CERTIFICATION OF ENROLLMENT

ENGROSSED SUBSTITUTE SENATE BILL 5801

Chapter 417, Laws of 2025

69th Legislature
2025 Regular Session

TRANSPORTATION TAXES AND FEES

EFFECTIVE DATE: July 27, 2025—Except for sections 101 through 103, 406, 701 through 709, 808 through 814, 1102, 1103, and 1305, which take effect July 1, 2025; sections 104, 105, 107 through 110, 201 through 206, 301 through 303, 604, and 903, which take effect January 1, 2026; section 106, which takes effect January 1, 2029; sections 207 through 211, which take effect April 1, 2026; sections 304 and 1201 through 1224, which take effect July 1, 2026; sections 305 through 307 and 401, which take effect October 1, 2025; section 405, which takes effect March 1, 2026; sections 801, 802, and 804 through 807, which take effect June 30, 2025; section 803, which takes effect July 1, 2028; and sections 1307 through 1309, which take effect February 1, 2026.

Passed by the Senate April 25, 2025
Yeas 31 Nays 17

DENNY HECK

President of the Senate

Passed by the House April 24, 2025
Yeas 51 Nays 47

LAURIE JINKINS

Speaker of the House of Representatives

Approved May 20, 2025 3:24 PM

BOB FERGUSON

Governor of the State of Washington

CERTIFICATE

I, Sarah Bannister, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 5801** as passed by the Senate and the House of Representatives on the dates hereon set forth.

SARAH BANNISTER

Secretary

FILED

May 21, 2025

Secretary of State
State of Washington

ENGROSSED SUBSTITUTE SENATE BILL 5801

AS AMENDED BY THE HOUSE

Passed Legislature - 2025 Regular Session

State of Washington 69th Legislature 2025 Regular Session

By Senate Transportation (originally sponsored by Senators Liias, King, and Chapman)

READ FIRST TIME 03/29/25.

AN ACT Relating to transportation resources; amending RCW 82.38.030, 82.38.075, 46.68.090, 46.17.355, 46.17.365, 46.17.365, 46.17.005, 46.17.040, 46.17.380, 46.68.175, 82.08.020, 82.12.020, 82.32.145, 70A.205.405, 70A.205.425, 70A.205.430, 46.63.200, 46.20.161, 46.20.181, 47.60.315, 47.60.322, 47.60.826, 43.19.642, 47.46.100, 47.56.850, 47.56.870, 90.58.356, 49.26.013, 36.70A.200, 36.70A.200, 47.04.380, 47.04.390, 28B.30.903, 47.04.350, 47.04.355, 47.04.035, 43.59.156, 43.59.156, 46.61.---, 46.63.210, 46.63.220, 46.63.260, 88.16.035, 88.16.180, 88.16.070, 47.56.030, 47.56.031, 70A.15.4030, 81.52.050, 46.16A.305, 82.42.090, 47.24.020, 61.--.---, 46.55.115, 46.55.120, 39.114.020, 84.55.010, 84.55.030, and 84.55.120; reenacting and amending RCW 46.20.117, 43.84.092, 43.84.092, 70A.65.030, 70A.65.040, 70A.65.230, and 84.55.020; adding new sections to chapter 82.08 RCW; adding new sections to chapter 82.12 RCW; adding a new section to chapter 47.60 RCW; adding a new section to chapter 43.21C RCW; adding a new section to chapter 70A.65 RCW; adding a new section to chapter 36.57A RCW; adding a new section to chapter 47.66 RCW; adding a new section to chapter 72.60 RCW; adding a new section to chapter 46.55 RCW; adding a new chapter to Title 82 RCW; adding a new chapter to Title 36 RCW; adding a new chapter to Title 47 RCW; creating new sections; repealing RCW 46.68.490, 46.68.500, 47.29.010, 47.29.020, 47.29.030, 47.29.040, 47.29.050, 47.29.060, 47.29.070, 47.29.080, 47.29.090, 47.29.100,

47.29.110, 47.29.120, 47.29.130, 47.29.140, 47.29.150, 47.29.160, 47.29.170, 47.29.180, 47.29.190, 47.29.200, 47.29.210, 47.29.220, 47.29.230, 47.29.240, 47.29.250, 47.29.260, 47.29.270, 47.29.280, and 47.29.290; prescribing penalties; providing effective dates; providing expiration dates; and declaring an emergency.

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

NEW SECTION. **Sec. 1.** The legislature finds that the purpose of the transportation system is to support the mobility needs of Washington residents, as well as to sustain and foster the economic activity and growth of the state. The legislature recognizes that the transportation system has pressing near, mid, and long-term needs that necessitate reliance on reliable funding resources, as well as the efficient use of those resources. The legislature further recognizes that the production, maintenance, and utilization of transportation resources across the state is inherently a complex, multifaceted issue. The legislature therefore intends to address these resources needs in a comprehensive manner. As such, the legislature's purpose in enacting this legislation is to address the complex production, maintenance, and utilization of transportation resources in Washington to achieve both short-term investment needs and provide a long-range vision for transportation system development.

PART I: MOTOR VEHICLE FUEL TAX

Sec. 101. RCW 82.38.030 and 2015 3rd sp.s. c 44 s 103 are each amended to read as follows:

(1) There is levied and imposed upon fuel licensees a tax at the rate of ((~~twenty-three~~)) 23 cents per gallon of fuel.

(2) Beginning July 1, 2003, an additional and cumulative tax rate of five cents per gallon of fuel is imposed on fuel licensees. This subsection (2) expires when the bonds issued for transportation 2003 projects are retired.

(3) Beginning July 1, 2005, an additional and cumulative tax rate of three cents per gallon of fuel is imposed on fuel licensees.

(4) Beginning July 1, 2006, an additional and cumulative tax rate of three cents per gallon of fuel is imposed on fuel licensees.

(5) Beginning July 1, 2007, an additional and cumulative tax rate of two cents per gallon of fuel is imposed on fuel licensees.

(6) Beginning July 1, 2008, an additional and cumulative tax rate of one and one-half cents per gallon of fuel is imposed on fuel licensees.

(7) Beginning August 1, 2015, an additional and cumulative tax rate of seven cents per gallon of fuel is imposed on fuel licensees.

(8) Beginning July 1, 2016, an additional and cumulative tax rate of four and nine-tenths cents per gallon of fuel is imposed on fuel licensees.

(9) Beginning July 1, 2025, an additional and cumulative tax rate of six cents per gallon of fuel is imposed on fuel licensees.

(10) Beginning July 1, 2025, an additional and cumulative tax rate of three cents per gallon of special fuel is imposed on fuel licensees.

(11) Beginning July 1, 2027, an additional and cumulative tax rate of three cents per gallon of special fuel is imposed on fuel licensees.

(12)(a) Beginning July 1, 2026, the fuel tax rates imposed under subsections (1) through (9) of this section must be increased annually by two percent and the resulting fuel tax rate must be rounded to the nearest one-thousandth of $1.

(b) Beginning July 1, 2028, the fuel tax rate imposed under subsections (10) and (11) of this section must be increased annually by two percent and the resulting fuel tax rate must be rounded to the nearest one-thousandth of $1.

(13) Taxes are imposed when:

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

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

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

(ii) The removal is at the refinery rack unless the removal is to a licensed supplier or distributor for direct delivery to a destination outside of the state, or the removal is to a licensed

supplier for direct delivery to an international fuel tax agreement licensee under RCW 82.38.320;

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

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

(ii) The entry is not by bulk transfer;

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

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

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

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

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

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

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

Sec. 102. RCW 82.38.075 and 2014 c 216 s 202 are each amended to read as follows:

(1) To encourage the use of nonpolluting fuels, an annual license fee in lieu of the tax imposed by RCW 82.38.030 is imposed upon the use of liquefied natural gas, compressed natural gas, or propane used in any motor vehicle. The annual license fee must be based upon the following schedule and formula:

VEHICLE TONNAGE (GVW)	FEE
0 - 6,000	$ 45
6,001 - 10,000	$ 45

10,001	-	18,000	$ 80
18,001	-	28,000	$110
28,001	-	36,000	$150
36,001	and above		$250

(2) To determine the annual license fee for a registration year, the appropriate dollar amount in the schedule is multiplied by the cumulative fuel tax rate per gallon of special fuel effective on July 1st of the preceding calendar year and the product is divided by 12 cents. The annual license fee must be rounded to the nearest five cents.

(3) The department, in addition to the resulting fee, must charge an additional fee of ((~~five dollars~~)) $5 as a handling charge for each license issued.

(4) The vehicle tonnage fee must be prorated so the annual license will correspond with the staggered vehicle licensing system.

(5) A decal or other identifying device issued upon payment of the annual fee must be displayed as prescribed by the department as authority to purchase this fuel.

(6) Persons selling or dispensing natural gas or propane may not sell or dispense this fuel for their own use or the use of others into tanks of vehicles powered by this fuel which do not display a valid decal or other identifying device.

(7) Commercial motor vehicles registered in a foreign jurisdiction under the provisions of the international registration plan are subject to the annual fee.

(8) Motor vehicles registered in a foreign jurisdiction, except those registered under the international registration plan under chapter 46.87 RCW, are exempt from this section.

(9) Vehicles registered in jurisdictions outside the state of Washington are exempt from this section.

(10) Any person selling or dispensing liquefied natural gas, compressed natural gas, or propane into the tank of a motor vehicle powered by this fuel, except as prescribed in this chapter, is subject to the penalty provisions of this chapter.

Sec. 103. RCW 46.68.090 and 2015 3rd sp.s. c 44 s 105 are each amended to read as follows:

(1) All moneys that have accrued or may accrue to the motor vehicle fund from the fuel tax must be first expended for purposes enumerated in (a) and (b) of this subsection. The remaining net tax amount must be distributed monthly by the state treasurer in accordance with subsections (2) through ((~~(8)~~)) (9) of this section.

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

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

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

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

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

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

(A) Accident experience;

(B) Fatal accident experience;

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

(D) Continuity of development of the highway transportation network.

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

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

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

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

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

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

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

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

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

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

(4) The remaining net tax amount collected under RCW 82.38.030(3) must be distributed as follows:

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

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

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

(5) The remaining net tax amount collected under RCW 82.38.030(4) must be distributed as follows:

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

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

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

(6) The remaining net tax amount collected under RCW 82.38.030 (5) and (6) must be distributed to the transportation partnership account created in RCW 46.68.290.

(7) The remaining net tax amount collected under RCW 82.38.030 (7) and (8) must be distributed to the connecting Washington account created in RCW 46.68.395.

(8) The remaining net tax amount collected under RCW 82.38.030 (9) through (12) must be distributed as follows:

(a) Two and one-half percent must be distributed to the incorporated cities and towns of the state in accordance with RCW 46.68.110;

(b) Two and one-half percent must be distributed to counties of the state in accordance with RCW 46.68.120; and

(c) The remainder must be distributed to the motor vehicle fund created in RCW 46.68.070.

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

License Fees by Weight

Sec. 104. RCW 46.17.355 and 2015 3rd sp.s. c 44 s 201 are each amended to read as follows:

(1)((~~(a) For vehicle registrations that are due or become due before July 1, 2016, 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~~

~~(b) For vehicle registrations that are due or become due on or after July 1, 2016, in~~)) 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, to be adjusted annually as provided in subsection (8) of this section:

WEIGHT	SCHEDULE A	SCHEDULE B
4,000 pounds	$ 53.00	$ 53.00

6,000 pounds	((~~$ 73.00~~))	((~~$ 73.00~~))
	$80.00	$80.00
8,000 pounds	((~~$ 93.00~~))	((~~$ 93.00~~))
	$110.00	$110.00
10,000 pounds	((~~$ 93.00~~))	((~~$ 93.00~~))
	$140.00	$140.00
12,000 pounds	((~~$ 81.00~~))	((~~$ 81.00~~))
	$147.85	$147.85
14,000 pounds	((~~$ 88.00~~))	((~~$ 88.00~~))
	$182.60	$182.60
16,000 pounds	((~~$ 100.00~~))	((~~$ 100.00~~))
	$208.70	$208.70
18,000 pounds	((~~$ 152.00~~))	((~~$ 152.00~~))
	$234.80	$234.80
20,000 pounds	((~~$ 169.00~~))	((~~$ 169.00~~))
	$260.85	$260.85
22,000 pounds	((~~$ 183.00~~))	((~~$ 183.00~~))
	$286.95	$286.95
24,000 pounds	((~~$ 198.00~~))	((~~$ 198.00~~))
	$313.05	$313.05
26,000 pounds	((~~$ 209.00~~))	((~~$ 209.00~~))
	$339.15	$339.15
28,000 pounds	((~~$ 247.00~~))	((~~$ 247.00~~))
	$365.20	$365.20
30,000 pounds	((~~$ 285.00~~))	((~~$ 285.00~~))
	$391.30	$391.30
32,000 pounds	((~~$ 344.00~~))	((~~$ 344.00~~))
	$417.40	$417.40
34,000 pounds	((~~$ 366.00~~))	((~~$ 366.00~~))
	$443.50	$443.50
36,000 pounds	((~~$ 397.00~~))	((~~$ 397.00~~))
	$469.55	$469.55
38,000 pounds	((~~$ 436.00~~))	((~~$ 436.00~~))
	$495.65	$495.65
40,000 pounds	((~~$ 499.00~~))	((~~$ 499.00~~))
	$521.75	$521.75

42,000 pounds	(($~~519.00~~)) <u>$547.85</u>	$ 609.00
44,000 pounds	(($~~530.00~~)) <u>$573.90</u>	$ 620.00
46,000 pounds	(($~~570.00~~)) <u>$600.00</u>	$ 660.00
48,000 pounds	(($~~594.00~~)) <u>$626.10</u>	$ 684.00
50,000 pounds	(($~~645.00~~)) <u>$652.15</u>	$ 735.00
52,000 pounds	(($~~678.00~~)) <u>$678.25</u>	$ 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 and the freight project fee provided in subsection (6) 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) The license fee based on declared gross weight as provided in subsection (1) of this section must be distributed under RCW 46.68.035.

(6) ((~~For vehicle registrations that are due or become due on or after July 1, 2016, in~~)) In addition to the license fee based on declared gross weight ((~~as provided in~~)) required under subsection (1) of this section, the department, county auditor or other agent, or subagent appointed by the director must require an applicant with a vehicle with a declared gross weight of more than 10,000 pounds, unless specifically exempt, to pay a freight project fee equal to ((~~fifteen~~)) 15 percent of the license fee provided in subsection (1) of this section, rounded to the nearest whole dollar, which must be distributed under RCW 46.68.035.

(7) ((~~For vehicle registrations that are due or become due on or after July 1, 2022, in~~)) In addition to the license fee based on declared gross weight ((~~as provided in~~)) required under subsection (1) of this section, the department, county auditor or other agent, or subagent appointed by the director must require an applicant with a vehicle with a declared gross weight of less than or equal to 12,000 pounds, unless specifically exempt, to pay an additional weight fee of ((~~ten dollars~~)) $10, which must be distributed under RCW 46.68.035.

(8) Beginning July 1, 2026, the vehicle license fee required in subsection (1) of this section must be adjusted annually by increasing the fee by two percent and the result must be rounded to the nearest five cents.

Passenger Vehicle Weight Fees

Sec. 105. RCW 46.17.365 and 2021 c 317 s 19 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.

((~~(a) For vehicle registrations that are due or become due before July 1, 2016, the motor vehicle weight fee:~~

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

~~(ii) 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~~

~~(iii) Must be distributed under RCW 46.68.415.~~

~~(b)~~)) For vehicle registrations that are due or become due on or after ((~~July 1, 2016~~)) January 1, 2026, the motor vehicle weight fee:

((~~(i)~~)) (a) Must be based on the motor vehicle scale weight as follows:

WEIGHT	FEE
4,000 pounds	((~~$ 25.00~~)) $35.00
6,000 pounds	((~~$ 45.00~~)) $65.00
8,000 pounds	((~~$ 65.00~~)) $82.50
16,000 pounds and over	((~~$ 72.00~~)) $96.00;

((~~(ii)~~)) (b) If the resultant motor vehicle scale weight is not listed in the table provided in ((~~(b)(i)~~)) (a) of this subsection, must be increased to the next highest weight; and

((~~(iii)~~)) (c) Must be distributed under RCW 46.68.415 ((~~unless prior to July 1, 2023, the actions described in (b)(iii)(A) or (B) of this subsection occur, in which case the portion of the revenue that is the result of the fee increased in this subsection must be distributed to the connecting Washington account created under RCW 46.68.395.~~

~~(A) Any state agency files a notice of rule making under chapter 34.05 RCW, absent explicit legislative authorization enacted subsequent to July 1, 2015, for a rule regarding a fuel standard based upon or defined by the carbon intensity of fuel, including a low carbon fuel standard or clean fuel standard.~~

~~(B) Any state agency otherwise enacts, adopts, orders, or in any way implements a fuel standard based upon or defined by the carbon intensity of fuel, including a low carbon fuel standard or clean fuel standard, without explicit legislative authorization enacted subsequent to July 1, 2015.~~

~~(C) Nothing in this subsection acknowledges, establishes, or creates legal authority for the department of ecology or any other state agency to enact, adopt, order, or in any way implement a fuel standard based upon or defined by the carbon intensity of fuel, including a low carbon fuel standard or clean fuel standard~~)).

(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~~)) $75 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) ((~~Beginning July 1, 2022, in addition to the motor vehicle weight fee as provided in subsection (1) of this section, the department, county auditor or other agent, or subagent appointed by the director must require an applicant to pay an additional weight fee of ten dollars, which must be distributed to the multimodal transportation account under RCW 47.66.070 unless prior to July 1, 2023, the actions described in (a) or (b) of this subsection occur, in which case the portion of the revenue that is the result of the fee increased in this subsection must be distributed to the connecting Washington account created under RCW 46.68.395.~~

~~(a) Any state agency files a notice of rule making under chapter 34.05 RCW, absent explicit legislative authorization enacted subsequent to July 1, 2015, for a rule regarding a fuel standard based upon or defined by the carbon intensity of fuel, including a low carbon fuel standard or clean fuel standard.~~

~~(b) Any state agency otherwise enacts, adopts, orders, or in any way implements a fuel standard based upon or defined by the carbon intensity of fuel, including a low carbon fuel standard or clean fuel~~

~~standard, without explicit legislative authorization enacted subsequent to July 1, 2015.~~

~~(c) Nothing in this subsection acknowledges, establishes, or creates legal authority for the department of ecology or any other state agency to enact, adopt, order, or in any way implement a fuel standard based upon or defined by the carbon intensity of fuel, including a low carbon fuel standard or clean fuel standard.~~

~~(4)~~)) 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. 106. RCW 46.17.365 and 2025 c . . . s 105 (section 105 of this act) 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.

For vehicle registrations that are due or become due on or after January 1, ((~~2026~~)) 2029, the motor vehicle weight fee:

(a) Must be based on the motor vehicle scale weight as follows:

WEIGHT	FEE
4,000 pounds	$35.00
6,000 pounds	(($~~65.00~~)) $75.00
8,000 pounds	(($~~82.50~~)) $90.00
16,000 pounds and over	(($~~96.00~~)) $110.00;

(b) If the resultant motor vehicle scale weight is not listed in the table provided in (a) of this subsection, must be increased to the next highest weight; 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 $75 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.

Registration and Title Filing and Service Fees

Sec. 107. RCW 46.17.005 and 2019 c 417 s 3 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 ((~~four dollar and fifty cent~~)) $6 filing fee in addition to any other fees and taxes required by law.

(2) A person who applies for a certificate of title shall pay a ((~~five dollar and fifty cent~~)) $6.50 filing fee in addition to any other fees and taxes required by law.

(3) The filing fees established in this section must be distributed under RCW 46.68.400.

Sec. 108. RCW 46.17.040 and 2019 c 417 s 2 are each amended to read as follows:

(1) The department, county auditor or other agent, or subagent appointed by the director shall collect a service fee of:

(a) ((~~Fifteen dollars~~)) $18 for changes in a certificate of title, changes in ownership for nontitled vehicles, or for verification of record and preparation of an affidavit of lost title other than at the time of the certificate of title application or transfer, in addition to any other fees or taxes due at the time of application; and

(b) ((~~Eight dollars~~)) $11 for a registration renewal, issuing a transit permit, or any other service under this section, in addition to any other fees or taxes due at the time of application.

(2) Service fees collected under this section by the department or county auditor or other agent appointed by the director must be credited to the capital vessel replacement account under RCW 47.60.322.

Sec. 109. RCW 46.17.380 and 2018 c 287 s 4 are each amended to read as follows:

(1) Before accepting an application for a 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 six-dollar~~)) an $8 fee in addition to any other fees and taxes required by law.

(2) The abandoned recreational disposal fee must be deposited into the abandoned recreational vehicle disposal account created in RCW 46.68.175.

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

Sec. 110. RCW 46.68.175 and 2018 c 287 s 6 are each amended to read as follows:

(1) The abandoned recreational vehicle disposal account is created in the state treasury. All receipts from the fee imposed in RCW 46.17.380 must be deposited into the account. The account may receive fund transfers and appropriations from the general fund, as well as gifts, grants, and endowments from public or private sources, in trust or otherwise, for the use and benefit of the purposes of chapter 287, Laws of 2018 and expend any income according to the terms of the gifts, grants, or endowments, provided that those terms do not conflict with any provisions of this section or any guidelines developed to prioritize reimbursement of removal projects associated with chapter 287, Laws of 2018.

(2) Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only by the department to reimburse registered tow truck operators and licensed dismantlers for up to ((~~one hundred~~)) 100 percent of the total reasonable and auditable administrative costs for transport, dismantling, and disposal of abandoned recreational vehicles under RCW 46.53.010 when the last registered owner is unknown after a reasonable search effort. Compliance with RCW 46.55.100 is considered a reasonable effort to locate the last registered owner of the abandoned recreational vehicle. Any funds received by the registered tow truck operators or licensed dismantlers through collection efforts from the last owner of record shall be turned over to the department for vehicles reimbursed under RCW 46.53.010.

(3) Funds in the account resulting from transfers from the general fund must be used to reimburse ((~~one hundred~~)) 100 percent of

eligible costs up to a limit of ((~~ten thousand dollars~~)) $10,000 per vehicle for which cost reimbursements are requested.

(4) In each fiscal biennium, beginning in the 2019-2021 fiscal biennium and through December 31, 2025, up to ((~~fifteen~~)) 15 percent of the expenditures from the account may be used for administrative expenses of the department in implementing this chapter. Beginning January 1, 2026, up to 10 percent of the expenditures from the account may be used for administrative expenses of the department in implementing this chapter.

PART II: MOTOR VEHICLE SALES TAX, LUXURY TAXES ON VEHICLES AND AIRCRAFT, RECREATIONAL VESSEL TAX, RENTAL CAR AND PEER-TO-PEER TAXES

Sec. 201. RCW 82.08.020 and 2022 c 16 s 145 are each amended to read as follows:

(1) There is levied and collected a tax equal to six and five-tenths percent of the selling price on each retail sale in this state of:

(a) Tangible personal property, unless the sale is specifically excluded from the RCW 82.04.050 definition of retail sale;

(b) Digital goods, digital codes, and digital automated services, if the sale is included within the RCW 82.04.050 definition of retail sale;

(c) Services, other than digital automated services, included within the RCW 82.04.050 definition of retail sale;

(d) Extended warranties to consumers; and

(e) Anything else, the sale of which is included within the RCW 82.04.050 definition of retail sale.

(2)(a) There is levied and collected an additional tax on each retail car rental, regardless of whether the vehicle is licensed in this state, equal to ((~~five and nine-tenths percent of the selling price. The revenue collected under~~)):

(i) Eleven and nine-tenths percent of the selling price from January 1, 2026, through December 31, 2026; and

(ii)(A) Nine and nine-tenths percent of the selling price beginning January 1, 2027.

(B) The revenue collected under (a) of this subsection must be deposited in the multimodal transportation account created in RCW 47.66.070.

(b)(i) Beginning January 1, 2027, there is levied and collected an additional tax on peer-to-peer car sharing transactions equal to the selling price multiplied by the rate of tax imposed under (a) of this subsection. This subsection (2)(b) applies only to peer-to-peer car sharing transactions where the vehicle owner obtained the shared vehicle as a vehicle for resale using a reseller permit or an approved exemption certificate under RCW 82.04.470. The revenue collected under this subsection (2)(b) must be deposited in the multimodal transportation account created in RCW 47.66.070.

(ii) For purposes of this subsection (2)(b), "peer-to-peer car sharing" has the same meaning as in RCW 46.74A.010. "Peer-to-peer car sharing" does not mean:

(A) "Retail car rental" as defined in RCW 82.08.011; or

(B) "Rental car" as defined in RCW 46.04.465 or 48.115.005.

(3) ((~~Beginning July 1, 2003, there~~)) There is levied and collected an additional tax of ((~~three-tenths~~)) five-tenths of one percent of the selling price on each retail sale of a motor vehicle in this state, other than retail car rentals taxed under subsection (2) of this section. The revenue collected under this subsection must be deposited in the multimodal transportation account created in RCW 47.66.070.

(4)(a) Beginning July 1, 2026, in addition to taxes required under this chapter and chapters 82.12 and 82.49 RCW, there is levied and collected an additional tax of five-tenths of one percent on the selling price, plus trade-in property of like kind, for purchased recreational vessels.

(b) In the case of a lease requiring periodic payments, the tax is imposed on the fair market value of the recreational vessel at the inception of the lease.

(c) The revenue collected under this subsection must be deposited in the multimodal transportation account created in RCW 47.66.070.

(d) For purposes of this subsection, "recreational vessel" means a vessel as defined in RCW 88.02.310 that is subject to watercraft excise tax under chapter 82.49 RCW.

(5) For purposes of subsection (3) of this section, "motor vehicle" has the meaning provided in RCW 46.04.320, but does not include:

(a) Farm tractors or farm vehicles as defined in RCW 46.04.180 and 46.04.181, unless the farm tractor or farm vehicle is for use in the production of cannabis;

(b) Off-road vehicles as defined in RCW 46.04.365;

(c) Nonhighway vehicles as defined in RCW 46.09.310; and

(d) Snowmobiles as defined in RCW 46.04.546.

((~~(5)~~)) (6) Beginning on December 8, 2005, 0.16 percent of the taxes collected under subsection (1) of this section must be dedicated to funding comprehensive performance audits required under RCW 43.09.470. The revenue identified in this subsection must be deposited in the performance audits of government account created in RCW 43.09.475.

((~~(6)~~)) (7) The taxes imposed under this chapter apply to successive retail sales of the same property.

((~~(7)~~)) (8) The rates provided in this section apply to taxes imposed under chapter 82.12 RCW as provided in RCW 82.12.020.

Sec. 202. RCW 82.12.020 and 2017 c 323 s 520 are each amended to read as follows:

(1) There is levied and collected from every person in this state a tax or excise for the privilege of using within this state as a consumer any:

(a) Article of tangible personal property acquired by the user in any manner, including tangible personal property acquired at a casual or isolated sale, and including by-products used by the manufacturer thereof, except as otherwise provided in this chapter, irrespective of whether the article or similar articles are manufactured or are available for purchase within this state;

(b) Prewritten computer software, regardless of the method of delivery, but excluding prewritten computer software that is either provided free of charge or is provided for temporary use in viewing information, or both;

(c) Services defined as a retail sale in RCW 82.04.050 (2) (a) or (g) or (6)(c), excluding services defined as a retail sale in RCW 82.04.050(6)(c) that are provided free of charge;

(d) Extended warranty; or

(e)(i) Digital good, digital code, or digital automated service, including the use of any services provided by a seller exclusively in connection with digital goods, digital codes, or digital automated services, whether or not a separate charge is made for such services.

(ii) With respect to the use of digital goods, digital automated services, and digital codes acquired by purchase, the tax imposed in this subsection (1)(e) applies in respect to:

(A) Sales in which the seller has granted the purchaser the right of permanent use;

(B) Sales in which the seller has granted the purchaser a right of use that is less than permanent;

(C) Sales in which the purchaser is not obligated to make continued payment as a condition of the sale; and

(D) Sales in which the purchaser is obligated to make continued payment as a condition of the sale.

(iii) With respect to digital goods, digital automated services, and digital codes acquired other than by purchase, the tax imposed in this subsection (1)(e) applies regardless of whether or not the consumer has a right of permanent use or is obligated to make continued payment as a condition of use.

(2) The provisions of this chapter do not apply in respect to the use of any article of tangible personal property, extended warranty, digital good, digital code, digital automated service, or service taxable under RCW 82.04.050 (2) (a) or (g) or (6)(c), if the sale to, or the use by, the present user or the present user's bailor or donor has already been subjected to the tax under chapter 82.08 RCW or this chapter and the tax has been paid by the present user or by the present user's bailor or donor.

(3)(a) Except as provided in this section, payment of the tax imposed by this chapter or chapter 82.08 RCW by one purchaser or user of tangible personal property, extended warranty, digital good, digital code, digital automated service, or other service does not have the effect of exempting any other purchaser or user of the same property, extended warranty, digital good, digital code, digital automated service, or other service from the taxes imposed by such chapters.

(b) The tax imposed by this chapter does not apply:

(i) If the sale to, or the use by, the present user or his or her bailor or donor has already been subjected to the tax under chapter 82.08 RCW or this chapter and the tax has been paid by the present user or by his or her bailor or donor;

(ii) In respect to the use of any article of tangible personal property acquired by bailment and the tax has once been paid based on reasonable rental as determined by RCW 82.12.060 measured by the value of the article at time of first use multiplied by the tax rate imposed by chapter 82.08 RCW or this chapter as of the time of first use;

(iii) In respect to the use of any article of tangible personal property acquired by bailment, if the property was acquired by a previous bailee from the same bailor for use in the same general activity and the original bailment was prior to June 9, 1961; or

(iv) To the use of digital goods or digital automated services, which were obtained through the use of a digital code, if the sale of the digital code to, or the use of the digital code by, the present user or the present user's bailor or donor has already been subjected to the tax under chapter 82.08 RCW or this chapter and the tax has been paid by the present user or by the present user's bailor or donor.

(4)(a) Except as provided in (b) of this subsection (4), the tax is levied and must be collected in an amount equal to the value of the article used, value of the digital good or digital code used, value of the extended warranty used, or value of the service used by the taxpayer, multiplied by the applicable rates in effect for the retail sales tax under RCW 82.08.020.

(b) In the case of a seller required to collect use tax from the purchaser, the tax must be collected in an amount equal to the purchase price multiplied by the applicable rate in effect for the retail sales tax under RCW 82.08.020.

(5) For purposes of the tax imposed in this section, "person" includes anyone within the definition of "buyer," "purchaser," and "consumer" in RCW 82.08.010.

(6)(a) Beginning July 1, 2026, the tax imposed in this section at the rate provided in RCW 82.08.020(4) applies to the use of a recreational vessel at the time that it is first used in this state by the consumer.

(b) The revenue collected under this subsection must be deposited in the multimodal transportation account created in RCW 47.66.070.

(c) For purposes of this subsection, "recreational vessel" means a vessel as defined in RCW 88.02.310 that is subject to watercraft excise tax under chapter 82.49 RCW.

NEW SECTION. **Sec. 203.** A new section is added to chapter 82.08 RCW to read as follows:

(1)(a) Except as provided in subsection (3) of this section, in addition to the taxes imposed under RCW 82.08.020, there is levied and collected an additional tax of eight percent on the sale of a motor vehicle if:

(i) The selling price of the motor vehicle plus trade-in property of like kind for purchased vehicles exceeds $100,000; or

(ii) In the case of a lease requiring periodic payments, the fair market value of the motor vehicle exceeds $100,000 at the inception of the lease.

