

CERTIFICATION OF ENROLLMENT
ENGROSSED SUBSTITUTE SENATE BILL 5801

69th Legislature
2025 Regular Session

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

President of the Senate

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

**Speaker of the House of
Representatives**

Approved

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.

Secretary

FILED

**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 Lias, King, and Chapman)

READ FIRST TIME 03/29/25.

1 AN ACT Relating to transportation resources; amending RCW
2 82.38.030, 82.38.075, 46.68.090, 46.17.355, 46.17.365, 46.17.365,
3 46.17.005, 46.17.040, 46.17.380, 46.68.175, 82.08.020, 82.12.020,
4 82.32.145, 70A.205.405, 70A.205.425, 70A.205.430, 46.63.200,
5 46.20.161, 46.20.181, 47.60.315, 47.60.322, 47.60.826, 43.19.642,
6 47.46.100, 47.56.850, 47.56.870, 90.58.356, 49.26.013, 36.70A.200,
7 36.70A.200, 47.04.380, 47.04.390, 28B.30.903, 47.04.350, 47.04.355,
8 47.04.035, 43.59.156, 43.59.156, 46.61.---, 46.63.210, 46.63.220,
9 46.63.260, 88.16.035, 88.16.180, 88.16.070, 47.56.030, 47.56.031,
10 70A.15.4030, 81.52.050, 46.16A.305, 82.42.090, 47.24.020, 61.--.---,
11 46.55.115, 46.55.120, 39.114.020, 84.55.010, 84.55.030, and
12 84.55.120; reenacting and amending RCW 46.20.117, 43.84.092,
13 43.84.092, 70A.65.030, 70A.65.040, 70A.65.230, and 84.55.020; adding
14 new sections to chapter 82.08 RCW; adding new sections to chapter
15 82.12 RCW; adding a new section to chapter 47.60 RCW; adding a new
16 section to chapter 43.21C RCW; adding a new section to chapter 70A.65
17 RCW; adding a new section to chapter 36.57A RCW; adding a new section
18 to chapter 47.66 RCW; adding a new section to chapter 72.60 RCW;
19 adding a new section to chapter 46.55 RCW; adding a new chapter to
20 Title 82 RCW; adding a new chapter to Title 36 RCW; adding a new
21 chapter to Title 47 RCW; creating new sections; repealing RCW
22 46.68.490, 46.68.500, 47.29.010, 47.29.020, 47.29.030, 47.29.040,
23 47.29.050, 47.29.060, 47.29.070, 47.29.080, 47.29.090, 47.29.100,

1 47.29.110, 47.29.120, 47.29.130, 47.29.140, 47.29.150, 47.29.160,
2 47.29.170, 47.29.180, 47.29.190, 47.29.200, 47.29.210, 47.29.220,
3 47.29.230, 47.29.240, 47.29.250, 47.29.260, 47.29.270, 47.29.280, and
4 47.29.290; prescribing penalties; providing effective dates;
5 providing expiration dates; and declaring an emergency.

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

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

23 **PART I: MOTOR VEHICLE FUEL TAX**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

27 (13) Taxes are imposed when:

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

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

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

38 (ii) The removal is at the refinery rack unless the removal is to
39 a licensed supplier or distributor for direct delivery to a
40 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

1	10,001 - 18,000	\$ 80
2	18,001 - 28,000	\$110
3	28,001 - 36,000	\$150
4	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 (1) All moneys that have accrued or may accrue to the motor
2 vehicle fund from the fuel tax must be first expended for purposes
3 enumerated in (a) and (b) of this subsection. The remaining net tax
4 amount must be distributed monthly by the state treasurer in
5 accordance with subsections (2) through ~~((8))~~ (9) of this section.

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

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

13 (2) All of the remaining net tax amount collected under RCW
14 82.38.030(1) must be distributed as set forth in (a) through (j) of
15 this subsection.

16 (a) For distribution to the motor vehicle fund an amount equal to
17 44.387 percent to be expended for highway purposes of the state as
18 defined in RCW 46.68.130;

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

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

27 (A) Accident experience;

28 (B) Fatal accident experience;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

38 (b) 8.3333 percent must be distributed to counties of the state
39 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~~

1 ~~the director shall require the applicant, unless specifically exempt,~~
2 ~~to pay the following license fee by weight:~~

WEIGHT	SCHEDULE	SCHEDULE
	A	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

1	62,000 pounds	\$ 919.00	\$ 1,009.00
2	64,000 pounds	\$ 939.00	\$ 1,029.00
3	66,000 pounds	\$ 1,046.00	\$ 1,136.00
4	68,000 pounds	\$ 1,091.00	\$ 1,181.00
5	70,000 pounds	\$ 1,175.00	\$ 1,265.00
6	72,000 pounds	\$ 1,257.00	\$ 1,347.00
7	74,000 pounds	\$ 1,366.00	\$ 1,456.00
8	76,000 pounds	\$ 1,476.00	\$ 1,566.00
9	78,000 pounds	\$ 1,612.00	\$ 1,702.00
10	80,000 pounds	\$ 1,740.00	\$ 1,830.00
11	82,000 pounds	\$ 1,861.00	\$ 1,951.00
12	84,000 pounds	\$ 1,981.00	\$ 2,071.00
13	86,000 pounds	\$ 2,102.00	\$ 2,192.00
14	88,000 pounds	\$ 2,223.00	\$ 2,313.00
15	90,000 pounds	\$ 2,344.00	\$ 2,434.00
16	92,000 pounds	\$ 2,464.00	\$ 2,554.00
17	94,000 pounds	\$ 2,585.00	\$ 2,675.00
18	96,000 pounds	\$ 2,706.00	\$ 2,796.00
19	98,000 pounds	\$ 2,827.00	\$ 2,917.00
20	100,000 pounds	\$ 2,947.00	\$ 3,037.00
21	102,000 pounds	\$ 3,068.00	\$ 3,158.00
22	104,000 pounds	\$ 3,189.00	\$ 3,279.00
23	105,500 pounds	\$ 3,310.00	\$ 3,400.00

24 ~~(b) For vehicle registrations that are due or become due on or~~
 25 ~~after July 1, 2016, in))~~ In lieu of the vehicle license fee required
 26 under RCW 46.17.350 and before accepting an application for a vehicle
 27 registration for motor vehicles described in RCW 46.16A.455, the
 28 department, county auditor or other agent, or subagent appointed by
 29 the director shall require the applicant, unless specifically exempt,
 30 to pay the following license fee by weight, to be adjusted annually
 31 as provided in subsection (8) of this section:

32	WEIGHT	SCHEDULE	SCHEDULE
33		A	B
34	4,000 pounds	\$ 53.00	\$ 53.00

1	6,000 pounds	(\$ 73.00)	(\$ 73.00)
2		<u>\$80.00</u>	<u>\$80.00</u>
3	8,000 pounds	(\$ 93.00)	(\$ 93.00)
4		<u>\$110.00</u>	<u>\$110.00</u>
5	10,000 pounds	(\$ 93.00)	(\$ 93.00)
6		<u>\$140.00</u>	<u>\$140.00</u>
7	12,000 pounds	(\$ 81.00)	(\$ 81.00)
8		<u>\$147.85</u>	<u>\$147.85</u>
9	14,000 pounds	(\$ 88.00)	(\$ 88.00)
10		<u>\$182.60</u>	<u>\$182.60</u>
11	16,000 pounds	(\$ 100.00)	(\$ 100.00)
12		<u>\$208.70</u>	<u>\$208.70</u>
13	18,000 pounds	(\$ 152.00)	(\$ 152.00)
14		<u>\$234.80</u>	<u>\$234.80</u>
15	20,000 pounds	(\$ 169.00)	(\$ 169.00)
16		<u>\$260.85</u>	<u>\$260.85</u>
17	22,000 pounds	(\$ 183.00)	(\$ 183.00)
18		<u>\$286.95</u>	<u>\$286.95</u>
19	24,000 pounds	(\$ 198.00)	(\$ 198.00)
20		<u>\$313.05</u>	<u>\$313.05</u>
21	26,000 pounds	(\$ 209.00)	(\$ 209.00)
22		<u>\$339.15</u>	<u>\$339.15</u>
23	28,000 pounds	(\$ 247.00)	(\$ 247.00)
24		<u>\$365.20</u>	<u>\$365.20</u>
25	30,000 pounds	(\$ 285.00)	(\$ 285.00)
26		<u>\$391.30</u>	<u>\$391.30</u>
27	32,000 pounds	(\$ 344.00)	(\$ 344.00)
28		<u>\$417.40</u>	<u>\$417.40</u>
29	34,000 pounds	(\$ 366.00)	(\$ 366.00)
30		<u>\$443.50</u>	<u>\$443.50</u>
31	36,000 pounds	(\$ 397.00)	(\$ 397.00)
32		<u>\$469.55</u>	<u>\$469.55</u>
33	38,000 pounds	(\$ 436.00)	(\$ 436.00)
34		<u>\$495.65</u>	<u>\$495.65</u>
35	40,000 pounds	(\$ 499.00)	(\$ 499.00)
36		<u>\$521.75</u>	<u>\$521.75</u>

1	42,000 pounds	(\$ 519.00)	\$ 609.00
2		<u>\$547.85</u>	
3	44,000 pounds	(\$ 530.00)	\$ 620.00
4		<u>\$573.90</u>	
5	46,000 pounds	(\$ 570.00)	\$ 660.00
6		<u>\$600.00</u>	
7	48,000 pounds	(\$ 594.00)	\$ 684.00
8		<u>\$626.10</u>	
9	50,000 pounds	(\$ 645.00)	\$ 735.00
10		<u>\$652.15</u>	
11	52,000 pounds	(\$ 678.00)	\$ 768.00
12		<u>\$678.25</u>	
13	54,000 pounds	\$ 732.00	\$ 822.00
14	56,000 pounds	\$ 773.00	\$ 863.00
15	58,000 pounds	\$ 804.00	\$ 894.00
16	60,000 pounds	\$ 857.00	\$ 947.00
17	62,000 pounds	\$ 919.00	\$1,009.00
18	64,000 pounds	\$ 939.00	\$1,029.00
19	66,000 pounds	\$ 1,046.00	\$ 1,136.00
20	68,000 pounds	\$ 1,091.00	\$ 1,181.00
21	70,000 pounds	\$ 1,175.00	\$ 1,265.00
22	72,000 pounds	\$ 1,257.00	\$ 1,347.00
23	74,000 pounds	\$ 1,366.00	\$ 1,456.00
24	76,000 pounds	\$ 1,476.00	\$ 1,566.00
25	78,000 pounds	\$ 1,612.00	\$ 1,702.00
26	80,000 pounds	\$ 1,740.00	\$ 1,830.00
27	82,000 pounds	\$ 1,861.00	\$ 1,951.00
28	84,000 pounds	\$ 1,981.00	\$ 2,071.00
29	86,000 pounds	\$ 2,102.00	\$ 2,192.00
30	88,000 pounds	\$ 2,223.00	\$ 2,313.00
31	90,000 pounds	\$ 2,344.00	\$ 2,434.00
32	92,000 pounds	\$ 2,464.00	\$ 2,554.00
33	94,000 pounds	\$ 2,585.00	\$ 2,675.00

1	96,000 pounds	\$ 2,706.00	\$ 2,796.00
2	98,000 pounds	\$ 2,827.00	\$ 2,917.00
3	100,000 pounds	\$ 2,947.00	\$ 3,037.00
4	102,000 pounds	\$ 3,068.00	\$ 3,158.00
5	104,000 pounds	\$ 3,189.00	\$ 3,279.00
6	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)) <u>\$35.00</u>
6,000 pounds	((\$45.00)) <u>\$65.00</u>
8,000 pounds	((\$65.00)) <u>\$82.50</u>
16,000 pounds and over	((\$72.00)) <u>\$96.00;</u>

~~((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.~~

1 ~~(A) Any state agency files a notice of rule making under chapter~~
2 ~~34.05 RCW, absent explicit legislative authorization enacted~~
3 ~~subsequent to July 1, 2015, for a rule regarding a fuel standard~~
4 ~~based upon or defined by the carbon intensity of fuel, including a~~
5 ~~low carbon fuel standard or clean fuel standard.~~

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

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

16 (2) A person applying for a motor home vehicle registration
17 shall, in lieu of the motor vehicle weight fee required in subsection
18 (1) of this section, pay a motor home vehicle weight fee of
19 ~~((seventy-five dollars))~~ \$75 in addition to all other fees and taxes
20 required by law. The motor home vehicle weight fee must be
21 distributed under RCW 46.68.415.

