expiration date and must be displayed from the date of issue or from the day of the expiration of the current registration year or two‑year registration period, whichever date is later.

(5) An application for a renewal vehicle registration is not required for those vehicles owned, rented, or leased by:

(a) The state of Washington, or by any county, city, town, school district, or other political subdivision of the state of Washington; or

(b) A governing body of an Indian tribe located within this state and recognized as a governmental entity by the United States department of the interior.

**Sec.**  RCW 46.16A.180 and 2013 c 157 s 3 are each amended to read as follows:

(1) A registration certificate must be:

(a) Signed by the registered owner, or if a firm or corporation, the signature of one of its officers or other authorized agent, to be valid;

(b) Carried in the vehicle for which it is issued; and

(c) Provided to law enforcement and the department by the operator of the vehicle upon demand.

((~~(d)~~))(2) The registration certificate required by this section may be provided in either paper or electronic format. Acceptable electronic formats include the display of electronic images on a cellular phone or any other type of portable electronic device.

((~~(2)~~))(3) It is unlawful for any person to operate or be in possession of a vehicle without carrying a registration certificate for the vehicle. Any person in charge of a vehicle shall, upon demand of any of the local authorities or of any police officer or of any representative of the department, permit an inspection of the vehicle registration certificate. This section does not apply to a vehicle for which registration is not required to be renewed annually or biennially and is a publicly owned vehicle marked as required under RCW 46.08.065.

**Sec.**  RCW 46.17.015 and 2010 c 161 s 502 are each amended to read as follows:

(1) A person who applies for a vehicle registration or for any other right to operate a vehicle on the highways of this state shall pay a twenty-five cent license plate technology fee for a vehicle subject to a registration year, as defined in RCW 46.16A.010, or a fifty cent license plate technology fee for a vehicle subject to a two‑year registration period, as defined in RCW 46.16A.010, in addition to any other fees and taxes required by law. The license plate technology fee must be distributed under RCW 46.68.370.

(2) A vehicle registered under RCW 46.16A.455 or 46.17.330 is not subject to the license plate technology fee.

**Sec.**  RCW 46.17.025 and 2010 c 161 s 503 are each amended to read as follows:

(1) A person who applies for a vehicle registration or for any other right to operate a vehicle on the highways of this state shall pay a fifty cent license service fee for a vehicle subject to a registration year, as defined in RCW 46.16A.010, or a one dollar license service fee for a vehicle subject to a two‑year registration period, as defined in RCW 46.16A.010, in addition to any other fees and taxes required by law. The license service fee must be distributed under RCW 46.68.220.

(2) A vehicle registered under RCW 46.16A.455 or 46.17.330 is not subject to the license service fee.

**Sec.**  RCW 46.17.305 and 2010 c 161 s 522 are each amended to read as follows:

Before accepting an application for a vehicle registration for a boat trailer, the department, county auditor or other agent, or subagent appointed by the director shall require the applicant to pay a three dollar aquatic weed fee for a boat trailer subject to a registration year, as defined in RCW 46.16A.010, or a six dollar aquatic weed fee for a boat trailer subject to a two‑year registration period, as defined in RCW 46.16A.010, in addition to any other fees and taxes required by law. The ((~~three dollar~~))aquatic weed fee must be deposited in the freshwater aquatic weeds account created in RCW 43.21A.650.

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

(1) Before accepting an application for an annual vehicle registration renewal for an electric vehicle that uses propulsion units powered solely by electricity, the department, county auditor or other agent, or subagent appointed by the director must require the applicant to pay a one hundred dollar fee for an electric vehicle subject to a registration year, as defined in RCW 46.16A.010, or a two hundred dollar fee for an electric vehicle subject to a two-year registration period, as defined in RCW 46.16A.010, in addition to any other fees and taxes required by law. The ((~~one hundred dollar~~)) fee is due only at the time of annual or biennial registration renewal.