(b) The additional tax imposed in this subsection (1):

(i) Is equal to the portion of the selling price plus trade-in property of like kind for purchased vehicles in excess of the deduction amount specified in subsection (2) of this section, multiplied by eight percent; or

(ii) In the case of a lease requiring periodic payments, is the fair market value of the motor vehicle in excess of the amount specified in subsection (2) of this subsection, at the inception of the lease, multiplied by eight percent.

(2) The deduction amount is $100,000 for fiscal year 2026. The deduction amount must be annually adjusted on July 1st of each year by increasing the amount by two percent and rounding the result to the nearest whole dollar.

(3) The taxes imposed under this section do not apply to the sale or lease of:

(a) A commercial motor vehicle, as defined in RCW 46.25.010; or

(b) A motor vehicle that has a gross vehicle weight rating of greater than 10,000 pounds other than motor homes, as defined in RCW 46.04.305.

(4) The revenue collected under this section must be deposited in the multimodal transportation account created in RCW 47.66.070.

(5) For the purposes of this section and section 204 of this act, the following definitions apply:

(a) "Motor vehicle" has the same meaning as in RCW 46.04.320, but does not include:

(i) Farm tractors or farm vehicles as defined in RCW 46.04.180 and 46.04.181, unless the farm tractor or farm vehicle is for use in the production of cannabis;

(ii) Off-road vehicles as defined in RCW 46.04.365;

(iii) Nonhighway vehicles as defined in RCW 46.09.310; and

(iv) Snowmobiles as defined in RCW 46.04.546.

(b) "Value of the motor vehicle" means the fair market value of the motor vehicle. In the case of a leased motor vehicle in which the consumer is required to make periodic lease payments, "value of the

motor vehicle" means the fair market value of the motor vehicle at the inception of the lease.

NEW SECTION. **Sec. 204.** A new section is added to chapter 82.12 RCW to read as follows:

(1) Except as provided in subsection (3) of this section, in addition to the tax imposed under RCW 82.12.020, there is levied and collected from every person in this state a tax for the privilege of using within this state as a consumer any motor vehicle if the value of the motor vehicle exceeds $100,000.

(2)(a) Except as provided in (b) of this subsection, the tax is levied and must be collected in an amount equal to the value of the motor vehicle that exceeds the deduction amount specified in (c) of this subsection, multiplied by eight percent.

(b) In the case of a seller required to collect use tax under this section from the purchaser, the tax must be collected in an amount equal to the amount of the purchase price that exceeds the amount specified in (c) of this subsection, multiplied by eight percent.

(c) The deduction amount is $100,000 for fiscal year 2026. The deduction amount must be annually adjusted on July 1st of each year by increasing the amount by two percent and rounding the result to the nearest whole dollar.

(3) The taxes imposed under this section do not apply to the use of:

(a) A commercial motor vehicle, as defined in RCW 46.25.010; or

(b) A motor vehicle that has a gross vehicle weight rating of greater than 10,000 pounds other than motor homes, as defined in RCW 46.04.305.

(4) The revenue collected under this section must be deposited in the multimodal transportation account created in RCW 47.66.070.

Sec. 205. RCW 82.32.145 and 2020 c 301 s 6 are each amended to read as follows:

(1) Whenever the department has issued a warrant under RCW 82.32.210 for the collection of unpaid trust fund taxes from a limited liability business entity and that business entity has been terminated, dissolved, or abandoned, or is insolvent, the department may pursue collection of the entity's unpaid trust fund taxes, including penalties and interest on those taxes, against any or all

of the responsible individuals. For purposes of this subsection, "insolvent" means the condition that results when the sum of the entity's debts exceeds the fair market value of its assets. The department may presume that an entity is insolvent if the entity refuses to disclose to the department the nature of its assets and liabilities.

(2) Personal liability under this section may be imposed for state and local trust fund taxes.

(3)(a) For a responsible individual who is the current or a former chief executive or chief financial officer, liability under this section applies regardless of fault or whether the individual was or should have been aware of the unpaid trust fund tax liability of the limited liability business entity.

(b) For any other responsible individual, liability under this section applies only if he or she willfully fails to pay or to cause to be paid to the department the trust fund taxes due from the limited liability business entity.

(4)(a) Except as provided in this subsection (4)(a), a responsible individual who is the current or a former chief executive or chief financial officer is liable under this section only for trust fund tax liability accrued during the period that he or she was the chief executive or chief financial officer. However, if the responsible individual had the responsibility or duty to remit payment of the limited liability business entity's trust fund taxes to the department during any period of time that the person was not the chief executive or chief financial officer, that individual is also liable for trust fund tax liability that became due during the period that he or she had the duty to remit payment of the limited liability business entity's taxes to the department but was not the chief executive or chief financial officer.

(b) All other responsible individuals are liable under this section only for trust fund tax liability that became due during the period he or she had the responsibility or duty to remit payment of the limited liability business entity's taxes to the department.

(5) Persons described in subsection (3)(b) of this section are exempt from liability under this section in situations where nonpayment of the limited liability business entity's trust fund taxes is due to reasons beyond their control as determined by the department by rule.

(6) Any person having been issued a notice of assessment under this section is entitled to the appeal procedures under RCW 82.32.160, 82.32.170, 82.32.180, 82.32.190, and 82.32.200.

(7) This section does not relieve the limited liability business entity of its trust fund tax liability or otherwise impair other tax collection remedies afforded by law.

(8) Collection authority and procedures prescribed in this chapter apply to collections under this section.

(9) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Chief executive" means: The president of a corporation; or for other entities or organizations other than corporations or if the corporation does not have a president as one of its officers, the highest ranking executive manager or administrator in charge of the management of the company or organization.

(b) "Chief financial officer" means: The treasurer of a corporation; or for entities or organizations other than corporations or if a corporation does not have a treasurer as one of its officers, the highest senior manager who is responsible for overseeing the financial activities of the entire company or organization.

(c) "Limited liability business entity" means a type of business entity that generally shields its owners from personal liability for the debts, obligations, and liabilities of the entity, or a business entity that is managed or owned in whole or in part by an entity that generally shields its owners from personal liability for the debts, obligations, and liabilities of the entity. Limited liability business entities include corporations, limited liability companies, limited liability partnerships, trusts, general partnerships and joint ventures in which one or more of the partners or parties are also limited liability business entities, and limited partnerships in which one or more of the general partners are also limited liability business entities.

(d) "Manager" has the same meaning as in RCW 25.15.006.

(e) "Member" has the same meaning as in RCW 25.15.006, except that the term only includes members of member-managed limited liability companies.

(f) "Officer" means any officer or assistant officer of a corporation, including the president, vice president, secretary, and treasurer.

(g)(i) "Responsible individual" includes any current or former officer, manager, member, partner, or trustee of a limited liability business entity with an unpaid tax warrant issued by the department.

(ii) "Responsible individual" also includes any current or former employee or other individual, but only if the individual had the responsibility or duty to remit payment of the limited liability business entity's unpaid trust fund tax liability reflected in a tax warrant issued by the department.

(iii) Whenever any taxpayer has one or more limited liability business entities as a member, manager, or partner, "responsible individual" also includes any current and former officers, members, or managers of the limited liability business entity or entities or of any other limited liability business entity involved directly in the management of the taxpayer. For purposes of this subsection (9)(g)(iii), "taxpayer" means a limited liability business entity with an unpaid tax warrant issued against it by the department.

(h) "Trust fund taxes" means taxes collected from purchasers and held in trust under RCW 82.08.050, including taxes imposed under RCW 82.08.020, 82.08.150, section 203 of this act, section 204 of this act, section 207 of this act, section 208 of this act, and 82.51.010.

(i) "Willfully fails to pay or to cause to be paid" means that the failure was the result of an intentional, conscious, and voluntary course of action.

NEW SECTION. **Sec. 206.** The provisions of RCW 82.32.805 and 82.32.808 do not apply to sections 203, 204, 207, and 208 of this act.

NEW SECTION. **Sec. 207.** (1)(a) In addition to taxes required under chapters 82.08, 82.12, and 82.48 RCW, there is levied and collected an additional 10 percent luxury aircraft tax on the sale of a noncommercial aircraft if:

(i) The selling price of the noncommercial aircraft plus trade-in property of like kind for purchased aircraft exceeds $500,000; or

(ii) In the case of a lease requiring periodic payments, the fair market value of the noncommercial aircraft exceeds $500,000 at the inception of the lease.

(b) The additional tax imposed in this subsection only applies to the portion of the selling price in excess of $500,000, or in the case of a lease requiring periodic payments, the fair market value of

the noncommercial aircraft in excess of $500,000 at the inception of the lease.

(2) For purposes of this section, "noncommercial aircraft" means any aircraft as defined in RCW 82.48.010, but does not include:

(a) Aircraft exempt from taxes under RCW 82.48.100; and

(b) "Commercial airplane" as defined in RCW 82.32.550.

NEW SECTION. **Sec. 208.** (1)(a) In addition to taxes required under chapters 82.08, 82.12, and 82.48 RCW, there is levied and collected from every person in this state a tax for the privilege of using within this state as a consumer any noncommercial aircraft if the value of the aircraft exceeds $500,000.

(b) The tax is levied and must be collected in an amount equal to the value of the aircraft that exceeds $500,000, multiplied by 10 percent.

(2) The tax imposed in this section does not apply if the sale to, or the use by, the present user or his or her bailor or donor has already been subjected to the tax under section 207 of this act and the tax has been paid by the present user or by his or her bailor or donor.

(3) The tax imposed in this section does not apply in respect to the use by a nonresident of Washington of a noncommercial aircraft, which is registered or licensed under the laws of the state of his or her residence.

(4) For the purposes of this section, "value" means the fair market value of the noncommercial aircraft. In the case of a leased noncommercial aircraft in which the consumer is required to make periodic lease payments, "value" of the aircraft means the fair market value of the aircraft at the inception of the lease.

NEW SECTION. **Sec. 209.** If chapter . . ., Laws of 2025 (Engrossed Substitute House Bill No. 2061) is enacted by June 30, 2025, the revenue collected under this chapter must be deposited in the sustainable aviation fuel account. If chapter . . ., Laws of 2025 (Engrossed Substitute House Bill No. 2061) is not enacted by June 30, 2025, the revenue collected under this chapter must be deposited in the aeronautics account created in RCW 82.42.090.

NEW SECTION. **Sec. 210.** Chapter 82.32 RCW applies to the administration of the luxury tax authorized in this chapter.

NEW SECTION. **Sec. 211.** Sections 207 through 210 of this act constitute a new chapter in Title 82 RCW.

PART III: TIRE DISPOSAL FEE, LARGE EVENT FACILITY TRANSPORTATION ASSESSMENT, DRIVER'S LICENSE AND IDENTICARD FEES, WORK ZONE VIOLATIONS

Sec. 301. RCW 70A.205.405 and 2020 c 20 s 1190 are each amended to read as follows:

(1) There is levied a ((~~one dollar~~)) $5 per tire fee on the retail sale of new replacement vehicle tires. The fee imposed in this section must be paid by the buyer to the seller, and each seller shall collect from the buyer the full amount of the fee. The fee collected from the buyer by the seller less the ten percent amount retained by the seller as provided in RCW 70A.205.430(1) must be paid to the department of revenue in accordance with RCW 82.32.045.

(2) The department of revenue shall incorporate into the agency's regular audit cycle a reconciliation of the number of tires sold and the amount of revenue collected by the businesses selling new replacement vehicle tires at retail. The department of revenue shall collect on the business excise tax return from the businesses selling new replacement vehicle tires at retail:

(a) The number of tires sold; and

(b) The fee levied in this section.

(3) All other applicable provisions of chapter 82.32 RCW have full force and application with respect to the fee imposed under this section. The department of revenue shall administer this section.

(4) For the purposes of this section, "new replacement vehicle tires" means tires that are newly manufactured for vehicle purposes and does not include retreaded vehicle tires.

Sec. 302. RCW 70A.205.425 and 2020 c 20 s 1192 are each amended to read as follows:

(1) ((~~All receipts from~~)) The first $600,000 of the net receipts from the tire fees imposed under RCW 70A.205.405((~~, except as provided in subsection (2) of this section,~~)) received each fiscal year must be deposited in the waste tire removal account created under RCW 70A.205.415. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used for the

cleanup of unauthorized waste tire piles and measures that prevent future accumulation of unauthorized waste tire piles.

(2) ((~~On September 1st of odd-numbered years, the state treasurer must transfer any cash balance in excess of one million dollars from the waste tire removal account created under RCW 70A.205.415 to~~)) The receipts remaining after the deposit in subsection (1) of this section must be deposited in the motor vehicle fund created in RCW 46.68.070 for the purpose of road wear related maintenance on state and local public highways.

Sec. 303. RCW 70A.205.430 and 2020 c 20 s 1193 are each amended to read as follows:

(1) Every person engaged in making retail sales of new replacement vehicle tires in this state shall retain ((~~ten percent of the collected one dollar~~)) 25 cents for each tire subject to the fee imposed under RCW 70A.205.405. The moneys retained may be used for costs associated with the proper management of the waste vehicle tires by the retailer.

(2) The department of ecology will administer the funds for the purposes specified in RCW 70A.205.010(6) including, but not limited to:

(a) Making grants to local governments for pilot demonstration projects for on-site shredding and recycling of tires from unauthorized dump sites;

(b) Grants to local government for enforcement programs;

(c) Implementation of a public information and education program to include posters, signs, and informational materials to be distributed to retail tire sales and tire service outlets;

(d) Product marketing studies for recycled tires and alternatives to land disposal.

Sec. 304. RCW 46.63.200 and 2024 c 308 s 4 are each amended to read as follows:

(1) This section applies to the use of speed safety camera systems in state highway work zones.

(2) Nothing in this section prohibits a law enforcement officer from issuing a notice of infraction to a person in control of a vehicle at the time a violation occurs under RCW 46.63.030(1) (a), (b), or (c).

(3)(a) The department of transportation is responsible for all actions related to the operation and administration of speed safety camera systems in state highway work zones including, but not limited to, the procurement and administration of contracts necessary for the implementation of speed safety camera systems, the mailing of notices of infraction, and the development and maintenance of a public-facing website for the purpose of educating the traveling public about the use of speed safety camera systems in state highway work zones. Prior to the use of a speed safety camera system to capture a violation established in this section for enforcement purposes, the department of transportation, in consultation with the Washington state patrol, department of licensing, office of administrative hearings, Washington traffic safety commission, and other organizations committed to protecting civil rights, must adopt rules addressing such actions and take all necessary steps to implement this section.

(b) The Washington state patrol is responsible for all actions related to the enforcement and adjudication of speed violations under this section including, but not limited to, notice of infraction verification and issuance authorization, and determining which types of emergency vehicles are exempt from being issued notices of infraction under this section. Prior to the use of a speed safety camera system to capture a violation established in this section for enforcement purposes, the Washington state patrol, in consultation with the department of transportation, department of licensing, office of administrative hearings, Washington traffic safety commission, and other organizations committed to protecting civil rights, must adopt rules addressing such actions and take all necessary steps to implement this section.

(c) When establishing rules under this subsection (3), the department of transportation and the Washington state patrol may also consult with other public and private agencies that have an interest in the use of speed safety camera systems in state highway work zones.

(4)(a) No person may drive a vehicle in a state highway work zone at a speed greater than that allowed by traffic control devices.

(b) A notice of infraction may only be issued under this section if a speed safety camera system captures a speed violation in a state highway work zone when workers are present.

(5) The penalty for a speed safety camera system violation is: (a) ((~~$0~~)) $125 for the first violation; and (b) $248 for the second violation, and for each violation thereafter.

(6) During the 30-day period after the first speed safety camera system is put in place, the department is required to conduct a public awareness campaign to inform the public of the use of speed safety camera systems in state highway work zones.

(7)(a) A notice of infraction issued under this section may be mailed to the registered owner of the vehicle within 30 days of the violation, or to the renter of a vehicle within 30 days of establishing the renter's name and address. The law enforcement officer issuing the notice of infraction shall include with it a certificate or facsimile thereof, based upon inspection of photographs, microphotographs, or electronic images produced by a speed safety camera stating the facts supporting the notice of infraction. This certificate or facsimile is prima facie evidence of the facts contained in it and is admissible in a proceeding charging a violation under this section. The photographs, microphotographs, or electronic images evidencing the violation must be available for inspection and admission into evidence in a proceeding to adjudicate the liability for the violation.

(b) A notice of infraction represents a determination that an infraction has been committed, and the determination will be final unless contested as provided under this section.

(c) A person receiving a notice of infraction based on evidence detected by a speed safety camera system must, within 30 days of receiving the notice of infraction: (i) ((~~Except for a first violation under subsection (5)(a) of this section, remit~~)) Remit payment in the amount of the penalty assessed for the violation; (ii) contest the determination that the infraction occurred by following the instructions on the notice of infraction; or (iii) admit to the infraction but request a hearing to explain mitigating circumstances surrounding the infraction.

(d) If a person fails to respond to a notice of infraction, a final order shall be entered finding that the person committed the infraction and assessing monetary penalties required under subsection (5)((~~(b)~~)) of this section.

(e) If a person contests the determination that the infraction occurred or requests a mitigation hearing, the notice of infraction

shall be referred to the office of administrative hearings for adjudication consistent with chapter 34.05 RCW.

(f) At a hearing to contest an infraction, the agency issuing the infraction has the burden of proving, by a preponderance of the evidence, that the infraction was committed.

(g) A person may request a payment plan at any time for the payment of any penalty or other monetary obligation associated with an infraction under this section. The agency issuing the infraction shall provide information about how to submit evidence of inability to pay, how to obtain a payment plan, and that failure to pay or enter into a payment plan may result in collection action or nonrenewal of the vehicle registration. The office of administrative hearings may authorize a payment plan if it determines that a person is not able to pay the monetary obligation, and it may modify a payment plan at any time.

(8)(a) Speed safety camera systems may only take photographs, microphotographs, or electronic images of the vehicle and vehicle license plate and only while a speed violation is occurring. The photograph, microphotograph, or electronic image must not reveal the face of the driver or any passengers in the vehicle. The department of transportation shall consider installing speed safety camera systems in a manner that minimizes the impact of camera flash on drivers.

(b) The registered owner of a vehicle is responsible for a traffic infraction under RCW 46.63.030 unless the registered owner overcomes the presumption in RCW 46.63.075 or, in the case of a rental car business, satisfies the conditions under (f) of this subsection. If appropriate under the circumstances, a renter identified under (f)(i) of this subsection is responsible for the traffic infraction.

(c) Notwithstanding any other provision of law, all photographs, microphotographs, or electronic images, or any other personally identifying data prepared under this section are for the exclusive use of the Washington state patrol and department of transportation in the discharge of duties under this section and are not open to the public and may not be used in court in a pending action or proceeding unless the action or proceeding relates to a speed violation under this section. This data may be used in administrative appeal proceedings relative to a violation under this section.

(d) All locations where speed safety camera systems are used must be clearly marked before activation of the camera system by placing signs in locations that clearly indicate to a driver that they are entering a state highway work zone where posted speed limits are monitored by a speed safety camera system. Additionally, where feasible and constructive, radar speed feedback signs will be placed in advance of the speed safety camera system to assist drivers in complying with posted speed limits. Signs placed in these locations must follow the specifications and guidelines under the manual of uniform traffic control devices for streets and highways as adopted by the department of transportation under chapter 47.36 RCW.

(e) Imposition of a penalty for a speed violation detected through the use of speed safety camera systems shall not be deemed a conviction as defined in RCW 46.25.010, and shall not be part of the registered owner's driving record under RCW 46.52.101 and 46.52.120. Additionally, infractions generated by the use of speed safety camera systems under this section shall be processed in the same manner as parking infractions, including for the purposes of RCW 46.16A.120 and 46.20.270(2).

(f) If the registered owner of the vehicle is a rental car business, the department of transportation shall, before a notice of infraction may be issued under this section, provide a written notice to the rental car business that a notice of infraction may be issued to the rental car business if the rental car business does not, within 30 days of receiving the written notice, provide to the issuing agency by return mail:

(i)(A) A statement under oath stating the name and known mailing address of the individual driving or renting the vehicle when the speed violation occurred;

(B) A statement under oath that the business is unable to determine who was driving or renting the vehicle at the time the speed violation occurred because the vehicle was stolen at the time of the violation. A statement provided under this subsection (8)(f)(i)(B) must be accompanied by a copy of a filed police report regarding the vehicle theft; or

(C) In lieu of identifying the vehicle operator, payment of the applicable penalty.

(ii) Timely mailing of a statement to the department of transportation relieves a rental car business of any liability under this chapter for the notice of infraction.

(9) Revenue generated from the deployment of speed safety camera systems must be deposited into the highway safety fund and first used exclusively for the operating and administrative costs under this section. The operation of speed safety camera systems is intended to increase safety in state highway work zones by changing driver behavior. Consequently, any revenue generated that exceeds the operating and administrative costs under this section must be distributed for the purpose of traffic safety including, but not limited to, driver training education and local DUI emphasis patrols.

(10) The Washington state patrol and department of transportation, in collaboration with the Washington traffic safety commission, must report to the transportation committees of the legislature by July 1, 2025, and biennially thereafter, on the data and efficacy of speed safety camera system use in state highway work zones. The final report due on July 1, 2029, must include a recommendation on whether or not to continue such speed safety camera system use beyond June 30, 2030.

(11) For the purposes of this section:

(a) "Speed safety camera system" means employing the use of speed measuring devices and cameras synchronized to automatically record one or more sequenced photographs, microphotographs, or other electronic images of a motor vehicle that exceeds a posted state highway work zone speed limit as detected by the speed measuring devices.

(b) "State highway work zone" means an area of any highway with construction, maintenance, utility work, or incident response activities authorized by the department of transportation. A state highway work zone is identified by the placement of temporary traffic control devices that may include signs, channelizing devices, barriers, pavement markings, and/or work vehicles with warning lights. It extends from the first warning sign or high intensity rotating, flashing, oscillating, or strobe lights on a vehicle to the end road work sign or the last temporary traffic control device or vehicle.

(12) This section expires June 30, 2030.

Sec. 305. RCW 46.20.161 and 2024 c 146 s 29 are each amended to read as follows:

(1)(a) The department, upon receipt of a fee ((~~of seventy-two dollars, unless the driver's license is issued for a period other~~

~~than eight years, in which case the fee shall be nine dollars for each year that the license is issued, which includes the fee for the required photograph~~)) as specified in (b) of this subsection, shall issue to every qualifying applicant a driver's license. A driver's license issued to a person under the age of ((~~eighteen~~)) 18 is an intermediate license, subject to the restrictions imposed under RCW 46.20.075, until the person reaches the age of ((~~eighteen~~)) 18.

(b)(i) The driver's license fee shall be $10 for each year that the license is issued, which includes the fee for the required photograph.

(ii) Beginning July 1, 2028, and on July 1st every three years thereafter, the fee under (b)(i) of this subsection must be increased by $1 for each year that the license is issued.

(2) The license must include:

(a) A distinguishing number assigned to the licensee;

(b) The name of record;

(c) Date of birth;

(d) Washington residence address;

(e) Photograph;

(f) A brief description of the licensee;

(g) Either a facsimile of the signature of the licensee or a space upon which the licensee shall write the licensees' usual signature with pen and ink immediately upon receipt of the license;

(h) If applicable, the person's status as a veteran as provided in subsection (4) of this section; and

(i) If applicable, a medical alert designation as provided in subsection (5) of this section.

(3) No license is valid until it has been signed by the licensee.

(4)(a) A veteran, as defined in RCW 41.04.007, may apply to the department to obtain a veteran designation on a driver's license issued under this section by providing:

(i) A United States department of veterans affairs identification card or proof of service letter;

(ii) A United States department of defense discharge document, DD Form 214 or DD Form 215, as it exists on June 7, 2018, or such subsequent date as may be provided by the department by rule, consistent with the purposes of this section, or equivalent or successor discharge paperwork, that establishes the person's service in the armed forces of the United States and qualifying discharge as defined in RCW 73.04.005;

(iii) A national guard state-issued report of separation and military service, NGB Form 22, as it exists on June 7, 2018, or such subsequent date as may be provided by the department by rule, consistent with the purposes of this section, or equivalent or successor discharge paperwork, that establishes the person's active duty or reserve service in the national guard and qualifying discharge as defined in RCW 73.04.005; or

(iv) A United States uniformed services identification card, DD Form 2, that displays on its face that it has been issued to a retired member of any of the armed forces of the United States, including the national guard and armed forces reserves.

(b) The department may permit a veteran, as defined in RCW 41.04.007, to submit alternate forms of documentation to apply to obtain a veteran designation on a driver's license.

(5) Any person may apply to the department to obtain a medical alert designation, a developmental disability designation, or a deafness designation on a driver's license issued under this chapter by providing:

(a) Self-attestation that the individual:

(i) Has a medical condition that could affect communication or account for a driver health emergency;

(ii) Is deaf or hard of hearing; or

(iii) Has a developmental disability as defined in RCW 71A.10.020;

(b) A statement from the person that they have voluntarily provided the self-attestation and other information verifying the condition; and

(c) For persons under ((~~eighteen~~)) 18 years of age or who have a developmental disability, the signature of a parent or legal guardian.

(6) A self-attestation or data contained in a self-attestation provided under this section:

(a) Shall not be disclosed;

(b) Is for the confidential use of the director, the chief of the Washington state patrol, and law enforcement and emergency medical service providers as designated by law; and

(c) Is subject to the privacy protections of the driver's privacy protection act, 18 U.S.C. Sec. 2725.

Sec. 306. RCW 46.20.181 and 2025 c . . . (ESHB 1878) s 5 are each amended to read as follows:

(1) Except as provided in subsection (4) or (5) of this section or section 2(10), chapter . . . (ESHB 1878), Laws of 2025, every driver's license expires on the eighth anniversary of the licensee's birthdate following the issuance of the license.

(2) A person may renew a license on or before the expiration date by submitting an application as prescribed by the department and paying a fee ((~~of $72~~)) as specified in subsection (6) of this section for an eight year license. This fee includes the fee for the required photograph.

(3) A person renewing a driver's license more than 60 days after the license has expired shall pay a penalty fee of $10 in addition to the renewal fee, unless the license expired when:

(a) The person was outside the state and the licensee renews the license within 60 days after returning to this state; or

(b) The person was incapacitated and the licensee renews the license within 60 days after the termination of the incapacity.

(4) The department may issue or renew a driver's license for a period other than eight years, or may extend by mail or electronic commerce a license that has already been issued. The fee for a driver's license issued or renewed for a period other than eight years, or that has been extended by mail or electronic commerce, is ((~~nine dollars for each year that the license is issued, renewed, or extended~~)) specified in subsection (6) of this section. The department must offer the option to issue or renew a driver's license for six years in addition to the eight year issuance. The department may adopt any rules as are necessary to carry out this subsection.

(5) A driver's license that includes a hazardous materials endorsement under chapter 46.25 RCW may expire on an anniversary of the licensee's birthdate other than the eighth year following issuance or renewal of the license in order to match, as nearly as possible, the validity of certification from the federal transportation security administration that the licensee has been determined not to pose a security risk. The fee for a driver's license issued or renewed ((~~for a period other than eight years is $9 for each year that the license is issued or renewed~~)) is specified in subsection (6) of this section, not including any endorsement fees. The department may adjust the expiration date of a driver's license that has previously been issued to conform to the provisions of this

subsection if a hazardous materials endorsement is added to the license subsequent to its issuance. If the validity of the driver's license is extended, the licensee must pay a fee ((~~of $9~~)) as specified in subsection (6) of this section for each year that the license is extended.

(6)(a) The driver's license fee shall be $10 for each year that the license is issued, renewed, or extended.

(b) Beginning July 1, 2028, and on July 1st every three years thereafter, the fee under (a) of this subsection must be increased by $1 for each year that the license is issued, renewed, or extended.

(7) The department may adopt any rules as are necessary to carry out this section.

Sec. 307. RCW 46.20.117 and 2024 c 315 s 4 and 2024 c 162 s 3 are each reenacted and amended to read as follows:

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

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

(b) Proves the applicant's identity as required by RCW 46.20.035; and

(c) Pays the required fee((~~. Except as provided~~)) as specified in subsection (7) of this section, ((~~the fee is $72,~~)) unless an applicant is:

(i) A recipient of continuing public assistance grants under Title 74 RCW, or a participant in the Washington women, infants, and children program. Any applicant under this subsection must be verified by documentation sufficient to demonstrate eligibility;

(ii) Under the age of 25 and does not have a permanent residence address as determined by the department by rule; or

(iii) An individual who is scheduled to be released from an institution as defined in RCW 13.40.020, a community facility as defined in RCW 72.05.020, a correctional facility as defined in RCW 72.09.015, or other juvenile rehabilitation facility operated by the department of social and health services or the department of children, youth, and families; or an individual who has been released from such an institution or facility within 30 calendar days before the date of the application.

For those persons under (c)(i) through (iii) of this subsection, the fee must be the actual cost of production of the identicard.

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

(i) Be distinctly designed so that it will not be confused with the official driver's license; and

(ii) Except as provided in subsection (7) of this section, expire on the eighth anniversary of the applicant's birthdate after issuance.

(b) The identicard may include the person's status as a veteran, consistent with RCW 46.20.161(4).

(c) If applicable, the identicard may include a medical alert designation as provided in subsection (5) of this section.

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

(a) Personal appearance before the department;

(b) Mail or electronic commerce, if permitted by rule of the department and if the applicant did not renew the identicard by mail or by electronic commerce when it last expired; or

(c) From January 1, 2022, to June 30, 2024, electronic commerce, if permitted by rule of the department.

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

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

(5) Any person may apply to the department to obtain a medical alert designation, a developmental disability designation, or a deafness designation on an identicard issued under this chapter by providing:

(a) Self-attestation that the individual:

(i) Has a medical condition that could affect communication or account for a health emergency;

(ii) Is deaf or hard of hearing; or

(iii) Has a developmental disability as defined in RCW 71A.10.020;

(b) A statement from the person that they have voluntarily provided the self-attestation and other information verifying the condition; and

(c) For persons under 18 years of age or who have a developmental disability, the signature of a parent or legal guardian.

(6) A self-attestation or data contained in a self-attestation provided under this section:

(a) Shall not be disclosed; and

(b) Is for the confidential use of the director, the chief of the Washington state patrol, and law enforcement and emergency medical service providers as designated by law.

(7) **Alternative issuance/renewal/extension.**

(a) Except as allowed under this subsection, the department must issue or renew an identicard for eight years. The department may issue or renew an identicard for a period other than eight years, or may extend by mail or electronic commerce an identicard that has already been issued. The fee for an identicard issued or renewed ((~~for a period other than eight years~~)), or that has been extended by mail or electronic commerce, is ((~~$9~~)) $10 for each year that the identicard is issued, renewed, or extended. The department must offer the option to issue or renew an identicard for six years in addition to the eight year issuance. The department may adopt any rules as are necessary to carry out this subsection.

(b) Beginning July 1, 2028, and on July 1st every three years thereafter, the fee under (a) of this subsection must be increased by $1 for each year that the identicard is issued, renewed, or extended.

(8) Identicard photos must be updated in the same manner as driver's license photos under RCW 46.20.120(5).