22 (3) ~~((Beginning July 1, 2022, in addition to the motor vehicle~~
23 ~~weight fee as provided in subsection (1) of this section, the~~
24 ~~department, county auditor or other agent, or subagent appointed by~~
25 ~~the director must require an applicant to pay an additional weight~~
26 ~~fee of ten dollars, which must be distributed to the multimodal~~
27 ~~transportation account under RCW 47.66.070 unless prior to July 1,~~
28 ~~2023, the actions described in (a) or (b) of this subsection occur,~~
29 ~~in which case the portion of the revenue that is the result of the~~
30 ~~fee increased in this subsection must be distributed to the~~
31 ~~connecting Washington account created under RCW 46.68.395.~~

32 ~~(a) Any state agency files a notice of rule making under chapter~~
33 ~~34.05 RCW, absent explicit legislative authorization enacted~~
34 ~~subsequent to July 1, 2015, for a rule regarding a fuel standard~~
35 ~~based upon or defined by the carbon intensity of fuel, including a~~
36 ~~low carbon fuel standard or clean fuel standard.~~

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

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

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

8 ~~(4))~~ The department shall:

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

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

14 **Sec. 106.** RCW 46.17.365 and 2025 c . . . s 105 (section 105 of
15 this act) are each amended to read as follows:

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

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

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

WEIGHT	FEE
4,000 pounds	\$35.00
6,000 pounds	(\$65.00) <u>\$75.00</u>
8,000 pounds	(\$82.50) <u>\$90.00</u>
16,000 pounds and over	(\$96.00) <u>\$110.00;</u>

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

31 (c) Must be distributed under RCW 46.68.415.

32 (2) A person applying for a motor home vehicle registration
33 shall, in lieu of the motor vehicle weight fee required in subsection
34 (1) of this section, pay a motor home vehicle weight fee of \$75 in
35 addition to all other fees and taxes required by law. The motor home
36 vehicle weight fee must be distributed under RCW 46.68.415.

37 (3) The department shall:

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

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

6 **Registration and Title Filing and Service Fees**

7 **Sec. 107.** RCW 46.17.005 and 2019 c 417 s 3 are each amended to
8 read as follows:

9 (1) A person who applies for a vehicle registration or for any
10 other right to operate a vehicle on the highways of this state shall
11 pay a (~~four dollar and fifty cent~~) \$6 filing fee in addition to any
12 other fees and taxes required by law.

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

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

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

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

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

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

31 (2) Service fees collected under this section by the department
32 or county auditor or other agent appointed by the director must be
33 credited to the capital vessel replacement account under RCW
34 47.60.322.

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

1 (1) Before accepting an application for a registration for a
2 recreational vehicle, the department, county auditor, or other agent,
3 or subagent appointed by the director, shall require an applicant to
4 pay ~~((a six dollar))~~ an \$8 fee in addition to any other fees and
5 taxes required by law.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

24 (d) Extended warranties to consumers; and

25 (e) Anything else, the sale of which is included within the RCW
26 82.04.050 definition of retail sale.

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

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

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

35 (B) The revenue collected under (a) of this subsection must be
36 deposited in the multimodal transportation account created in RCW
37 47.66.070.

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

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

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

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

15 (3) ((Beginning July 1, 2003, there)) There is levied and
16 collected an additional tax of ((three-tenths)) five-tenths of one
17 percent of the selling price on each retail sale of a motor vehicle
18 in this state, other than retail car rentals taxed under subsection
19 (2) of this section. The revenue collected under this subsection must
20 be deposited in the multimodal transportation account created in RCW
21 47.66.070.

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

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

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

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

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

38 (a) Farm tractors or farm vehicles as defined in RCW 46.04.180
39 and 46.04.181, unless the farm tractor or farm vehicle is for use in
40 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:

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

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

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

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

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

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

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

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

31 (i) If the sale to, or the use by, the present user or his or her
32 bailor or donor has already been subjected to the tax under chapter
33 82.08 RCW or this chapter and the tax has been paid by the present
34 user or by his or her bailor or donor;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

22 (b) A motor vehicle that has a gross vehicle weight rating of
23 greater than 10,000 pounds other than motor homes, as defined in RCW
24 46.04.305.

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

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

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

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

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

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

36 (iv) Snowmobiles as defined in RCW 46.04.546.

37 (b) "Value of the motor vehicle" means the fair market value of
38 the motor vehicle. In the case of a leased motor vehicle in which the
39 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

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

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

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

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

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

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

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

1 (6) Any person having been issued a notice of assessment under
2 this section is entitled to the appeal procedures under RCW
3 82.32.160, 82.32.170, 82.32.180, 82.32.190, and 82.32.200.

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

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

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

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

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

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

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

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

37 (f) "Officer" means any officer or assistant officer of a
38 corporation, including the president, vice president, secretary, and
39 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

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

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

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

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

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

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

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

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

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

29 NEW SECTION. Sec. 209. If chapter . . . , Laws of 2025
30 (Engrossed Substitute House Bill No. 2061) is enacted by June 30,
31 2025, the revenue collected under this chapter must be deposited in
32 the sustainable aviation fuel account. If chapter . . . , Laws of 2025
33 (Engrossed Substitute House Bill No. 2061) is not enacted by June 30,
34 2025, the revenue collected under this chapter must be deposited in
35 the aeronautics account created in RCW 82.42.090.

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

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

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

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

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

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

21 (a) The number of tires sold; and

22 (b) The fee levied in this section.

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

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

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

31 (1) (~~(All receipts from)~~) The first \$600,000 of the net receipts
32 from the tire fees imposed under RCW 70A.205.405(~~(, except as~~
33 ~~provided in subsection (2) of this section,~~) received each fiscal
34 year must be deposited in the waste tire removal account created
35 under RCW 70A.205.415. Moneys in the account may be spent only after
36 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).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

12 (e) Imposition of a penalty for a speed violation detected
13 through the use of speed safety camera systems shall not be deemed a
14 conviction as defined in RCW 46.25.010, and shall not be part of the
15 registered owner's driving record under RCW 46.52.101 and 46.52.120.
16 Additionally, infractions generated by the use of speed safety camera
17 systems under this section shall be processed in the same manner as
18 parking infractions, including for the purposes of RCW 46.16A.120 and
19 46.20.270(2).

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

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

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

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

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

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

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

18 (11) For the purposes of this section:

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

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

35 (12) This section expires June 30, 2030.

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

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

1 ~~than eight years, in which case the fee shall be nine dollars for~~
2 ~~each year that the license is issued, which includes the fee for the~~
3 ~~required photograph)) as specified in (b) of this subsection,~~ shall
4 issue to every qualifying applicant a driver's license. A driver's
5 license issued to a person under the age of ~~((eighteen))~~ 18 is an
6 intermediate license, subject to the restrictions imposed under RCW
7 46.20.075, until the person reaches the age of ~~((eighteen))~~ 18.

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

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

14 (2) The license must include:

15 (a) A distinguishing number assigned to the licensee;

16 (b) The name of record;

17 (c) Date of birth;

18 (d) Washington residence address;

19 (e) Photograph;

20 (f) A brief description of the licensee;

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

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

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

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

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

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

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

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

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

12 (b) The department may permit a veteran, as defined in RCW
13 41.04.007, to submit alternate forms of documentation to apply to
14 obtain a veteran designation on a driver's license.

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

19 (a) Self-attestation that the individual:

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

22 (ii) Is deaf or hard of hearing; or

23 (iii) Has a developmental disability as defined in RCW
24 71A.10.020;

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

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

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

33 (a) Shall not be disclosed;

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

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

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

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

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

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

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

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

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

29 (5) A driver's license that includes a hazardous materials
30 endorsement under chapter 46.25 RCW may expire on an anniversary of
31 the licensee's birthdate other than the eighth year following
32 issuance or renewal of the license in order to match, as nearly as
33 possible, the validity of certification from the federal
34 transportation security administration that the licensee has been
35 determined not to pose a security risk. The fee for a driver's
36 license issued or renewed (~~((for a period other than eight years is \$9~~
37 ~~for each year that the license is issued or renewed))~~) is specified in
38 subsection (6) of this section, not including any endorsement fees.
39 The department may adjust the expiration date of a driver's license
40 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:

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

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

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

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

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

12 (a) Personal appearance before the department;

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

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

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

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

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

28 (a) Self-attestation that the individual:

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

31 (ii) Is deaf or hard of hearing; or

32 (iii) Has a developmental disability as defined in RCW
33 71A.10.020;

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

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

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

1 (a) Shall not be disclosed; and

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

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

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

17 (b) Beginning July 1, 2028, and on July 1st every three years
18 thereafter, the fee under (a) of this subsection must be increased by
19 \$1 for each year that the identicard is issued, renewed, or extended.

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

22 **PART IV: FERRY FARES AND RELATED PROVISIONS**

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

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

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

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

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

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

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

11 (5) Fare revenues and other revenues deposited in the Puget Sound
12 ferry operations account created in RCW 47.60.530 may not be used to
13 support the Puget Sound capital construction account created in RCW
14 47.60.505, unless the support for capital is separately identified in
15 the fare or except as provided in section 715, chapter 333, Laws of
16 2021 during the 2021-2023 biennium and section 716, chapter 472, Laws
17 of 2023 during the 2023-2025 fiscal biennium.

18 (6) The commission may not raise fares until the fare rules
19 contain pricing policies developed under RCW 47.60.290, or September
20 1, 2009, whichever is later.