(2) This section only applies to:

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

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

(3)(a) The fee under this section is imposed to provide funds to mitigate the impact of vehicles on state roads and highways and for the purpose of evaluating the feasibility of transitioning from a revenue collection system based on fuel taxes to a road user assessment system, and is separate and distinct from other vehicle license fees. Proceeds from the fee must be used for highway purposes, and must be deposited in the motor vehicle fund created in RCW 46.68.070, subject to (b) of this subsection.

(b) If in any year the amount of proceeds from the fee collected under this section exceeds one million dollars, the excess amount over one million dollars must be deposited as follows:

(i) Seventy percent to the motor vehicle fund created in RCW 46.68.070;

(ii) Fifteen percent to the transportation improvement account created in RCW 47.26.084; and

(iii) Fifteen percent to the rural arterial trust account created in RCW 36.79.020.

**Sec.**  RCW 46.17.350 and 2014 c 30 s 2 are each amended to read as follows:

(1) Before accepting an application for a vehicle registration, the department, county auditor or other agent, or subagent appointed by the director shall require the applicant, unless specifically exempt, to pay the following vehicle license fee by vehicle type:

|  |  |  |  |
| --- | --- | --- | --- |
| VEHICLE TYPE | INITIAL FEE | RENEWAL FEE | DISTRIBUTED UNDER |
| (a) Auto stage, six seats or less | $ 30.00 | $ 30.00 | RCW 46.68.030 |
| (b) Camper | $ 4.90 | $ 3.50 | RCW 46.68.030 |
| (c) Commercial trailer | $ 34.00 | $ 30.00 | RCW 46.68.035 |
| (d) For hire vehicle, six seats or less | $ 30.00 | $ 30.00 | RCW 46.68.030 |
| (e) Mobile home (if registered) | $ 30.00 | $ 30.00 | RCW 46.68.030 |
| (f) Moped | $ 30.00 | $ 30.00 | RCW 46.68.030 |
| (g) Motor home | $ 30.00 | $ 30.00 | RCW 46.68.030 |
| (h) Motorcycle | $ 30.00 | $ 30.00 | RCW 46.68.030 |
| (i) Off-road vehicle | $ 18.00 | $ 18.00 | RCW 46.68.045 |
| (j) Passenger car | $ 30.00 | $ 30.00 | RCW 46.68.030 |
| (k) Private use single-axle trailer | $ 15.00 | $ 15.00 | RCW 46.68.035 |
| (l) Snowmobile | $ 50.00 | $ 50.00 | RCW 46.68.350 |
| (m) Snowmobile, vintage | $ 12.00 | $ 12.00 | RCW 46.68.350 |
| (n) Sport utility vehicle | $ 30.00 | $ 30.00 | RCW 46.68.030 |
| (o) Tow truck | $ 30.00 | $ 30.00 | RCW 46.68.030 |
| (p) Trailer, over 2000 pounds | $ 30.00 | $ 30.00 | RCW 46.68.030 |
| (q) Travel trailer | $ 30.00 | $ 30.00 | RCW 46.68.030 |
| (r) Wheeled all-terrain vehicle, on-road use | $ 12.00 | $ 12.00 | RCW 46.09.540 |
| (s) Wheeled all-terrain vehicle, off-road use | $ 18.00 | $ 18.00 | RCW 46.09.510 |

(2) The vehicle license fee required in subsection (1)(b), (f), (g), (h), (j), (k), (n), (p), and (q) of this section for vehicles subject to a two-year registration period, as defined in RCW 46.16A.010, is doubled and must be paid biennially.

(3) The vehicle license fee required in subsection (1) of this section is in addition to the filing fee required under RCW 46.17.005, and any other fee or tax required by law.