PART IV: FERRY FARES AND RELATED PROVISIONS

Sec. 401. RCW 47.60.315 and 2023 c 472 s 714 are each amended to read as follows:

(1) The commission shall adopt fares and pricing policies by rule, under chapter 34.05 RCW, according to the following schedule:

(a) Each year the department shall provide the commission a report of its review of fares and pricing policies, with recommendations for the revision of fares and pricing policies for the ensuing year;

(b) By September 1st of each year, beginning in 2008, the commission shall adopt by rule fares and pricing policies for the ensuing year.

(2) The commission may adopt by rule fares that are effective for more or less than one year for the purposes of transitioning to the fare schedule in subsection (1) of this section.

(3) The commission may increase ferry fares included in the schedule of charges adopted under this section by a percentage that exceeds the fiscal growth factor.

(4) The chief executive officer of the ferry system may authorize the use of promotional, discounted, and special event fares to the general public and commercial enterprises for the purpose of maximizing capacity use and the revenues collected by the ferry system. The department shall report to the commission a summary of the promotional, discounted, and special event fares offered during each fiscal year and the financial results from these activities.

(5) Fare revenues and other revenues deposited in the Puget Sound ferry operations account created in RCW 47.60.530 may not be used to support the Puget Sound capital construction account created in RCW 47.60.505, unless the support for capital is separately identified in the fare or except as provided in section 715, chapter 333, Laws of 2021 during the 2021-2023 biennium and section 716, chapter 472, Laws of 2023 during the 2023-2025 fiscal biennium.

(6) The commission may not raise fares until the fare rules contain pricing policies developed under RCW 47.60.290, or September 1, 2009, whichever is later.

(7) The commission shall impose a vessel replacement surcharge of ((~~25~~)) 75 cents on every one-way and round-trip ferry fare sold, including multiride and monthly pass fares. Beginning October 1, 2027, the commission shall raise the vessel replacement surcharge under this subsection to 85 cents. Beginning October 1, 2029, the commission shall raise the vessel replacement surcharge under this subsection to 95 cents. This surcharge must be clearly indicated to ferry passengers and drivers and, if possible, on the fare media itself.

(8) Except as provided in subsection (10) of this section, beginning May 1, 2020, the commission shall impose an additional vessel replacement surcharge in an amount sufficient to fund 25 year debt service on one 144-auto hybrid vessel taking into account funds provided in chapter 417, Laws of 2019 ((~~or chapter . . . (SSB 5419), Laws of 2019~~)). The department of transportation shall provide to the commission vessel and debt service cost estimates. Information on vessels constructed or purchased with revenue from the surcharges must be publicly posted including, but not limited to, the commission website.

(9) The vessel replacement surcharges imposed in this section may only be used for the construction or purchase of ferry vessels and to pay the principal and interest on bonds authorized for the construction or purchase of new ferry vessels.

(10) The commission shall not impose the additional vessel replacement surcharge in subsection (8) of this section if doing so would increase fares by more than 10 percent.

(11) For the 2023-2025 fiscal biennium, any ferry fuel surcharge imposed by the commission may not go into effect until after the ensuing regular legislative session. If a fuel surcharge is imposed as provided under this subsection, the commission must reevaluate the need for the surcharge on at least a quarterly basis to determine if the surcharge is still needed to cover increased fuel costs, and revoke the surcharge if the determination is that the surcharge is no longer needed for this purpose.

Sec. 402. RCW 47.60.322 and 2023 c 472 s 715 are each amended to read as follows:

(1) The capital vessel replacement account is created in the motor vehicle account. All revenues generated from the vessel replacement ((~~surcharge~~)) surcharges under RCW 47.60.315 (7) and (8), and service fees collected by the department of licensing or county auditor or other agent appointed by the director under RCW 46.17.040, 46.17.050, and 46.17.060, must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for the construction or purchase of ferry vessels and to pay the principal and interest on bonds authorized for the construction or purchase of ferry vessels. ((~~However, expenditures from the account must first be used to support the construction or purchase, including any applicable financing costs, of a ferry vessel with a carrying capacity of at least one hundred forty-four cars.~~))

(2) ((~~The state treasurer may transfer moneys from the capital vessel replacement account to the transportation 2003 account (nickel account) for debt service on bonds issued for the construction of 144-car class ferry vessels.~~

~~(3)~~)) The legislature may transfer from the capital vessel replacement account to the connecting Washington account created under RCW 46.68.395 such amounts as reflect the excess fund balance

of the capital vessel replacement account to be used for ferry terminal construction and preservation.

((~~(4)~~)) (3) During the 2021-2023 and 2023-2025 fiscal biennia, the legislature may direct the state treasurer to make transfers of moneys in the capital vessel replacement account to the transportation partnership account and the connecting Washington account.

Sec. 403. RCW 47.60.826 and 2023 c 429 s 2 are each amended to read as follows:

(1)(a) The department shall contract for the acquisition of ((~~up to~~)) five or more new hybrid diesel-electric ferry vessels that can carry up to ((~~144~~)) 160 vehicles, using a one or two contract procurement approach to potentially accelerate vessel delivery.

(b) The Washington state ferries shall make available the design for the ((~~144~~)) 160 vehicle hybrid electric Olympic class vessel to potential bidders. Incentives may be awarded by the department to bidders who offer design modifications that:

(i) Lower the minimum number of crew needed to staff the vessel in accordance with United States coast guard requirements;

(ii) Incorporate materials, technologies, or other features that lower life-cycle maintenance and operations costs;

(iii) Accelerate the proposed delivery schedule; or

(iv) Make other improvements determined to be beneficial by the department. The Washington state ferries may allow for exceptions of the ((~~144~~)) 160 vehicle capacity of the vessel design in cases where efficiencies outlined in (b)(i) or (ii) of this subsection are met.

(2)(a) The contract or contracts must be for a minimum of two vessels, with options for ((~~up to five vessels in total~~)) additional vessels, and are exempt from the requirements set forth in RCW 47.60.810 through 47.60.824.

(b) The contract or contracts may employ the following procurement methods:

(i) Design-build procedure as authorized under chapter 39.10 RCW;

(ii) Design-bid-build as authorized under chapter 39.04 RCW or an equivalent process allowed in statute as determined by the department; or

(iii) Lease with an option to buy in accordance with RCW 47.60.010. The terms of any plan to pursue a lease with an option to buy agreement must be approved by the governor and appropriate

committees of the legislature and are subject to the availability of amounts appropriated for this specific purpose.

(c) To the extent possible, the department shall establish and apply evaluation criteria beyond low price to meet best value objectives.

(d) The department must award a credit of 13 percent of the bid price for bid proposals for vessels constructed in the state of Washington, which must be adjusted to reflect the proportion of the construction of the vessels that occurs within the state. This credit represents the:

(i) Amount of economic and revenue loss to the state of Washington from constructing vessels outside the state of Washington, as indicated by the Washington institute for public policy study regarding Washington state ferry vessel procurement dated December 2016; and

(ii) Additional costs of transport, potential delay, and owner oversight incurred for construction at shipyards located outside the state of Washington.

(e) The department must require that contractors meet the requirements of RCW 39.04.320 regarding apprenticeships or other state law or federal law equivalents, where such equivalents exist.

(f) The department must require that contractors meet the requirements of chapter 90.48 RCW regarding water pollution control or other state law or federal law equivalents, where such equivalents exist.

(3) For contracts eligible for the use of federal funds, contractors must comply with federal disadvantaged business enterprise targets as outlined by the federal agency awarding funds.

(4) Contractors located in the state of Washington must meet the requirements of RCW 47.60.835, the small business enterprise enforceable goals program.

(5) The department shall employ third-party experts that report to the Washington state ferries to serve as a supplementary resource. The third-party experts contracted by the Washington state ferries shall:

(a) Perform project quality oversight and report to the transportation committees of the legislature and the office of financial management on a semiannual basis on project schedule, risks, and project budget;

(b) Assist with the management of change order requests;

(c) Advise on contract and technical matters; and

(d) Possess knowledge of and experience with inland waterways, Puget Sound vessel operations, the propulsion system of the new vessels, and Washington state ferries operations.

NEW SECTION. **Sec. 404.** Nothing in section 403 of this act shall be construed to apply to, or otherwise interfere with, vessel procurements underway prior to the effective date of section 403 of this act.

NEW SECTION. **Sec. 405.** A new section is added to chapter 47.60 RCW to read as follows:

The Washington state ferries shall implement cost recovery mechanisms to recoup at least three percent in credit card and other financial transaction costs related to the collection of ferry fares imposed under RCW 47.60.290 and 47.60.315. As part of the cost recovery mechanisms, the Washington state ferries may recover transaction fees incurred through credit card transactions. The Washington state ferries must notify customers of the fee at the point of sale and itemize the fee on customer receipts. Costs recovered under this section may not be considered revenue for the purposes of fare setting.

Ferry Vessels and Biodiesel Fuel

Sec. 406. RCW 43.19.642 and 2023 c 472 s 703 are each amended to read as follows:

(1) Effective June 1, 2006, for agencies complying with the ultra-low sulfur diesel mandate of the United States environmental protection agency for on-highway diesel fuel, agencies shall use biodiesel as an additive to ultra-low sulfur diesel for lubricity, provided that the use of a lubricity additive is warranted and that the use of biodiesel is comparable in performance and cost with other available lubricity additives. The amount of biodiesel added to the ultra-low sulfur diesel fuel shall be not less than two percent.

(2) Except as provided in subsection (5) of this section, effective June 1, 2009, state agencies are required to use a minimum of 20 percent biodiesel as compared to total volume of all diesel purchases made by the agencies for the operation of the agencies' diesel-powered vessels, vehicles, and construction equipment.

(3) All state agencies using biodiesel fuel shall, beginning on July 1, 2016, file annual reports with the department of enterprise services documenting the use of the fuel and a description of how any problems encountered were resolved.

(4) By December 1, 2009, the department of enterprise services shall:

(a) Report to the legislature on the average true price differential for biodiesel by blend and location; and

(b) Examine alternative fuel procurement methods that work to address potential market barriers for in-state biodiesel producers and report these findings to the legislature.

(5) ((~~During the 2021-2023 and 2023-2025 fiscal biennia, the~~)) The Washington state ferries is ((~~required to~~)) exempt from the requirements of this section and must use a minimum of five percent biodiesel as compared to total volume of all diesel ((~~purchases made by the Washington state ferries for the operation of the Washington state ferries diesel-powered vessels, as long as the price of a B5 or B10 biodiesel blend does not exceed the price of conventional diesel fuel by five percent or more~~)) used by the Washington state ferries, and develop internal processes to transition diesel vessels in the fleet to the highest possible biofuel blend or renewable diesel available by 2030.

PART V: TOLLING

Sec. 501. RCW 47.46.100 and 2002 c 114 s 7 are each amended to read as follows:

(1) The commission shall fix the rates of toll and other charges for all toll bridges built under this chapter that are financed primarily by bonds issued by the state. Subject to RCW 47.46.090, the commission may impose and modify toll charges from time to time as conditions warrant. However, except for publicly or privately owned or operated school buses, the commission may not exempt publicly or privately owned or operated transit buses, vans, and ride share vehicles, and must modify tolling provisions accordingly by October 1, 2025.

(2) In establishing toll charges, the commission shall give due consideration to any required costs for operating and maintaining the toll bridge or toll bridges, including the cost of insurance, and to

any amount required by law to meet the redemption of bonds and interest payments on them.

(3) The toll charges must be imposed in amounts sufficient to:

(a) Provide annual revenue sufficient to provide for annual operating and maintenance expenses, except as provided in RCW 47.56.245;

(b) Make payments required under RCW 47.56.165 and 47.46.140, including insurance costs and the payment of principal and interest on bonds issued for any particular toll bridge or toll bridges; and

(c) Repay the motor vehicle fund under RCW 47.46.110, 47.56.165, and 47.46.140.

(4) The bond principal and interest payments, including repayment of the motor vehicle fund for amounts transferred from that fund to provide for such principal and interest payments, constitute a first direct and exclusive charge and lien on all tolls and other revenues from the toll bridge concerned, subject to operating and maintenance expenses.

Sec. 502. RCW 47.56.850 and 2009 c 498 s 15 are each amended to read as follows:

(1) Unless these powers are otherwise delegated by the legislature, the transportation commission is the tolling authority for the state. The tolling authority shall:

(a) Set toll rates, establish appropriate exemptions, if any, and make adjustments as conditions warrant on eligible toll facilities. However, except for publicly or privately owned or operated school buses, the commission may not exempt publicly or privately owned or operated transit buses, vans, and ride share vehicles from tolls on bridges, and must modify tolling provisions accordingly by October 1, 2025;

(b) Review toll collection policies, toll operations policies, and toll revenue expenditures on the eligible toll facilities and report annually on this review to the legislature.

(2) The tolling authority, in determining toll rates, shall consider the policy guidelines established in RCW 47.56.830.

(3) Unless otherwise directed by the legislature, in setting and periodically adjusting toll rates, the tolling authority must ensure that toll rates will generate revenue sufficient to:

(a) Meet the operating costs of the eligible toll facilities, including necessary maintenance, preservation, renewal, replacement, administration, and toll enforcement by public law enforcement;

(b) Meet obligations for the timely payment of debt service on bonds issued for eligible toll facilities, and any other associated financing costs including, but not limited to, required reserves, minimum debt coverage or other appropriate contingency funding, insurance, and compliance with all other financial and other covenants made by the state in the bond proceedings;

(c) Meet obligations to reimburse the motor vehicle fund for excise taxes on motor vehicle and special fuels applied to the payment of bonds issued for eligible toll facilities; and

(d) Meet any other obligations of the tolling authority to provide its proportionate share of funding contributions for any projects or operations of the eligible toll facilities.

(4) The established toll rates may include variable pricing, and should be set to optimize system performance, recognizing necessary trade-offs to generate revenue for the purposes specified in subsection (3) of this section. Tolls may vary for type of vehicle, time of day, traffic conditions, or other factors designed to improve performance of the system.

(5) In fixing and adjusting toll rates under this section, the only toll revenue to be taken into account must be toll revenue pledged to bonds that includes toll receipts, and the only debt service requirements to be taken into account must be debt service on bonds payable from and secured by toll revenue that includes toll receipts.

(6) The legislature pledges to appropriate toll revenue as necessary to carry out the purposes of this section. When the legislature has specifically identified and designated an eligible toll facility and authorized the issuance of bonds for the financing of the eligible toll facility that are payable from and secured by a pledge of toll revenue, the legislature further agrees for the benefit of the owners of outstanding bonds issued by the state for eligible toll facilities to continue in effect and not to impair or withdraw the authorization of the tolling authority to fix and adjust tolls as provided in this section. The state finance committee shall pledge the state's obligation to impose and maintain tolls, together with the application of toll revenue as described in this section, to the owners of any bonds.

State Route Number 520 Segment Tolling

Sec. 503. RCW 47.56.870 and 2010 c 248 s 2 are each amended to read as follows:

(1) The initial imposition of tolls on the state route number 520 corridor is authorized, the state route number 520 corridor is designated an eligible toll facility, and toll revenue generated in the corridor must only be expended as allowed under RCW 47.56.820.

(2) The state route number 520 corridor consists of that portion of state route number 520 between the junctions of Interstate 5 and state route number 202, including any on-ramp or off-ramp within this portion. ((~~The toll imposed by this section shall be charged only for travel on the floating bridge portion of the state route number 520 corridor.~~))

(3)(a) In setting the toll rates for the corridor pursuant to RCW 47.56.850, the tolling authority shall set a variable schedule of toll rates to maintain travel time, speed, and reliability on the corridor and generate the necessary revenue as required under (b) of this subsection.

(b) The tolling authority shall initially set the variable schedule of toll rates, which the tolling authority may adjust at least annually to reflect inflation as measured by the consumer price index or as necessary to meet the redemption of bonds and interest payments on the bonds, to generate revenue sufficient to provide for:

(i) The issuance of general obligation bonds, authorized in RCW 47.10.879, first payable from toll revenue and then excise taxes on motor vehicle and special fuels pledged for the payment of those bonds in the amount necessary to fund the state route number 520 bridge replacement and HOV program, subject to subsection (4) of this section; and

(ii) Costs associated with the project designated in subsection (4) of this section that are eligible under RCW 47.56.820.

(4)(a) The proceeds of the bonds designated in subsection (3)(b)(i) of this section must be used only to fund the state route number 520 bridge replacement and HOV program; however, two hundred million dollars of bond proceeds, in excess of the proceeds necessary to complete the floating bridge segment and necessary landings, must be used only to fund the state route number 520, Interstate 5 to Medina bridge replacement and HOV project segment of the program, as identified in applicable environmental impact statements, and may be

used to fund effective connections for high occupancy vehicles and transit for state route number 520, but only to the extent those connections benefit or improve the operation of state route number 520.

(b) The program must include the following elements within the cost constraints identified in section 1, chapter 472, Laws of 2009, consistent with the legislature's intent that cost savings applicable to the program stay within the program and that the bridge open to vehicular traffic in 2014:

(i) A project design, consistent with RCW 47.01.408, that includes high occupancy vehicle lanes with a minimum carpool occupancy requirement of three-plus persons on state route number 520;

(ii) High occupancy vehicle lane performance standards for the state route number 520 corridor established by the department. The department shall report to the transportation committees of the legislature when average transit speeds in the two lanes that are for high occupancy vehicle travel fall below forty-five miles per hour at least ten percent of the time during peak hours;

(iii) A work group convened by the mayor and city council of the city of Seattle to include sound transit, King county metro, the Seattle department of transportation, the department, the University of Washington, and other persons or organizations as designated by the mayor or city council to study and make recommendations of alternative connections for transit, including bus routes and high capacity transit, to the university link light rail line. The work group must consider such techniques as grade separation, additional stations, and pedestrian lids to effect these connections. The recommendations must be alternatives to the transit connections identified in the supplemental draft environmental impact statement for the state route number 520 bridge replacement and HOV program released in January 2010, and must meet the requirements under RCW 47.01.408, including accommodating effective connections for transit. The recommendations must be within the scope of the supplemental draft environmental impact statement. For the purposes of this section, "effective connections for transit" means a connection that connects transit stops, including high capacity transit stops, that serve the state route number 520/Montlake interchange vicinity to the university link light rail line, with a connection distance of less than one thousand two hundred feet between the stops and the light

rail station. The city of Seattle shall submit the recommendations by October 1, 2010, to the governor and the transportation committees of the legislature. However, if the city of Seattle does not convene the work group required under this subsection before July 1, 2010, or does not submit recommendations to the governor and the transportation committees of the legislature by October 1, 2010, the department must convene the work group required under this subsection and meet all the requirements of this subsection that are described as requirements of the city of Seattle by November 30, 2010;

(iv) A work group convened by the department to include sound transit and King county metro to study and make recommendations regarding options for planning and financing high capacity transit through the state route number 520 corridor. The department shall submit the recommendations by January 1, 2011, to the governor and the transportation committees of the legislature;

(v) A plan to address mitigation as a result of the state route number 520 bridge replacement and HOV program at the Washington park arboretum. As part of its process, the department shall consult with the governing board of the Washington park arboretum, the Seattle city council and mayor, and the University of Washington to identify all mitigation required by state and federal law resulting from the state route number 520 bridge replacement and HOV program's impact on the arboretum, and to develop a project mitigation plan to address these impacts. The department shall submit the mitigation plan by December 31, 2010, to the governor and the transportation committees of the legislature. Wetland mitigation required by state and federal law as a result of the state route number 520 bridge replacement and HOV program's impacts on the arboretum must, to the greatest extent practicable, include on-site wetland mitigation at the Washington park arboretum, and must enhance the Washington park arboretum. This subsection (4)(b)(v) does not preclude any other mitigation planned for the Washington park arboretum as a result of the state route number 520 bridge replacement and HOV program;

(vi) A work group convened by the department to include the mayor of the city of Seattle, the Seattle city council, the Seattle department of transportation, and other persons or organizations as designated by the Seattle city council and mayor to study and make recommendations regarding design refinements to the preferred alternative selected by the department in the supplemental draft environmental impact statement process for the state route number 520

bridge replacement and HOV program. To accommodate a timely progression of the state route number 520 bridge replacement and HOV program, the design refinements recommended by the work group must be consistent with the current environmental documents prepared by the department for the supplemental draft environmental impact statement. The department shall submit the recommendations to the legislature and governor by December 31, 2010, and the recommendations must inform the final environmental impact statement prepared by the department; and

(vii) An account, created in ((~~section 5 of this act~~)) RCW 47.56.876, into which civil penalties generated from the nonpayment of tolls on the state route number 520 corridor are deposited to be used to fund any project within the program, including mitigation. However, this subsection (4)(b)(vii) is contingent on the enactment by June 30, 2010, of ((~~either~~)) chapter 249, Laws of 2010 ((~~or chapter . . . (Substitute House Bill No. 2897), Laws of 2010~~)), but if the enacted bill does not designate the department as the toll penalty adjudicating agency, this subsection (4)(b)(vii) is null and void.

(5) The department may initiate ramp and segment tolling under this section only after the completion of level three traffic and revenue and environmental analyses of applicable tolling scenarios on the SR 520 corridor, as funded in the omnibus transportation appropriations act for the 2025-2027 fiscal biennium. The analyses must consider impacts of the ramp and segment tolling on access and mobility for the residents of the neighborhoods that are most closely served by the connections to the corridor.

(6) The department may carry out the improvements designated in subsection (4) of this section and administer the tolling program on the state route number 520 corridor.

PART VI: TRANSPORTATION PROJECT STREAMLINING

Sec. 601. RCW 90.58.356 and 2015 3rd sp.s. c 15 s 10 are each amended to read as follows:

(1) For purposes of this section, the following definitions apply:

(a) "Maintenance" means the preservation of the transportation facility or transit facility, including surface, shoulders, roadsides, structures including, but not limited to, bridges and

buried structures, ditches and all stormwater treatment and conveyance features, environmental mitigation sites, utilities appurtenant to transportation system operations, and such traffic control devices as are necessary for safe and efficient utilization of the highway in a manner that substantially conforms to the preexisting design, function, and location as the original except to meet current engineering standards or environmental permit requirements.

(b) "Repair" means to restore a structure or development to a state comparable to its original condition including, but not limited to, restoring the development's size, shape, configuration, location, and external appearance, within a reasonable period after decay or partial destruction. Repair of a structure or development may not cause substantial adverse effects to shoreline resources or the shoreline environment. Replacement of a structure or development may be considered a repair if: Replacement is the common method of repair for the type of structure or development; the replacement structure or development is comparable to the original structure or development including, but not limited to, the size, shape, configuration, location, and external appearance of the original structure or development; and the replacement does not cause substantial adverse effects to shoreline resources or the shoreline environment.

(c) "Replacement" of any existing transportation facility, or transit facility, including surface, shoulders, roadsides, structures including, but not limited to, bridges and buried structures, ditches and all stormwater treatment and conveyance features, utilities appurtenant to transportation system operations, environmental mitigation sites, and traffic control devices, means to replace in a manner that substantially conforms to the preexisting design, function, and location as the original except to meet current engineering standards or environmental permit requirements. Maintenance or replacement activities do not involve expansion of automobile lanes, and do not result in significant negative shoreline impact.

(2) The following department of transportation projects and activities do not require a substantial development permit, conditional use permit, variance, letter of exemption, or other review conducted by a local government:

(a) Maintenance, repair, or replacement that occurs within the roadway prism of a state highway as defined in RCW 46.04.560, the

lease or ownership area of a state ferry terminal, or the lease or ownership area of a transit facility, including ancillary transportation facilities such as pedestrian paths, bicycle paths, or both, and bike lanes;

(b) Construction or installation of safety structures and equipment, including pavement marking, freeway surveillance and control systems, railroad protective devices not including grade separated crossings, grooving, glare screen, safety barriers, energy attenuators, and hazardous or dangerous tree removal;

(c) Maintenance occurring within the right-of-way; or

(d) Construction undertaken in response to unforeseen, extraordinary circumstances that is necessary to prevent a decline, lapse, or cessation of service from a lawfully established transportation facility.

(3) ((~~The department of transportation must provide written notification of projects and activities authorized under this section with a cost in excess of one million dollars before the design or plan is finalized to all agencies with jurisdiction, agencies with facilities or services that may be impacted, and adjacent property owners.~~)) Construction, maintenance, repair, or replacement work on transit facilities, when the work is conducted within a department of transportation right-of-way, does not require a substantial development permit, conditional use permit, variance, letter of exemption, or other review conducted by a local government.

Sec. 602. RCW 49.26.013 and 1995 c 218 s 1 are each amended to read as follows:

(1) ((~~Any~~)) Except as provided in subsection (2)(a)(ii) of this section, an owner or owner's agent who allows or authorizes any construction, renovation, remodeling, maintenance, repair, or demolition project which has a reasonable possibility, as defined by the department, of disturbing or releasing asbestos into the air, shall perform or cause to be performed, using practices approved by the department, a good faith inspection to determine whether the proposed project will disturb or release any material containing asbestos into the air.

Such inspections shall be conducted by persons meeting the accreditation requirements of the federal toxics substances control act, section 206(a) (1) and (3) (15 U.S.C. 2646(a) (1) and (3)).

An inspection under this section is not required if the owner or owner's agent is reasonably certain that asbestos will not be disturbed or assumes that asbestos will be disturbed by a project which involves construction, renovation, remodeling, maintenance, repair, or demolition and takes the maximum precautions as specified by all applicable federal and state requirements.

(2)(a)(i) Except as provided in RCW 49.26.125 and (a)(ii) of this subsection, the owner or owner's agent shall prepare and maintain a written report describing each inspection, or a statement of assumption of the presence or reasonable certainty of the absence of asbestos, and shall provide a copy of the written report or statement to all contractors before they apply or bid on work. ((~~In addition, upon~~))

(ii) The department of transportation may include a good faith inspection into the scope of construction contracts for a project in lieu of conducting a good faith inspection prior to contractors bidding on the work if, prior to the start of demolition and construction, a contractor:

(A) Completes the good faith inspection;

(B) Prepares and maintains a written report describing each inspection, or a statement of assumption of the presence or reasonable certainty of the absence of asbestos; and

(C) Provides a copy of the report or statement to the department of transportation.

(b) Upon written or oral request, the owner or owner's agent shall make a copy of the written report or statement available to: ((~~(1)~~)) (i) The department of labor and industries; ((~~(2)~~)) (ii) contractors; and ((~~(3)~~)) (iii) the collective bargaining representatives or employee representatives, if any, of employees who may be exposed to any asbestos or material containing asbestos.

(c) A copy of the report or statement shall be posted as prescribed by the department in a place that is easily accessible to such employees.

Sec. 603. RCW 36.70A.200 and 2023 sp.s. c 1 s 12 are each amended to read as follows:

(1)(a) The comprehensive plan of each county and city that is planning under RCW 36.70A.040 shall include a process for identifying and siting essential public facilities. Essential public facilities include those facilities that are typically difficult to site, such

as airports, state education facilities and state or regional transportation facilities as defined in RCW 47.06.140, regional transit authority facilities as defined in RCW 81.112.020, improvements to high capacity transportation systems as defined in RCW 81.104.015, bus rapid transit routes and stops or improvements to such routes and stops, state and local correctional facilities, solid waste handling facilities, opioid treatment programs including both mobile and fixed-site medication units, recovery residences, harm reduction programs excluding safe injection sites, and inpatient facilities including substance use disorder treatment facilities, mental health facilities, group homes, community facilities as defined in RCW 72.05.020, and secure community transition facilities as defined in RCW 71.09.020.

(b) Unless a facility is expressly listed in (a) of this subsection, essential public facilities do not include facilities that are operated by a private entity in which persons are detained in custody under process of law pending the outcome of legal proceedings but are not used for punishment, correction, counseling, or rehabilitation following the conviction of a criminal offense. Facilities included under this subsection (1)(b) shall not include facilities detaining persons under RCW 71.09.020 (7) or (16) or chapter 10.77 or 71.05 RCW.

(c) The department of children, youth, and families may not attempt to site new community facilities as defined in RCW 72.05.020 east of the crest of the Cascade mountain range unless there is an equal or greater number of sited community facilities as defined in RCW 72.05.020 on the western side of the crest of the Cascade mountain range.

(d) For the purpose of this ((~~section, "harm~~)) subsection:

(i) "Bus rapid transit" means a fixed route bus system that features assets indicating permanent, high capacity service including, but not limited to, elevated platforms or enhanced stations, off-board fare collection, dedicated lanes, busways, or transit signal priority; and

(ii) Harm reduction programs" means programs that emphasize working directly with people who use drugs to prevent overdose and infectious disease transmission, improve the physical, mental, and social well-being of those served, and offer low threshold options for accessing substance use disorder treatment and other services.

(2) Each county and city planning under RCW 36.70A.040 shall, not later than September 1, 2002, establish a process, or amend its existing process, for identifying and siting essential public facilities and adopt or amend its development regulations as necessary to provide for the siting of secure community transition facilities consistent with statutory requirements applicable to these facilities.

(3) Any city or county not planning under RCW 36.70A.040 shall, not later than September 1, 2002, establish a process for siting secure community transition facilities and adopt or amend its development regulations as necessary to provide for the siting of such facilities consistent with statutory requirements applicable to these facilities.

(4) The office of financial management shall maintain a list of those essential state public facilities that are required or likely to be built within the next six years. The office of financial management may at any time add facilities to the list.

(5)(a) No local comprehensive plan or development regulation may preclude the siting of essential public facilities.

(b) A city or county precludes an essential public facility when the city or county imposes conditions or costs that the city or county cannot demonstrate are reasonably necessary to mitigate adverse impacts directly caused by construction or operation of the essential public facility. A city or county with permitting authority shall commit to reasonable timelines to ensure timely issuance of permits without unnecessary delay. The essential public facility shall provide the city or county with the information needed to make timely permitting decisions. This subsection (5)(b) is limited exclusively to those essential public facilities that are improvements to high capacity transportation systems as defined in RCW 81.104.015.

(6) No person may bring a cause of action for civil damages based on the good faith actions of any county or city to provide for the siting of secure community transition facilities in accordance with this section and with the requirements of chapter 12, Laws of 2001 2nd sp. sess. For purposes of this subsection, "person" includes, but is not limited to, any individual, agency as defined in RCW 42.17A.005, corporation, partnership, association, and limited liability entity.

(7) Counties or cities siting facilities pursuant to subsection (2) or (3) of this section shall comply with RCW 71.09.341.

(8) The failure of a county or city to act by the deadlines established in subsections (2) and (3) of this section is not:

(a) A condition that would disqualify the county or city for grants, loans, or pledges under RCW 43.155.070 or 70A.135.070;

(b) A consideration for grants or loans provided under RCW 43.17.250(3); or

(c) A basis for any petition under RCW 36.70A.280 or for any private cause of action.

Sec. 604. RCW 36.70A.200 and 2024 c 164 s 511 are each amended to read as follows:

(1)(a) The comprehensive plan of each county and city that is planning under RCW 36.70A.040 shall include a process for identifying and siting essential public facilities. Essential public facilities include those facilities that are typically difficult to site, such as airports, state education facilities and state or regional transportation facilities as defined in RCW 47.06.140, regional transit authority facilities as defined in RCW 81.112.020, improvements to high capacity transportation systems as defined in RCW 81.104.015, bus rapid transit routes and stops or improvements to such routes and stops, state and local correctional facilities, solid waste handling facilities, opioid treatment programs including both mobile and fixed-site medication units, recovery residences, harm reduction programs excluding safe injection sites, and inpatient facilities including substance use disorder treatment facilities, mental health facilities, group homes, community facilities as defined in RCW 72.05.020, and secure community transition facilities as defined in RCW 71.09.020.