21 (7) The commission shall impose a vessel replacement surcharge of
22 ((25)) 75 cents on every one-way and round-trip ferry fare sold,
23 including multiride and monthly pass fares. Beginning October 1,
24 2027, the commission shall raise the vessel replacement surcharge
25 under this subsection to 85 cents. Beginning October 1, 2029, the
26 commission shall raise the vessel replacement surcharge under this
27 subsection to 95 cents. This surcharge must be clearly indicated to
28 ferry passengers and drivers and, if possible, on the fare media
29 itself.

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

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

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

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

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

18 (1) The capital vessel replacement account is created in the
19 motor vehicle account. All revenues generated from the vessel
20 replacement ~~((surcharge))~~ surcharges under RCW 47.60.315 (7) and (8),
21 and service fees collected by the department of licensing or county
22 auditor or other agent appointed by the director under RCW 46.17.040,
23 46.17.050, and 46.17.060, must be deposited into the account. Moneys
24 in the account may be spent only after appropriation. Expenditures
25 from the account may be used only for the construction or purchase of
26 ferry vessels and to pay the principal and interest on bonds
27 authorized for the construction or purchase of ferry vessels.
28 ~~((However, expenditures from the account must first be used to~~
29 ~~support the construction or purchase, including any applicable~~
30 ~~financing costs, of a ferry vessel with a carrying capacity of at~~
31 ~~least one hundred forty-four cars.))~~

32 (2) ~~((The state treasurer may transfer moneys from the capital~~
33 ~~vessel replacement account to the transportation 2003 account (nickel~~
34 ~~account) for debt service on bonds issued for the construction of~~
35 ~~144-car class ferry vessels.~~

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

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

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

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

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

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

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

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

22 (iii) Accelerate the proposed delivery schedule; or

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

27 (2)(a) The contract or contracts must be for a minimum of two
28 vessels, with options for ~~((up to five vessels in total))~~ additional
29 vessels, and are exempt from the requirements set forth in RCW
30 47.60.810 through 47.60.824.

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

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

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

37 (iii) Lease with an option to buy in accordance with RCW
38 47.60.010. The terms of any plan to pursue a lease with an option to
39 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.

~~((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

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

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

4 (a) Provide annual revenue sufficient to provide for annual
5 operating and maintenance expenses, except as provided in RCW
6 47.56.245;

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

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

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

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

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

23 (a) Set toll rates, establish appropriate exemptions, if any, and
24 make adjustments as conditions warrant on eligible toll facilities.
25 However, except for publicly or privately owned or operated school
26 buses, the commission may not exempt publicly or privately owned or
27 operated transit buses, vans, and ride share vehicles from tolls on
28 bridges, and must modify tolling provisions accordingly by October 1,
29 2025;

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

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

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

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

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

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

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

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

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

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

1 **State Route Number 520 Segment Tolling**

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

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

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

14 (3)(a) In setting the toll rates for the corridor pursuant to RCW
15 47.56.850, the tolling authority shall set a variable schedule of
16 toll rates to maintain travel time, speed, and reliability on the
17 corridor and generate the necessary revenue as required under (b) of
18 this subsection.

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

24 (i) The issuance of general obligation bonds, authorized in RCW
25 47.10.879, first payable from toll revenue and then excise taxes on
26 motor vehicle and special fuels pledged for the payment of those
27 bonds in the amount necessary to fund the state route number 520
28 bridge replacement and HOV program, subject to subsection (4) of this
29 section; and

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

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

1 used to fund effective connections for high occupancy vehicles and
2 transit for state route number 520, but only to the extent those
3 connections benefit or improve the operation of state route number
4 520.

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

10 (i) A project design, consistent with RCW 47.01.408, that
11 includes high occupancy vehicle lanes with a minimum carpool
12 occupancy requirement of three-plus persons on state route number
13 520;

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

20 (iii) A work group convened by the mayor and city council of the
21 city of Seattle to include sound transit, King county metro, the
22 Seattle department of transportation, the department, the University
23 of Washington, and other persons or organizations as designated by
24 the mayor or city council to study and make recommendations of
25 alternative connections for transit, including bus routes and high
26 capacity transit, to the university link light rail line. The work
27 group must consider such techniques as grade separation, additional
28 stations, and pedestrian lids to effect these connections. The
29 recommendations must be alternatives to the transit connections
30 identified in the supplemental draft environmental impact statement
31 for the state route number 520 bridge replacement and HOV program
32 released in January 2010, and must meet the requirements under RCW
33 47.01.408, including accommodating effective connections for transit.
34 The recommendations must be within the scope of the supplemental
35 draft environmental impact statement. For the purposes of this
36 section, "effective connections for transit" means a connection that
37 connects transit stops, including high capacity transit stops, that
38 serve the state route number 520/Montlake interchange vicinity to the
39 university link light rail line, with a connection distance of less
40 than one thousand two hundred feet between the stops and the light

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

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

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

34 (vi) A work group convened by the department to include the mayor
35 of the city of Seattle, the Seattle city council, the Seattle
36 department of transportation, and other persons or organizations as
37 designated by the Seattle city council and mayor to study and make
38 recommendations regarding design refinements to the preferred
39 alternative selected by the department in the supplemental draft
40 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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19 (A) Completes the good faith inspection;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

32 (6) No person may bring a cause of action for civil damages based
33 on the good faith actions of any county or city to provide for the
34 siting of secure community transition facilities in accordance with
35 this section and with the requirements of chapter 12, Laws of 2001
36 2nd sp. sess. For purposes of this subsection, "person" includes, but
37 is not limited to, any individual, agency as defined in RCW
38 42.17A.005, corporation, partnership, association, and limited
39 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.

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

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

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

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

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

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

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

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

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

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

9 (6) No person may bring a cause of action for civil damages based
10 on the good faith actions of any county or city to provide for the
11 siting of secure community transition facilities in accordance with
12 this section and with the requirements of chapter 12, Laws of 2001
13 2nd sp. sess. For purposes of this subsection, "person" includes, but
14 is not limited to, any individual, agency as defined in RCW
15 29B.10.030, corporation, partnership, association, and limited
16 liability entity.

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

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

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

23 (b) A consideration for grants or loans provided under RCW
24 43.17.250(3); or

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

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

29 In the event of a disagreement over the scope of a transit
30 project, state agencies, cities, and counties shall accept the
31 detailed statement prepared by the transit agency under RCW
32 43.21C.030(2)(c) as the sole environmental review document, rather
33 than conducting separate environmental reviews or preparing
34 additional detailed statements. Consistent with RCW 43.21C.150, when
35 a transit agency has previously prepared an adequate detailed
36 statement pursuant to the national environmental policy act of 1969
37 as part of a federally funded transit project, that national
38 environmental policy act document shall satisfy the requirements
39 under RCW 43.21C.030(2)(c). State agencies, cities, and counties

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

6 **PART VII: TRANSPORTATION GRANT PROGRAMS**

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

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

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

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

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

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

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

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

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

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

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

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

- 3 (a) Investment in overburdened communities;
- 4 (b) Environmental health disparities as identified in the
5 environmental health disparities map specified in RCW 43.70.815;
- 6 (c) Location on or providing direct access to a federally
7 recognized Indian reservation or lands;
- 8 (d) Sustaining the structural, safety, and operational integrity
9 of the road;
- 10 (e) Vehicle and pedestrian collision experience;
- 11 (f) Access improvements to a community facility; and
- 12 (g) Identified need in a state, regional, county, or community
13 plan.

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

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

- 19 (1) 2-R as defined in the LAG manual;
- 20 (2) 3-R as defined in the LAG manual;
- 21 (3) Reconstruction as defined in the LAG manual;
- 22 (4) Replacement of any bridge on the national bridge inventory;
- 23 (5) Removal of human-made or caused impediments to anadromous
24 fish passage; and
- 25 (6) Pedestrian facilities.

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

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

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

3 NEW SECTION. **Sec. 707.** (1) Only those counties that, during the
4 preceding 12 months, have spent all revenues collected for road
5 purposes only for such purposes, including removal of barriers to
6 fish passage and accompanying streambed and stream bank repair as
7 specified in RCW 36.82.070, and including traffic law enforcement as
8 allowed under Article II, section 40 of the state Constitution or RCW
9 36.82.070(2), are eligible to receive funds from the county local
10 road program, except that:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

14 (c) Whether the project will serve:

15 (i) Overburdened communities as defined in RCW 70A.02.010 to mean
16 a geographic area where vulnerable populations face combined,
17 multiple environmental harms and health impacts, and includes, but is
18 not limited to, highly impacted communities as defined in RCW
19 19.405.020;

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

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

35 (iv) People with disabilities;

36 (d) Environmental health disparities, such as those indicated by
37 the diesel pollution burden portion of the Washington environmental
38 health disparities map developed by the department of health, or
39 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

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

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

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

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

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

38 (b) People of color;

39 (c) People of Hispanic heritage;

40 (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

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

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

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

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

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

1 facilities construction loan revolving account, the public health
2 supplemental account, the public works assistance account, the Puget
3 Sound capital construction account, the Puget Sound ferry operations
4 account, the Puget Sound Gateway facility account, the Puget Sound
5 taxpayer accountability account, the real estate appraiser commission
6 account, the recreational vehicle account, the regional mobility
7 grant program account, the reserve officers' relief and pension
8 principal fund, the resource management cost account, the rural
9 arterial trust account, the rural mobility grant program account, the
10 rural Washington loan fund, the second injury fund, the sexual
11 assault prevention and response account, the site closure account,
12 the skilled nursing facility safety net trust fund, the small city
13 pavement and sidewalk account, the special category C account, the
14 special wildlife account, the state hazard mitigation revolving loan
15 account, the state investment board expense account, the state
16 investment board commingled trust fund accounts, the state patrol
17 highway account, the state reclamation revolving account, the state
18 route number 520 civil penalties account, the state route number 520
19 corridor account, the statewide broadband account, the statewide
20 tourism marketing account, the supplemental pension account, the
21 Tacoma Narrows toll bridge account, the teachers' retirement system
22 plan 1 account, the teachers' retirement system combined plan 2 and
23 plan 3 account, the tobacco prevention and control account, the
24 tobacco settlement account, the toll facility bond retirement
25 account, the transportation 2003 account (nickel account), the
26 transportation equipment fund, the JUDY transportation future funding
27 program account, the transportation improvement account, the
28 transportation improvement board bond retirement account, the
29 transportation infrastructure account, the transportation partnership
30 account, the traumatic brain injury account, the tribal opioid
31 prevention and treatment account, the University of Washington bond
32 retirement fund, the University of Washington building account, the
33 voluntary cleanup account, the volunteer firefighters' relief and
34 pension principal fund, the volunteer firefighters' and reserve
35 officers' administrative fund, the vulnerable roadway user education
36 account, the Washington judicial retirement system account, the
37 Washington law enforcement officers' and firefighters' system plan 1
38 retirement account, the Washington law enforcement officers' and
39 firefighters' system plan 2 retirement account, the Washington public
40 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