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

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

|  |  |  |
| --- | --- | --- |
| WEIGHT | SCHEDULE A | SCHEDULE B |
| 4,000 pounds | $ 38.00 | $ 38.00 |
| 6,000 pounds | $ 48.00 | $ 48.00 |
| 8,000 pounds | $ 58.00 | $ 58.00 |
| 10,000 pounds | $ 60.00 | $ 60.00 |
| 12,000 pounds | $ 77.00 | $ 77.00 |
| 14,000 pounds | $ 88.00 | $ 88.00 |
| 16,000 pounds | $ 100.00 | $ 100.00 |
| 18,000 pounds | $ 152.00 | $ 152.00 |
| 20,000 pounds | $ 169.00 | $ 169.00 |
| 22,000 pounds | $ 183.00 | $ 183.00 |
| 24,000 pounds | $ 198.00 | $ 198.00 |
| 26,000 pounds | $ 209.00 | $ 209.00 |
| 28,000 pounds | $ 247.00 | $ 247.00 |
| 30,000 pounds | $ 285.00 | $ 285.00 |
| 32,000 pounds | $ 344.00 | $ 344.00 |
| 34,000 pounds | $ 366.00 | $ 366.00 |
| 36,000 pounds | $ 397.00 | $ 397.00 |
| 38,000 pounds | $ 436.00 | $ 436.00 |
| 40,000 pounds | $ 499.00 | $ 499.00 |
| 42,000 pounds | $ 519.00 | $ 609.00 |
| 44,000 pounds | $ 530.00 | $ 620.00 |
| 46,000 pounds | $ 570.00 | $ 660.00 |
| 48,000 pounds | $ 594.00 | $ 684.00 |
| 50,000 pounds | $ 645.00 | $ 735.00 |
| 52,000 pounds | $ 678.00 | $ 768.00 |
| 54,000 pounds | $ 732.00 | $ 822.00 |
| 56,000 pounds | $ 773.00 | $ 863.00 |
| 58,000 pounds | $ 804.00 | $ 894.00 |
| 60,000 pounds | $ 857.00 | $ 947.00 |
| 62,000 pounds | $ 919.00 | $ 1,009.00 |
| 64,000 pounds | $ 939.00 | $ 1,029.00 |
| 66,000 pounds | $ 1,046.00 | $ 1,136.00 |
| 68,000 pounds | $ 1,091.00 | $ 1,181.00 |
| 70,000 pounds | $ 1,175.00 | $ 1,265.00 |
| 72,000 pounds | $ 1,257.00 | $ 1,347.00 |
| 74,000 pounds | $ 1,366.00 | $ 1,456.00 |
| 76,000 pounds | $ 1,476.00 | $ 1,566.00 |
| 78,000 pounds | $ 1,612.00 | $ 1,702.00 |
| 80,000 pounds | $ 1,740.00 | $ 1,830.00 |
| 82,000 pounds | $ 1,861.00 | $ 1,951.00 |
| 84,000 pounds | $ 1,981.00 | $ 2,071.00 |
| 86,000 pounds | $ 2,102.00 | $ 2,192.00 |
| 88,000 pounds | $ 2,223.00 | $ 2,313.00 |
| 90,000 pounds | $ 2,344.00 | $ 2,434.00 |
| 92,000 pounds | $ 2,464.00 | $ 2,554.00 |
| 94,000 pounds | $ 2,585.00 | $ 2,675.00 |
| 96,000 pounds | $ 2,706.00 | $ 2,796.00 |
| 98,000 pounds | $ 2,827.00 | $ 2,917.00 |
| 100,000 pounds | $ 2,947.00 | $ 3,037.00 |
| 102,000 pounds | $ 3,068.00 | $ 3,158.00 |
| 104,000 pounds | $ 3,189.00 | $ 3,279.00 |
| 105,500 pounds | $ 3,310.00 | $ 3,400.00 |

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

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

(4) The license fees provided in subsection (1) of this section for vehicles that are twelve thousand pounds or less and subject to a two-year registration period, as defined in RCW 46.16A.010, are doubled and must be paid biennially.

(5) The license fees provided in subsection (1) of this section are in addition to the filing fee required under RCW 46.17.005 and any other fee or tax required by law.

((~~(5)~~))(6) The license fee based on declared gross weight as provided in subsection (1) of this section must be distributed under RCW 46.68.035.