(b) Unless a facility is expressly listed in (a) of this subsection, essential public facilities do not include facilities that are operated by a private entity in which persons are detained in custody under process of law pending the outcome of legal proceedings but are not used for punishment, correction, counseling, or rehabilitation following the conviction of a criminal offense. Facilities included under this subsection (1)(b) shall not include facilities detaining persons under RCW 71.09.020 (7) or (16) or chapter 10.77 or 71.05 RCW.

(c) The department of children, youth, and families may not attempt to site new community facilities as defined in RCW 72.05.020 east of the crest of the Cascade mountain range unless there is an equal or greater number of sited community facilities as defined in RCW 72.05.020 on the western side of the crest of the Cascade mountain range.

(d) For the purpose of this ((~~section, "harm~~)) subsection:

(i) "Bus rapid transit" means a fixed route bus system that features assets indicating permanent, high capacity service including, but not limited to, elevated platforms or enhanced stations, off-board fare collection, dedicated lanes, busways, or transit signal priority; and

(ii) Harm reduction programs" means programs that emphasize working directly with people who use drugs to prevent overdose and infectious disease transmission, improve the physical, mental, and social well-being of those served, and offer low threshold options for accessing substance use disorder treatment and other services.

(2) Each county and city planning under RCW 36.70A.040 shall, not later than September 1, 2002, establish a process, or amend its existing process, for identifying and siting essential public facilities and adopt or amend its development regulations as necessary to provide for the siting of secure community transition facilities consistent with statutory requirements applicable to these facilities.

(3) Any city or county not planning under RCW 36.70A.040 shall, not later than September 1, 2002, establish a process for siting secure community transition facilities and adopt or amend its development regulations as necessary to provide for the siting of such facilities consistent with statutory requirements applicable to these facilities.

(4) The office of financial management shall maintain a list of those essential state public facilities that are required or likely to be built within the next six years. The office of financial management may at any time add facilities to the list.

(5)(a) No local comprehensive plan or development regulation may preclude the siting of essential public facilities.

(b) A city or county precludes an essential public facility when the city or county imposes conditions or costs that the city or county cannot demonstrate are reasonably necessary to mitigate adverse impacts directly caused by construction or operation of the

essential public facility. A city or county with permitting authority shall commit to reasonable timelines to ensure timely issuance of permits without unnecessary delay. The essential public facility shall provide the city or county with the information needed to make timely permitting decisions. This subsection (5)(b) is limited exclusively to those essential public facilities that are improvements to high capacity transportation systems as defined in RCW 81.104.015.

(6) No person may bring a cause of action for civil damages based on the good faith actions of any county or city to provide for the siting of secure community transition facilities in accordance with this section and with the requirements of chapter 12, Laws of 2001 2nd sp. sess. For purposes of this subsection, "person" includes, but is not limited to, any individual, agency as defined in RCW 29B.10.030, corporation, partnership, association, and limited liability entity.

(7) Counties or cities siting facilities pursuant to subsection (2) or (3) of this section shall comply with RCW 71.09.341.

(8) The failure of a county or city to act by the deadlines established in subsections (2) and (3) of this section is not:

(a) A condition that would disqualify the county or city for grants, loans, or pledges under RCW 43.155.070 or 70A.135.070;

(b) A consideration for grants or loans provided under RCW 43.17.250(3); or

(c) A basis for any petition under RCW 36.70A.280 or for any private cause of action.

NEW SECTION. **Sec. 605.** A new section is added to chapter 43.21C RCW to read as follows:

In the event of a disagreement over the scope of a transit project, state agencies, cities, and counties shall accept the detailed statement prepared by the transit agency under RCW 43.21C.030(2)(c) as the sole environmental review document, rather than conducting separate environmental reviews or preparing additional detailed statements. Consistent with RCW 43.21C.150, when a transit agency has previously prepared an adequate detailed statement pursuant to the national environmental policy act of 1969 as part of a federally funded transit project, that national environmental policy act document shall satisfy the requirements under RCW 43.21C.030(2)(c). State agencies, cities, and counties

shall adopt and rely on the national environmental policy act document for their environmental review and permitting processes, aligning applicable local documents accordingly. For purposes of this section, "transit agency" does not include a regional transit authority under chapter 81.112 RCW.

PART VII: TRANSPORTATION GRANT PROGRAMS

NEW SECTION. **Sec. 701.** A new county local road program is established to fund the preservation and improvement of county local roads. The board must:

(1) Adopt rules necessary to implement the provisions of this chapter relating to the allocation of funds; and

(2) Include a program status report in the board's annual report to the legislature as provided in RCW 36.78.070.

NEW SECTION. **Sec. 702.** The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Board" means the county road administration board created in RCW 36.78.030.

(2) "Community facility" means a publicly owned facility or building that is primarily intended to serve the recreational, educational, cultural, public health and safety, administrative, or entertainment needs of the community as a whole.

(3) "County local road program project" means improvement projects on those county roads not federally classified as an arterial or collector.

(4) "LAG manual" means the Washington state department of transportation's local agency guidelines manual or its successor document.

(5) "Overburdened community" has the same meaning as defined in RCW 70A.02.010.

(6) "Pedestrian facility" means a facility designed to meet the needs of pedestrians in accordance with county and Americans with disabilities act requirements.

NEW SECTION. **Sec. 703.** (1) The board shall adopt rules to select preservation and improvement projects under this chapter

taking into consideration, at a minimum, the following priority rating factors:

(a) Investment in overburdened communities;

(b) Environmental health disparities as identified in the environmental health disparities map specified in RCW 43.70.815;

(c) Location on or providing direct access to a federally recognized Indian reservation or lands;

(d) Sustaining the structural, safety, and operational integrity of the road;

(e) Vehicle and pedestrian collision experience;

(f) Access improvements to a community facility; and

(g) Identified need in a state, regional, county, or community plan.

(2) Proposed projects must be included in the respective county's six-year plan as provided in RCW 36.81.121 before board approval of the project.

NEW SECTION. **Sec. 704.** The following project types are allowed under the county local road program created in this chapter:

(1) 2-R as defined in the LAG manual;

(2) 3-R as defined in the LAG manual;

(3) Reconstruction as defined in the LAG manual;

(4) Replacement of any bridge on the national bridge inventory;

(5) Removal of human-made or caused impediments to anadromous fish passage; and

(6) Pedestrian facilities.

NEW SECTION. **Sec. 705.** Whenever a proposed county local road program project is adjacent to a city or town, the appropriate city or town and county officials shall jointly plan and include the improvement in their respective long-range plans. Whenever a county local road program project connects with and will be substantially affected by a programmed construction project on a state highway, the proper county officials shall jointly plan the development of such project with the department of transportation district administrator.

NEW SECTION. **Sec. 706.** Counties receiving funds from the county local road program shall provide such matching funds as established by rules adopted by the board. Matching requirements must be

established after appropriate studies by the board and considering the financial resources available to counties.

NEW SECTION. **Sec. 707.** (1) Only those counties that, during the preceding 12 months, have spent all revenues collected for road purposes only for such purposes, including removal of barriers to fish passage and accompanying streambed and stream bank repair as specified in RCW 36.82.070, and including traffic law enforcement as allowed under Article II, section 40 of the state Constitution or RCW 36.82.070(2), are eligible to receive funds from the county local road program, except that:

(a) Counties with a population of less than 8,000 are exempt from this eligibility restriction;

(b) Counties expending revenues collected for road purposes only on other governmental services after authorization from the voters of that county under RCW 84.55.050 are exempt from this eligibility restriction; and

(c) This restriction does not apply to any moneys diverted from the road district levy under chapter 39.89 RCW.

(2) The board shall authorize county local road grant program funds for the construction project portion of a project previously authorized for a preliminary proposal in the sequence in which the preliminary proposal has been completed and the construction project is to be placed under contract. At such time the board may reserve funds for expenditure in future years as may be necessary for completion of preliminary proposals and construction projects to be commenced in the ensuing biennium.

(3) Subject to the availability of amounts appropriated for this specific purpose, the board may consider additional projects for authorization under this chapter upon a clear and conclusive showing by the submitting county that the proposed project is of an emergent nature and that its need was unable to be anticipated at the time the six-year plan of the county was developed. The proposed projects must be evaluated on the basis of the priority rating factors specified in section 703 of this act.

NEW SECTION. **Sec. 708.** Whenever the board approves a county local road program project under this chapter it shall determine the amount of county local road program funds to be allocated for such project. The allocation must be based upon information submitted by

the county seeking approval of the project and upon such further investigation as the board deems necessary. The board shall adopt reasonable rules pursuant to which county local road program funds allocated to a project may be increased upon a subsequent application of the county constructing the project. The rules adopted by the board must take into account, but are not limited to, the following factors:

(1) The financial effect of increasing the original allocation for the project upon other county local road program projects either approved or requested;

(2) Whether the project for which an additional allocation is requested can be reduced in scope while retaining a usable segment;

(3) Whether the original cost of the project shown in the applicant's original submittal was based upon reasonable engineering estimates; and

(4) Whether the requested additional allocation is to pay for an expansion in the scope of work originally approved.

NEW SECTION. **Sec. 709.** Sections 701 through 708 of this act constitute a new chapter in Title 36 RCW.

Sec. 710. RCW 47.04.380 and 2024 c 106 s 1 are each amended to read as follows:

(1) The legislature finds that many communities across Washington state have not equitably benefited from investments in the active transportation network. The legislature also finds that legacy state transportation facilities designed primarily for vehicle use caused disconnections in safe routes for people who walk, bike, and roll to work and to carry out other daily activities.

(2) To address these investment gaps, and to honor the legacy of community advocacy of Sandy Williams, the Sandy Williams connecting communities program is established within the department. The purpose of the program is to improve active transportation connectivity in communities by:

(a) Providing safe, continuous routes for pedestrians, bicyclists, and other nonvehicle users carrying out their daily activities;

(b) Mitigating for the health, safety, and access impacts of transportation infrastructure that bisects communities and creates obstacles in the local active transportation network;

(c) Investing in greenways providing protected routes for a wide variety of nonvehicular users; and

(d) Facilitating the planning, development, and implementation of projects and activities that will improve the connectivity and safety of the active transportation network.

(3) The department must select projects to propose to the legislature for funding. In selecting projects, the department must consider, at a minimum, the following criteria:

(a) Access to a transit facility, community facility, commercial center, or community-identified assets;

(b) The use of minority and women-owned businesses and community-based organizations in planning, community engagement, design, and construction of the project;

(c) Whether the project will serve:

(i) Overburdened communities as defined in RCW 70A.02.010 to mean a geographic area where vulnerable populations face combined, multiple environmental harms and health impacts, and includes, but is not limited to, highly impacted communities as defined in RCW 19.405.020;

(ii) Vulnerable populations as defined in RCW 70A.02.010 to mean population groups that are more likely to be at higher risk for poor health outcomes in response to environmental harms, due to adverse socioeconomic factors, such as unemployment, high housing, and transportation costs relative to income, limited access to nutritious food and adequate health care, linguistic isolation, and other factors that negatively affect health outcomes and increase vulnerability to the effects of environmental harms; and sensitivity factors, such as low birth weight and higher rates of hospitalization. Vulnerable populations include, but are not limited to: Racial or ethnic minorities, low-income populations, populations disproportionately impacted by environmental harms, and populations of workers experiencing environmental harms;

(iii) Household incomes at or below 200 percent of the federal poverty level; and

(iv) People with disabilities;

(d) Environmental health disparities, such as those indicated by the diesel pollution burden portion of the Washington environmental health disparities map developed by the department of health, or other similar indicators;

(e) Location on or adjacent to tribal lands or locations providing essential services to tribal members;

(f) Crash experience involving pedestrians and bicyclists; and

(g) Identified need by the community, for example in the state active transportation plan or a regional, county, or community plan.

(4) It is the intent of the legislature that the Sandy Williams connecting communities program comply with the requirements of chapter 314, Laws of 2021.

(5) The department shall submit a report to the transportation committees of the legislature by December 1, 2022, and each December 1st thereafter identifying the selected connecting communities projects for funding by the legislature. The report must also include the status of previously funded projects.

(6) The Sandy Williams connecting communities program account is created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for the program activities described in this section.

(7) Beginning September 2027, by the last day of September, December, March, and June of each year, the state treasurer shall transfer $3,125,000 from the multimodal transportation account created in RCW 47.66.070 to the Sandy Williams connecting communities program account created in this section.

Sec. 711. RCW 47.04.390 and 2023 c 431 s 7 are each amended to read as follows:

(1)(a) The department shall establish a statewide school-based bicycle education grant program. The grant will support two programs: One for ((~~elementary and middle school~~)) grades three through eight; and one for ((~~junior high and high school~~)) grades six through 12 aged youth to develop the skills and street safety knowledge to be more confident bicyclists for transportation and/or recreation. In development of the grant program, the department is encouraged to consult with the environmental justice council and the office of equity.

(b) Youth participating in the school-based bicycle education grant program shall have an opportunity to receive a bike, lock, helmet, and lights, and maintenance supplies free of cost.

(2)((~~(a)~~)) For the ((~~elementary and middle school program~~)) grades through three through eight and grades six through 12 programs, the department shall contract with a nonprofit organization

with relevant reach and experience, including a statewide footprint and demonstrable experience deploying bicycling and road safety education curriculum via a train the trainer model in schools. The selected nonprofit shall identify partner schools and partner organizations that serve target populations, based on the criteria in subsection ((~~(3)~~)) (4) of this section. Partner schools shall receive from the nonprofit: In-school bike and pedestrian safety education curriculum, materials, equipment guidance and consultation, and physical education teacher ((~~trainings. Youth grades three through eight are eligible for the program.~~

~~(b) Selected school districts shall receive and maintain a fleet of bicycles for the youth in the program. Youth and families participating in the school-base bicycle education grant program shall have an opportunity to receive a bike, lock, helmet, and lights free of cost~~)) training. Selected school districts shall receive and maintain a fleet of bicycles for the youth in the program.

(3) For the ((~~junior high and high school~~)) grades six through 12 program, the department shall contract with a nonprofit organization with relevant reach and experience, including a statewide footprint; demonstrable experience developing and managing youth-based programming serving youth of color in an after-school and/or community setting; and deploying bicycling and road safety education curriculum via a train the trainer model. The selected nonprofit shall use the equity-based criteria in subsection (4) of this section to identify target populations and partner organizations including, but not limited to, schools, community-based organizations, housing authorities, and parks and recreation departments, that work with the eligible populations of youth ((~~ages 14 to 18~~)). Partner organizations shall receive from the nonprofit: Education curriculum, materials, equipment including, but not limited to, bicycles, helmets, locks, and lights, guidance and consultation, and initial instructor/volunteer training, as well as ongoing support.

(4) In selecting schools and partner organizations for the school-based bicycle education grant program, the department and nonprofit must consider, at a minimum, the following criteria:

(a) Population impacted by poverty, as measured by free and reduced lunch population or 200 percent federal poverty level;

(b) People of color;

(c) People of Hispanic heritage;

(d) People with disabilities;

(e) Environmental health disparities, such as those indicated by the diesel pollution burden portion of the Washington environmental health disparities map developed by the department of health, or other similar indicators;

(f) Location on or adjacent to an Indian reservation;

(g) Geographic location throughout the state;

(h) Crash experience involving pedestrians and bicyclists;

(i) Access to a community facility or commercial center; and

(j) Identified need in the state active transportation plan or a regional, county, or community plan.

(5) The department shall submit a report for both programs to the transportation committees of the legislature by December 1, 2022, and each December 1st thereafter identifying the selected programs and school districts for funding by the legislature. The report must also include the status of previously funded programs.

PART VIII: GREEN TRANSPORTATION POLICY

Climate Commitment Act Transportation Accounts

NEW SECTION. **Sec. 801.** The following acts or parts of acts are each repealed:

(1) RCW 46.68.490 (Climate active transportation account) and 2023 c 472 s 711 & 2022 c 182 s 102; and

(2) RCW 46.68.500 (Climate transit programs account) and 2023 c 472 s 712 & 2022 c 182 s 103.

Sec. 802. RCW 43.84.092 and 2024 c 210 s 4 and 2024 c 168 s 12 are each reenacted and amended to read as follows:

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

(2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require

appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.

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

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

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The abandoned recreational vehicle disposal account, the aeronautics account, the Alaskan Way viaduct replacement project account, the ambulance transport fund, the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the Chehalis basin account, the Chehalis basin taxable account, the clean fuels credit account, the clean fuels transportation investment account, the cleanup settlement account, ((~~the climate active transportation account, the climate transit programs account,~~)) the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the common school construction fund, the community forest trust account, the connecting Washington account, the county arterial preservation account, the county criminal justice assistance account, the covenant

homeownership account, the deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of retirement systems expense account, the developmental disabilities community services account, the diesel idle reduction account, the opioid abatement settlement account, the drinking water assistance account, the administrative subaccount of the drinking water assistance account, the early learning facilities development account, the early learning facilities revolving account, the Eastern Washington University capital projects account, the education construction fund, the education legacy trust account, the election account, the electric vehicle account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the fair start for kids account, the family medicine workforce development account, the ferry bond retirement fund, the fish, wildlife, and conservation account, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the higher education retirement plan supplemental benefit fund, the Washington student loan account, the highway bond retirement fund, the highway infrastructure account, the highway safety fund, the hospital safety net assessment fund, the Interstate 5 bridge replacement project account, the Interstate 405 and state route number 167 express toll lanes account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the limited fish and wildlife account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources stewardship trust account, the medical aid account, the money-purchase retirement savings administrative account, the money-purchase retirement savings principal account, the motor vehicle fund, the motorcycle safety education account, the move ahead WA account, the move ahead WA flexible account, the multimodal transportation account, the multiuse roadway safety account, the municipal criminal justice assistance account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the pilotage account, the pollution liability insurance agency underground storage tank revolving account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public

facilities construction loan revolving account, the public health supplemental account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the Puget Sound Gateway facility account, the Puget Sound taxpayer accountability account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the reserve officers' relief and pension principal fund, the resource management cost account, the rural arterial trust account, the rural mobility grant program account, the rural Washington loan fund, the second injury fund, the sexual assault prevention and response account, the site closure account, the skilled nursing facility safety net trust fund, the small city pavement and sidewalk account, the special category C account, the special wildlife account, the state hazard mitigation revolving loan account, the state investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state reclamation revolving account, the state route number 520 civil penalties account, the state route number 520 corridor account, the statewide broadband account, the statewide tourism marketing account, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the toll facility bond retirement account, the transportation 2003 account (nickel account), the transportation equipment fund, the JUDY transportation future funding program account, the transportation improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the transportation partnership account, the traumatic brain injury account, the tribal opioid prevention and treatment account, the University of Washington bond retirement fund, the University of Washington building account, the voluntary cleanup account, the volunteer firefighters' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the vulnerable roadway user education account, the Washington judicial retirement system account, the Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law enforcement officers' and firefighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school

employees' retirement system combined plan 2 and 3 account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving administration account, the water pollution control revolving fund, the Western Washington University capital projects account, the Yakima integrated plan implementation account, the Yakima integrated plan implementation revenue recovery account, and the Yakima integrated plan implementation taxable bond account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state university permanent fund shall be allocated to their respective beneficiary accounts.

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

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

Sec. 803. RCW 43.84.092 and 2024 c 210 s 5 and 2024 c 168 s 13 are each reenacted and amended to read as follows:

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

(2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to

implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.

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

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

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The abandoned recreational vehicle disposal account, the aeronautics account, the Alaskan Way viaduct replacement project account, the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the Chehalis basin account, the Chehalis basin taxable account, the clean fuels credit account, the clean fuels transportation investment account, the cleanup settlement account, ((~~the climate active transportation account, the climate transit programs account,~~)) the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the common school construction fund, the community forest trust account, the connecting Washington account, the county arterial preservation account, the county criminal justice assistance account, the covenant homeownership account, the deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of retirement systems expense account, the developmental disabilities community services account, the diesel idle reduction

account, the opioid abatement settlement account, the drinking water assistance account, the administrative subaccount of the drinking water assistance account, the early learning facilities development account, the early learning facilities revolving account, the Eastern Washington University capital projects account, the education construction fund, the education legacy trust account, the election account, the electric vehicle account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the fair start for kids account, the family medicine workforce development account, the ferry bond retirement fund, the fish, wildlife, and conservation account, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the higher education retirement plan supplemental benefit fund, the Washington student loan account, the highway bond retirement fund, the highway infrastructure account, the highway safety fund, the hospital safety net assessment fund, the Interstate 5 bridge replacement project account, the Interstate 405 and state route number 167 express toll lanes account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the limited fish and wildlife account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources stewardship trust account, the medical aid account, the money-purchase retirement savings administrative account, the money-purchase retirement savings principal account, the motor vehicle fund, the motorcycle safety education account, the move ahead WA account, the move ahead WA flexible account, the multimodal transportation account, the multiuse roadway safety account, the municipal criminal justice assistance account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the pilotage account, the pollution liability insurance agency underground storage tank revolving account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account, the public health supplemental account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the Puget Sound Gateway facility account, the Puget Sound taxpayer accountability account,

the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the reserve officers' relief and pension principal fund, the resource management cost account, the rural arterial trust account, the rural mobility grant program account, the rural Washington loan fund, the second injury fund, the sexual assault prevention and response account, the site closure account, the skilled nursing facility safety net trust fund, the small city pavement and sidewalk account, the special category C account, the special wildlife account, the state hazard mitigation revolving loan account, the state investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state reclamation revolving account, the state route number 520 civil penalties account, the state route number 520 corridor account, the statewide broadband account, the statewide tourism marketing account, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the toll facility bond retirement account, the transportation 2003 account (nickel account), the transportation equipment fund, the JUDY transportation future funding program account, the transportation improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the transportation partnership account, the traumatic brain injury account, the tribal opioid prevention and treatment account, the University of Washington bond retirement fund, the University of Washington building account, the voluntary cleanup account, the volunteer firefighters' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the vulnerable roadway user education account, the Washington judicial retirement system account, the Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law enforcement officers' and firefighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving administration

account, the water pollution control revolving fund, the Western Washington University capital projects account, the Yakima integrated plan implementation account, the Yakima integrated plan implementation revenue recovery account, and the Yakima integrated plan implementation taxable bond account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state university permanent fund shall be allocated to their respective beneficiary accounts.

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

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

Sec. 804. RCW 70A.65.030 and 2023 c 475 s 1902 and 2023 c 475 s 936 are each reenacted and amended to read as follows:

(1) ((~~Except as provided in subsection (4) of this section, each~~)) Each year or biennium, as appropriate, when allocating funds from the carbon emissions reduction account created in RCW 70A.65.240, the climate commitment account created in RCW 70A.65.260, the natural climate solutions account created in RCW 70A.65.270, the climate investment account created in RCW 70A.65.250, or the air quality and health disparities improvement account created in RCW 70A.65.280, ((~~the climate transit programs account created in RCW 46.68.500, or the climate active transportation account created in RCW 46.68.490,~~)) or administering grants or programs funded by the accounts, agencies shall conduct an environmental justice assessment consistent with the requirements of RCW 70A.02.060 and establish a minimum of not less than 35 percent and a goal of 40 percent of total investments that provide direct and meaningful benefits to vulnerable populations within the boundaries of overburdened communities through: (a) The direct reduction of environmental burdens in overburdened communities; (b) the reduction of disproportionate, cumulative risk from environmental burdens, including those associated with climate change; (c) the support of community led

project development, planning, and participation costs; or (d) meeting a community need identified by the community that is consistent with the intent of this chapter or RCW 70A.02.010.

(2) The allocation of funding under subsection (1) of this section must adhere to the following principles, additional to the requirements of RCW 70A.02.080: (a) Benefits and programs should be directed to areas and targeted to vulnerable populations and overburdened communities to reduce statewide disparities; (b) investments and benefits should be made roughly proportional to the health disparities that a specific community experiences, with a goal of eliminating the disparities; (c) investments and programs should focus on creating environmental benefits, including eliminating health burdens, creating community and population resilience, and raising the quality of life of those in the community; and (d) efforts should be made to balance investments and benefits across the state and within counties, local jurisdictions, and unincorporated areas as appropriate to reduce disparities by location and to ensure efforts contribute to a reduction in disparities that exist based on race or ethnicity, socioeconomic status, or other factors.

(3) ((~~Except as provided in subsection (4) of this section, state~~)) State agencies allocating funds or administering grants or programs from the carbon emissions reduction account created in RCW 70A.65.240, the climate commitment account created in RCW 70A.65.260, the natural climate solutions account created in RCW 70A.65.270, the climate investment account created in RCW 70A.65.250, or the air quality and health disparities improvement account created in RCW 70A.65.280, ((~~the climate transit programs account created in RCW 46.68.500, or the climate active transportation account created in RCW 46.68.490,~~)) must:

(a) Report annually to the environmental justice council created in RCW 70A.02.110 regarding progress toward meeting environmental justice and environmental health goals;

(b) Consider recommendations by the environmental justice council; and

(c)(i) If the agency is not a covered agency subject to the requirements of chapter 70A.02 RCW, create and adopt a community engagement plan to describe how it will engage with overburdened communities and vulnerable populations in allocating funds or administering grants or programs from the climate investment account.

(ii) The plan must include methods for outreach and communication with those who face barriers, language or otherwise, to participation.

((~~(4) During the 2023-2025 fiscal biennium:~~

~~(a) The requirement of subsection (1) of this section to conduct an environmental justice assessment applies only to covered agencies as defined in RCW 70A.02.010 and to significant agency actions as defined in RCW 70A.02.010.~~

~~(b) Agencies shall coordinate with the department and the office of financial management to achieve total statewide spending from the accounts listed in subsection (1) of this section of not less than 35 percent and a goal of 40 percent of total investments that provide direct and meaningful benefits to vulnerable populations within the boundaries of overburdened communities as otherwise described in subsection (1)(a) through (d) of this section and in accordance with RCW 70A.65.230.~~

~~(c) The requirements of subsection (3)(c) of this section for agencies other than covered agencies to create and adopt community engagement plans apply only to executive branch agencies and institutions of higher education, as defined in RCW 28B.10.016, receiving total appropriations of more than $2,000,000 for the 2023-2025 fiscal biennium from the accounts listed in subsection (1) of this section.~~))

Sec. 805. RCW 70A.65.040 and 2022 c 182 s 105 and 2022 c 181 s 14 are each reenacted and amended to read as follows:

(1) The environmental justice council created in RCW 70A.02.110 must provide recommendations to the legislature, agencies, and the governor in the development and implementation of the program established in RCW 70A.65.060 through 70A.65.210, and the programs funded from the carbon emissions reduction account created in RCW 70A.65.240, the climate commitment account created in RCW 70A.65.260, the natural climate solutions account created in RCW 70A.65.270, and the climate investment account created in RCW 70A.65.250((~~, the climate transit programs account created in RCW 46.68.500, and the climate active transportation account created in RCW 46.68.490~~)).

(2) In addition to the duties and authorities granted in chapter 70A.02 RCW to the environmental justice council, the environmental justice council must:

(a) Provide recommendations to the legislature, agencies, and the governor in the development of:

(i) The program established in RCW 70A.65.060 through 70A.65.210 including, but not limited to, linkage with other jurisdictions, protocols for establishing offset projects and securing offset credits, designation of emissions-intensive and trade-exposed industries under RCW 70A.65.110, and administration of allowances under the program; and

(ii) Investment plans and funding proposals for the programs funded from the climate investment account created in RCW 70A.65.250 for the purpose of providing environmental benefits and reducing environmental health disparities within overburdened communities;

(b) Provide a forum to analyze policies adopted under this chapter to determine if the policies lead to improvements within overburdened communities;

(c) Recommend procedures and criteria for evaluating programs, activities, or projects;

(d) Recommend copollutant emissions reduction goals in overburdened communities;

(e) Evaluate the level of funding provided to assist vulnerable populations, low-income individuals, and impacted workers and the funding of projects and activities located within or benefiting overburdened communities;

(f) Recommend environmental justice and environmental health goals for programs, activities, and projects funded from the climate investment account, and review agency annual reports on outcomes and progress toward meeting these goals;

(g) Provide recommendations to implementing agencies for meaningful consultation with vulnerable populations, including community engagement plans under RCW 70A.65.020 and 70A.65.030; and

(h) Recommend how to support public participation through capacity grants for participation.

(3) For the purpose of performing the duties under subsection (2) of this section, two additional tribal members are added to the council.

Sec. 806. RCW 70A.65.230 and 2022 c 182 s 426 and 2022 c 181 s 8 are each reenacted and amended to read as follows:

(1) It is the intent of the legislature that each year the total investments made through the carbon emissions reduction account

created in RCW 70A.65.240, the climate commitment account created in RCW 70A.65.260, the natural climate solutions account created in RCW 70A.65.270, and the air quality and health disparities improvement account created in RCW 70A.65.280, ((~~the climate transit programs account created in RCW 46.68.500, and the climate active transportation account created in RCW 46.68.490,~~)) achieve the following:

(a) A minimum of not less than 35 percent and a goal of 40 percent of total investments that provide direct and meaningful benefits to vulnerable populations within the boundaries of overburdened communities identified under chapter 70A.02 RCW; and

(b) In addition to the requirements of (a) of this subsection, a minimum of not less than 10 percent of total investments that are used for programs, activities, or projects formally supported by a resolution of an Indian tribe, with priority given to otherwise qualifying projects directly administered or proposed by an Indian tribe. An investment that meets the requirements of both this subsection (1)(b) and (a) of this subsection may count toward the minimum percentage targets for both subsections.

(2) The expenditure of moneys under this chapter must be consistent with applicable federal, state, and local laws, and treaty rights including, but not limited to, prohibitions on uses of funds imposed by the state Constitution.

(3) For the purposes of this section, "benefits" means investments or activities that:

(a) Reduce vulnerable population characteristics, environmental burdens, or associated risks that contribute significantly to the cumulative impact designation of overburdened communities;

(b) Meaningfully protect an overburdened community from, or support community response to, the impacts of air pollution or climate change; or

(c) Meet a community need identified by vulnerable members of the overburdened community that is consistent with the intent of this chapter.

(4) The state must develop a process by which to evaluate the impacts of the investments made under this chapter, work across state agencies to develop and track priorities across the different eligible funding categories, and work with the environmental justice council pursuant to RCW 70A.65.040.

NEW SECTION. **Sec. 807.** Any residual balance of funds remaining in the climate transit programs account or the climate active transportation account on June 30, 2025, shall be transferred by the state treasurer to the carbon emissions reduction account.

Zero Emission Vehicle Tax Incentives

NEW SECTION. **Sec. 808.** This section is the tax preference performance statement for the tax preferences contained in sections 809 and 810, chapter . . ., Laws of 2025 (sections 809 and 810 of this act). This performance statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(1) The legislature categorizes the tax preferences as ones intended to induce certain designated behavior by taxpayers, as indicated in RCW 82.32.808(2)(a).

(2) It is the legislature's specific public policy objective to increase the use of zero emission buses by transit agencies in Washington. It is the legislature's intent to extend the tax incentive available to zero emission buses to further emission reductions, as well as reductions in fine particulates, in the state.

(3) To measure the effectiveness of the tax preferences in sections 809 and 810, chapter . . ., Laws of 2025 (sections 809 and 810 of this act) in achieving the public policy objectives described in subsection (2) of this section, the joint legislative audit and review committee must evaluate the number of zero emission transit buses titled in the state and the estimated resulting carbon emission and fine particulate reductions.

(4) In order to obtain the data necessary to perform the review in subsection (3) of this section, the department of licensing, department of revenue, and department of ecology must provide data needed for the joint legislative audit and review committee analysis. In addition to the data source described under this subsection, the joint legislative audit and review committee may use any other data it deems necessary.