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

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

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

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

1 account, the opioid abatement settlement account, the drinking water
2 assistance account, the administrative subaccount of the drinking
3 water assistance account, the early learning facilities development
4 account, the early learning facilities revolving account, the Eastern
5 Washington University capital projects account, the education
6 construction fund, the education legacy trust account, the election
7 account, the electric vehicle account, the energy freedom account,
8 the energy recovery act account, the essential rail assistance
9 account, The Evergreen State College capital projects account, the
10 fair start for kids account, the family medicine workforce
11 development account, the ferry bond retirement fund, the fish,
12 wildlife, and conservation account, the freight mobility investment
13 account, the freight mobility multimodal account, the grade crossing
14 protective fund, the higher education retirement plan supplemental
15 benefit fund, the Washington student loan account, the highway bond
16 retirement fund, the highway infrastructure account, the highway
17 safety fund, the hospital safety net assessment fund, the Interstate
18 5 bridge replacement project account, the Interstate 405 and state
19 route number 167 express toll lanes account, the judges' retirement
20 account, the judicial retirement administrative account, the judicial
21 retirement principal account, the limited fish and wildlife account,
22 the local leasehold excise tax account, the local real estate excise
23 tax account, the local sales and use tax account, the marine
24 resources stewardship trust account, the medical aid account, the
25 money-purchase retirement savings administrative account, the money-
26 purchase retirement savings principal account, the motor vehicle
27 fund, the motorcycle safety education account, the move ahead WA
28 account, the move ahead WA flexible account, the multimodal
29 transportation account, the multiuse roadway safety account, the
30 municipal criminal justice assistance account, the oyster reserve
31 land account, the pension funding stabilization account, the
32 perpetual surveillance and maintenance account, the pilotage account,
33 the pollution liability insurance agency underground storage tank
34 revolving account, the public employees' retirement system plan 1
35 account, the public employees' retirement system combined plan 2 and
36 plan 3 account, the public facilities construction loan revolving
37 account, the public health supplemental account, the public works
38 assistance account, the Puget Sound capital construction account, the
39 Puget Sound ferry operations account, the Puget Sound Gateway
40 facility account, the Puget Sound taxpayer accountability account,

1 the real estate appraiser commission account, the recreational
2 vehicle account, the regional mobility grant program account, the
3 reserve officers' relief and pension principal fund, the resource
4 management cost account, the rural arterial trust account, the rural
5 mobility grant program account, the rural Washington loan fund, the
6 second injury fund, the sexual assault prevention and response
7 account, the site closure account, the skilled nursing facility
8 safety net trust fund, the small city pavement and sidewalk account,
9 the special category C account, the special wildlife account, the
10 state hazard mitigation revolving loan account, the state investment
11 board expense account, the state investment board commingled trust
12 fund accounts, the state patrol highway account, the state
13 reclamation revolving account, the state route number 520 civil
14 penalties account, the state route number 520 corridor account, the
15 statewide broadband account, the statewide tourism marketing account,
16 the supplemental pension account, the Tacoma Narrows toll bridge
17 account, the teachers' retirement system plan 1 account, the
18 teachers' retirement system combined plan 2 and plan 3 account, the
19 tobacco prevention and control account, the tobacco settlement
20 account, the toll facility bond retirement account, the
21 transportation 2003 account (nickel account), the transportation
22 equipment fund, the JUDY transportation future funding program
23 account, the transportation improvement account, the transportation
24 improvement board bond retirement account, the transportation
25 infrastructure account, the transportation partnership account, the
26 traumatic brain injury account, the tribal opioid prevention and
27 treatment account, the University of Washington bond retirement fund,
28 the University of Washington building account, the voluntary cleanup
29 account, the volunteer firefighters' relief and pension principal
30 fund, the volunteer firefighters' and reserve officers'
31 administrative fund, the vulnerable roadway user education account,
32 the Washington judicial retirement system account, the Washington law
33 enforcement officers' and firefighters' system plan 1 retirement
34 account, the Washington law enforcement officers' and firefighters'
35 system plan 2 retirement account, the Washington public safety
36 employees' plan 2 retirement account, the Washington school
37 employees' retirement system combined plan 2 and 3 account, the
38 Washington state patrol retirement account, the Washington State
39 University building account, the Washington State University bond
40 retirement fund, the water pollution control revolving administration

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

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

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

19 **Sec. 804.** RCW 70A.65.030 and 2023 c 475 s 1902 and 2023 c 475 s
20 936 are each reenacted and amended to read as follows:

21 (1) (~~Except as provided in subsection (4) of this section,~~
22 ~~each~~) Each year or biennium, as appropriate, when allocating funds
23 from the carbon emissions reduction account created in RCW
24 70A.65.240, the climate commitment account created in RCW 70A.65.260,
25 the natural climate solutions account created in RCW 70A.65.270, the
26 climate investment account created in RCW 70A.65.250, or the air
27 quality and health disparities improvement account created in RCW
28 70A.65.280, (~~the climate transit programs account created in RCW~~
29 ~~46.68.500, or the climate active transportation account created in~~
30 ~~RCW 46.68.490,~~) or administering grants or programs funded by the
31 accounts, agencies shall conduct an environmental justice assessment
32 consistent with the requirements of RCW 70A.02.060 and establish a
33 minimum of not less than 35 percent and a goal of 40 percent of total
34 investments that provide direct and meaningful benefits to vulnerable
35 populations within the boundaries of overburdened communities
36 through: (a) The direct reduction of environmental burdens in
37 overburdened communities; (b) the reduction of disproportionate,
38 cumulative risk from environmental burdens, including those
39 associated with climate change; (c) the support of community led

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

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

20 (3) (~~Except as provided in subsection (4) of this section,~~
21 ~~state))~~ State agencies allocating funds or administering grants or
22 programs from the carbon emissions reduction account created in RCW
23 70A.65.240, the climate commitment account created in RCW 70A.65.260,
24 the natural climate solutions account created in RCW 70A.65.270, the
25 climate investment account created in RCW 70A.65.250, or the air
26 quality and health disparities improvement account created in RCW
27 70A.65.280, (~~the climate transit programs account created in RCW~~
28 ~~46.68.500, or the climate active transportation account created in~~
29 ~~RCW 46.68.490,))~~ must:

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

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

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

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

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

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

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

17 ~~(c) The requirements of subsection (3) (c) of this section for~~
18 ~~agencies other than covered agencies to create and adopt community~~
19 ~~engagement plans apply only to executive branch agencies and~~
20 ~~institutions of higher education, as defined in RCW 28B.10.016,~~
21 ~~receiving total appropriations of more than \$2,000,000 for the~~
22 ~~2023-2025 fiscal biennium from the accounts listed in subsection (1)~~
23 ~~of this section.))~~

24 **Sec. 805.** RCW 70A.65.040 and 2022 c 182 s 105 and 2022 c 181 s
25 14 are each reenacted and amended to read as follows:

26 (1) The environmental justice council created in RCW 70A.02.110
27 must provide recommendations to the legislature, agencies, and the
28 governor in the development and implementation of the program
29 established in RCW 70A.65.060 through 70A.65.210, and the programs
30 funded from the carbon emissions reduction account created in RCW
31 70A.65.240, the climate commitment account created in RCW 70A.65.260,
32 the natural climate solutions account created in RCW 70A.65.270, and
33 the climate investment account created in RCW 70A.65.250 ~~((, the~~
34 ~~climate transit programs account created in RCW 46.68.500, and the~~
35 ~~climate active transportation account created in RCW 46.68.490))~~.

36 (2) In addition to the duties and authorities granted in chapter
37 70A.02 RCW to the environmental justice council, the environmental
38 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

1 created in RCW 70A.65.240, the climate commitment account created in
2 RCW 70A.65.260, the natural climate solutions account created in RCW
3 70A.65.270, and the air quality and health disparities improvement
4 account created in RCW 70A.65.280, (~~the climate transit programs~~
5 ~~account created in RCW 46.68.500, and the climate active~~
6 ~~transportation account created in RCW 46.68.490,~~) achieve the
7 following:

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

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

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

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

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

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

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

35 (4) The state must develop a process by which to evaluate the
36 impacts of the investments made under this chapter, work across state
37 agencies to develop and track priorities across the different
38 eligible funding categories, and work with the environmental justice
39 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 (1) The tax levied by RCW 82.08.020 does not apply to sales of
2 zero emission buses purchased by:

3 (a) A transit agency; or

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

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

10 (3) For the purposes of this section:

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

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

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

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

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

39 (6) By July 1, 2026, and every six months thereafter until the
40 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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 **Fuel Conversion Activity Reporting**

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

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

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

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

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

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

25 **Complete Streets**

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

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

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

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

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

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

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

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

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

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

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

6 **Traffic Safety and Tribal Representation**

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

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

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

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

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

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

27 (i) A representative from the commission;

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

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

32 (iv) A traffic engineer;

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

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

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

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

1 (ix) A representative from a tribal government; and
2 (x) A representative from a bicyclist or other nonmotorist
3 advocacy group.

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

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

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

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

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

11 (b) The council may review, only to the extent otherwise
12 permitted by law or court rule when determined to be relevant and
13 necessary: Any law enforcement incident documentation, such as
14 incident reports, dispatch records, and victim, witness, and suspect
15 statements; any supplemental reports, probable cause statements, and
16 911 call taker's reports; and any other information determined to be
17 relevant to the review. The commission and the council must maintain
18 the confidentiality of such information to the extent required by any
19 applicable law.

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

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

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

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

37 (10) For purposes of this section:

38 (a) "Bicyclist fatality" means any death of a bicyclist resulting
39 from a collision, whether on a roadway, at an intersection, along an
40 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;

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

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

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

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

7 (ix) A representative from a tribal government; and

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

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

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

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

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

18 (b) The council may review, only to the extent otherwise
19 permitted by law or court rule when determined to be relevant and
20 necessary: Any law enforcement incident documentation, such as
21 incident reports, dispatch records, and victim, witness, and suspect
22 statements; any supplemental reports, probable cause statements, and
23 911 call taker's reports; and any other information determined to be
24 relevant to the review. The commission and the council must maintain
25 the confidentiality of such information to the extent required by any
26 applicable law.

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

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

34 (9) (a) The council may receive gifts, grants, or endowments from
35 public or private sources that are made from time to time, in trust
36 or otherwise, for the use and benefit of the purposes of the council
37 and spend the gifts, grants, or endowments from the public or private
38 sources according to their terms, unless the receipt of the gifts,
39 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.

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

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

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

14 (5) For purposes of this section:

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

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

22 **Automated Traffic Safety Cameras**

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

25 The definitions in this section apply throughout this section and
26 RCW 46.63.220 through 46.63.260 unless the context clearly requires
27 otherwise.

28 (1) "Automated traffic safety camera" means a device that uses a
29 vehicle sensor installed to work in conjunction with an intersection
30 traffic control system, a railroad grade crossing control system, or
31 a speed measuring device, and a camera synchronized to automatically
32 record one or more sequenced photographs, microphotographs, or
33 electronic images of the front or rear of a motor vehicle at the time
34 the vehicle fails to stop when facing a steady red traffic control
35 signal or an activated railroad grade crossing control signal, or
36 exceeds a speed limit as detected by a speed measuring device.
37 "Automated traffic safety camera" also includes a device used to
38 detect stopping at intersection or crosswalk violations; stopping

1 when traffic obstructed violations; public transportation only lane
2 violations; stopping or traveling in restricted lane violations; and
3 public transportation bus stop zone violations and public
4 transportation only lane violations detected by a public
5 transportation vehicle-mounted system.