**Sec.**  RCW 46.17.365 and 2010 c 161 s 533 are each amended to read as follows:

(1) A person applying for a motor vehicle registration and paying the vehicle license fee required in RCW 46.17.350(1) (a), (d), (e), (h), (j), (n), and (o) shall pay a motor vehicle weight fee in addition to all other fees and taxes required by law. The motor vehicle weight fee:

(a) Must be based on the motor vehicle scale weight;

(b) Is the difference determined by subtracting the vehicle license fee required in RCW 46.17.350 from the license fee in Schedule B of RCW 46.17.355, plus two dollars; and

(c) Must be distributed under RCW 46.68.415.

(2) A person applying for a motor home vehicle registration shall, in lieu of the motor vehicle weight fee required in subsection (1) of this section, pay a motor home vehicle weight fee of seventy-five dollars for a motor home subject to a registration year, as defined in RCW 46.16A.010, or a motor home vehicle weight fee of one hundred fifty dollars for a motor home subject to a two-year registration period, as defined in RCW 46.16A.010, in addition to all other fees and taxes required by law. The motor home vehicle weight fee must be distributed under RCW 46.68.415.

(3) The department shall:

(a) Rely on motor vehicle empty scale weights provided by vehicle manufacturers, or other sources defined by the department, to determine the weight of each motor vehicle; and

(b) Adopt rules for determining weight for vehicles without manufacturer empty scale weights.

**Sec.**  RCW 46.17.375 and 2010 c 161 s 534 are each amended to read as follows:

(1) Before accepting an application for registration for a recreational vehicle, the department, county auditor or other agent, or subagent appointed by the director shall require an applicant to pay a three dollar sanitary disposal fee for a recreational vehicle subject to a registration year, as defined in RCW 46.16A.010, or a six dollar sanitary disposal fee for a recreational vehicle subject to a two-year registration period, as defined in RCW 46.16A.010, in addition to any other fees and taxes required by law. The recreational vehicle sanitary disposal fee must be deposited in the RV account created in RCW 46.68.170.

(2) For the purposes of this section, "recreational vehicle" means a camper, motor home, or travel trailer.

**Sec.**  RCW 46.68.030 and 2011 c 171 s 85 are each amended to read as follows:

(1) The director shall forward all fees for vehicle registrations under chapters 46.16A and 46.17 RCW, unless otherwise specified by law, to the state treasurer with a proper identifying detailed report. The state treasurer shall credit these moneys to the motor vehicle fund created in RCW 46.68.070.

(2) Proceeds from vehicle license fees and renewal vehicle license fees must be deposited by the state treasurer as follows:

(a) $20.35 of each initial or renewal vehicle license fee for a vehicle subject to a registration year, as defined in RCW 46.16A.010, and $40.70 of each initial or renewal vehicle license fee for a vehicle subject to a two-year registration period, as defined in RCW 46.16A.010, must be deposited in the state patrol highway account in the motor vehicle fund, hereby created. Vehicle license fees, renewal vehicle license fees, and all other funds in the state patrol highway account must be for the sole use of the Washington state patrol for highway activities of the Washington state patrol, subject to proper appropriations and reappropriations.

(b) $2.02 of each initial vehicle license fee for a vehicle subject to a registration year, as defined in RCW 46.16A.010, and $4.04 of each initial vehicle license fee for a vehicle subject to a two-year registration period, as defined in RCW 46.16A.010, and $0.93 of each renewal vehicle license fee for a vehicle subject to a registration year, as defined in RCW 46.16A.010, and $1.86 of each renewal vehicle license fee for a vehicle subject to a two-year registration period, as defined in RCW 46.16A.010, must be deposited each biennium in the Puget Sound ferry operations account.

(c) Any remaining amounts of vehicle license fees and renewal vehicle license fees that are not distributed otherwise under this section must be deposited in the motor vehicle fund.