NEW SECTION. **Sec. 809.** A new section is added to chapter 82.08 RCW to read as follows:

(1) The tax levied by RCW 82.08.020 does not apply to sales of zero emission buses purchased by:

(a) A transit agency; or

(b) A federally recognized Indian tribe to provide public transportation services.

(2) Sellers may make tax exempt sales under this section only if the buyer provides the seller with an exemption certificate in a form and manner prescribed by the department. The seller must retain a copy of the certificate for the seller's files.

(3) For the purposes of this section:

(a) "Transit agency" means a city-owned transit system, county transportation authority, metropolitan municipal corporation, public transportation benefit area, unincorporated transportation benefit area, or regional transit authority.

(b) "Zero emission bus" means a bus that emits no exhaust gas from the onboard source of power, other than water vapor.

(4) On the last day of February, May, August, and November of each year, the state treasurer, based upon information provided by the department, must transfer from the carbon emissions reduction account to the general fund a sum equal to the dollar amount that would otherwise have been deposited into the general fund during the prior calendar quarter but for the exemption provided in this section and section 810 of this act. Information provided by the department to the state treasurer must be based on the best available data, except that the department may provide estimates of taxes exempted under this section until such time as retailers are able to report such exempted amounts on their tax returns.

(5)(a) The department must provide notification on its website monthly of the amount in exemptions issued and the amount remaining under this section and section 810 of this act before the limit described in (b) of this subsection has been reached, and, once that limit has been reached, the date the exemption expires pursuant to (b) of this subsection.

(b) The exemption under this section expires after the last day of the calendar month immediately following the month the department determines the total amount of state sales and use tax exemptions issued under this section and section 810 of this act reaches or exceeds $14,000,000.

(6) By July 1, 2026, and every six months thereafter until the exemptions in this section and section 810 of this act expire, based

on the best available data, the department must report the following information to the transportation committees of the legislature:

(a) The cumulative number of vehicles that qualified for the exemption under this section and section 810 of this act by month of purchase and vehicle make and model; and

(b) The dollar amount of all state retail sales and use taxes exempted under this section and section 810 of this act, by fiscal year.

NEW SECTION. **Sec. 810.** A new section is added to chapter 82.12 RCW to read as follows:

(1) The provisions of this chapter do not apply with respect to the use of zero emission buses purchased by a transit agency or by a federally recognized Indian tribe to provide public transportation services.

(2) For the purposes of this section.

(a) "Transit agency" means a city-owned transit system, county transportation authority, metropolitan municipal corporation, public transportation benefit area, unincorporated transportation benefit area, or regional transit authority.

(b) "Zero emissions bus" means a bus that emits no exhaust gas from the onboard source of power, other than water vapor.

(3) The exemption under this section expires after the last day of the calendar month immediately following the month the department determines the total amount of exemptions under this section and section 809 of this act issued reaches or exceeds $14,000,000.

Alternative Fuel Grant and Education Programs

Sec. 811. RCW 28B.30.903 and 2019 c 287 s 2 are each amended to read as follows:

(1) The Washington State University extension energy program shall provide information, technical assistance, and consultation on physical plant operation, maintenance, and construction issues to state and local governments, tribal governments, and nonprofit organizations through its plant operations support program. The Washington State University extension energy program may not enter into facilities design or construction contracts on behalf of state or local government agencies, tribal governments, or nonprofit organizations. The plant operations support program created in this

section must be funded by voluntary subscription charges, service fees, and other funding acquired by or provided to Washington State University for such purposes.

(2) ((~~Subject to the availability of amounts appropriated for this specific purpose through the 2023-2025 biennium, the~~)) The Washington State University extension energy program must establish and administer a technical assistance and education program focused on the use of alternative fuel vehicles. Education and assistance may be provided to public agencies, including local governments and other state political subdivisions.

Sec. 812. RCW 47.04.350 and 2019 c 287 s 3 are each amended to read as follows:

(1) ((~~Subject to the availability of amounts appropriated for this specific purpose through the 2023-2025 biennium, the~~)) The department's public-private partnership office must develop and maintain a program to support the deployment of clean alternative fuel vehicle charging and refueling infrastructure that is supported by private financing.

(2) The department must define corridors in which bidders may propose to install electric vehicle charging infrastructure or hydrogen fueling stations, and may update these corridors over time as needed. Alternatively, a bidder may propose a corridor in which the bidder proposes to install electric vehicle infrastructure or hydrogen fueling stations if the department has adopted rules allowing such a proposal and establishing guidelines for how such a proposal will be considered.

(3)(a) For bid proposals under this section, the department must require the following:

(i) Bidders must have private sector partners contributing to the project who stand to gain indirect value from development of the project, such as motor vehicle manufacturers, retail stores, or tourism stakeholders;

(ii) Bidders must demonstrate that the proposed project will be valuable to clean alternative fuel vehicle drivers and will address an existing gap in the state's low carbon transportation infrastructure;

(iii) Projects must be expected to be profitable and sustainable for the owner-operator and the private partner; and

(iv) Bidders must specify how the project captures the indirect value of charging or refueling station deployment to the private partner.

(b) The department may adopt rules that require any other criteria for a successful project.

(4) In evaluating proposals under this section, the department may use the electric vehicle financial analysis tool that was developed in the joint transportation committee's study into financing electric vehicle charging station infrastructure.

(5)(a) After selecting a successful proposer under this section, the department may provide a loan or grant to the proposer.

(b) ((~~Grants and loans issued under this subsection must be funded from the electric vehicle account created in RCW 82.44.200.~~

~~(c)~~)) Any project selected for support under this section is eligible for only one grant or loan as a part of the program.

(6) The department may conduct preliminary workshops with potential bidders and other potential private sector partners to determine the best method of designing and maintaining the program, discuss how to develop and maintain the partnerships among the private sector partners that may receive indirect value, and any other issues relating to the implementation and administration of this section. The department should consider regional workshops to engage potential business partners from across the state.

(7) The department must adopt rules to implement and administer this section.

Sec. 813. RCW 47.04.355 and 2019 c 287 s 16 are each amended to read as follows:

(1) ((~~Subject to the availability of amounts appropriated for this specific purpose through the 2023-2025 biennium, the~~)) The department's ((~~public-private partnership office~~)) public transportation division must develop and administer a ((~~pilot~~)) program to support clean alternative fuel car sharing programs to provide clean alternative fuel vehicle use opportunities to underserved communities and low to moderate income members of the workforce not readily served by transit or located in transportation corridors with emissions that exceed federal or state emissions standards. Nonprofit organizations or local governments, including housing authorities, with a demonstrated history of managing or implementing low-income transportation clean alternative fuel and

shared mobility pilot programs are eligible to participate in this program.

(2) The department must determine specific eligibility criteria, based on the requirements of this section, the report submitted to the legislature by the Puget Sound clean air agency entitled facilitating low-income utilization of electric vehicles, and other factors relevant to increasing clean alternative fuel vehicle use in underserved and low to moderate income communities. The department may adopt rules specifying the eligibility criteria it selects.

(3) The department may conduct preliminary workshops with potential bidders and other potential partners to determine the best method of designing the ((~~pilot~~)) program.

(4) The department must include the following elements in its proposal evaluation and scoring methodology: History of successful management of equity focused clean alternative fuel vehicle projects; substantial level of involvement from community-based, equity focused organizations in the project; plan for long-term financial sustainability of the work beyond the duration of the grant period; matching resources leveraged for the project; and geographical diversity of the projects selected.

(5) After selecting successful proposals under this section, the department may provide grant funding to them. The total grant amount available per project may range from ((~~fifty thousand to two hundred thousand dollars~~)) $50,000 to $200,000. The grant opportunity must include possible funding of vehicles, charging or refueling station infrastructure, staff time, and any other expenses required to implement the project. No more than ((~~ten~~)) 10 percent of grant funds may be used for administrative expenses.

(6)(a) Any property acquired with state grant funding under this section by nongovernmental participants must be used solely for program purposes and, if sold, the proceeds of the sale must be used solely for program purposes.

(b) At the termination of a program for providing alternative fuel car sharing services, the state must be reimbursed for any property acquired with state grant funding under this section that nongovernmental participants in the program retain at the time of program termination. The amount of reimbursement may under no circumstances be less than the fair market value of the property at the time of the termination of the program.

Fuel Conversion Activity Reporting

NEW SECTION. **Sec. 814.** A new section is added to chapter 70A.65 RCW to read as follows:

(1) State agencies that receive or have received appropriations from the carbon emissions reduction account in an omnibus transportation appropriations act are required to report information to estimate emission reductions from fuel conversion activities funded from these appropriations to the legislature, as well as any requested information necessary for the estimation and analysis of projected and realized emission reductions, using the reporting tool developed by the joint transportation committee in accordance with section 204(7), chapter 472, Laws of 2023 in a form and manner prescribed by the joint transportation committee.

(2) Reports must include initial reporting of projected emission reductions at the time of expenditure and continued reporting of factors to be used to calculate estimated realized emission reductions in subsequent years.

(3) The reporting requirement in this section is in addition to the reporting requirements of RCW 70A.65.300.

(4) For purposes of this section, "fuel conversion" means the purchase of zero emission or hybrid electric vehicles, vessels, or off-road equipment and the charging or fueling infrastructure needed to support zero emission or hybrid electric vehicles or vessels.

PART IX: TRAFFIC SAFETY, ACTIVE TRANSPORTATION, AND RELATED POLICY

Complete Streets

Sec. 901. RCW 47.04.035 and 2022 c 182 s 418 are each amended to read as follows:

(1) In order to improve the safety, mobility, and accessibility of state highways, it is the intent of the legislature that the department must incorporate the principles of complete streets with facilities that provide street access with all users in mind, including pedestrians, bicyclists, and public transportation users, notwithstanding the provisions of RCW 47.24.020 concerning responsibility beyond the curb of state rights-of-way. As such, state transportation projects (a) starting design ((~~on or after~~)) between July 1, 2022, and July 31, 2025, that are $500,000 or more, and (b)

starting design on or after August 1, 2025, that are $1,000,000 or more, must:

((~~(a)~~)) (i) Identify those locations on state rights-of-way that do not have a complete and Americans with disabilities act accessible sidewalk or shared-use path, that do not have bicycle facilities in the form of a bike lane or adjacent parallel trail or shared-use path, that have such facilities on a state route within a population center that has a posted speed in excess of 30 miles per hour and no buffer or physical separation from vehicular traffic for pedestrians and bicyclists, and/or that have a design that hampers the ability of motorists to see a crossing pedestrian with sufficient time to stop given posted speed limits and roadway configuration;

((~~(b)~~)) (ii) Consult with local jurisdictions to confirm existing and planned active transportation connections along or across the location; identification of connections to existing and planned public transportation services, ferry landings, commuter and passenger rail, and airports; the existing and planned facility type(s) within the local jurisdiction that connect to the location; and the potential use of speed management techniques to minimize crash exposure and severity;

((~~(c)~~)) (iii) Adjust the speed limit to a lower speed with appropriate modifications to roadway design and operations to achieve the desired operating speed in those locations where this speed management approach aligns with local plans or ordinances, particularly in those contexts that present a higher possibility of serious injury or fatal crashes occurring based on land use context, observed crash data, crash potential, roadway characteristics that are likely to increase exposure, or a combination thereof, in keeping with a safe system approach and with the intention of ultimately eliminating serious and fatal crashes; and

((~~(d)~~)) (iv) Plan, design, and construct facilities providing context-sensitive solutions that contribute to network connectivity and safety for pedestrians, bicyclists, and people accessing public transportation and other modal connections, such facilities to include Americans with disabilities act accessible sidewalks or shared-use paths, bicyclist facilities, and crossings as needed to integrate the state route into the local network.

(2) Projects undertaken for emergent work required to reopen a state highway in the event of a natural disaster or other emergency

repair are not required to comply with the provisions of this section.

(3) Maintenance of facilities constructed under this provision shall be as provided under existing law.

(4) This section does not create a private right of action.

Traffic Safety and Tribal Representation

Sec. 902. RCW 43.59.156 and 2020 c 72 s 1 are each amended to read as follows:

(1) Within amounts appropriated to the traffic safety commission, the commission must convene the Cooper Jones active transportation safety council comprised of stakeholders who have a unique interest or expertise in the safety of pedestrians, bicyclists, and other nonmotorists.

(2) The purpose of the council is to review and analyze data and programs related to fatalities and serious injuries involving pedestrians, bicyclists, and other nonmotorists to identify points at which the transportation system can be improved including, whenever possible, privately owned areas of the system such as parking lots, and to identify patterns in pedestrian, bicyclist, and other nonmotorist fatalities and serious injuries. The council may also:

(a) Monitor progress on implementation of existing council recommendations; and

(b) Seek opportunities to expand consideration and implementation of the principles of systematic safety, including areas where data collection may need improvement.

(3)(a) The council may include, but is not limited to:

(i) A representative from the commission;

(ii) A coroner from the county in which pedestrian, bicyclist, or nonmotorist deaths have occurred;

(iii) Multiple members of law enforcement who have investigated pedestrian, bicyclist, or nonmotorist fatalities;

(iv) A traffic engineer;

(v) A representative from the department of transportation and a representative from the department of health;

(vi) A representative from the association of Washington cities;

(vii) A representative from the Washington state association of counties;

(viii) A representative from a pedestrian advocacy group; ((~~and~~))

(ix) A representative from a tribal government; and

(x) A representative from a bicyclist or other nonmotorist advocacy group.

(b) The commission may invite other representatives of stakeholder groups to participate in the council as deemed appropriate by the commission. Additionally, the commission may invite a victim or family member of a victim to participate in the council.

(4) The council must meet at least quarterly. By December 31st of each year, the council must issue an annual report detailing any findings and recommendations to the governor and the transportation committees of the legislature. The commission must provide the annual report electronically to all municipal governments and state agencies that participated in the council during that calendar year. Additionally, the council must report any budgetary or fiscal recommendations to the office of financial management and the legislature by August 1st on a biennial basis.

(5) As part of the review of pedestrian, bicyclist, or nonmotorist fatalities and serious injuries that occur in Washington, the council may review any available information, including crash information maintained in existing databases; statutes, rules, policies, or ordinances governing pedestrians and traffic related to the incidents; and any other relevant information. The council may make recommendations regarding changes in statutes, ordinances, rules, and policies that could improve pedestrian, bicyclist, or nonmotorist safety. Additionally, the council may make recommendations on how to improve traffic fatality and serious injury data quality, including crashes that occur in privately owned property such as parking lots. The council may consult with local cities and counties, as well as local police departments and other law enforcement agencies and associations representing those jurisdictions on how to improve data quality regarding crashes occurring on private property.

(6)(a) Documents prepared by or for the council are inadmissible and may not be used in a civil or administrative proceeding, except that any document that exists before its use or consideration in a review by the council, or that is created independently of such review, does not become inadmissible merely because it is reviewed or used by the council. For confidential information, such as personally identifiable information and medical records, which are obtained by

the council, neither the commission nor the council may publicly disclose such confidential information. No person who was in attendance at a meeting of the council or who participated in the creation, retention, collection, or maintenance of information or documents specifically for the commission or the council shall be permitted to testify in any civil action as to the content of such proceedings or of the documents and information prepared specifically as part of the activities of the council. However, recommendations from the council and the commission generally may be disclosed without personal identifiers.

(b) The council may review, only to the extent otherwise permitted by law or court rule when determined to be relevant and necessary: Any law enforcement incident documentation, such as incident reports, dispatch records, and victim, witness, and suspect statements; any supplemental reports, probable cause statements, and 911 call taker's reports; and any other information determined to be relevant to the review. The commission and the council must maintain the confidentiality of such information to the extent required by any applicable law.

(7) If acting in good faith, without malice, and within the parameters of and protocols established under this chapter, representatives of the commission and the council are immune from civil liability for an activity related to reviews of particular fatalities and serious injuries.

(8) This section must not be construed to provide a private civil cause of action.

(9)(a) The council may receive gifts, grants, or endowments from public or private sources that are made from time to time, in trust or otherwise, for the use and benefit of the purposes of the council and spend the gifts, grants, or endowments from the public or private sources according to their terms, unless the receipt of the gifts, grants, or endowments violates RCW 42.17A.560.

(b) Subject to the appropriation of funds for this specific purpose, the council may provide grants targeted at improving pedestrian, bicyclist, or nonmotorist safety in accordance with recommendations made by the council.

(10) For purposes of this section:

(a) "Bicyclist fatality" means any death of a bicyclist resulting from a collision, whether on a roadway, at an intersection, along an adjacent sidewalk, or on a path that is contiguous with a roadway.

(b) "Council" means the Cooper Jones active transportation safety council.

(c) "Nonmotorist" means anyone using the transportation system who is not in a vehicle.

(d) "Pedestrian fatality" means any death of a pedestrian resulting from a collision, whether on a roadway, at an intersection, along an adjacent sidewalk, or on a path that is contiguous with a roadway.

(e) "Serious injury" means any injury other than a fatal injury that prevents the injured person from walking, driving, or normally continuing the activities the person was capable of performing before the injury occurred.

Sec. 903. RCW 43.59.156 and 2024 c 164 s 523 are each amended to read as follows:

(1) Within amounts appropriated to the traffic safety commission, the commission must convene the Cooper Jones active transportation safety council comprised of stakeholders who have a unique interest or expertise in the safety of pedestrians, bicyclists, and other nonmotorists.

(2) The purpose of the council is to review and analyze data and programs related to fatalities and serious injuries involving pedestrians, bicyclists, and other nonmotorists to identify points at which the transportation system can be improved including, whenever possible, privately owned areas of the system such as parking lots, and to identify patterns in pedestrian, bicyclist, and other nonmotorist fatalities and serious injuries. The council may also:

(a) Monitor progress on implementation of existing council recommendations; and

(b) Seek opportunities to expand consideration and implementation of the principles of systematic safety, including areas where data collection may need improvement.

(3)(a) The council may include, but is not limited to:

(i) A representative from the commission;

(ii) A coroner from the county in which pedestrian, bicyclist, or nonmotorist deaths have occurred;

(iii) Multiple members of law enforcement who have investigated pedestrian, bicyclist, or nonmotorist fatalities;

(iv) A traffic engineer;

(v) A representative from the department of transportation and a representative from the department of health;

(vi) A representative from the association of Washington cities;

(vii) A representative from the Washington state association of counties;

(viii) A representative from a pedestrian advocacy group; ((~~and~~))

(ix) A representative from a tribal government; and

(x) A representative from a bicyclist or other nonmotorist advocacy group.

(b) The commission may invite other representatives of stakeholder groups to participate in the council as deemed appropriate by the commission. Additionally, the commission may invite a victim or family member of a victim to participate in the council.

(4) The council must meet at least quarterly. By December 31st of each year, the council must issue an annual report detailing any findings and recommendations to the governor and the transportation committees of the legislature. The commission must provide the annual report electronically to all municipal governments and state agencies that participated in the council during that calendar year. Additionally, the council must report any budgetary or fiscal recommendations to the office of financial management and the legislature by August 1st on a biennial basis.

(5) As part of the review of pedestrian, bicyclist, or nonmotorist fatalities and serious injuries that occur in Washington, the council may review any available information, including crash information maintained in existing databases; statutes, rules, policies, or ordinances governing pedestrians and traffic related to the incidents; and any other relevant information. The council may make recommendations regarding changes in statutes, ordinances, rules, and policies that could improve pedestrian, bicyclist, or nonmotorist safety. Additionally, the council may make recommendations on how to improve traffic fatality and serious injury data quality, including crashes that occur in privately owned property such as parking lots. The council may consult with local cities and counties, as well as local police departments and other law enforcement agencies and associations representing those jurisdictions on how to improve data quality regarding crashes occurring on private property.

(6)(a) Documents prepared by or for the council are inadmissible and may not be used in a civil or administrative proceeding, except that any document that exists before its use or consideration in a review by the council, or that is created independently of such review, does not become inadmissible merely because it is reviewed or used by the council. For confidential information, such as personally identifiable information and medical records, which are obtained by the council, neither the commission nor the council may publicly disclose such confidential information. No person who was in attendance at a meeting of the council or who participated in the creation, retention, collection, or maintenance of information or documents specifically for the commission or the council shall be permitted to testify in any civil action as to the content of such proceedings or of the documents and information prepared specifically as part of the activities of the council. However, recommendations from the council and the commission generally may be disclosed without personal identifiers.

(b) The council may review, only to the extent otherwise permitted by law or court rule when determined to be relevant and necessary: Any law enforcement incident documentation, such as incident reports, dispatch records, and victim, witness, and suspect statements; any supplemental reports, probable cause statements, and 911 call taker's reports; and any other information determined to be relevant to the review. The commission and the council must maintain the confidentiality of such information to the extent required by any applicable law.

(7) If acting in good faith, without malice, and within the parameters of and protocols established under this chapter, representatives of the commission and the council are immune from civil liability for an activity related to reviews of particular fatalities and serious injuries.

(8) This section must not be construed to provide a private civil cause of action.

(9)(a) The council may receive gifts, grants, or endowments from public or private sources that are made from time to time, in trust or otherwise, for the use and benefit of the purposes of the council and spend the gifts, grants, or endowments from the public or private sources according to their terms, unless the receipt of the gifts, grants, or endowments violates RCW 29B.45.020.

(b) Subject to the appropriation of funds for this specific purpose, the council may provide grants targeted at improving pedestrian, bicyclist, or nonmotorist safety in accordance with recommendations made by the council.

(10) For purposes of this section:

(a) "Bicyclist fatality" means any death of a bicyclist resulting from a collision, whether on a roadway, at an intersection, along an adjacent sidewalk, or on a path that is contiguous with a roadway.

(b) "Council" means the Cooper Jones active transportation safety council.

(c) "Nonmotorist" means anyone using the transportation system who is not in a vehicle.

(d) "Pedestrian fatality" means any death of a pedestrian resulting from a collision, whether on a roadway, at an intersection, along an adjacent sidewalk, or on a path that is contiguous with a roadway.

(e) "Serious injury" means any injury other than a fatal injury that prevents the injured person from walking, driving, or normally continuing the activities the person was capable of performing before the injury occurred.

Shared Streets

Sec. 904. RCW 46.61.--- and 2025 c . . . (ESB 5595) s 1 are each amended to read as follows:

(1)(a) A local authority may designate a nonarterial highway, except as provided in (b) of this subsection, to be a shared street under this section, if the local authority has developed procedures for establishing shared streets.

(b) Nonarterial highways that are state highways may not be designated shared streets unless they are the primary roads through a central business district. For the purposes of this subsection, "central business district" means a downtown or neighborhood commercial area with boundaries defined in the local ordinance designating the shared street. A local authority must consult with the department of transportation and obtain the department's approval, consistent with the requirements of RCW 47.24.020, before establishing a shared street on a state highway.

(2) Vehicular traffic traveling along a shared street shall yield the right-of-way to any pedestrian, bicyclist, or operator of a micromobility device on the shared street.

(3) A bicyclist or operator of a micromobility device shall yield the right-of-way to any pedestrian on a shared street.

(4) Any local authority that designates a nonarterial highway to be a shared street as provided by this section must post an annual report on the local authority's website of the number of traffic accidents, including those that involve a pedestrian, bicyclist, or operator of a micromobility device, that occurred on the designated shared street. The report must also include the number of speeding violations and driving under the influence violations that occurred on the designated shared street.

(5) For purposes of this section:

(a) "Micromobility device" means personal or shared nonmotorized scooters, "motorized foot scooters" as defined in RCW 46.04.336, and "electric personal assistive mobility devices" (EPAMD) as defined in RCW 46.04.1695; and

(b) "Shared street" means a city street designated by placement of official traffic control devices where pedestrians, bicyclists, and vehicular traffic share a portion or all of the same street.

Automated Traffic Safety Cameras

Sec. 905. RCW 46.63.210 and 2024 c 307 s 1 are each amended to read as follows:

The definitions in this section apply throughout this section and RCW 46.63.220 through 46.63.260 unless the context clearly requires otherwise.

(1) "Automated traffic safety camera" means a device that uses a vehicle sensor installed to work in conjunction with an intersection traffic control system, a railroad grade crossing control system, or a speed measuring device, and a camera synchronized to automatically record one or more sequenced photographs, microphotographs, or electronic images of the front or rear of a motor vehicle at the time the vehicle fails to stop when facing a steady red traffic control signal or an activated railroad grade crossing control signal, or exceeds a speed limit as detected by a speed measuring device. "Automated traffic safety camera" also includes a device used to detect stopping at intersection or crosswalk violations; stopping

when traffic obstructed violations; public transportation only lane violations; stopping or traveling in restricted lane violations; and public transportation bus stop zone violations and public transportation only lane violations detected by a public transportation vehicle-mounted system.

(2) "Hospital speed zone" means the marked area within hospital property and extending 300 feet from the border of the hospital property (a) consistent with hospital use; and (b) where signs are posted to indicate the location is within a hospital speed zone, where "hospital" has the same meaning as in RCW 70.41.020.

(3) "Public park speed zone" means the marked area within public park property and extending 300 feet from the border of the public park property (a) consistent with active park use; and (b) where signs are posted to indicate the location is within a public park speed zone.

(4) "Public transportation vehicle" means any motor vehicle, streetcar, train, trolley vehicle, ferry boat, or any other device, vessel, or vehicle that is owned or operated by a transit authority or an entity providing service on behalf of a transit authority that is used for the purpose of carrying passengers and that operates on established routes. "Transit authority" has the same meaning as provided in RCW 9.91.025.

(5) "Roadway work zone" means an area of any city roadway, including state highways that are also classified as city streets under chapter 47.24 RCW, or county road as defined in RCW 46.04.150, with construction, maintenance, or utility work with a duration of 30 calendar days or more. A roadway work zone is identified by the placement of temporary traffic control devices that may include signs, channelizing devices, barriers, pavement markings, and/or work vehicles with warning lights. A roadway work zone extends from the first warning sign or high intensity rotating, flashing, oscillating, or strobe lights on a vehicle to the end road work sign or the last temporary traffic control device or vehicle.

(6) "School speed zone" has the same meaning as described in RCW 46.61.440 (1) and (2).

(7) "School walk zone" means a roadway identified under RCW 28A.160.160 or roadways within a one-mile radius of a school that students use to travel to school by foot, bicycle, or other means of active transportation.

Sec. 906. RCW 46.63.220 and 2024 c 307 s 2 are each amended to read as follows:

(1) Nothing in this section prohibits a law enforcement officer from issuing a notice of traffic infraction to a person in control of a vehicle at the time a violation occurs under RCW 46.63.030(1) (a), (b), or (c).

(2) Any city or county may authorize the use of automated traffic safety cameras and must adopt an ordinance authorizing such use through its local legislative authority.

(3) The local legislative authority must prepare an analysis of the locations within the jurisdiction where automated traffic safety cameras are proposed to be located before adding traffic safety cameras to a new location or relocating any existing camera to a new location within the jurisdiction. The analysis must include equity considerations including the impact of the camera placement on livability, accessibility, economics, education, and environmental health when identifying where to locate an automated traffic safety camera. The analysis must also show a demonstrated need for traffic cameras based on one or more of the following in the vicinity of the proposed camera location: Travel by vulnerable road users, evidence of vehicles speeding, rates of collision, reports showing near collisions, and anticipated or actual ineffectiveness or infeasibility of other mitigation measures.

(4) Automated traffic safety cameras may not be used on an on-ramp to a limited access facility as defined in RCW 47.52.010.

(5) A city may use automated traffic safety cameras to enforce traffic ordinances in this section on state highways that are also classified as city streets under chapter 47.24 RCW. A city government must notify the department of transportation when it installs an automated traffic safety camera to enforce traffic ordinances as authorized in this subsection.

(6)(a) At a minimum, a local ordinance adopted pursuant to this section must contain the restrictions described in this section and provisions for public notice and signage. Cities and counties must also post such restrictions and other automated traffic safety camera policies on the city's or county's website. Cities and counties using automated traffic safety cameras before July 24, 2005, are subject to the restrictions described in this section, but are not required to adopt an authorizing ordinance.

(b)(i) Cities and counties using automated traffic safety cameras must post an annual report on the city's or county's website of the number of traffic crashes that occurred at each location where an automated traffic safety camera is located, as well as the number of notices of infraction issued for each camera. Beginning January 1, 2026, the annual report must include the percentage of revenues received from fines issued from automated traffic safety camera infractions that were used to pay for the costs of the automated traffic safety camera program and must describe the uses of revenues that exceeded the costs of operation and administration of the automated traffic safety camera program by the city or county.

(ii) The Washington traffic safety commission must provide an annual report to the transportation committees of the legislature, and post the report to its website for public access, beginning July 1, 2026, that includes aggregated information on the use of automated traffic safety cameras in the state that includes an assessment of the impact of their use, information required in city and county annual reports under (b)(i) of this subsection, and information on the number of automated traffic safety cameras in use by type and location, with an analysis of camera placement in the context of area demographics and household incomes. To the extent practicable, the commission must also provide in its annual report the number of traffic accidents, speeding violations, single vehicle accidents, pedestrian accidents, and driving under the influence violations that occurred at each location where an automated traffic safety camera is located in the five years before each camera's authorization and after each camera's authorization. Cities and counties using automated traffic safety cameras must provide the commission with the data it requests for the report required under this subsection in a form and manner specified by the commission.

(7) All locations where an automated traffic safety camera is used on roadways or intersections must be clearly marked by placing signs at least 30 days prior to activation of the camera in locations that clearly indicate to a driver either that: (a) The driver is within an area where automated traffic safety cameras are authorized; or (b) the driver is entering an area where violations are enforced by an automated traffic safety camera. The signs must be readily visible to a driver approaching an automated traffic safety camera. Signs placed in automated traffic safety camera locations after June 7, 2012, must follow the specifications and guidelines under the

manual of uniform traffic control devices for streets and highways as adopted by the department of transportation under chapter 47.36 RCW. All public transportation vehicles utilizing a vehicle-mounted system must post a sign on the rear of the vehicle indicating to drivers that the vehicle is equipped with an automated traffic safety camera to enforce bus stop zone violations and public transportation only lane violations.

(8) Automated traffic safety cameras may only record images of the vehicle and vehicle license plate and only while an infraction is occurring. The image must not reveal the face of the driver or of passengers in the vehicle. The primary purpose of camera placement is to record images of the vehicle and vehicle license plate when an infraction is occurring. Cities and counties must consider installing automated traffic safety cameras in a manner that minimizes the impact of camera flash on drivers.

(9) A notice of infraction must be mailed to the registered owner of the vehicle within 14 days of the violation, or to the renter of a vehicle within 14 days of establishing the renter's name and address under subsection (17) of this section. The notice of infraction must include with it a certificate or facsimile thereof, based upon inspection of photographs, microphotographs, or electronic images produced by an automated traffic safety camera, stating the facts supporting the notice of infraction. This certificate or facsimile is prima facie evidence of the facts contained in it and is admissible in a proceeding charging a violation under this chapter. The photographs, microphotographs, or electronic images evidencing the violation must be available for inspection and admission into evidence in a proceeding to adjudicate the liability for the infraction. A person receiving a notice of infraction based on evidence detected by an automated traffic safety camera may respond to the notice by mail.

(10) The registered owner of a vehicle is responsible for an infraction under RCW 46.63.030(1)(d) unless the registered owner overcomes the presumption in RCW 46.63.075, or, in the case of a rental car business, satisfies the conditions under subsection (17) of this section. If appropriate under the circumstances, a renter identified under subsection (17)(a) of this section is responsible for an infraction.