6 (2) "Hospital speed zone" means the marked area within hospital
7 property and extending 300 feet from the border of the hospital
8 property (a) consistent with hospital use; and (b) where signs are
9 posted to indicate the location is within a hospital speed zone,
10 where "hospital" has the same meaning as in RCW 70.41.020.

11 (3) "Public park speed zone" means the marked area within public
12 park property and extending 300 feet from the border of the public
13 park property (a) consistent with active park use; and (b) where
14 signs are posted to indicate the location is within a public park
15 speed zone.

16 (4) "Public transportation vehicle" means any motor vehicle,
17 streetcar, train, trolley vehicle, ferry boat, or any other device,
18 vessel, or vehicle that is owned or operated by a transit authority
19 or an entity providing service on behalf of a transit authority that
20 is used for the purpose of carrying passengers and that operates on
21 established routes. "Transit authority" has the same meaning as
22 provided in RCW 9.91.025.

23 (5) "Roadway work zone" means an area of any city roadway,
24 including state highways that are also classified as city streets
25 under chapter 47.24 RCW, or county road as defined in RCW 46.04.150,
26 with construction, maintenance, or utility work with a duration of 30
27 calendar days or more. A roadway work zone is identified by the
28 placement of temporary traffic control devices that may include
29 signs, channelizing devices, barriers, pavement markings, and/or work
30 vehicles with warning lights. A roadway work zone extends from the
31 first warning sign or high intensity rotating, flashing, oscillating,
32 or strobe lights on a vehicle to the end road work sign or the last
33 temporary traffic control device or vehicle.

34 (6) "School speed zone" has the same meaning as described in RCW
35 46.61.440 (1) and (2).

36 (7) "School walk zone" means a roadway identified under RCW
37 28A.160.160 or roadways within a one-mile radius of a school that
38 students use to travel to school by foot, bicycle, or other means of
39 active transportation.

1 **Sec. 906.** RCW 46.63.220 and 2024 c 307 s 2 are each amended to
2 read as follows:

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

7 (2) Any city or county may authorize the use of automated traffic
8 safety cameras and must adopt an ordinance authorizing such use
9 through its local legislative authority.

10 (3) The local legislative authority must prepare an analysis of
11 the locations within the jurisdiction where automated traffic safety
12 cameras are proposed to be located before adding traffic safety
13 cameras to a new location or relocating any existing camera to a new
14 location within the jurisdiction. The analysis must include equity
15 considerations including the impact of the camera placement on
16 livability, accessibility, economics, education, and environmental
17 health when identifying where to locate an automated traffic safety
18 camera. The analysis must also show a demonstrated need for traffic
19 cameras based on one or more of the following in the vicinity of the
20 proposed camera location: Travel by vulnerable road users, evidence
21 of vehicles speeding, rates of collision, reports showing near
22 collisions, and anticipated or actual ineffectiveness or
23 infeasibility of other mitigation measures.

24 (4) Automated traffic safety cameras may not be used on an on-
25 ramp to a limited access facility as defined in RCW 47.52.010.

26 (5) A city may use automated traffic safety cameras to enforce
27 traffic ordinances in this section on state highways that are also
28 classified as city streets under chapter 47.24 RCW. A city government
29 must notify the department of transportation when it installs an
30 automated traffic safety camera to enforce traffic ordinances as
31 authorized in this subsection.

32 (6)(a) At a minimum, a local ordinance adopted pursuant to this
33 section must contain the restrictions described in this section and
34 provisions for public notice and signage. Cities and counties must
35 also post such restrictions and other automated traffic safety camera
36 policies on the city's or county's website. Cities and counties using
37 automated traffic safety cameras before July 24, 2005, are subject to
38 the restrictions described in this section, but are not required to
39 adopt an authorizing ordinance.

1 (b)(i) Cities and counties using automated traffic safety cameras
2 must post an annual report on the city's or county's website of the
3 number of traffic crashes that occurred at each location where an
4 automated traffic safety camera is located, as well as the number of
5 notices of infraction issued for each camera. Beginning January 1,
6 2026, the annual report must include the percentage of revenues
7 received from fines issued from automated traffic safety camera
8 infractions that were used to pay for the costs of the automated
9 traffic safety camera program and must describe the uses of revenues
10 that exceeded the costs of operation and administration of the
11 automated traffic safety camera program by the city or county.

12 (ii) The Washington traffic safety commission must provide an
13 annual report to the transportation committees of the legislature,
14 and post the report to its website for public access, beginning July
15 1, 2026, that includes aggregated information on the use of automated
16 traffic safety cameras in the state that includes an assessment of
17 the impact of their use, information required in city and county
18 annual reports under (b)(i) of this subsection, and information on
19 the number of automated traffic safety cameras in use by type and
20 location, with an analysis of camera placement in the context of area
21 demographics and household incomes. To the extent practicable, the
22 commission must also provide in its annual report the number of
23 traffic accidents, speeding violations, single vehicle accidents,
24 pedestrian accidents, and driving under the influence violations that
25 occurred at each location where an automated traffic safety camera is
26 located in the five years before each camera's authorization and
27 after each camera's authorization. Cities and counties using
28 automated traffic safety cameras must provide the commission with the
29 data it requests for the report required under this subsection in a
30 form and manner specified by the commission.

31 (7) All locations where an automated traffic safety camera is
32 used on roadways or intersections must be clearly marked by placing
33 signs at least 30 days prior to activation of the camera in locations
34 that clearly indicate to a driver either that: (a) The driver is
35 within an area where automated traffic safety cameras are authorized;
36 or (b) the driver is entering an area where violations are enforced
37 by an automated traffic safety camera. The signs must be readily
38 visible to a driver approaching an automated traffic safety camera.
39 Signs placed in automated traffic safety camera locations after June
40 7, 2012, must follow the specifications and guidelines under the

1 manual of uniform traffic control devices for streets and highways as
2 adopted by the department of transportation under chapter 47.36 RCW.
3 All public transportation vehicles utilizing a vehicle-mounted system
4 must post a sign on the rear of the vehicle indicating to drivers
5 that the vehicle is equipped with an automated traffic safety camera
6 to enforce bus stop zone violations and public transportation only
7 lane violations.

8 (8) Automated traffic safety cameras may only record images of
9 the vehicle and vehicle license plate and only while an infraction is
10 occurring. The image must not reveal the face of the driver or of
11 passengers in the vehicle. The primary purpose of camera placement is
12 to record images of the vehicle and vehicle license plate when an
13 infraction is occurring. Cities and counties must consider installing
14 automated traffic safety cameras in a manner that minimizes the
15 impact of camera flash on drivers.

16 (9) A notice of infraction must be mailed to the registered owner
17 of the vehicle within 14 days of the violation, or to the renter of a
18 vehicle within 14 days of establishing the renter's name and address
19 under subsection (17) of this section. The notice of infraction must
20 include with it a certificate or facsimile thereof, based upon
21 inspection of photographs, microphotographs, or electronic images
22 produced by an automated traffic safety camera, stating the facts
23 supporting the notice of infraction. This certificate or facsimile is
24 prima facie evidence of the facts contained in it and is admissible
25 in a proceeding charging a violation under this chapter. The
26 photographs, microphotographs, or electronic images evidencing the
27 violation must be available for inspection and admission into
28 evidence in a proceeding to adjudicate the liability for the
29 infraction. A person receiving a notice of infraction based on
30 evidence detected by an automated traffic safety camera may respond
31 to the notice by mail.

32 (10) The registered owner of a vehicle is responsible for an
33 infraction under RCW 46.63.030(1)(d) unless the registered owner
34 overcomes the presumption in RCW 46.63.075, or, in the case of a
35 rental car business, satisfies the conditions under subsection (17)
36 of this section. If appropriate under the circumstances, a renter
37 identified under subsection (17)(a) of this section is responsible
38 for an infraction.

39 (11) Notwithstanding any other provision of law, all photographs,
40 microphotographs, or electronic images, or any other personally

1 identifying data prepared under this section are for the exclusive
2 use of authorized city or county employees, as specified in RCW
3 46.63.030(1)(d), in the discharge of duties under this section and
4 are not open to the public and may not be used in a court in a
5 pending action or proceeding unless the action or proceeding relates
6 to a violation under this section. No photograph, microphotograph, or
7 electronic image, or any other personally identifying data may be
8 used for any purpose other than enforcement of violations under this
9 section nor retained longer than necessary to enforce this section.
10 Transit authorities must provide to the appropriate local
11 jurisdiction that has authorized traffic safety camera use under RCW
12 46.63.260(~~((2))~~) (3) any images or evidence collected establishing
13 that a violation of stopping, standing, or parking in a bus stop zone
14 or traveling, stopping, standing, or parking in a public
15 transportation only lane has occurred for infraction processing
16 purposes consistent with this section.

17 (12) If a county or city has established an automated traffic
18 safety camera program as authorized under this section, the
19 compensation paid to the manufacturer or vendor of the equipment used
20 must be based only upon the value of the equipment and services
21 provided or rendered in support of the system and may not be based
22 upon a portion of the fine or civil penalty imposed or the revenue
23 generated by the equipment. If the contract between the city or
24 county and manufacturer or vendor of the equipment does not provide
25 for performance or quality control measures regarding camera images,
26 the city or county must perform a performance audit of the
27 manufacturer or vendor of the equipment every three years to review
28 and ensure that images produced from automated traffic safety cameras
29 are sufficient for evidentiary purposes as described in subsection
30 (9) of this section.

31 (13)(a) Except as provided in (d) of this subsection, a county or
32 a city may only use revenue generated by an automated traffic safety
33 camera program as authorized under this section for:

34 (i) Traffic safety activities related to construction and
35 preservation projects and maintenance and operations purposes
36 including, but not limited to, projects designed to implement the
37 complete streets approach as defined in RCW 47.04.010, changes in
38 physical infrastructure to reduce speeds through road design, and
39 changes to improve safety for active transportation users, including

1 improvements to access and safety for road users with mobility,
2 sight, or other disabilities; and

3 (ii) The cost to administer, install, operate, and maintain the
4 automated traffic safety cameras, including the cost of processing
5 infractions.

6 (b) Except as provided in (d) of this subsection:

7 (i) The automated traffic safety camera program revenue used by a
8 county or city with a population of 10,000 or more for purposes
9 described in (a)(i) of this subsection must include the use of
10 revenue in census tracts of the city or county that have household
11 incomes in the lowest quartile determined by the most currently
12 available census data and areas that experience rates of injury
13 crashes that are above average for the city or county. Funding
14 contributed from traffic safety program revenue must be, at a
15 minimum, proportionate to the share of the population of the county
16 or city who are residents of these low-income communities and
17 communities experiencing high injury crash rates. This share must be
18 directed to investments that provide direct and meaningful traffic
19 safety benefits to these communities. Revenue used to administer,
20 install, operate, and maintain automated traffic safety cameras,
21 including the cost of processing infractions, are excluded from
22 determination of the proportionate share of revenues under this
23 subsection (13)(b); and

24 (ii) The automated traffic safety camera program revenue used by
25 a city or county with a population under 10,000 for traffic safety
26 activities under (a)(i) of this subsection must be informed by the
27 department of health's environmental health disparities map.