**Sec.**  RCW 82.44.060 and 2010 c 161 s 911 are each amended to read as follows:

(1) Any locally imposed excise tax:

(a) Is due at the time of registration of a vehicle;

(b) Must be paid in full before any registration certificate or license tab may be issued;

(c) Is in addition to any other vehicle license fees required by law;

(d) Must be collected by the department, county auditor or other agent, or subagent appointed by the director of licensing before issuing the registration certificate;

(e) Must be collected for each registration year or two-year registration period; and

(f) Must be levied for one full registration year or two-year registration period beginning on the date of the calendar year designated by the department and ending on the same date of the next or second succeeding calendar year. For vehicles registered under chapter 46.87 RCW, proportional registration, and for vehicle dealer plates issued under chapter 46.70 RCW, the registration year is the period provided in those chapters. However, the tax shall in no case be less than two dollars except for proportionally registered vehicles.

(2) A vehicle is deemed registered for the first time in this state when the vehicle was not previously registered by this state for the registration year or two-year registration period immediately preceding the registration year or two-year registration period in which the application for registration is made or when the vehicle has been registered in another jurisdiction subsequent to any prior registration in this state.

(3) An additional tax may not be imposed under this chapter on any vehicle when the certificate of title is being transferred if the tax has already been paid for the registration year or two-year registration period or fraction of a registration year or two-year registration period in which transfer of ownership occurs.

**Sec.**  RCW 82.50.460 and 1979 c 123 s 3 are each amended to read as follows:

Prior to the end of any registration year or two-year registration period of a vehicle, the director shall cause to be mailed to the owners of travel trailers or campers, of record, notice of the amount of tax payable during the succeeding registration year or two-year registration period. The notice shall contain a legal description of the travel trailer or camper, prominent notice of due dates, and such other information as may be required by the director.

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

(1) Subject to the provisions of RCW 36.73.065, a transportation benefit district under chapter 36.73 RCW may fix and impose an annual vehicle fee, not to exceed one hundred dollars for a vehicle subject to a registration year, as defined in RCW 46.16A.010, or two hundred dollars for a vehicle subject to a two-year registration period, as defined in RCW 46.16A.010, per vehicle registered in the district, for each vehicle subject to vehicle license fees under RCW 46.17.350(1) (a), (c), (d), (e), (g), (h), (j), or (n) through (q) and for each vehicle subject to gross weight license fees under RCW 46.17.355 with a scale weight of six thousand pounds or less.

(2)(a) A district that includes all the territory within the boundaries of the jurisdiction, or jurisdictions, establishing the district may impose by a majority vote of the governing board of the district up to twenty dollars of the vehicle fee authorized in subsection (1) of this section. If the district is countywide, the revenues of the fee shall be distributed to each city within the county by interlocal agreement. The interlocal agreement is effective when approved by the county and sixty percent of the cities representing seventy-five percent of the population of the cities within the county in which the countywide fee is collected.

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

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

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

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

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

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

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

(6) The following vehicles are exempt from the fee under this section:

(a) Campers, as defined in RCW 46.04.085;

(b) Farm tractors or farm vehicles, as defined in RCW 46.04.180 and 46.04.181;

(c) Mopeds, as defined in RCW 46.04.304;

(d) Off-road and nonhighway vehicles, as defined in RCW 46.04.365;

(e) Private use single-axle trailer, as defined in RCW 46.04.422;

(f) Snowmobiles, as defined in RCW 46.04.546; and

(g) Vehicles registered under chapter 46.87 RCW and the international registration plan.

NEW SECTION. **Sec.**  A new section is added to chapter 46.16A RCW to read as follows:

(1) Each year the department must submit, as part of its regular annual reporting to the legislature, a report on the number of one‑year and two-year vehicle registrations as summarized by month.

(2) By January 1, 2019, the department must submit a report to the legislature on the implementation of two-year registration periods for vehicles and the department's performance measurements implemented for two-year registration periods.

NEW SECTION. **Sec.**  Section 8 of this act expires on the date the contingency set out in section 11, chapter 74, Laws of 2012 occurs.

NEW SECTION. **Sec.**  This act takes effect January 1, 2017.

**--- END ---**