(11) Notwithstanding any other provision of law, all photographs, microphotographs, or electronic images, or any other personally

identifying data prepared under this section are for the exclusive use of authorized city or county employees, as specified in RCW 46.63.030(1)(d), in the discharge of duties under this section and are not open to the public and may not be used in a court in a pending action or proceeding unless the action or proceeding relates to a violation under this section. No photograph, microphotograph, or electronic image, or any other personally identifying data may be used for any purpose other than enforcement of violations under this section nor retained longer than necessary to enforce this section. Transit authorities must provide to the appropriate local jurisdiction that has authorized traffic safety camera use under RCW 46.63.260((~~(2)~~)) (3) any images or evidence collected establishing that a violation of stopping, standing, or parking in a bus stop zone or traveling, stopping, standing, or parking in a public transportation only lane has occurred for infraction processing purposes consistent with this section.

(12) If a county or city has established an automated traffic safety camera program as authorized under this section, the compensation paid to the manufacturer or vendor of the equipment used must be based only upon the value of the equipment and services provided or rendered in support of the system and may not be based upon a portion of the fine or civil penalty imposed or the revenue generated by the equipment. If the contract between the city or county and manufacturer or vendor of the equipment does not provide for performance or quality control measures regarding camera images, the city or county must perform a performance audit of the manufacturer or vendor of the equipment every three years to review and ensure that images produced from automated traffic safety cameras are sufficient for evidentiary purposes as described in subsection (9) of this section.

(13)(a) Except as provided in (d) of this subsection, a county or a city may only use revenue generated by an automated traffic safety camera program as authorized under this section for:

(i) Traffic safety activities related to construction and preservation projects and maintenance and operations purposes including, but not limited to, projects designed to implement the complete streets approach as defined in RCW 47.04.010, changes in physical infrastructure to reduce speeds through road design, and changes to improve safety for active transportation users, including

improvements to access and safety for road users with mobility, sight, or other disabilities; and

(ii) The cost to administer, install, operate, and maintain the automated traffic safety cameras, including the cost of processing infractions.

(b) Except as provided in (d) of this subsection:

(i) The automated traffic safety camera program revenue used by a county or city with a population of 10,000 or more for purposes described in (a)(i) of this subsection must include the use of revenue in census tracts of the city or county that have household incomes in the lowest quartile determined by the most currently available census data and areas that experience rates of injury crashes that are above average for the city or county. Funding contributed from traffic safety program revenue must be, at a minimum, proportionate to the share of the population of the county or city who are residents of these low-income communities and communities experiencing high injury crash rates. This share must be directed to investments that provide direct and meaningful traffic safety benefits to these communities. Revenue used to administer, install, operate, and maintain automated traffic safety cameras, including the cost of processing infractions, are excluded from determination of the proportionate share of revenues under this subsection (13)(b); and

(ii) The automated traffic safety camera program revenue used by a city or county with a population under 10,000 for traffic safety activities under (a)(i) of this subsection must be informed by the department of health's environmental health disparities map.

(c) Except as provided in (d) of this subsection, beginning four years after an automated traffic safety camera authorized under this section is initially placed and in use after June 6, 2024, 25 percent of the noninterest money received for infractions issued by such cameras in excess of the cost to administer, install, operate, and maintain the cameras, including the cost of processing infractions, must be deposited into the Cooper Jones active transportation safety account created in RCW 46.68.480.

(d)(i)(A) Jurisdictions with an automated traffic safety camera program in effect before January 1, 2024, may continue to allocate revenue generated from automated traffic safety cameras authorized under RCW 46.63.230 and 46.63.250(2)(c) as determined by the

jurisdiction, as well as for the purposes established in (a) through (c) of this subsection, by:

(I) Up to a 10 percent increase in the number of traffic safety camera locations authorized to detect violations for automated traffic safety cameras authorized under RCW 46.63.230; and

(II) Up to a 10 percent increase in the number of traffic safety camera locations authorized to detect violations for automated traffic safety cameras authorized under RCW 46.63.250(2)(c).

(B)(I) Any automated traffic safety camera program in effect before January 1, 2024, with fewer than 10 traffic safety camera locations for automated traffic safety cameras authorized under RCW 46.63.230, which adds automated traffic safety cameras to one additional location for the use of cameras authorized under RCW 46.63.230, may continue to allocate revenue generated from automated traffic safety cameras authorized under RCW 46.63.230 as determined by the jurisdiction, as well as for the purposes established in (a) through (c) of this subsection.

(II) Any automated traffic safety camera program in effect before January 1, 2024, with fewer than 10 traffic safety camera locations for automated traffic safety cameras authorized under RCW 46.63.250(2)(c) as of January 1, 2024, which adds automated traffic safety cameras to one additional location for the use of cameras authorized under RCW 46.63.250(2)(c), may continue to allocate revenue generated from automated traffic safety cameras authorized under RCW 46.63.250(2)(c) as determined by the jurisdiction, as well as for the purposes established in (a) through (c) of this subsection.

(C) For the purposes of this subsection (13)(d)(i), a location is:

(I) An intersection for automated traffic safety cameras authorized under RCW 46.63.230 where cameras authorized under RCW 46.63.230 are in use; and

(II) A school speed zone for automated traffic safety cameras authorized under RCW 46.63.250(2)(c) where cameras authorized under RCW 46.63.250(2)(c) are in use.

(ii) The revenue distribution requirements under (a) through (d)(i) of this subsection do not apply to automated traffic safety camera programs in effect before January 1, 2024, for which an ordinance in effect as of January 1, 2024, directs the manner in

which revenue generated from automated traffic safety cameras authorized under RCW 46.63.230 or 46.63.250(2)(c) must be used.

(14) A county or city may adopt the use of an online ability-to-pay calculator to process and grant requests for reduced fines or reduced civil penalties for automated traffic safety camera violations.

(15) Except as provided in this subsection, registered owners of vehicles who receive notices of infraction for automated traffic safety camera-enforced infractions and are recipients of public assistance under Title 74 RCW or participants in the Washington women, infants, and children program, and who request reduced penalties for infractions detected through the use of automated traffic safety camera violations, must be granted reduced penalty amounts of 50 percent of what would otherwise be assessed for a first automated traffic safety camera violation and for subsequent automated traffic safety camera violations issued within 21 days of issuance of the first automated traffic safety camera violation. Eligibility for medicaid under RCW 74.09.510 is not a qualifying criterion under this subsection. Registered owners of vehicles who receive notices of infraction must be provided with information on their eligibility and the opportunity to apply for a reduction in penalty amounts through the mail or internet.

(16) Infractions detected through the use of automated traffic safety cameras are not part of the registered owner's driving record under RCW 46.52.101 and 46.52.120. Additionally, infractions generated by the use of automated traffic safety cameras under this section must be processed in the same manner as parking infractions, including for the purposes of RCW 3.50.100, 35.20.220, 46.16A.120, and 46.20.270(2). The amount of the fine issued for an infraction generated through the use of an automated traffic safety camera may not exceed $145, as adjusted for inflation by the office of financial management every five years, beginning January 1, 2029, based upon changes in the consumer price index during that time period, but may be doubled for a school speed zone infraction generated through the use of an automated traffic safety camera.

(17) If the registered owner of the vehicle is a rental car business, the issuing agency must, before a notice of infraction being issued under this section, provide a written notice to the rental car business that a notice of infraction may be issued to the rental car business if the rental car business does not, within 18

days of receiving the written notice, provide to the issuing agency by return mail:

(a) A statement under oath stating the name and known mailing address of the individual driving or renting the vehicle when the infraction occurred; or

(b) A statement under oath that the business is unable to determine who was driving or renting the vehicle at the time the infraction occurred because the vehicle was stolen at the time of the infraction. A statement provided under this subsection must be accompanied by a copy of a filed police report regarding the vehicle theft; or

(c) In lieu of identifying the vehicle operator, the rental car business may pay the applicable penalty. Timely mailing of this statement to the issuing agency relieves a rental car business of any liability under this chapter for the notice of infraction.

Sec. 907. RCW 46.63.260 and 2024 c 307 s 6 are each amended to read as follows:

(1)(a) Subject to RCW 46.63.220 and as limited in this subsection, automated traffic safety cameras may be used in cities with populations of more than 500,000 residents to detect one or more of the following violations:

(i) Stopping when traffic obstructed violations;

(ii) Stopping at intersection or crosswalk violations;

(iii) Public transportation only lane violations; or

(iv) Stopping or traveling in restricted lane violations.

(b) Use of automated traffic safety cameras as authorized in this subsection (1) is restricted to the following locations only: Intersections as described in RCW 46.63.230(2); railroad grade crossings; school speed zones; school walk zones; public park speed zones; hospital speed zones; and midblock on arterials. The use of such automated traffic safety cameras is further limited to the following:

(i) The portion of state and local roadways in downtown areas of the city used for office and commercial activities, as well as retail shopping and support services, and that may include mixed residential uses;

(ii) The portion of state and local roadways in areas in the city within one-half mile north of the boundary of the area described in (b)(i) of this subsection;

(iii) Portions of roadway systems in the city that travel into and out of (b)(ii) of this subsection that are designated by the Washington state department of transportation as noninterstate freeways for up to four miles; and

(iv) Portions of roadway systems in the city connected to the portions of the noninterstate freeways identified in (b)(iii) of this subsection that are designated by the Washington state department of transportation as arterial roadways for up to one mile from the intersection of the arterial roadway and the noninterstate freeway.

(2) Subject to RCW 46.63.220, automated traffic safety cameras may also be used in cities with a bus rapid transit corridor or routes to detect public transportation only lane violations.

(3) Subject to RCW 46.63.220, automated traffic safety cameras that are part of a public transportation vehicle-mounted system may be used by a transit authority within a county with a population of more than 1,500,000 residents to detect stopping, standing, or parking in bus stop zone violations or traveling, stopping, standing, or parking in a public transportation only lane violations if authorized by the local legislative authority with jurisdiction over the transit authority.

(4) Subject to RCW 46.63.220, and in consultation with the department of transportation, automated traffic safety cameras may be used to detect ferry queue violations under RCW 46.61.735.

(5) A transit authority may not take disciplinary action regarding a warning or infraction issued pursuant to subsections (1) through (3) of this section against an employee who was operating a public transportation vehicle at the time the violation that was the basis of the warning or infraction was detected.

PART X: PUBLIC TRANSPORTATION BENEFIT AREAS

NEW SECTION. **Sec. 1001.** A new section is added to chapter 36.57A RCW to read as follows:

(1) A public transportation benefit area authority as provided in subsection (2) of this section may, pursuant to an interlocal agreement, annex an adjacent city operating a transit system under chapter 35.95 RCW within the county in which the public transportation benefit area is located. This method of annexation is an alternative method and is additional to all other methods provided for in this chapter.

(2) An authority and the governing body of an adjacent city described in subsection (1) of this section may jointly initiate an annexation process for annexing the city into the public transportation benefit area by adopting an interlocal agreement as provided in chapter 39.34 RCW and under this subsection between the authority and the city. The authority and the city shall jointly agree on the annexation and its effective date. The interlocal agreement must set a date for a public hearing on the agreement for annexation.

(3) A public hearing must be held by each governing body, separately or jointly, before the agreement is executed. Each governing body holding a public hearing shall:

(a) Separately or jointly, publish a notice of availability of the agreement at least once a week for four weeks before the date of the hearing in one or more newspapers of general circulation within the public transportation benefit area and one or more newspapers of general circulation within the city; and

(b) If the governing body has the ability to do so, post the notice of availability of the agreement on its website for the same four weeks that the notice is published in the newspapers under (a) of this subsection. The notice must describe where the public may review the agreement.

(4) On the date set for hearing, the public must be afforded an opportunity to be heard. Following the hearing, if the governing body determines to undertake the annexation, it must do so by ordinance, if a city's governing body, and by resolution, if a public transportation benefit area's governing body. Upon the effective date of the annexation the city annexed must become part of the public transportation benefit area and must cease operating a transit system under chapter 35.95 RCW. Upon passage of the annexation ordinance and resolution a certified copy of each must be filed with the legislative authority of the county in which the city is located.

(5) After an annexation under this section occurs, the county legislative authority of the county in which the public transportation benefit area is located may by resolution annex county area under its jurisdiction into the public transportation benefit area. This method of annexation is an alternative method and is additional to all other methods provided for in this chapter.

Public Transportation Benefit Area Grant Eligibility

NEW SECTION. **Sec. 1002.** A new section is added to chapter 47.66 RCW to read as follows:

Any public transportation benefit area established under chapter 36.57A RCW that is not fully in compliance with the requirements of RCW 36.57A.050 by October 1, 2025, may not receive awards for any state grant program available under this chapter.

PART XI: BOARD OF PILOTAGE COMMISSIONERS

Board of Pilotage Commissioners Reporting

Sec. 1101. RCW 88.16.035 and 2018 c 107 s 3 are each amended to read as follows:

(1) The board of pilotage commissioners shall:

(a) Adopt rules, pursuant to chapter 34.05 RCW, necessary for the enforcement and administration of this chapter;

(b)(i) Issue training licenses and pilot licenses to pilot applicants meeting the qualifications provided for in RCW 88.16.090 and such additional qualifications as may be determined by the board;

(ii) Establish a comprehensive training program to assist in the training and evaluation of pilot applicants before final licensing; and

(iii) Establish additional training requirements, including a program of continuing education developed after consultation with pilot organizations, including those located within the state of Washington, as required to maintain a competent pilotage service;

(c) Maintain a register of pilots, records of pilot accidents, and other history pertinent to pilotage;

(d) Determine from time to time the number of pilots necessary to be licensed in each district of the state to optimize the operation of a safe, fully regulated, efficient, and competent pilotage service in each district;

(e) Provide assistance to the utilities and transportation commission, as requested by the utilities and transportation commission, in its performance of pilotage tariff setting functions under RCW 81.116.010 through 81.116.060;

(f) File annually with the governor and the chairs of the transportation committees of the senate and house of representatives a report which includes, but is not limited to, the following: The number, names, ages, pilot license number, training license number,

and years of service as a Washington licensed pilot of any person licensed by the board as a Washington state pilot or trainee; the names, employment, and other information of the members of the board; the total number of pilotage assignments by pilotage district, including information concerning the various types and sizes of vessels and the total annual tonnage; the annual earnings or stipends of individual pilots and trainees before and after deduction for expenses of pilot organizations, including extra compensation as a separate category; the annual expenses of private pilot associations, including personnel employed and capital expenditures; the status of pilotage tariffs, extra compensation, and travel; the retirement contributions paid to pilots and the disposition thereof; the number of groundings, marine occurrences, or other incidents which are reported to or investigated by the board, and which are determined to be accidents, as defined by the board, including the vessel name, location of incident, pilot's or trainee's name, and disposition of the case together with information received before the board acted from all persons concerned, including the United States coast guard; the names, qualifications, time scheduled for examinations, and the district of persons desiring to apply for Washington state pilotage licenses; summaries of dispatch records, quarterly reports from pilots, and the bylaws and operating rules of pilotage organizations; the names, sizes in deadweight tons, surcharges, if any, port of call, name of the pilot or trainee, and names and horsepower of tug boats for any and all oil tankers subject to the provisions of RCW 88.16.190 together with the names of any and all vessels for which the United States coast guard requires special handling pursuant to their authority under the Ports and Waterways Safety Act of 1972; the expenses of the board; updates on efforts to increase diversity of pilots, trainees, and applicants; and any and all other information which the board deems appropriate to include;

(g) Make available information that includes the pilotage act and other statutes of Washington state and the federal government that affect pilotage, including the rules of the board, together with such additional information as may be informative for pilots, agents, owners, operators, and masters;

(h) Appoint advisory committees and employ marine experts as necessary to carry out its duties under this chapter;

(i) Provide for the maintenance of efficient and competent pilotage service on all waters covered by this chapter; and do such

other things as are reasonable, necessary, and expedient to insure proper and safe pilotage upon the waters covered by this chapter and facilitate the efficient administration of this chapter.

(2) The board may pay stipends to pilot trainees under subsection (1)(b) of this section.

Marine Pilotage Exemptions

Sec. 1102. RCW 88.16.180 and 1991 c 200 s 602 are each amended to read as follows:

((~~Notwithstanding the provisions of RCW 88.16.070~~)) Except as otherwise provided in RCW 88.16.070(3), any registered oil tanker of five thousand gross tons or greater, shall be required:

(1) To take a Washington state licensed pilot while navigating Puget Sound and adjacent waters and shall be liable for and pay pilotage rates pursuant to RCW 88.16.035; and

(2) To take a licensed pilot while navigating the Columbia river.

Sec. 1103. RCW 88.16.070 and 2018 c 107 s 4 are each amended to read as follows:

Every vessel not exempt under this section that operates in the waters of the Puget Sound pilotage district or Grays Harbor pilotage district is subject to compulsory pilotage under this chapter.

(1) A United States vessel on a voyage in which it is operating exclusively on its coastwise endorsement, its fishery endorsement (including catching and processing its own catch outside United States waters and economic zone for delivery in the United States), and/or its recreational (or pleasure) endorsement, and all United States and Canadian vessels engaged exclusively in the coasting trade on the west coast of the continental United States (including Alaska) and/or British Columbia shall be exempt from the provisions of this chapter unless a pilot licensed under this chapter be actually employed, in which case the pilotage rates provided for in this chapter or established under RCW 81.116.010 through 81.116.060 shall apply.

(2) The board may, upon the written petition of any interested party, and upon notice and opportunity for hearing, grant an exemption from the provisions of this chapter to any vessel that the board finds is (a) a small passenger vessel that is not more than ((~~one thousand three hundred~~)) 1,300 gross tons (international), does

not exceed ((~~two hundred~~)) 200 feet in overall length, is manned by United States-licensed deck and engine officers appropriate to the size of the vessel with merchant mariner credentials issued by the United States coast guard or Canadian deck and engine officers with Canadian-issued certificates of competency appropriate to the size of the vessel, and is operated exclusively in the waters of the Puget Sound pilotage district and lower British Columbia, or (b) a yacht that is not more than ((~~one thousand three hundred~~)) 1,300 gross tons (international) and does not exceed ((~~two hundred~~)) 200 feet in overall length. Such an exemption shall not be detrimental to the public interest in regard to safe operation preventing loss of human lives, loss of property, and protecting the marine environment of the state of Washington. Such petition shall set out the general description of the vessel, the contemplated use of same, the proposed area of operation, and the name and address of the vessel's owner. The board shall annually, or at any other time when in the public interest, review any exemptions granted to this specified class of small vessels to insure that each exempted vessel remains in compliance with the original exemption. The board shall have the authority to revoke such exemption where there is not continued compliance with the requirements for exemption. The board shall maintain a file which shall include all petitions for exemption, a roster of vessels granted exemption, and the board's written decisions which shall set forth the findings for grants of exemption. Each applicant for exemption or annual renewal shall pay a fee, payable to the pilotage account. Fees for initial applications and for renewals shall be established by rule, and shall not exceed ((~~one thousand five hundred dollars~~)) $1,500. The board shall report annually to the legislature on such exemptions.

(3) Every vessel not exempt under subsection (1) or (2) of this section shall, while navigating the Puget Sound and Grays Harbor pilotage districts, employ a pilot licensed under the provisions of this chapter and shall be liable for and pay pilotage rates in accordance with the pilotage rates herein established or which may hereafter be established under the provisions of this chapter or under RCW 81.116.010 through 81.116.060: PROVIDED, That any vessel inbound to or outbound from Canadian ports is exempt from the provisions of this section, if said vessel actually employs a pilot licensed by the Pacific pilotage authority (the pilot licensing authority for the western district of Canada), and if it is

communicating with the vessel traffic system and has appropriate navigational charts, and if said vessel uses only those Washington waters east of the international boundary line which are west of a line which begins at the southwestern edge of Point Roberts then to Alden Point (Patos Island), then to Skipjack Island light, then to Turn Point (Stuart Island), then to Kellet Bluff (Henry Island), then to Lime Kiln (San Juan Island) then to the intersection of ((~~one hundred twenty-three~~)) 123 degrees seven minutes west longitude and ((~~forty-eight~~)) 48 degrees ((~~twenty-five~~)) 25 minutes north latitude then to the international boundary. The board shall correspond with the Pacific pilotage authority from time to time to ensure the provisions of this section are enforced. If any exempted vessel does not comply with these provisions it shall be deemed to be in violation of this section and subject to the penalties provided in RCW 88.16.150 as now or hereafter amended and liable to pilotage fees as determined by the board. The board shall investigate any accident on the waters covered by this chapter involving a Canadian pilot and shall include the results in its annual report.

PART XII: PUBLIC-PRIVATE PARTNERSHIP PROJECTS

NEW SECTION. **Sec. 1201.** (1) The legislature finds that a full set of project procurement, contracting, financing, and funding tools are needed to enable the delivery of transportation projects in a manner most advantageous to the public. Current public-private partnership laws have failed to spur innovative proposals from the private sector or new project delivery approaches from the department of transportation.

(2) The legislature confirms the findings from previous studies that current laws and administrative processes are the primary obstacle impairing the state's ability to utilize public-private partnerships. The legislature finds that a new public-private partnership law is needed to:

(a) Transparently demonstrate and deliver better value for the public including, but not limited to, expedited project delivery and more effective management of project life-cycle costs;

(b) Provide an additional option for delivering complex transportation projects, including addressing a shortage of truck parking;

(c) Incorporate private sector expertise and innovation into transportation project delivery;

(d) Allocate project risks to the parties best able to manage those risks;

(e) Allow new sources of private capital;

(f) Increase access to federal funding and financing mechanisms;

(g) Better align private sector incentives with public priorities; and

(h) Provide consistency in the review and approval processes for the full range of project delivery tools and contracting methods.

NEW SECTION. **Sec. 1202.** DEFINITIONS. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Commission" means the transportation commission.

(2) "Department" means the department of transportation.

(3) "Eligible transportation project" means any project that is not a rail project and meets the criteria to be evaluated for delivery in section 1206 of this act, whether capital or operating, where the state's purpose for the project is to preserve or facilitate the safe transport of people or goods via any mode of travel.

(4) "Private sector partner" and "private partner" means a person, entity, or organization that is not the federal government, a state, or a political subdivision of a state.

(5) "Public funds" means all moneys derived from taxes, fees, charges, tolls, or other levies of money from the public.

(6) "Public sector partner" and "public partner" means any federal or state unit of government, bistate transportation organization, or any other political subdivision of any state.

(7) "State finance committee" means the entity created in chapter 43.33 RCW.

(8) "Unit of government" means any department or agency of the federal government, any state or agency, office, or department of a state, any city, county, district, commission, authority, entity, port, or other public corporation organized and existing under statutory law or under a voter-approved charter or initiative, and any intergovernmental entity created under chapter 39.34 RCW or this chapter.

NEW SECTION. **Sec. 1203.** WASHINGTON STATE DEPARTMENT OF TRANSPORTATION POWERS AND DUTIES. (1) The department shall develop policies and, where appropriate, adopt rules to carry out this chapter and govern the use of public-private partnerships for transportation projects. At a minimum, the department's policies and rules must address the following issues:

(a) The types of projects allowed;

(b) Consistent with section 1209 of this act, a process and methodology for determining whether a public-private partnership delivery model will be in the public's interest;

(c) Consistent with section 1214 of this act, a process and methodology for determining whether a negotiated partnership agreement will result in greater public value to the state than if the project is delivered using other procurement and contracting methods;

(d) The types of contracts allowed, with consideration given to the best practices available;

(e) Minimum standards and criteria required of all proposals;

(f) Procedures for the proper identification, solicitation, acceptance, review, and evaluation of projects, consistent with existing project procurement and contracting requirements and practices;

(g) Criteria to be considered in the evaluation and selection of proposals that includes:

(i) Comparison with the department's internal ability to complete the project that documents the advantages of completing the project as a partnership versus solely as a public venture; and

(ii) Factors such as, but not limited to: Priority, life-cycle cost, risk sharing, scheduling, innovation, and management conditions;

(h) The protection of confidential proprietary information while still meeting the need for transparency and public disclosure that is consistent with section 1215 of this act;

(i) Protection for local contractors to participate in subcontracting opportunities that is consistent with section 1204(3) of this act;

(j) Specifying that maintenance issues must be resolved in a manner consistent with chapter 41.80 RCW;

(k) Guidelines to address security and performance issues.

(2) During its rule-making activities, the department must consult with the department's office of equity and civil rights.

(3) By September 1, 2026, the department must provide a report to the house of representatives and senate transportation committees on proposed policies and guidelines it intends to develop into administrative rules. Rules adopted by the department pursuant to this chapter may not take effect before January 1, 2027.

NEW SECTION. **Sec. 1204.** APPLICABILITY OF OTHER TRANSPORTATION PROJECT GOVERNING PROVISIONS. (1) For any eligible transportation project that requires the imposition of tolls on a state facility, the legislature must approve the imposition of such tolls consistent with RCW 47.56.820.

(2) For any eligible transportation project that requires setting or adjusting toll rates on a state facility, the commission has sole responsibility consistent with RCW 47.56.850.

(3)(a) If federal funds are provided for an eligible transportation project developed under this chapter, disadvantaged business enterprise inclusion requirements, as established, monitored, and administered by the department's office of equity and civil rights, apply.

(b) If no federal funds are provided for an eligible transportation project developed under this chapter, state laws, rates, and rules must govern, including the public works small business certification program pursuant to RCW 39.19.030(7) as monitored and administered by the department's office of equity and civil rights.

NEW SECTION. **Sec. 1205.** APPLICATION OF PUBLIC WORKS PROVISIONS. All other transportation and public works project procurement and contracting governing provisions and procedures that do not conflict with this chapter, including responsible bidder and apprenticeship requirements under chapter 39.04 RCW and prevailing wage requirements under chapter 39.12 RCW, apply to the entire eligible transportation project.

NEW SECTION. **Sec. 1206.** PROJECT COST THRESHOLD FOR P3 EVALUATION. Any eligible transportation project with an estimated cost to the state of less than $500,000,000, or any project on a United States route that is not an interstate route and includes

replacement of a seismically vulnerable elevated structure at least one and one-half miles long that crosses a river, may be evaluated for delivery under a public-private partnership model as prescribed under this chapter.

NEW SECTION. **Sec. 1207.** ELIGIBLE FINANCING. (1) Subject to the limitations in this section, the department may, in connection with the evaluation of eligible transportation projects, consider any financing mechanisms from any lawful source, either integrated as part of a project proposal or as a separate, stand-alone proposal to finance a project. Financing may be considered for all or part of a proposed project. A project may be financed in whole or in part with:

(a) The proceeds of grant anticipation revenue bonds authorized under 23 U.S.C. Sec. 122 and applicable state law. Legislative authorization and appropriation are required to use this source of financing;

(b) Grants, loans, loan guarantees, lines of credit, revolving lines of credit, or other financing arrangements available under the transportation infrastructure finance and innovation act under 23 U.S.C. Sec. 181 et seq., or any other applicable federal law, subject to legislative authorization and appropriation as required;

(c) Infrastructure loans or assistance from the state infrastructure bank established under RCW 82.44.195, subject to legislative authorization and appropriation as required;

(d) Federal, state, or local revenues, subject to appropriation by the applicable legislative authority;

(e) User fees, tolls, fares, lease proceeds, rents, gross or net receipts from sales, proceeds from the sale of development rights, franchise fees, or any other lawful form of consideration. However, projects financed by tolls must first be authorized by the legislature under RCW 47.56.820;

(f) Loans, pledges, or contributions of funds, including equity investments, from private entities;

(g) Revenue bonds, subject to legislative authorization and appropriation as required.

(2) Subject to subsection (4) of this section, the department may develop a plan of finance that would require either the state or a private partner, or both, to: Issue debt, equity, or other securities or obligations; enter into contracts, leases, concessions, and grant and loan agreements; or secure any financing with a pledge of funds

to be appropriated by the legislature or with a lien or exchange of real property.

(3) As security for the payment of any financing, the revenues from the project may be pledged, but no such pledge of revenues constitutes in any manner or to any extent a general obligation of the state, unless specifically authorized by the legislature. Any financing described in this section may be structured on a senior, parity, or subordinate basis to any other financing.

(4) The department shall not execute any agreement with respect to an eligible transportation project, including any agreement that could materially impact the state's debt capacity or credit rating as determined by the state finance committee, without prior review and approval of the plan of finance and proposed financing terms by the state finance committee.

NEW SECTION. **Sec. 1208.** USE OF FEDERAL FUNDS OR OTHER SOURCES. (1) The department may accept from the United States or any of its agencies such funds as are available to this state or to any other unit of government for carrying out the purposes of this chapter, whether the funds are made available by grant, loan, or other financing arrangement. The department may enter into such agreements and other arrangements with the United States or any of its agencies as may be necessary, proper, and convenient for carrying out the purposes of this chapter, subject to subsection (2) of this section.

(2)(a) The department may accept from any source any grant, donation, gift, or other form of conveyance of land, money, other real or personal property, or other valuable thing made to the state of Washington, the department, or a local government for carrying out the purposes of this chapter.

(b) Any eligible transportation project may be financed in whole or in part by contribution of any funds or property made by any private entity or public sector partner that is a party to any agreement entered into under this chapter.

NEW SECTION. **Sec. 1209.** PUBLIC INTEREST FINDING. (1) The department may evaluate eligible transportation projects that are already programmed for other delivery methods to determine their appropriateness for delivery under a public-private partnership model.

(2) Before entering into a formal solicitation or procurement to develop a project as a public-private partnership, the department must make formal findings that utilizing a public-private partnership delivery method is in the public's interest. The department must adopt rules detailing the process and criteria for making such findings. At a minimum, the criteria must consider whether:

(a) Public ownership of the asset can be retained;

(b) Transparency during the consideration of a public-private partnership agreement can be provided;

(c) Public oversight of the private entity's management of the asset can be provided; and

(d) Additional criteria that reflects the legislative findings in section 1201 of this act.

(3) Before commencing any solicitation to deliver the project as a public-private partnership, the department must provide an opportunity for public comment on the proposed project and delivery method.

(4) Upon a finding of public interest pursuant to subsection (2) of this section, the department must provide written notification of their finding of public interest and intent to deliver the project as a public-private partnership to the general public, to the chairs and ranking members of the transportation committees of the legislature, and to the governor.

(5) Upon a finding of public interest pursuant to subsection (2) of this section, the department may:

(a) Solicit concepts or proposals for the identified public-private partnership project from private entities and units of government;

(b) Evaluate the concepts or proposals received under this section. The evaluation under this subsection must include consultation with any appropriate unit of government; and

(c) Select potential projects based on the concepts or proposals.

NEW SECTION. **Sec. 1210.** USE OF FUNDS FOR PROPOSAL PURPOSES. (1) Subject to the availability of amounts appropriated for this specific purpose, the department may spend such moneys as may be necessary for stipends for respondents to a solicitation, the evaluation of concepts or proposals for eligible transportation projects, and for negotiating agreements for eligible transportation projects authorized under this chapter. Expenses incurred by the department

under this section before the issuance of transportation project bonds or other financing must be paid by the department and charged to the appropriate project. The department must keep records and accounts showing each charged amount.

(2) Unless otherwise provided in the omnibus transportation appropriations act, the funds spent by the department under this section in connection with the project must be repaid from the proceeds of the bonds or other financing upon the sale of transportation project bonds or upon obtaining other financing for an eligible transportation project, as allowed by law or contract.

NEW SECTION. **Sec. 1211.** EXPERT CONSULTATION. The department may consult with legal, financial, technical, and other experts in the public and private sector in the evaluation, negotiation, and development of projects under this chapter.