28 (c) Except as provided in (d) of this subsection, beginning four
29 years after an automated traffic safety camera authorized under this
30 section is initially placed and in use after June 6, 2024, 25 percent
31 of the noninterest money received for infractions issued by such
32 cameras in excess of the cost to administer, install, operate, and
33 maintain the cameras, including the cost of processing infractions,
34 must be deposited into the Cooper Jones active transportation safety
35 account created in RCW 46.68.480.

36 (d)(i)(A) Jurisdictions with an automated traffic safety camera
37 program in effect before January 1, 2024, may continue to allocate
38 revenue generated from automated traffic safety cameras authorized
39 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

1 which revenue generated from automated traffic safety cameras
2 authorized under RCW 46.63.230 or 46.63.250(2)(c) must be used.

3 (14) A county or city may adopt the use of an online ability-to-
4 pay calculator to process and grant requests for reduced fines or
5 reduced civil penalties for automated traffic safety camera
6 violations.

7 (15) Except as provided in this subsection, registered owners of
8 vehicles who receive notices of infraction for automated traffic
9 safety camera-enforced infractions and are recipients of public
10 assistance under Title 74 RCW or participants in the Washington
11 women, infants, and children program, and who request reduced
12 penalties for infractions detected through the use of automated
13 traffic safety camera violations, must be granted reduced penalty
14 amounts of 50 percent of what would otherwise be assessed for a first
15 automated traffic safety camera violation and for subsequent
16 automated traffic safety camera violations issued within 21 days of
17 issuance of the first automated traffic safety camera violation.
18 Eligibility for medicaid under RCW 74.09.510 is not a qualifying
19 criterion under this subsection. Registered owners of vehicles who
20 receive notices of infraction must be provided with information on
21 their eligibility and the opportunity to apply for a reduction in
22 penalty amounts through the mail or internet.

23 (16) Infractions detected through the use of automated traffic
24 safety cameras are not part of the registered owner's driving record
25 under RCW 46.52.101 and 46.52.120. Additionally, infractions
26 generated by the use of automated traffic safety cameras under this
27 section must be processed in the same manner as parking infractions,
28 including for the purposes of RCW 3.50.100, 35.20.220, 46.16A.120,
29 and 46.20.270(2). The amount of the fine issued for an infraction
30 generated through the use of an automated traffic safety camera may
31 not exceed \$145, as adjusted for inflation by the office of financial
32 management every five years, beginning January 1, 2029, based upon
33 changes in the consumer price index during that time period, but may
34 be doubled for a school speed zone infraction generated through the
35 use of an automated traffic safety camera.

36 (17) If the registered owner of the vehicle is a rental car
37 business, the issuing agency must, before a notice of infraction
38 being issued under this section, provide a written notice to the
39 rental car business that a notice of infraction may be issued to the
40 rental car business if the rental car business does not, within 18

1 days of receiving the written notice, provide to the issuing agency
2 by return mail:

3 (a) A statement under oath stating the name and known mailing
4 address of the individual driving or renting the vehicle when the
5 infraction occurred; or

6 (b) A statement under oath that the business is unable to
7 determine who was driving or renting the vehicle at the time the
8 infraction occurred because the vehicle was stolen at the time of the
9 infraction. A statement provided under this subsection must be
10 accompanied by a copy of a filed police report regarding the vehicle
11 theft; or

12 (c) In lieu of identifying the vehicle operator, the rental car
13 business may pay the applicable penalty. Timely mailing of this
14 statement to the issuing agency relieves a rental car business of any
15 liability under this chapter for the notice of infraction.

16 **Sec. 907.** RCW 46.63.260 and 2024 c 307 s 6 are each amended to
17 read as follows:

18 (1)(a) Subject to RCW 46.63.220 and as limited in this
19 subsection, automated traffic safety cameras may be used in cities
20 with populations of more than 500,000 residents to detect one or more
21 of the following violations:

- 22 (i) Stopping when traffic obstructed violations;
- 23 (ii) Stopping at intersection or crosswalk violations;
- 24 (iii) Public transportation only lane violations; or
- 25 (iv) Stopping or traveling in restricted lane violations.

26 (b) Use of automated traffic safety cameras as authorized in this
27 subsection (1) is restricted to the following locations only:
28 Intersections as described in RCW 46.63.230(2); railroad grade
29 crossings; school speed zones; school walk zones; public park speed
30 zones; hospital speed zones; and midblock on arterials. The use of
31 such automated traffic safety cameras is further limited to the
32 following:

33 (i) The portion of state and local roadways in downtown areas of
34 the city used for office and commercial activities, as well as retail
35 shopping and support services, and that may include mixed residential
36 uses;

37 (ii) The portion of state and local roadways in areas in the city
38 within one-half mile north of the boundary of the area described in
39 (b)(i) of this subsection;

1 (iii) Portions of roadway systems in the city that travel into
2 and out of (b)(ii) of this subsection that are designated by the
3 Washington state department of transportation as noninterstate
4 freeways for up to four miles; and

5 (iv) Portions of roadway systems in the city connected to the
6 portions of the noninterstate freeways identified in (b)(iii) of this
7 subsection that are designated by the Washington state department of
8 transportation as arterial roadways for up to one mile from the
9 intersection of the arterial roadway and the noninterstate freeway.

10 (2) Subject to RCW 46.63.220, automated traffic safety cameras
11 may also be used in cities with a bus rapid transit corridor or
12 routes to detect public transportation only lane violations.

13 (3) Subject to RCW 46.63.220, automated traffic safety cameras
14 that are part of a public transportation vehicle-mounted system may
15 be used by a transit authority within a county with a population of
16 more than 1,500,000 residents to detect stopping, standing, or
17 parking in bus stop zone violations or traveling, stopping, standing,
18 or parking in a public transportation only lane violations if
19 authorized by the local legislative authority with jurisdiction over
20 the transit authority.

21 (4) Subject to RCW 46.63.220, and in consultation with the
22 department of transportation, automated traffic safety cameras may be
23 used to detect ferry queue violations under RCW 46.61.735.

24 (5) A transit authority may not take disciplinary action
25 regarding a warning or infraction issued pursuant to subsections (1)
26 through (3) of this section against an employee who was operating a
27 public transportation vehicle at the time the violation that was the
28 basis of the warning or infraction was detected.

29 **PART X: PUBLIC TRANSPORTATION BENEFIT AREAS**

30 NEW SECTION. **Sec. 1001.** A new section is added to chapter
31 36.57A RCW to read as follows:

32 (1) A public transportation benefit area authority as provided in
33 subsection (2) of this section may, pursuant to an interlocal
34 agreement, annex an adjacent city operating a transit system under
35 chapter 35.95 RCW within the county in which the public
36 transportation benefit area is located. This method of annexation is
37 an alternative method and is additional to all other methods provided
38 for in this chapter.

1 (2) An authority and the governing body of an adjacent city
2 described in subsection (1) of this section may jointly initiate an
3 annexation process for annexing the city into the public
4 transportation benefit area by adopting an interlocal agreement as
5 provided in chapter 39.34 RCW and under this subsection between the
6 authority and the city. The authority and the city shall jointly
7 agree on the annexation and its effective date. The interlocal
8 agreement must set a date for a public hearing on the agreement for
9 annexation.

10 (3) A public hearing must be held by each governing body,
11 separately or jointly, before the agreement is executed. Each
12 governing body holding a public hearing shall:

13 (a) Separately or jointly, publish a notice of availability of
14 the agreement at least once a week for four weeks before the date of
15 the hearing in one or more newspapers of general circulation within
16 the public transportation benefit area and one or more newspapers of
17 general circulation within the city; and

18 (b) If the governing body has the ability to do so, post the
19 notice of availability of the agreement on its website for the same
20 four weeks that the notice is published in the newspapers under (a)
21 of this subsection. The notice must describe where the public may
22 review the agreement.

23 (4) On the date set for hearing, the public must be afforded an
24 opportunity to be heard. Following the hearing, if the governing body
25 determines to undertake the annexation, it must do so by ordinance,
26 if a city's governing body, and by resolution, if a public
27 transportation benefit area's governing body. Upon the effective date
28 of the annexation the city annexed must become part of the public
29 transportation benefit area and must cease operating a transit system
30 under chapter 35.95 RCW. Upon passage of the annexation ordinance and
31 resolution a certified copy of each must be filed with the
32 legislative authority of the county in which the city is located.

33 (5) After an annexation under this section occurs, the county
34 legislative authority of the county in which the public
35 transportation benefit area is located may by resolution annex county
36 area under its jurisdiction into the public transportation benefit
37 area. This method of annexation is an alternative method and is
38 additional to all other methods provided for in this chapter.

1 NEW SECTION. **Sec. 1002.** A new section is added to chapter 47.66
2 RCW to read as follows:

3 Any public transportation benefit area established under chapter
4 36.57A RCW that is not fully in compliance with the requirements of
5 RCW 36.57A.050 by October 1, 2025, may not receive awards for any
6 state grant program available under this chapter.

7 **PART XI: BOARD OF PILOTAGE COMMISSIONERS**

8 **Board of Pilotage Commissioners Reporting**

9 **Sec. 1101.** RCW 88.16.035 and 2018 c 107 s 3 are each amended to
10 read as follows:

11 (1) The board of pilotage commissioners shall:

12 (a) Adopt rules, pursuant to chapter 34.05 RCW, necessary for the
13 enforcement and administration of this chapter;

14 (b)(i) Issue training licenses and pilot licenses to pilot
15 applicants meeting the qualifications provided for in RCW 88.16.090
16 and such additional qualifications as may be determined by the board;

17 (ii) Establish a comprehensive training program to assist in the
18 training and evaluation of pilot applicants before final licensing;
19 and

20 (iii) Establish additional training requirements, including a
21 program of continuing education developed after consultation with
22 pilot organizations, including those located within the state of
23 Washington, as required to maintain a competent pilotage service;

24 (c) Maintain a register of pilots, records of pilot accidents,
25 and other history pertinent to pilotage;

26 (d) Determine from time to time the number of pilots necessary to
27 be licensed in each district of the state to optimize the operation
28 of a safe, fully regulated, efficient, and competent pilotage service
29 in each district;

30 (e) Provide assistance to the utilities and transportation
31 commission, as requested by the utilities and transportation
32 commission, in its performance of pilotage tariff setting functions
33 under RCW 81.116.010 through 81.116.060;

34 (f) File annually with the governor and the chairs of the
35 transportation committees of the senate and house of representatives
36 a report which includes, but is not limited to, the following: The
37 number, names, ages, pilot license number, training license number,

1 and years of service as a Washington licensed pilot of any person
2 licensed by the board as a Washington state pilot or trainee; the
3 names, employment, and other information of the members of the board;
4 the total number of pilotage assignments by pilotage district,
5 including information concerning the various types and sizes of
6 vessels and the total annual tonnage; the annual earnings or stipends
7 of individual pilots and trainees before and after deduction for
8 expenses of pilot organizations, including extra compensation as a
9 separate category; the annual expenses of private pilot associations,
10 including personnel employed and capital expenditures; the status of
11 pilotage tariffs, extra compensation, and travel; the retirement
12 contributions paid to pilots and the disposition thereof; the number
13 of groundings, marine occurrences, or other incidents which are
14 reported to or investigated by the board, and which are determined to
15 be accidents, as defined by the board, including the vessel name,
16 location of incident, pilot's or trainee's name, and disposition of
17 the case together with information received before the board acted
18 from all persons concerned, including the United States coast guard;
19 the names, qualifications, time scheduled for examinations, and the
20 district of persons desiring to apply for Washington state pilotage
21 licenses; summaries of dispatch records, quarterly reports from
22 pilots, and the bylaws and operating rules of pilotage organizations;
23 the names, sizes in deadweight tons, surcharges, if any, port of
24 call, name of the pilot or trainee, and names and horsepower of tug
25 boats for any and all oil tankers subject to the provisions of RCW
26 88.16.190 together with the names of any and all vessels for which
27 the United States coast guard requires special handling pursuant to
28 their authority under the Ports and Waterways Safety Act of 1972; the
29 expenses of the board; updates on efforts to increase diversity of
30 pilots, trainees, and applicants; and any and all other information
31 which the board deems appropriate to include;

32 (g) Make available information that includes the pilotage act and
33 other statutes of Washington state and the federal government that
34 affect pilotage, including the rules of the board, together with such
35 additional information as may be informative for pilots, agents,
36 owners, operators, and masters;

37 (h) Appoint advisory committees and employ marine experts as
38 necessary to carry out its duties under this chapter;

39 (i) Provide for the maintenance of efficient and competent
40 pilotage service on all waters covered by this chapter; and do such

1 other things as are reasonable, necessary, and expedient to insure
2 proper and safe pilotage upon the waters covered by this chapter and
3 facilitate the efficient administration of this chapter.

4 (2) The board may pay stipends to pilot trainees under subsection
5 (1)(b) of this section.

6 **Marine Pilotage Exemptions**

7 **Sec. 1102.** RCW 88.16.180 and 1991 c 200 s 602 are each amended
8 to read as follows:

9 (~~Notwithstanding the provisions of RCW 88.16.070~~) Except as
10 otherwise provided in RCW 88.16.070(3), any registered oil tanker of
11 five thousand gross tons or greater, shall be required:

12 (1) To take a Washington state licensed pilot while navigating
13 Puget Sound and adjacent waters and shall be liable for and pay
14 pilotage rates pursuant to RCW 88.16.035; and

15 (2) To take a licensed pilot while navigating the Columbia river.

16 **Sec. 1103.** RCW 88.16.070 and 2018 c 107 s 4 are each amended to
17 read as follows:

18 Every vessel not exempt under this section that operates in the
19 waters of the Puget Sound pilotage district or Grays Harbor pilotage
20 district is subject to compulsory pilotage under this chapter.

21 (1) A United States vessel on a voyage in which it is operating
22 exclusively on its coastwise endorsement, its fishery endorsement
23 (including catching and processing its own catch outside United
24 States waters and economic zone for delivery in the United States),
25 and/or its recreational (or pleasure) endorsement, and all United
26 States and Canadian vessels engaged exclusively in the coasting trade
27 on the west coast of the continental United States (including Alaska)
28 and/or British Columbia shall be exempt from the provisions of this
29 chapter unless a pilot licensed under this chapter be actually
30 employed, in which case the pilotage rates provided for in this
31 chapter or established under RCW 81.116.010 through 81.116.060 shall
32 apply.

33 (2) The board may, upon the written petition of any interested
34 party, and upon notice and opportunity for hearing, grant an
35 exemption from the provisions of this chapter to any vessel that the
36 board finds is (a) a small passenger vessel that is not more than
37 (~~one thousand three hundred~~) 1,300 gross tons (international), does

1 not exceed (~~((two hundred))~~) 200 feet in overall length, is manned by
2 United States-licensed deck and engine officers appropriate to the
3 size of the vessel with merchant mariner credentials issued by the
4 United States coast guard or Canadian deck and engine officers with
5 Canadian-issued certificates of competency appropriate to the size of
6 the vessel, and is operated exclusively in the waters of the Puget
7 Sound pilotage district and lower British Columbia, or (b) a yacht
8 that is not more than (~~((one thousand three hundred))~~) 1,300 gross tons
9 (international) and does not exceed (~~((two hundred))~~) 200 feet in
10 overall length. Such an exemption shall not be detrimental to the
11 public interest in regard to safe operation preventing loss of human
12 lives, loss of property, and protecting the marine environment of the
13 state of Washington. Such petition shall set out the general
14 description of the vessel, the contemplated use of same, the proposed
15 area of operation, and the name and address of the vessel's owner.
16 The board shall annually, or at any other time when in the public
17 interest, review any exemptions granted to this specified class of
18 small vessels to insure that each exempted vessel remains in
19 compliance with the original exemption. The board shall have the
20 authority to revoke such exemption where there is not continued
21 compliance with the requirements for exemption. The board shall
22 maintain a file which shall include all petitions for exemption, a
23 roster of vessels granted exemption, and the board's written
24 decisions which shall set forth the findings for grants of exemption.
25 Each applicant for exemption or annual renewal shall pay a fee,
26 payable to the pilotage account. Fees for initial applications and
27 for renewals shall be established by rule, and shall not exceed (~~((one~~
28 ~~thousand five hundred dollars))~~) \$1,500. The board shall report
29 annually to the legislature on such exemptions.

30 (3) Every vessel not exempt under subsection (1) or (2) of this
31 section shall, while navigating the Puget Sound and Grays Harbor
32 pilotage districts, employ a pilot licensed under the provisions of
33 this chapter and shall be liable for and pay pilotage rates in
34 accordance with the pilotage rates herein established or which may
35 hereafter be established under the provisions of this chapter or
36 under RCW 81.116.010 through 81.116.060: PROVIDED, That any vessel
37 inbound to or outbound from Canadian ports is exempt from the
38 provisions of this section, if said vessel actually employs a pilot
39 licensed by the Pacific pilotage authority (the pilot licensing
40 authority for the western district of Canada), and if it is

1 communicating with the vessel traffic system and has appropriate
2 navigational charts, and if said vessel uses only those Washington
3 waters east of the international boundary line which are west of a
4 line which begins at the southwestern edge of Point Roberts then to
5 Alden Point (Patos Island), then to Skipjack Island light, then to
6 Turn Point (Stuart Island), then to Kellet Bluff (Henry Island), then
7 to Lime Kiln (San Juan Island) then to the intersection of ((~~one~~
8 ~~hundred twenty-three~~)) 123 degrees seven minutes west longitude and
9 ((~~forty-eight~~)) 48 degrees ((~~twenty-five~~)) 25 minutes north latitude
10 then to the international boundary. The board shall correspond with
11 the Pacific pilotage authority from time to time to ensure the
12 provisions of this section are enforced. If any exempted vessel does
13 not comply with these provisions it shall be deemed to be in
14 violation of this section and subject to the penalties provided in
15 RCW 88.16.150 as now or hereafter amended and liable to pilotage fees
16 as determined by the board. The board shall investigate any accident
17 on the waters covered by this chapter involving a Canadian pilot and
18 shall include the results in its annual report.

19 **PART XII: PUBLIC-PRIVATE PARTNERSHIP PROJECTS**

20 NEW SECTION. **Sec. 1201.** (1) The legislature finds that a full
21 set of project procurement, contracting, financing, and funding tools
22 are needed to enable the delivery of transportation projects in a
23 manner most advantageous to the public. Current public-private
24 partnership laws have failed to spur innovative proposals from the
25 private sector or new project delivery approaches from the department
26 of transportation.

27 (2) The legislature confirms the findings from previous studies
28 that current laws and administrative processes are the primary
29 obstacle impairing the state's ability to utilize public-private
30 partnerships. The legislature finds that a new public-private
31 partnership law is needed to:

32 (a) Transparently demonstrate and deliver better value for the
33 public including, but not limited to, expedited project delivery and
34 more effective management of project life-cycle costs;

35 (b) Provide an additional option for delivering complex
36 transportation projects, including addressing a shortage of truck
37 parking;

1 (c) Incorporate private sector expertise and innovation into
2 transportation project delivery;

3 (d) Allocate project risks to the parties best able to manage
4 those risks;

5 (e) Allow new sources of private capital;

6 (f) Increase access to federal funding and financing mechanisms;

7 (g) Better align private sector incentives with public
8 priorities; and

9 (h) Provide consistency in the review and approval processes for
10 the full range of project delivery tools and contracting methods.

11 NEW SECTION. Sec. 1202. DEFINITIONS. The definitions in this
12 section apply throughout this chapter unless the context clearly
13 requires otherwise.

14 (1) "Commission" means the transportation commission.

15 (2) "Department" means the department of transportation.

16 (3) "Eligible transportation project" means any project that is
17 not a rail project and meets the criteria to be evaluated for
18 delivery in section 1206 of this act, whether capital or operating,
19 where the state's purpose for the project is to preserve or
20 facilitate the safe transport of people or goods via any mode of
21 travel.

22 (4) "Private sector partner" and "private partner" means a
23 person, entity, or organization that is not the federal government, a
24 state, or a political subdivision of a state.

25 (5) "Public funds" means all moneys derived from taxes, fees,
26 charges, tolls, or other levies of money from the public.

27 (6) "Public sector partner" and "public partner" means any
28 federal or state unit of government, bistate transportation
29 organization, or any other political subdivision of any state.

30 (7) "State finance committee" means the entity created in chapter
31 43.33 RCW.

32 (8) "Unit of government" means any department or agency of the
33 federal government, any state or agency, office, or department of a
34 state, any city, county, district, commission, authority, entity,
35 port, or other public corporation organized and existing under
36 statutory law or under a voter-approved charter or initiative, and
37 any intergovernmental entity created under chapter 39.34 RCW or this
38 chapter.

1 NEW SECTION. **Sec. 1203.** WASHINGTON STATE DEPARTMENT OF
2 TRANSPORTATION POWERS AND DUTIES. (1) The department shall develop
3 policies and, where appropriate, adopt rules to carry out this
4 chapter and govern the use of public-private partnerships for
5 transportation projects. At a minimum, the department's policies and
6 rules must address the following issues:

7 (a) The types of projects allowed;

8 (b) Consistent with section 1209 of this act, a process and
9 methodology for determining whether a public-private partnership
10 delivery model will be in the public's interest;

11 (c) Consistent with section 1214 of this act, a process and
12 methodology for determining whether a negotiated partnership
13 agreement will result in greater public value to the state than if
14 the project is delivered using other procurement and contracting
15 methods;

16 (d) The types of contracts allowed, with consideration given to
17 the best practices available;

18 (e) Minimum standards and criteria required of all proposals;

19 (f) Procedures for the proper identification, solicitation,
20 acceptance, review, and evaluation of projects, consistent with
21 existing project procurement and contracting requirements and
22 practices;

23 (g) Criteria to be considered in the evaluation and selection of
24 proposals that includes:

25 (i) Comparison with the department's internal ability to complete
26 the project that documents the advantages of completing the project
27 as a partnership versus solely as a public venture; and

28 (ii) Factors such as, but not limited to: Priority, life-cycle
29 cost, risk sharing, scheduling, innovation, and management
30 conditions;

31 (h) The protection of confidential proprietary information while
32 still meeting the need for transparency and public disclosure that is
33 consistent with section 1215 of this act;

34 (i) Protection for local contractors to participate in
35 subcontracting opportunities that is consistent with section 1204(3)
36 of this act;

37 (j) Specifying that maintenance issues must be resolved in a
38 manner consistent with chapter 41.80 RCW;

39 (k) Guidelines to address security and performance issues.