NEW SECTION. **Sec. 1212.** CONTRACTED STUDIES. In the absence of any direct federal funding or direction, the department may contract with a private developer of a selected project proposal to conduct environmental impact studies and engineering and technical studies.

NEW SECTION. **Sec. 1213.** PARTNERSHIP AGREEMENTS. (1) The following provisions must be included in any transportation project agreement entered into under the authority of this chapter and to which the state is a party:

(a) For any project that proposes terms for stand alone maintenance or asset management services for a public facility, those services must be provided in a manner consistent with any collective bargaining agreements, chapter 41.80 RCW, and civil service laws that are in effect for the public facility;

(b) A finding of public interest, as issued by the department pursuant to section 1209 of this act;

(c) If there is a tolling component to the project, it must be specified that the tolling technology used in the project must be consistent with tolling technology standards adopted by the department for transportation-related projects;

(d) Provisions for bonding, financial guarantees, deposits, or the posting of other security to secure the payment of laborers, subcontractors, and suppliers who perform work or provide materials as part of the project;

(e) All projects must be financed in a manner consistent with section 1207 of this act.

(2) At a minimum, agreements between the state and private sector partners entered into under this section must specifically include the following contractual elements:

(a) The point in the project at which public and private sector partners will enter the project and which partners will assume responsibility for specific project elements;

(b) How the partners will share management of the risks of the project;

(c) The compensation method and amount for the private partner, establishing a maximum rate of return, and identifying how project revenue, if any, in excess of the maximum rate of return will be distributed;

(d) How the partners will share the costs of development of the project;

(e) How the partners will allocate financial responsibility for cost overruns;

(f) The penalties for nonperformance;

(g) The incentives for performance;

(h) The accounting and auditing standards to be used to evaluate work on the project;

(i) For any project that reverts to public ownership, the responsibility for reconstruction or renovations that are required for a facility to meet all service standards and state of good repair upon reversion of the facility to the state;

(j) Provisions and remedies for default by either party, and provisions for termination of the agreement for or without cause;

(k) Provisions for public communication and participation with respect to the development of the project.

NEW SECTION. **Sec. 1214.** BEST VALUE FINDING AND AGREEMENT EXECUTION. Before executing an agreement under section 1213 of this act, the department must make a formal finding that the negotiated partnership agreement is expected to result in best value for the public, and the agreement must be approved through duly enacted legislation. The department must develop and adopt a process and criteria for measuring, determining, and transparently reporting best value relevant to the proposed project. At minimum, the criteria must include:

(1) A comparison of the total cost to deliver the project, including any operations and maintenance costs, as a public-private partnership compared to traditional or other alternative delivery methods available to the department;

(2) A comparison with the department's current plan, resources, delivery capacity, and schedule to complete the project that documents the advantages of completing the project as a public-private partnership versus solely as a public venture; and

(3) Factors such as, but not limited to: Priority, cost, risk sharing, scheduling, asset and service quality, innovation, and management conditions.

NEW SECTION. **Sec. 1215.** CONFIDENTIALITY. A proposer must identify those portions of a proposal that the proposer considers to be confidential, proprietary information, or trade secrets and provide any justification as to why these materials, upon request, should not be disclosed by the department. Patent information will be covered until the patent expires. Other information, such as originality of design or records of negotiation, is protected under this section only until an agreement under section 1214 of this act is reached. Eligible transportation projects under federal jurisdiction or using federal funds must conform to federal regulations under the freedom of information act.

NEW SECTION. **Sec. 1216.** GOVERNMENT AGREEMENTS. The state may, either separately or in combination with any other public sector partner, enter into working agreements, coordination agreements, or similar implementation agreements, including the formation of bistate transportation organizations, to carry out the joint implementation and operation of an eligible transportation project selected under this chapter. The state may enter into agreements with other units of government or Canadian provinces for transborder transportation projects.

NEW SECTION. **Sec. 1217.** EMINENT DOMAIN. The state may exercise the power of eminent domain to acquire property, easements, or other rights or interests in property for projects that are necessary to implement an eligible transportation project developed under this chapter. Any property acquired pursuant to this section must be owned in fee simple by the state.

NEW SECTION. **Sec. 1218.** FEDERAL LAWS. Applicable federal laws, rules, and regulations govern in any situation that involves federal funds if the federal laws, rules, or regulations:

(1) Conflict with any provision of this chapter;

(2) Require procedures that are additional to or inconsistent with those provided in this chapter; or

(3) Require contract provisions not authorized in this chapter.

NEW SECTION. **Sec. 1219.** PUBLIC-PRIVATE PARTNERSHIPS ACCOUNT. (1) The public-private partnerships account is created in the custody of the state treasurer.

(2) The following moneys must be deposited into the account:

(a) Proceeds from bonds or other financing instruments;

(b) Revenues received from any transportation project developed under this chapter or developed under the general powers granted to the department; and

(c) Any other moneys that are by donation, grant, contract, law, or other means transferred, allocated, or appropriated to the account.

(3) Expenditures from the account may be used only for the planning, acquisition, financing, development, design, construction, reconstruction, replacement, improvement, maintenance, preservation, management, repair, or operation of any eligible transportation project under this chapter.

(4) The state treasurer may establish separate subaccounts within the public-private partnerships account for each transportation project that is initiated under this chapter or under the general powers granted to the department. The state may pledge moneys in the public-private partnerships account to secure revenue bonds or any other debt obligations relating to the project for which the account is established.

(5) Only the secretary or the secretary's designee may authorize distributions from the account. The account is subject to the allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

Sec. 1220. RCW 47.56.030 and 2023 c 429 s 6 are each amended to read as follows:

(1) Except as permitted under chapter ((~~47.29~~)) 47.--- RCW (the new chapter created in section 1224 of this act) or 47.46 RCW:

(a) Unless otherwise delegated, and subject to RCW 47.56.820, the department of transportation shall have full charge of the planning, analysis, and construction of all toll bridges and other toll facilities including the Washington state ferries, and the operation and maintenance thereof.

(b) The transportation commission shall determine and establish the tolls and charges thereon.

(c) Unless otherwise delegated, and subject to RCW 47.56.820, the department shall have full charge of planning, analysis, and design of all toll facilities. The department may conduct the planning, analysis, and design of toll facilities as necessary to support the legislature's consideration of toll authorization.

(d) The department shall utilize and administer toll collection systems that are simple, unified, and interoperable. To the extent practicable, the department shall avoid the use of toll booths. The department shall set the statewide standards and protocols for all toll facilities within the state, including those authorized by local authorities.

(e) Except as provided in this section, the department shall proceed with the construction of such toll bridges and other facilities and the approaches thereto by contract in the manner of state highway construction immediately upon there being made available funds for such work and shall prosecute such work to completion as rapidly as practicable. The department is authorized to negotiate contracts for any amount without bid under (e)(i) and (ii) of this subsection:

(i) Emergency contracts, in order to make repairs to ferries or ferry terminal facilities or removal of such facilities whenever continued use of ferries or ferry terminal facilities constitutes a real or immediate danger to the traveling public or precludes prudent use of such ferries or facilities; and

(ii) Single source contracts for vessel dry dockings, when there is clearly and legitimately only one available bidder to conduct dry dock-related work for a specific class or classes of vessels. The contracts may be entered into for a single vessel dry docking or for multiple vessel dry dockings for a period not to exceed two years.

(f) Any new vessel planning, construction, purchase, analysis, or design work must be consistent with RCW 47.60.810, except as otherwise provided in RCW 47.60.826.

(2) The department shall proceed with the procurement of materials, supplies, services, and equipment needed for the support, maintenance, and use of a ferry, ferry terminal, or other facility operated by Washington state ferries, in accordance with chapter 43.19 RCW except as follows:

(a) When the secretary of the department of transportation determines in writing that the use of invitation for bid is either not practicable or not advantageous to the state and it may be necessary to make competitive evaluations, including technical or performance evaluations among acceptable proposals to complete the contract award, a contract may be entered into by use of a competitive sealed proposals method, and a formal request for proposals solicitation. Such formal request for proposals solicitation shall include a functional description of the needs and requirements of the state and the significant factors.

(b) When purchases are made through a formal request for proposals solicitation the contract shall be awarded to the responsible proposer whose competitive sealed proposal is determined in writing to be the most advantageous to the state taking into consideration price and other evaluation factors set forth in the request for proposals. No significant factors may be used in evaluating a proposal that are not specified in the request for proposals. Factors that may be considered in evaluating proposals include but are not limited to: Price; maintainability; reliability; commonality; performance levels; life-cycle cost if applicable under this section; cost of transportation or delivery; delivery schedule offered; installation cost; cost of spare parts; availability of parts and service offered; and the following:

(i) The ability, capacity, and skill of the proposer to perform the contract or provide the service required;

(ii) The character, integrity, reputation, judgment, experience, and efficiency of the proposer;

(iii) Whether the proposer can perform the contract within the time specified;

(iv) The quality of performance of previous contracts or services;

(v) The previous and existing compliance by the proposer with laws relating to the contract or services;

(vi) Objective, measurable criteria defined in the request for proposal. These criteria may include but are not limited to items

such as discounts, delivery costs, maintenance services costs, installation costs, and transportation costs; and

(vii) Such other information as may be secured having a bearing on the decision to award the contract.

(c) When purchases are made through a request for proposal process, proposals received shall be evaluated based on the evaluation factors set forth in the request for proposal. When issuing a request for proposal for the procurement of propulsion equipment or systems that include an engine, the request for proposal must specify the use of a life-cycle cost analysis that includes an evaluation of fuel efficiency. When a life-cycle cost analysis is used, the life-cycle cost of a proposal shall be given at least the same relative importance as the initial price element specified in the request of proposal documents. The department may reject any and all proposals received. If the proposals are not rejected, the award shall be made to the proposer whose proposal is most advantageous to the department, considering price and the other evaluation factors set forth in the request for proposal.

Sec. 1221. RCW 47.56.031 and 2005 c 335 s 2 are each amended to read as follows:

No tolls may be imposed on new or existing highways or bridges without specific legislative authorization, or upon a majority vote of the people within the boundaries of the unit of government empowered to impose tolls. This section applies to chapter 47.56 RCW and to any tolls authorized under chapter ((~~47.29 RCW, the transportation innovative partnership act of 2005~~)) 47.--- RCW (the new chapter created in section 1224 of this act).

Sec. 1222. RCW 70A.15.4030 and 2020 c 20 s 1126 are each amended to read as follows:

(1) A county, city, or town may, as part of its commute trip reduction plan, designate existing activity centers listed in its comprehensive plan or new activity centers as growth and transportation efficiency centers and establish a transportation demand management program in the designated area.

(a) The transportation demand management program for the growth and transportation efficiency center shall be developed in consultation with local transit agencies, the applicable regional

transportation planning organization, major employers, and other interested parties.

(b) In order to be eligible for state funding provided for the purposes of this section, designated growth and transportation efficiency centers shall be certified by the applicable regional transportation organization to: (i) Meet the minimum land use and transportation criteria established in collaboration among local jurisdictions, transit agencies, the regional transportation planning organization, and other interested parties as part of the regional commute trip reduction plan; and (ii) have established a transportation demand management program that includes the elements identified in (c) of this subsection and is consistent with the rules established by the department of transportation in RCW 70A.15.4060(2). If a designated growth and transportation efficiency center is denied certification, the local jurisdiction may appeal the decision to the commute trip reduction board.

(c) Transportation demand management programs for growth and transportation efficiency centers shall include, but are not limited to: (i) Goals for reductions in the proportion of single-occupant vehicle trips that are more aggressive than the state program goal established by the commute trip reduction board; (ii) a sustainable financial plan demonstrating how the program can be implemented to meet state and regional trip reduction goals, indicating resources from public and private sources that are reasonably expected to be made available to carry out the plan, and recommending any innovative financing techniques consistent with chapter ((~~47.29 RCW~~)) 47.--- RCW (the new chapter created in section 1224 of this act), including public/private partnerships, to finance needed facilities, services, and programs; (iii) a proposed organizational structure for implementing the program; (iv) a proposal to measure performance toward the goal and implementation progress; and (v) an evaluation to which local land use and transportation policies apply, including parking policies and ordinances, to determine the extent that they complement and support the trip reduction investments of major employers. Each of these program elements shall be consistent with the rules established under RCW 70A.15.4060.

(d) A designated growth and transportation efficiency center shall be consistent with the land use and transportation elements of the local comprehensive plan.

(e) Transit agencies, local governments, and regional transportation planning organizations shall identify certified growth and transportation efficiency centers as priority areas for new service and facility investments in their respective investment plans.

(2) A county, city, or town that has established a growth and transportation efficiency center program shall support vehicle trip reduction activities in the designated area. The implementing jurisdiction shall adopt policies, ordinances, and funding strategies that will lead to attainment of program goals in those areas.

NEW SECTION. **Sec. 1223.** The following acts or parts of acts are each repealed:

(1) RCW 47.29.010 (Finding—Intent) and 2006 c 334 s 48 & 2005 c 317 s 1;

(2) RCW 47.29.020 (Definitions) and 2005 c 317 s 2;

(3) RCW 47.29.030 (Transportation commission powers and duties) and 2005 c 317 s 3;

(4) RCW 47.29.040 (Purpose) and 2005 c 317 s 4;

(5) RCW 47.29.050 (Eligible projects) and 2005 c 317 s 5;

(6) RCW 47.29.060 (Eligible financing) and 2008 c 122 s 18 & 2005 c 317 s 6;

(7) RCW 47.29.070 (Use of federal funds and similar revenues) and 2005 c 317 s 7;

(8) RCW 47.29.080 (Other sources of funds or property) and 2005 c 317 s 8;

(9) RCW 47.29.090 (Project review, evaluation, and selection) and 2005 c 317 s 9;

(10) RCW 47.29.100 (Administrative fee) and 2005 c 317 s 10;

(11) RCW 47.29.110 (Funds for proposal evaluation and negotiation) and 2005 c 317 s 11;

(12) RCW 47.29.120 (Expert consultation) and 2005 c 317 s 12;

(13) RCW 47.29.130 (Contracted studies) and 2005 c 317 s 13;

(14) RCW 47.29.140 (Partnership agreements) and 2005 c 317 s 14;

(15) RCW 47.29.150 (Public involvement and participation) and 2005 c 317 s 15;

(16) RCW 47.29.160 (Approval and execution) and 2005 c 317 s 16;

(17) RCW 47.29.170 (Unsolicited proposals) and 2017 c 313 s 711, 2015 1st sp.s. c 10 s 704, 2013 c 306 s 708, 2011 c 367 s 701, 2009 c 470 s 702, 2007 c 518 s 702, 2006 c 370 s 604, & 2005 c 317 s 17;

(18) RCW 47.29.180 (Advisory committees) and 2005 c 317 s 18;

(19) RCW 47.29.190 (Confidentiality) and 2005 c 317 s 19;

(20) RCW 47.29.200 (Prevailing wages) and 2005 c 317 s 20;

(21) RCW 47.29.210 (Government agreements) and 2005 c 317 s 21;

(22) RCW 47.29.220 (Eminent domain) and 2005 c 317 s 22;

(23) RCW 47.29.230 (Transportation innovative partnership account) and 2005 c 317 s 23;

(24) RCW 47.29.240 (Use of account) and 2005 c 317 s 24;

(25) RCW 47.29.250 (Issuing bonds and other obligations) and 2005 c 317 s 25;

(26) RCW 47.29.260 (Study and report) and 2005 c 317 s 26;

(27) RCW 47.29.270 (Federal laws) and 2005 c 317 s 27;

(28) RCW 47.29.280 (Expert review panel on proposed project agreements—Creation—Authority) and 2006 c 334 s 49; and

(29) RCW 47.29.290 (Expert review panel on proposed project agreements—Execution of agreements) and 2006 c 334 s 50.

NEW SECTION. **Sec. 1224.** Sections 1201 through 1219 of this act constitute a new chapter in Title 47 RCW.

PART XIII: MISCELLANEOUS

Railroad Fencing Requirements

Sec. 1301. RCW 81.52.050 and 2013 c 23 s 301 are each amended to read as follows:

Every person, company, or corporation having the control or management of any railroad shall, outside of any corporate city or town, and outside the limits of any sidetrack or switch, cause to be constructed and maintained in good repair on each side of said railroad, along the line of said right-of-way of such person, company, or corporation operating the same, a substantial fence, and at every point where any roadway or other public highway shall cross said railroad, a safe and sufficient crossing must be built and maintained, and on each side of such crossing and at each end of such sidetrack or switch, outside of any incorporated city or town, a sufficient cattle guard: PROVIDED, That any person holding land on both sides of said right-of-way shall have the right to put in gates for his or her own use at such places as may be convenient. This

section does not apply to rail right-of-way owned by the department of transportation.

Temporary License Plates

Sec. 1302. RCW 46.16A.305 and 2022 c 132 s 5 are each amended to read as follows:

(1) The department, county auditor or other agent, or subagent appointed by the director may grant a temporary license plate to operate a vehicle for which an application for registration has been made. The application for a temporary license plate must be made by the owner or the owner's representative to the department, county auditor or other agent, or subagent appointed by the director on a form furnished by the department and must contain:

(a) A full description of the vehicle, including its make, model, vehicle identification number, and type of body;

(b) The name and address of the applicant;

(c) The date of application; and

(d) Other information that the department may require.

(2) Temporary license plates must:

(a) Be consecutively numbered;

(b) Be displayed as described for permanent license plates in RCW 46.16A.200(5)(a);

(c) Be composed of material that must be durable and remain unaltered in field conditions for a minimum of four months; and

(d) Remain on the vehicle only until the receipt of permanent license plates.

(3) The application must be accompanied by the fee required under RCW 46.17.400(1)(b).

(4) Pursuant to subsection (2) of this section, the department may adopt rules for the design and display of temporary license plates.

(5) By December 1, 2025, the department must adopt rules implementing contingency extensions of the expiration date for department temporary license plates in cases of shortages of permanent license plates. The rules must prioritize reducing customer return trips for department temporary license plates, and include a communication plan with state and local law enforcement agencies regarding the implementation of the contingency extensions.

NEW SECTION. **Sec. 1303.** A new section is added to chapter 72.60 RCW to read as follows:

When the department of corrections, in conjunction with the department of licensing, anticipates a projected license plate shortage statewide or in particular locations, the department of licensing must promptly communicate such shortage to the county auditors or other agents, and subagents appointed by the director of the department of licensing. The department of corrections, in conjunction with the department of licensing, must also develop and implement a mitigation plan to address the shortage that may include the contracting with a third-party vendor for production of license plates until such time as the shortage is eliminated and a sufficient license plate inventory is available for the subsequent 90-day period. Use of a third-party vendor may thereafter be initiated by the department of corrections, the department of licensing, or jointly by the two agencies.

Aeronautics Account

Sec. 1304. RCW 82.42.090 and 2017 3rd sp.s. c 25 s 42 are each amended to read as follows:

All moneys collected by the director from the aircraft fuel excise tax as provided in RCW 82.42.020 shall be transmitted to the state treasurer and shall be credited to the aeronautics account hereby created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for aviation-related purposes. Moneys collected from the consumer or user of aircraft fuel from either the use tax imposed by RCW 82.12.020 or the retail sales tax imposed by RCW 82.08.020 shall be transmitted to the state treasurer and credited to the state general fund.

City Streets as Part of State Highways

Sec. 1305. RCW 47.24.020 and 2018 c 100 s 1 are each amended to read as follows:

The jurisdiction, control, and duty of the state and city or town with respect to such streets is as follows:

(1) The department has no authority to change or establish any grade of any such street without approval of the governing body of

such city or town, except with respect to limited access facilities established by the commission;

(2) The city or town shall exercise full responsibility for and control over any such street beyond the curbs and if no curb is installed, beyond that portion of the highway used for highway purposes. However, within incorporated cities and towns the title to a state limited access highway vests in the state, and, notwithstanding any other provision of this section, the department shall exercise full jurisdiction, responsibility, and control to and over such facility as provided in chapter 47.52 RCW;

(3) The department has authority to prohibit the suspension of signs, banners, or decorations above the portion of such street between the curbs or portion used for highway purposes up to a vertical height of ((~~twenty~~)) 20 feet above the surface of the roadway;

(4) The city or town shall at its own expense maintain all underground facilities in such streets, and has the right to construct such additional underground facilities as may be necessary in such streets. However, pavement trenching and restoration performed as part of installation of such facilities must meet or exceed requirements established by the department;

(5) The city or town has the right to grant the privilege to open the surface of any such street, but all damage occasioned thereby shall promptly be repaired either by the city or town itself or at its direction. Pavement trenching and restoration performed under a privilege granted by the city under this subsection must meet or exceed requirements established by the department;

(6) Except as otherwise provided in subsection (17) of this section, the city or town at its own expense shall provide street illumination and shall clean all such streets, including storm sewer inlets and catch basins, and remove all snow, except that the state shall when necessary plow the snow on the roadway. In cities and towns having a population of ((~~twenty-seven thousand five hundred~~)) 27,500 or less according to the latest determination of population by the office of financial management, the state, when necessary for public safety, shall assume, at its expense, responsibility for the stability of the slopes of cuts and fills and the embankments within the right-of-way to protect the roadway itself. When the population of a city or town first exceeds ((~~twenty-seven thousand five hundred~~)) 27,500 according to the determination of population by the

office of financial management, the city or town shall have three years from the date of the determination to plan for additional staffing, budgetary, and equipment requirements before being required to assume the responsibilities under this subsection. The state shall install, maintain, and operate all illuminating facilities on any limited access facility, together with its interchanges, located within the corporate limits of any city or town, and shall assume and pay the costs of all such installation, maintenance, and operation incurred after November 1, 1954;

(7) The department has the right to use all storm sewers on such highways without cost; and if new storm sewer facilities are necessary in construction of new streets by the department, the cost of the facilities shall be borne by the state and/or city as may be mutually agreed upon between the department and the governing body of the city or town;

(8) Cities and towns have exclusive right to grant franchises not in conflict with state laws and rules, over, beneath, and upon such streets, but the department is authorized to enforce in an action brought in the name of the state any condition of any franchise which a city or town has granted on such street. No franchise for transportation of passengers in motor vehicles may be granted on such streets without the approval of the department, but the department shall not refuse to approve such franchise unless another street conveniently located and of strength of construction to sustain travel of such vehicles is accessible;

(9) Every franchise or permit granted any person by a city or town for use of any portion of such street by a public utility must require the grantee or permittee to restore, repair, and replace any portion of the street damaged or injured by it to conditions that meet or exceed requirements established by the department;

(10) The city or town has the right to issue overload or overwidth permits for vehicles to operate on such streets or roads subject to regulations printed and distributed to the cities and towns by the department;

(11) Cities and towns shall regulate and enforce all traffic and parking restrictions on such streets, but all regulations adopted by a city or town relating to speed, parking, and traffic control devices on such streets not identical to state law relating thereto are subject to the approval of the department before becoming effective. All regulations pertaining to speed, parking, and traffic

control devices relating to such streets heretofore adopted by a city or town not identical with state laws shall become null and void unless approved by the department heretofore or within one year after March 21, 1963;

(12) The department shall erect, control, and maintain at state expense all route markers and directional signs, except street signs, on such streets;

(13) Except as otherwise provided in subsection (17) of this section, the department shall install, operate, maintain, and control at state expense all traffic control signals, signs, and traffic control devices for the purpose of regulating both pedestrian and motor vehicular traffic on, entering upon, or leaving state highways in cities and towns having a population of ((~~twenty-seven thousand five hundred~~)) 27,500 or less according to the latest determination of population by the office of financial management. Such cities and towns may submit to the department a plan for traffic control signals, signs, and traffic control devices desired by them, indicating the location, nature of installation, or type thereof, or a proposed amendment to such an existing plan or installation, and the department shall consult with the cities or towns concerning the plan before installing such signals, signs, or devices. Cities and towns having a population in excess of ((~~twenty-seven thousand five hundred~~)) 27,500 according to the latest determination of population by the office of financial management shall install, maintain, operate, and control such signals, signs, and devices at their own expense, subject to approval of the department for the installation and type only. When the population of a city or town first exceeds ((~~twenty-seven thousand five hundred~~)) 27,500 according to the determination of population by the office of financial management, the city or town shall have three years from the date of the determination to plan for additional staffing, budgetary, and equipment requirements before being required to assume the responsibilities under this subsection. For the purpose of this subsection, striping, lane marking, and channelization are considered traffic control devices;

(14) All revenue from parking meters placed on such streets belongs to the city or town;

(15) Rights-of-way for such streets shall be acquired by either the city or town or by the state as shall be mutually agreed upon. Costs of acquiring rights-of-way may be at the sole expense of the

state or at the expense of the city or town or at the expense of the state and the city or town as may be mutually agreed upon. Title to all such rights-of-way so acquired shall vest in the city or town: PROVIDED, That no vacation, sale, rental, or any other nontransportation use of any unused portion of any such street may be made by the city or town without the prior written approval of the department; and all revenue derived from sale, vacation, rental, or any nontransportation use of such rights-of-way shall be shared by the city or town and the state in the same proportion as the purchase costs were shared;

(16) If any city or town fails to perform any of its obligations as set forth in this section or in any cooperative agreement entered into with the department for the maintenance of a city or town street forming part of the route of a state highway, the department may notify the mayor of the city or town to perform the necessary maintenance within ((~~thirty~~)) 30 days. If the city or town within the ((~~thirty~~)) 30 days fails to perform the maintenance or fails to authorize the department to perform the maintenance as provided by RCW 47.24.050, the department may perform the maintenance, the cost of which is to be deducted from any sums in the motor vehicle fund credited or to be credited to the city or town;

(17) The population thresholds identified in subsections (6) and (13) of this section shall be increased as follows:

(a) Thirty thousand on July 1, 2023;

(b) Thirty-two thousand five hundred on July 1, ((~~2028~~)) 2025, for cities or towns having a population of 30,000 or less on January 1, 2025; and

(c) Thirty-five thousand on July 1, ((~~2033~~)) 2030.

Solicited Property Transactions For Transportation Purposes

Sec. 1306. RCW 61.--.--- and 2025 c . . . (SHB 1081) s 1 are each amended to read as follows:

(1) For real estate transactions executed on or after January 1, 2026, in which a potential buyer or someone representing a potential buyer actively solicits the purchase of real property through public advertising or written, electronic, or in-person contact with an owner of real property that is not currently publicly available or listed on the real estate market for purchase, the owner of the solicited real property shall, upon execution of a purchase contract

between the potential buyer and the owner of the solicited real property:

(a) Have the right to an appraisal of the real property by an appraiser licensed in accordance with chapter 18.140 RCW, which right shall be expressly included in the purchase contract between the potential buyer and the owner of the solicited real property; and

(b) Have the right to cancel the purchase contract without penalty or further obligation subject to subsection (2) of this section.

(2)(a) For owners of the solicited real property who wish to exercise their right to an appraisal:

(i) The owner has the right to select the appraiser, and the potential buyer is responsible for the expense of the appraisal;

(ii) The appraisal must be ordered within three business days after the execution of the purchase contract, and the owner of the solicited real property shall notify the potential buyer of the appraisal; and

(iii) The owner of the solicited real property has the right to cancel the purchase contract, without penalty or further obligation, within four business days after the appraisal is received.

(b) For owners of solicited real property who do not wish to receive an appraisal, the owner has the right to cancel the purchase contract without penalty or further obligation within 10 business days after execution of the contract.

(c) In the event of cancellation, the owner of the solicited real property shall send a notice of cancellation to the buyer by mail, telegram, email, or other means of written communication. Notice of cancellation is considered given when mailed, when filed for telegraphic transmission, when emailed, or, if sent by other means, when delivered to the buyer's designated place of business.

(3) The purchase contract for a real estate transaction described in this section must state clearly in at least size 10-point boldface type, and the seller must affirmatively acknowledge in writing, that the seller:

(a) Has a right to an appraisal as specified in subsection (2) of this section; and

(b) Has a right to cancel the purchase contract without penalty or further obligation in accordance with subsection (2) of this section.

(4) This section does not apply to a buyer or seller represented by a real estate broker licensed in accordance with chapter 18.85 RCW.

(5) Nothing in this chapter affects the rights accruing to any party as set forth in RCW 64.04.220.

(6) The legislature finds that the practices covered by this section are matters vitally affecting the public interest for the purpose of applying the consumer protection act, chapter 19.86 RCW. A violation of this section is not reasonable in relation to the development and preservation of business and is an unfair or deceptive act in trade or commerce and an unfair method of competition for the purpose of applying the consumer protection act, chapter 19.86 RCW.

(7) This section does not apply to any public entity including, but not limited to, the department of transportation, cities, and counties, acquiring real property for transportation purposes.

Tow Truck Impounds

NEW SECTION. **Sec. 1307.** A new section is added to chapter 46.55 RCW to read as follows:

(1) The department shall create a program to compensate registered tow truck operators for private property impounds or impounds performed at the direction of law enforcement to apply when the owner of the vehicle is indigent, except when the vehicle has been impounded after the vehicle owner has been arrested by a law enforcement officer.

(2) An individual seeking the release of a vehicle under this program must:

(a) Be the legal or registered owner of the vehicle;

(b) Be indigent;

(c) Either not have the ability to pay for the towing service or when making such payment would be a severe hardship;

(d) Not have applied for the release of a vehicle under this program more than once in the preceding year; and

(e) Fill out and certify the first part of the form described in subsection (4)(a) of this section and submit it to the registered tow truck operator.

(3) A registered tow truck operator may seek payment for private property impounds or impounds ordered by a law enforcement agency

when the impound was not ordered following an arrest, for vehicles owned by individuals meeting the requirements of subsection (2) of this section. The registered tow truck operator applying for payment must fill out the second part of the form described in subsection (4)(b) of this section and must submit the completed form to the department.

(4) The department shall provide a form to registered tow truck operators that consists of two parts.

(a) The first part of the form is to be completed by individuals seeking the release of a vehicle and must include a requirement that individuals self-certify under penalty of perjury that they meet the requirements of the program and acknowledge that they understand that the department may verify or audit the information and that perjury is a criminal offense.

(b)(i) The second part of the form is to be completed by registered tow truck operators and must include a requirement that registered tow truck operators self-certify under penalty of perjury that they have verified that:

(A) The impound was a private property impound or ordered by a law enforcement agency;

(B) The impound was not ordered following an arrest;

(C) The individual seeking the release of a vehicle is the owner of the vehicle registered or titled with the department; and

(ii) The registered tow truck operators must acknowledge that they understand that the department may verify or audit the information and that perjury is a criminal offense.

(5)(a) Subject to the availability of amounts appropriated for this specific purpose, the department shall disburse excess funds deposited under RCW 46.55.130(2)(h) that are no longer subject to payment for a valid claim under RCW 46.55.130(2)(h) in an amount equal to the cost of the towing, storage, or other services incurred by the registered tow truck operators during the course of the private property impound or law enforcement directed impound to the eligible registered tow truck operators following submission of the form by the registered tow truck operator. Eligibility for payment under this section does not constitute an entitlement for payment. If eligible applications for payment exceed the funds available, the department must create and maintain a waitlist in the order the forms are received pursuant to this section. The department is not civilly

or criminally liable and no penalty or cause of action may be brought against it regarding the provision or lack of provision of funds.

(b) After consulting with appropriate stakeholders, the department must develop rules establishing maximum rates of reimbursement for towing, storage, and other services, under this subsection. The department shall convene a stakeholder work group every two years, with the first meeting to be held within 12 months of rule adoption, to make recommendations on amendments to these rules.

(6) The department shall provide an annual report to the appropriate committees of the legislature by October 1st of each year. The annual report must include the total number of law enforcement directed tows not following an arrest, the number of vehicles released under this program, the number of applicants who received payment under this program, the total funds provided to applicants, the number of applicants on the waitlist who did not receive grants, the total amount of grants unpaid due to lack of funds, and the number of ineligible applicants and the reasons for ineligibility.

(7) A registered tow truck operator who releases the vehicle under this section does not have a lien or deficiency claim on the released vehicle.

(8) When an impounding tow truck operator sends notification to the legal and registered owners of a vehicle regarding the impoundment of it as required under RCW 46.55.110 and the vehicle may be eligible under this program, the impounding tow truck operator must include information in the notification about the program established in this section for the release of vehicles to indigent persons.

(9) The registered tow truck operator shall provide to each person who seeks to redeem an impounded vehicle that may be eligible under this program written notice, in a form and manner specified by the department, of the release of vehicles to indigent individuals. The notice must be accompanied by the form described in subsection (4) of this section.

Sec. 1308. RCW 46.55.115 and 1993 c 121 s 2 are each amended to read as follows:

The Washington state patrol, under its authority to remove vehicles from the highway, may remove the vehicles directly, through

towing operators appointed by the state patrol and called on a rotational or other basis, through contracts with towing operators, or by a combination of these methods. When removal is to be accomplished through a towing operator on a noncontractual basis, the state patrol may appoint any towing operator for this purpose upon the application of the operator. Each appointment shall be contingent upon the submission of an application to the state patrol and the making of subsequent reports in such form and frequency and compliance with such standards of equipment, performance, pricing, and practices as may be required by rule of the state patrol.

An appointment may be rescinded by the state patrol upon evidence that the appointed towing operator is not complying with the laws or rules relating to the removal and storage of vehicles from the highway. The state patrol may not rescind an appointment merely because a registered tow truck operator negotiates a different rate for voluntary, owner-requested towing than for involuntary towing under this chapter. The costs of removal and storage of vehicles under this section shall be paid by the owner or driver of the vehicle and shall be a lien upon the vehicle until paid, unless the removal is determined to be invalid or the registered tow truck operator releases the vehicle under the program established in section 1307 of this act.

Rules promulgated under this section shall be binding only upon those towing operators appointed by the state patrol for the purpose of performing towing services at the request of the Washington state patrol. Any person aggrieved by a decision of the state patrol made under this section may appeal the decision under chapter 34.05 RCW.

Sec. 1309. RCW 46.55.120 and 2017 c 152 s 1 are each amended to read as follows:

(1)(a) Vehicles or other items of personal property registered or titled with the department that are impounded by registered tow truck operators pursuant to RCW 46.55.080, 46.55.085, 46.55.113, or 9A.88.140 may be redeemed only by the following persons or entities:

(i) The legal owner;

(ii) The registered owner;

(iii) A person authorized in writing by the registered owner;

(iv) The vehicle's insurer or a vendor working on behalf of the vehicle's insurer;

(v) A third-party insurer that has a duty to repair or replace the vehicle, has obtained consent from the registered owner or the owner's agent to move the vehicle, and has documented that consent in the insurer's claim file, or a vendor working on behalf of a third-party insurer that has received such consent; provided, however, that at all times the registered owner must be granted access to and may reclaim possession of the vehicle. For the purposes of this subsection, "owner's agent" means the legal owner of the vehicle, a driver in possession of the vehicle with the registered owner's permission, or an adult member of the registered owner's family;

(vi) A person who is determined and verified by the operator to have the permission of the registered owner of the vehicle or other item of personal property registered or titled with the department;

(vii) A person who has purchased a vehicle or item of personal property registered or titled with the department from the registered owner who produces proof of ownership or written authorization and signs a receipt therefor; or

(viii) If (a)(i) through (vii) of this subsection do not apply, a person, who is known to the registered or legal owner of a motorcycle or moped, as each are defined in chapter 46.04 RCW, that was towed from the scene of an accident, may redeem the motorcycle or moped as a bailment in accordance with RCW 46.55.125 while the registered or legal owner is admitted as a patient in a hospital due to the accident.

(b) In addition, a vehicle impounded because the operator is in violation of RCW 46.20.342(1)(c) shall not be released until a person eligible to redeem it under (a) of this subsection satisfies the requirements of (f) of this subsection, including paying all towing, removal, and storage fees, notwithstanding the fact that the hold was ordered by a government agency. If the department's records show that the operator has been convicted of a violation of RCW 46.20.342 or a similar local ordinance within the past five years, the vehicle may be held for up to ((~~thirty~~)) 30 days at the written direction of the agency ordering the vehicle impounded. A vehicle impounded because the operator is arrested for a violation of RCW 46.20.342 may be released only pursuant to a written order from the agency that ordered the vehicle impounded or from the court having jurisdiction. An agency shall issue a written order to release pursuant to a provision of an applicable state agency rule or local ordinance authorizing release on the basis of the following:

(i) Economic or personal hardship to the spouse of the operator, taking into consideration public safety factors, including the operator's criminal history and driving record; or

(ii) The owner of the vehicle was not the driver, the owner did not know that the driver's license was suspended or revoked, and the owner has not received a prior release under this subsection or RCW 46.55.113(3).

In order to avoid discriminatory application, other than for the reasons for release set forth in (b)(i) and (ii) of this subsection, an agency shall, under a provision of an applicable state agency rule or local ordinance, deny release in all other circumstances without discretion.

If a vehicle is impounded because the operator is in violation of RCW 46.20.342(1) (a) or (b), the vehicle may be held for up to ((~~thirty~~)) 30 days at the written direction of the agency ordering the vehicle impounded. However, if the department's records show that the operator has been convicted of a violation of RCW 46.20.342(1) (a) or (b) or a similar local ordinance within the past five years, the vehicle may be held at the written direction of the agency ordering the vehicle impounded for up to ((~~sixty~~)) 60 days, and for up to ((~~ninety~~)) 90 days if the operator has two or more such prior offenses. If a vehicle is impounded because the operator is arrested for a violation of RCW 46.20.342, the vehicle may not be released until a person eligible to redeem it under (a) of this subsection satisfies the requirements of (f) of this subsection, including paying all towing, removal, and storage fees, notwithstanding the fact that the hold was ordered by a government agency.

(c) If the vehicle is directed to be held for a suspended license impound, a person who desires to redeem the vehicle at the end of the period of impound shall within five days of the impound at the request of the tow truck operator pay a security deposit to the tow truck operator of not more than one-half of the applicable impound storage rate for each day of the proposed suspended license impound. The tow truck operator shall credit this amount against the final bill for removal, towing, and storage upon redemption. The tow truck operator may accept other sufficient security in lieu of the security deposit. If the person desiring to redeem the vehicle does not pay the security deposit or provide other security acceptable to the tow truck operator, the tow truck operator may process and sell at auction the vehicle as an abandoned vehicle within the normal time

limits set out in RCW 46.55.130(1). The security deposit required by this section may be paid and must be accepted at any time up to ((~~twenty-four~~)) 24 hours before the beginning of the auction to sell the vehicle as abandoned. The registered owner is not eligible to purchase the vehicle at the auction, and the tow truck operator shall sell the vehicle to the highest bidder who is not the registered owner.

(d) Notwithstanding (c) of this subsection, a rental car business may immediately redeem a rental vehicle it owns by payment of the costs of removal, towing, and storage, whereupon the vehicle will not be held for a suspended license impound.

(e) Notwithstanding (c) of this subsection, a motor vehicle dealer or lender with a perfected security interest in the vehicle may redeem or lawfully repossess a vehicle immediately by payment of the costs of removal, towing, and storage, whereupon the vehicle will not be held for a suspended license impound. A motor vehicle dealer or lender with a perfected security interest in the vehicle may not knowingly and intentionally engage in collusion with a registered owner to repossess and then return or resell a vehicle to the registered owner in an attempt to avoid a suspended license impound. However, this provision does not preclude a vehicle dealer or a lender with a perfected security interest in the vehicle from repossessing the vehicle and then selling, leasing, or otherwise disposing of it in accordance with chapter 62A.9A RCW, including providing redemption rights to the debtor under RCW 62A.9A-623. If the debtor is the registered owner of the vehicle, the debtor's right to redeem the vehicle under chapter 62A.9A RCW is conditioned upon the debtor obtaining and providing proof from the impounding authority or court having jurisdiction that any fines, penalties, and forfeitures owed by the registered owner, as a result of the suspended license impound, have been paid, and proof of the payment must be tendered to the vehicle dealer or lender at the time the debtor tenders all other obligations required to redeem the vehicle. Vehicle dealers or lenders are not liable for damages if they rely in good faith on an order from the impounding agency or a court in releasing a vehicle held under a suspended license impound.

(f) The vehicle or other item of personal property registered or titled with the department shall be released upon the presentation to any person having custody of the vehicle of commercially reasonable tender sufficient to cover the costs of towing, storage, or other

services rendered during the course of towing, removing, impounding, or storing any such vehicle, with credit being given for the amount of any security deposit paid under (c) of this subsection. Alternatively, a vehicle must be released when the registered tow truck operator completes the form described in section 1307(4) of this act provided that the first part of the form is completed by an individual seeking the release of a vehicle. In addition, if a vehicle is impounded because the operator was arrested for a violation of RCW 46.20.342 or 46.20.345 and was being operated by the registered owner when it was impounded under local ordinance or agency rule, it must not be released to any person until the registered owner establishes with the agency that ordered the vehicle impounded or the court having jurisdiction that any penalties, fines, or forfeitures owed by him or her have been satisfied. Registered tow truck operators are not liable for damages if they rely in good faith on an order from the impounding agency or a court in releasing a vehicle held under a suspended license impound. Commercially reasonable tender shall include, without limitation, cash, major bank credit cards issued by financial institutions, or personal checks drawn on Washington state branches of financial institutions if accompanied by two pieces of valid identification, one of which may be required by the operator to have a photograph. If the towing firm cannot determine through the customer's bank or a check verification service that the presented check would be paid by the bank or guaranteed by the service, the towing firm may refuse to accept the check. Any person who stops payment on a personal check or credit card, or does not make restitution within ((~~ten~~)) 10 days from the date a check becomes insufficient due to lack of funds, to a towing firm that has provided a service pursuant to this section or in any other manner defrauds the towing firm in connection with services rendered pursuant to this section shall be liable for damages in the amount of twice the towing and storage fees, plus costs and reasonable attorney's fees.

(2)(a) The registered tow truck operator shall give to each person who seeks to redeem an impounded vehicle, or item of personal property registered or titled with the department, written notice of the right of redemption and opportunity for a hearing, which notice shall be accompanied by a form to be used for requesting a hearing, the name of the person or agency authorizing the impound, and a copy of the towing and storage invoice. The registered tow truck operator

shall maintain a record evidenced by the redeeming person's signature that such notification was provided.

(b) Any person seeking to redeem an impounded vehicle under this section has a right to a hearing in the district or municipal court for the jurisdiction in which the vehicle was impounded to contest the validity of the impoundment or the amount of towing and storage charges. The district court has jurisdiction to determine the issues involving all impoundments including those authorized by the state or its agents. The municipal court has jurisdiction to determine the issues involving impoundments authorized by agents of the municipality. Any request for a hearing shall be made in writing on the form provided for that purpose and must be received by the appropriate court within ((~~ten~~)) 10 days of the date the opportunity was provided for in (a) of this subsection and more than five days before the date of the auction. At the time of the filing of the hearing request, the petitioner shall pay to the court clerk a filing fee in the same amount required for the filing of a suit in district court. If the hearing request is not received by the court within the ((~~ten-day~~)) 10-day period, the right to a hearing is waived and the registered owner is liable for any towing, storage, or other impoundment charges permitted under this chapter. Upon receipt of a timely hearing request, the court shall proceed to hear and determine the validity of the impoundment.

(3)(a) The court, within five days after the request for a hearing, shall notify the registered tow truck operator, the person requesting the hearing if not the owner, the registered and legal owners of the vehicle or other item of personal property registered or titled with the department, and the person or agency authorizing the impound in writing of the hearing date and time.

(b) At the hearing, the person or persons requesting the hearing may produce any relevant evidence to show that the impoundment, towing, or storage fees charged were not proper. The court may consider a written report made under oath by the officer who authorized the impoundment in lieu of the officer's personal appearance at the hearing.

(c) At the conclusion of the hearing, the court shall determine whether the impoundment was proper, whether the towing or storage fees charged were in compliance with the posted rates, and who is responsible for payment of the fees. The court may not adjust fees or charges that are in compliance with the posted or contracted rates.

(d) If the impoundment is found proper, the impoundment, towing, and storage fees as permitted under this chapter together with court costs shall be assessed against the person or persons requesting the hearing, unless the operator did not have a signed and valid impoundment authorization from a private property owner or an authorized agent.

(e) If the impoundment is determined to be in violation of this chapter, then the registered and legal owners of the vehicle or other item of personal property registered or titled with the department shall bear no impoundment, towing, or storage fees, and any security shall be returned or discharged as appropriate, and the person or agency who authorized the impoundment shall be liable for any towing, storage, or other impoundment fees permitted under this chapter. The court shall enter judgment in favor of the registered tow truck operator against the person or agency authorizing the impound for the impoundment, towing, and storage fees paid. In addition, the court shall enter judgment in favor of the registered and legal owners of the vehicle, or other item of personal property registered or titled with the department, for the amount of the filing fee required by law for the impound hearing petition as well as reasonable damages for loss of the use of the vehicle during the time the same was impounded against the person or agency authorizing the impound. However, if an impoundment arising from an alleged violation of RCW 46.20.342 or 46.20.345 is determined to be in violation of this chapter, then the law enforcement officer directing the impoundment and the government employing the officer are not liable for damages if the officer relied in good faith and without gross negligence on the records of the department in ascertaining that the operator of the vehicle had a suspended or revoked driver's license. If any judgment entered is not paid within ((~~fifteen~~)) 15 days of notice in writing of its entry, the court shall award reasonable attorneys' fees and costs against the defendant in any action to enforce the judgment. Notice of entry of judgment may be made by registered or certified mail, and proof of mailing may be made by affidavit of the party mailing the notice. Notice of the entry of the judgment shall read essentially as follows:

TO: . . . . . .

YOU ARE HEREBY NOTIFIED JUDGMENT was entered against you in the . . . . . Court located at . . . . . in the sum of

$. . . . . ., in an action entitled . . . . . ., Case No. . . . . YOU ARE FURTHER NOTIFIED that attorneys fees and costs will be awarded against you under RCW . . . if the judgment is not paid within 15 days of the date of this notice.

DATED this . . . . day of . . . . . ., (year) . . .

Signature . . . . . .

Typed name and address

of party mailing notice

(4) Any impounded abandoned vehicle or item of personal property registered or titled with the department that is not redeemed within ((~~fifteen~~)) 15 days of mailing of the notice of custody and sale as required by RCW 46.55.110(3) shall be sold at public auction in accordance with all the provisions and subject to all the conditions of RCW 46.55.130. A vehicle or item of personal property registered or titled with the department may be redeemed at any time before the start of the auction either upon ((~~payment~~)):

(a) Payment of the applicable towing and storage fees; or

(b) The completion of the form specified in section 1307 of this act.

Tax Increment Financing for Transportation Projects

Sec. 1310. RCW 39.114.020 and 2024 c 236 s 2 are each amended to read as follows:

(1) A local government may designate an increment area under this chapter and use the tax allocation revenues to pay public improvement costs, subject to the following conditions:

(a) The local government must adopt an ordinance designating an increment area within its boundaries and describing the public improvements proposed to be paid for, or financed with, tax allocation revenues;

(b) The local government may not designate increment area boundaries such that the entirety of its territory falls within an increment area;

(c) ((~~The~~)) (i) Except as provided in (c)(ii) of this subsection, the increment area may not have an assessed valuation of more than $200,000,000 or more than 20 percent of the sponsoring jurisdiction's total assessed valuation, whichever is less, when the ordinance is

passed. If a sponsoring jurisdiction creates two increment areas, the total combined assessed valuation in both of the two increment areas may not equal more than $200,000,000 or more than 20 percent of the sponsoring jurisdiction's total assessed valuation, whichever is less, when the ordinances are passed creating the increment areas.

(ii) During the 2026 fiscal year, a sponsoring jurisdiction may enact a tax increment area or areas with a combined assessed valuation greater than $200,000,000 but no more than $500,000,000 if:

(A) The sponsoring jurisdiction is a city with a population over 150,000 but less than 170,000 and is located in a county with a population of over 1,500,000;

(B) The tax increment area is connected to Interstate 405 and the transportation-related public improvements that will be funded enhance the integration and connection of neighborhoods within and adjacent to the increment area;

(C) The sponsoring jurisdiction enacted an ordinance designating the increment area no later than June 30, 2026; and

(D) A governing body of any taxing district within the increment area approves by a majority vote, and according to the governing body's ordinance and publication procedures, the taxing district's partial or full participation in the tax increment project. If the governing body does not approve its participation, the taxing district's property taxes are not subject to apportionment under this chapter and the taxing district is excluded from the provisions of this section;

(d) ((~~A~~)) Except as otherwise provided in (c)(ii) of this subsection, a local government can create no more than two active increment areas at any given time and they may not physically overlap by including the same land in more than one increment area at any time;

(e) The ordinance must set a sunset date for the increment area, which may be no more than 25 years after the first year in which tax allocation revenues are collected from the increment area;

(f) The ordinance must identify the public improvements to be financed and indicate whether the local government intends to issue bonds or other obligations, payable in whole or in part, from tax allocation revenues to finance the public improvement costs, and must estimate the maximum amount of obligations contemplated;

(g) The ordinance must provide that the increment area takes effect on June 1st following the adoption of the ordinance in (a) of this subsection;

(h) The sponsoring jurisdiction may not add additional public improvements to the project after adoption of the ordinance creating the increment area or change the boundaries of the increment area. The sponsoring jurisdiction may expand, alter, or add to the original public improvements when doing so is necessary to assure the originally approved improvements can be constructed or operated;

(i) The ordinance must impose a deadline by which commencement of construction of the public improvements shall begin, which deadline must be at least five years into the future and for which extensions shall be made available for good cause; and

(j) The local government must make a finding that:

(i) The public improvements proposed to be paid or financed with tax allocation revenues are expected to encourage private development within the increment area and to increase the assessed value of real property within the increment area;

(ii) Private development that is anticipated to occur within the increment area as a result of the proposed public improvements will be permitted consistent with the permitting jurisdiction's applicable zoning and development standards;

(iii) The private development would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future without the proposed public improvements; and

(iv) The increased assessed value within the increment area that could reasonably be expected to occur without the proposed public improvements would be less than the increase in the assessed value estimated to result from the proposed development with the proposed public improvements.

(2) In considering whether to designate an increment area, the legislative body of the local government must prepare a project analysis that shall include, but need not be limited to, the following:

(a) A statement of objectives of the local government for the designated increment area;

(b) A statement as to the property within the increment area, if any, that the local government may intend to acquire;

(c) The duration of the increment area;

(d) Identification of all parcels to be included in the area;

(e) A description of the expected private development within the increment area, including a comparison of scenarios with the proposed public improvements and without the proposed public improvements;

(f) A description of the public improvements, estimated public improvement costs, and the estimated amount of bonds or other obligations expected to be issued to finance the public improvement costs and repaid with tax allocation revenues;

(g) The assessed value of real property listed on the tax roll as certified by the county assessor under RCW 84.52.080 from within the increment area and an estimate of the increment value and tax allocation revenues expected to be generated;

(h) An estimate of the job creation reasonably expected to result from the public improvements and the private development expected to occur in the increment area;

(i) An assessment of any impacts on the following:

(i) Affordable and low-income housing;

(ii) The local business community;

(iii) The local school districts; and

(iv) The local fire service, public hospital service, and emergency medical services; and

(j) The assessment of impacts under (i) of this subsection (2) must include any necessary mitigation to the local fire service, public hospital service, and emergency medical services; and

(k) An assessment of any impacts of any other junior taxing districts not referenced in (i) of this subsection (2).

(3) The local government may charge a private developer, who agrees to participate in creating the increment area, a fee sufficient to cover the cost of the project analysis and establishing the increment area, including staff time, professionals and consultants, and other administrative costs related to establishing the increment area.

(4) Nothing in this section prohibits a local government from entering into an agreement under chapter 39.34 RCW with another local government for the administration or other activities related to tax increment financing authorized under this section.

(5)(a) If the project analysis indicates that an increment area will impact at least 20 percent of the assessed value in a public hospital district, fire protection district, or regional fire protection service authority, or if the public hospital district's or the fire service agency's annual report, or other governing board-

adopted capital facilities plan, demonstrates an increase in the level of service directly related to the increased development in the increment area, the local government must enter into negotiations for a mitigation plan with the impacted public hospital district, fire protection district, or regional fire protection service authority to address level of service issues in the increment area.

(b) If the parties cannot agree pursuant to (a) of this subsection (5), the parties must proceed to arbitration to determine the appropriate mitigation plan. The board of arbitrators must consist of three persons: One appointed by the local government seeking to designate the increment area and one appointed by the junior taxing district, both of whom must be appointed within 60 days of the date when arbitration is requested, and a third arbitrator who must be appointed by agreement of the other two arbitrators within 90 days of the date when arbitration is requested. If the two are unable to agree on the appointment of the third arbitrator within this 90-day period, then the third arbitrator must be appointed by a judge in the superior court of the county within which the largest portion of the increment area is located. The determination by the board of arbitrators is binding on both the local government seeking to impose the increment area and the junior taxing district.

(6) The local government may reimburse the assessor and treasurer for their costs as provided in RCW 39.114.010(6)(e).

(7) Prior to the adoption of an ordinance authorizing creation of an increment area, the local government must:

(a) Hold at least two public briefings for the community solely on the tax increment project that include the description of the increment area, the public improvements proposed to be financed with the tax allocation revenues, and a detailed estimate of tax revenues for the participating local governments and taxing districts, including the amounts allocated to the increment public improvements. The briefings must be announced at least two weeks prior to the date being held, including publishing in a legal newspaper of general circulation and posting information on the local government website and all local government social media sites, and must occur no earlier than 90 days after submitting the project analysis to the office of the treasurer and all local governments and taxing districts impacted by the increment area;

(b) Submit the project analysis to all local governments and taxing districts impacted by the increment area no less than 90 days prior to the adoption of the ordinance; and

(c) Submit the project analysis to the office of the treasurer for review and consider any comments that the treasurer may provide upon completion of their review of the project analysis as provided under this subsection. The treasurer must complete the review within 90 days of receipt of the project analysis and may consult with other agencies and outside experts as necessary. Upon completing their review, the treasurer must promptly provide to the local government any comments regarding suggested revisions or enhancements to the project analysis that the treasurer deems appropriate based on the requirements in subsection (2) of this section.

Sec. 1311. RCW 84.55.010 and 2021 c 207 s 10 are each amended to read as follows:

(1) Except as provided in this chapter, the levy for a taxing district in any year must be set so that the regular property taxes payable in the following year do not exceed the limit factor multiplied by the amount of regular property taxes lawfully levied for such district in the highest of the three most recent years in which such taxes were levied for such district, excluding any increase due to (e) of this subsection, unless the highest levy was the statutory maximum rate amount, plus an additional dollar amount calculated by multiplying the regular property tax levy rate of that district for the preceding year by the increase in assessed value in that district resulting from:

(a) New construction;

(b) Increases in assessed value due to construction of wind turbine, solar, biomass, and geothermal facilities, if such facilities generate electricity and the property is not included elsewhere under this section for purposes of providing an additional dollar amount. The property may be classified as real or personal property;

(c) Improvements to property;

(d) Any increase in the assessed value of state-assessed property; and

(e) Any increase in the assessed value of real property, as that term is defined in RCW 39.114.010, within an increment area as designated by any local government in RCW 39.114.020 provided that

such increase is not included elsewhere under this section. This subsection (1)(e) does not apply to levies by the state or by port districts and public utility districts for the purpose of making required payments of principal and interest on general indebtedness. For the purposes of this subsection (1)(e), "increment area" does not include increment areas that are not approved by the taxing district's governing body for participation in the tax increment project pursuant to RCW 39.114.020(1)(c)(ii)(D).

(2) The requirements of this section do not apply to:

(a) State property taxes levied under RCW 84.52.065(1) for collection in calendar years 2019 through 2021; and

(b) State property taxes levied under RCW 84.52.065(2) for collection in calendar years 2018 through 2021.

Sec. 1312. RCW 84.55.020 and 2023 c 354 s 5 and 2023 c 28 s 9 are each reenacted and amended to read as follows:

Notwithstanding the limitation set forth in RCW 84.55.010, the first levy for a taxing district created from consolidation of similar taxing districts must be set so that the regular property taxes payable in the following year do not exceed the limit factor multiplied by the sum of the amount of regular property taxes each component taxing district could have levied under RCW 84.55.092 plus the additional dollar amount calculated by multiplying the regular property tax rate of each component district for the preceding year by the increase in assessed value in each component district resulting from:

(1) New construction;

(2) Increases in assessed value due to construction of wind turbine, solar, biomass, and geothermal facilities, if such facilities generate electricity and the property is not included elsewhere under this section for purposes of providing an additional dollar amount. The property may be classified as real or personal property;

(3) Improvements to property;

(4) Any increase in the assessed value of state-assessed property; and

(5) Any increase in the assessed value of real property, as defined in RCW 39.114.010, within an increment area as designated by any local government under RCW 39.114.020 if the increase is not included elsewhere under this section. This subsection (5) does not

apply to levies by the state or by port districts and public utility districts for the purpose of making required payments of principal and interest on general indebtedness. For the purposes of this subsection (5), "increment area" does not include increment areas that are not approved by the taxing district's governing body for participation in the tax increment project pursuant to RCW 39.114.020(1)(c)(ii)(D).

Sec. 1313. RCW 84.55.030 and 2023 c 354 s 6 are each amended to read as follows:

For the first levy for a taxing district following annexation of additional property, the limitation set forth in RCW 84.55.010 must be increased by an amount equal to the aggregate assessed valuation of the newly annexed property as shown by the current completed and balanced tax rolls of the county or counties within which such property lies, multiplied by the dollar rate that would have been used by the annexing unit in the absence of such annexation, plus the additional dollar amount calculated by multiplying the regular property tax levy rate of that annexing taxing district for the preceding year by the increase in assessed value in the annexing district resulting from:

(1) New construction;

(2) Increases in assessed value due to construction of wind turbine, solar, biomass, and geothermal facilities, if such facilities generate electricity and the property is not included elsewhere under this section for purposes of providing an additional dollar amount. The property may be classified as real or personal property;

(3) Improvements to property;

(4) Any increase in the assessed value of state-assessed property; and

(5) Any increase in the assessed value of real property, as defined in RCW 39.114.010, within an increment area as designated by any local government in RCW 39.114.020 if the increase is not included elsewhere under this section. This subsection does not apply to levies by the state or by port districts or public utility districts for the purpose of making required payments of principal and interest on general indebtedness. For the purposes of this subsection (5), "increment area" does not include increment areas that are not approved by the taxing district's governing body for

participation in the tax increment project pursuant to RCW 39.114.020(1)(c)(ii)(D).

Sec. 1314. RCW 84.55.120 and 2021 c 207 s 11 are each amended to read as follows:

(1) A taxing district, other than the state, that collects regular levies must hold a public hearing on revenue sources for the district's following year's current expense budget. The hearing must include consideration of possible increases in property tax revenues and must be held prior to the time the taxing district levies the taxes or makes the request to have the taxes levied. The county legislative authority, or the taxing district's governing body if the district is a city, town, or other type of district, must hold the hearing. For purposes of this section, "current expense budget" means that budget which is primarily funded by taxes and charges and reflects the provision of ongoing services. It does not mean the capital, enterprise, or special assessment budgets of cities, towns, counties, or special purpose districts.

(2) If the taxing district is otherwise required to hold a public hearing on its proposed regular tax levy, a single public hearing may be held on this matter.

(3)(a) Except as provided in (b) of this subsection (3), no increase in property tax revenue may be authorized by a taxing district, other than the state, except by adoption of a separate ordinance or resolution, pursuant to notice, specifically authorizing the increase in terms of both dollars and percentage. The ordinance or resolution may cover a period of up to two years, but the ordinance must specifically state for each year the dollar increase and percentage change in the levy from the previous year.

(b) Exempt from the requirements of (a) of this subsection are increases in revenue resulting from the addition of:

(i) New construction;

(ii) Increases in assessed value due to construction of wind turbine, solar, biomass, and geothermal facilities, if such facilities generate electricity and the property is not included elsewhere under this section for purposes of providing an additional dollar amount. The property may be classified as real or personal property;

(iii) Improvements to property;

(iv) Any increase in the value of state-assessed property; and

(v) Any increase in the assessed value of real property, as that term is defined in RCW 39.114.010, within an increment area as designated by any local government in RCW 39.114.020 provided that such increase is not included elsewhere under this section. This subsection (3)(b)(v) does not apply to levies by the state or by port districts and public utility districts for the purpose of making required payments of principal and interest on general indebtedness. For the purposes of this subsection (3)(b)(v), "increment area" does not include increment areas that are not approved by the taxing district's governing body for participation in the tax increment project pursuant to RCW 39.114.020(1)(c)(ii)(D).

PART XIV: EFFECTIVE DATES AND OTHER MISCELLANEOUS PROVISIONS

NEW SECTION. **Sec. 1401.** Sections 801, 802, and 804 through 807 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect June 30, 2025.

NEW SECTION. **Sec. 1402.** Sections 101 through 103, 406, 701 through 709, 808 through 814, 1102, 1103, and 1305 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect July 1, 2025.

NEW SECTION. **Sec. 1403.** Sections 305 through 307 and 401 of this act take effect October 1, 2025.

NEW SECTION. **Sec. 1404.** Sections 104, 105, 107 through 110, 201 through 206, 301 through 303, 604 and 903 of this act take effect January 1, 2026.

NEW SECTION. **Sec. 1405.** Sections 603 and 902 of this act expire January 1, 2026.

NEW SECTION. **Sec. 1406.** Sections 1307 through 1309 of this act take effect February 1, 2026.

NEW SECTION. **Sec. 1407.** Section 405 of this act takes effect March 1, 2026.

NEW SECTION. **Sec. 1408.** Sections 207 through 211 of this act take effect April 1, 2026.

NEW SECTION. **Sec. 1409.** Sections 304 and 1201 through 1224 of this act take effect July 1, 2026.

NEW SECTION. **Sec. 1410.** Sections 1102 and 1103 of this act expire July 1, 2027.

NEW SECTION. **Sec. 1411.** Section 803 of this act takes effect July 1, 2028.

NEW SECTION. **Sec. 1412.** Section 802 of this act expires July 1, 2028.

NEW SECTION. **Sec. 1413.** Section 106 of this act takes effect January 1, 2029.

NEW SECTION. **Sec. 1414.** Section 105 of this act expires January 1, 2029.

NEW SECTION. **Sec. 1415.** Section 106 of this act applies to vehicle registrations that are due or become due on or after January 1, 2029.

NEW SECTION. **Sec. 1416.** Sections 104, 105, and 107 through 110 of this act apply to vehicle registrations that are due or become due on or after January 1, 2026.

NEW SECTION. **Sec. 1417.** 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.

Passed by the Senate April 25, 2025.
Passed by the House April 24, 2025.
Approved by the Governor May 20, 2025.
Filed in Office of Secretary of State May 21, 2025.

--- END ---