1 (2) During its rule-making activities, the department must
2 consult with the department's office of equity and civil rights.

3 (3) By September 1, 2026, the department must provide a report to
4 the house of representatives and senate transportation committees on
5 proposed policies and guidelines it intends to develop into
6 administrative rules. Rules adopted by the department pursuant to
7 this chapter may not take effect before January 1, 2027.

8 NEW SECTION. **Sec. 1204.** APPLICABILITY OF OTHER TRANSPORTATION
9 PROJECT GOVERNING PROVISIONS. (1) For any eligible transportation
10 project that requires the imposition of tolls on a state facility,
11 the legislature must approve the imposition of such tolls consistent
12 with RCW 47.56.820.

13 (2) For any eligible transportation project that requires setting
14 or adjusting toll rates on a state facility, the commission has sole
15 responsibility consistent with RCW 47.56.850.

16 (3)(a) If federal funds are provided for an eligible
17 transportation project developed under this chapter, disadvantaged
18 business enterprise inclusion requirements, as established,
19 monitored, and administered by the department's office of equity and
20 civil rights, apply.

21 (b) If no federal funds are provided for an eligible
22 transportation project developed under this chapter, state laws,
23 rates, and rules must govern, including the public works small
24 business certification program pursuant to RCW 39.19.030(7) as
25 monitored and administered by the department's office of equity and
26 civil rights.

27 NEW SECTION. **Sec. 1205.** APPLICATION OF PUBLIC WORKS PROVISIONS.
28 All other transportation and public works project procurement and
29 contracting governing provisions and procedures that do not conflict
30 with this chapter, including responsible bidder and apprenticeship
31 requirements under chapter 39.04 RCW and prevailing wage requirements
32 under chapter 39.12 RCW, apply to the entire eligible transportation
33 project.

34 NEW SECTION. **Sec. 1206.** PROJECT COST THRESHOLD FOR P3
35 EVALUATION. Any eligible transportation project with an estimated
36 cost to the state of less than \$500,000,000, or any project on a
37 United States route that is not an interstate route and includes

1 replacement of a seismically vulnerable elevated structure at least
2 one and one-half miles long that crosses a river, may be evaluated
3 for delivery under a public-private partnership model as prescribed
4 under this chapter.

5 NEW SECTION. **Sec. 1207.** ELIGIBLE FINANCING. (1) Subject to the
6 limitations in this section, the department may, in connection with
7 the evaluation of eligible transportation projects, consider any
8 financing mechanisms from any lawful source, either integrated as
9 part of a project proposal or as a separate, stand-alone proposal to
10 finance a project. Financing may be considered for all or part of a
11 proposed project. A project may be financed in whole or in part with:

12 (a) The proceeds of grant anticipation revenue bonds authorized
13 under 23 U.S.C. Sec. 122 and applicable state law. Legislative
14 authorization and appropriation are required to use this source of
15 financing;

16 (b) Grants, loans, loan guarantees, lines of credit, revolving
17 lines of credit, or other financing arrangements available under the
18 transportation infrastructure finance and innovation act under 23
19 U.S.C. Sec. 181 et seq., or any other applicable federal law, subject
20 to legislative authorization and appropriation as required;

21 (c) Infrastructure loans or assistance from the state
22 infrastructure bank established under RCW 82.44.195, subject to
23 legislative authorization and appropriation as required;

24 (d) Federal, state, or local revenues, subject to appropriation
25 by the applicable legislative authority;

26 (e) User fees, tolls, fares, lease proceeds, rents, gross or net
27 receipts from sales, proceeds from the sale of development rights,
28 franchise fees, or any other lawful form of consideration. However,
29 projects financed by tolls must first be authorized by the
30 legislature under RCW 47.56.820;

31 (f) Loans, pledges, or contributions of funds, including equity
32 investments, from private entities;

33 (g) Revenue bonds, subject to legislative authorization and
34 appropriation as required.

35 (2) Subject to subsection (4) of this section, the department may
36 develop a plan of finance that would require either the state or a
37 private partner, or both, to: Issue debt, equity, or other securities
38 or obligations; enter into contracts, leases, concessions, and grant
39 and loan agreements; or secure any financing with a pledge of funds

1 to be appropriated by the legislature or with a lien or exchange of
2 real property.

3 (3) As security for the payment of any financing, the revenues
4 from the project may be pledged, but no such pledge of revenues
5 constitutes in any manner or to any extent a general obligation of
6 the state, unless specifically authorized by the legislature. Any
7 financing described in this section may be structured on a senior,
8 parity, or subordinate basis to any other financing.

9 (4) The department shall not execute any agreement with respect
10 to an eligible transportation project, including any agreement that
11 could materially impact the state's debt capacity or credit rating as
12 determined by the state finance committee, without prior review and
13 approval of the plan of finance and proposed financing terms by the
14 state finance committee.

15 NEW SECTION. **Sec. 1208.** USE OF FEDERAL FUNDS OR OTHER SOURCES.

16 (1) The department may accept from the United States or any of its
17 agencies such funds as are available to this state or to any other
18 unit of government for carrying out the purposes of this chapter,
19 whether the funds are made available by grant, loan, or other
20 financing arrangement. The department may enter into such agreements
21 and other arrangements with the United States or any of its agencies
22 as may be necessary, proper, and convenient for carrying out the
23 purposes of this chapter, subject to subsection (2) of this section.

24 (2)(a) The department may accept from any source any grant,
25 donation, gift, or other form of conveyance of land, money, other
26 real or personal property, or other valuable thing made to the state
27 of Washington, the department, or a local government for carrying out
28 the purposes of this chapter.

29 (b) Any eligible transportation project may be financed in whole
30 or in part by contribution of any funds or property made by any
31 private entity or public sector partner that is a party to any
32 agreement entered into under this chapter.

33 NEW SECTION. **Sec. 1209.** PUBLIC INTEREST FINDING. (1) The

34 department may evaluate eligible transportation projects that are
35 already programmed for other delivery methods to determine their
36 appropriateness for delivery under a public-private partnership
37 model.

1 (2) Before entering into a formal solicitation or procurement to
2 develop a project as a public-private partnership, the department
3 must make formal findings that utilizing a public-private partnership
4 delivery method is in the public's interest. The department must
5 adopt rules detailing the process and criteria for making such
6 findings. At a minimum, the criteria must consider whether:

7 (a) Public ownership of the asset can be retained;

8 (b) Transparency during the consideration of a public-private
9 partnership agreement can be provided;

10 (c) Public oversight of the private entity's management of the
11 asset can be provided; and

12 (d) Additional criteria that reflects the legislative findings in
13 section 1201 of this act.

14 (3) Before commencing any solicitation to deliver the project as
15 a public-private partnership, the department must provide an
16 opportunity for public comment on the proposed project and delivery
17 method.

18 (4) Upon a finding of public interest pursuant to subsection (2)
19 of this section, the department must provide written notification of
20 their finding of public interest and intent to deliver the project as
21 a public-private partnership to the general public, to the chairs and
22 ranking members of the transportation committees of the legislature,
23 and to the governor.

24 (5) Upon a finding of public interest pursuant to subsection (2)
25 of this section, the department may:

26 (a) Solicit concepts or proposals for the identified public-
27 private partnership project from private entities and units of
28 government;

29 (b) Evaluate the concepts or proposals received under this
30 section. The evaluation under this subsection must include
31 consultation with any appropriate unit of government; and

32 (c) Select potential projects based on the concepts or proposals.

33 NEW SECTION. Sec. 1210. USE OF FUNDS FOR PROPOSAL PURPOSES. (1)
34 Subject to the availability of amounts appropriated for this specific
35 purpose, the department may spend such moneys as may be necessary for
36 stipends for respondents to a solicitation, the evaluation of
37 concepts or proposals for eligible transportation projects, and for
38 negotiating agreements for eligible transportation projects
39 authorized under this chapter. Expenses incurred by the department

1 under this section before the issuance of transportation project
2 bonds or other financing must be paid by the department and charged
3 to the appropriate project. The department must keep records and
4 accounts showing each charged amount.

5 (2) Unless otherwise provided in the omnibus transportation
6 appropriations act, the funds spent by the department under this
7 section in connection with the project must be repaid from the
8 proceeds of the bonds or other financing upon the sale of
9 transportation project bonds or upon obtaining other financing for an
10 eligible transportation project, as allowed by law or contract.

11 NEW SECTION. **Sec. 1211.** EXPERT CONSULTATION. The department may
12 consult with legal, financial, technical, and other experts in the
13 public and private sector in the evaluation, negotiation, and
14 development of projects under this chapter.

15 NEW SECTION. **Sec. 1212.** CONTRACTED STUDIES. In the absence of
16 any direct federal funding or direction, the department may contract
17 with a private developer of a selected project proposal to conduct
18 environmental impact studies and engineering and technical studies.

19 NEW SECTION. **Sec. 1213.** PARTNERSHIP AGREEMENTS. (1) The
20 following provisions must be included in any transportation project
21 agreement entered into under the authority of this chapter and to
22 which the state is a party:

23 (a) For any project that proposes terms for stand alone
24 maintenance or asset management services for a public facility, those
25 services must be provided in a manner consistent with any collective
26 bargaining agreements, chapter 41.80 RCW, and civil service laws that
27 are in effect for the public facility;

28 (b) A finding of public interest, as issued by the department
29 pursuant to section 1209 of this act;

30 (c) If there is a tolling component to the project, it must be
31 specified that the tolling technology used in the project must be
32 consistent with tolling technology standards adopted by the
33 department for transportation-related projects;

34 (d) Provisions for bonding, financial guarantees, deposits, or
35 the posting of other security to secure the payment of laborers,
36 subcontractors, and suppliers who perform work or provide materials
37 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 (1) A comparison of the total cost to deliver the project,
2 including any operations and maintenance costs, as a public-private
3 partnership compared to traditional or other alternative delivery
4 methods available to the department;

5 (2) A comparison with the department's current plan, resources,
6 delivery capacity, and schedule to complete the project that
7 documents the advantages of completing the project as a public-
8 private partnership versus solely as a public venture; and

9 (3) Factors such as, but not limited to: Priority, cost, risk
10 sharing, scheduling, asset and service quality, innovation, and
11 management conditions.

12 NEW SECTION. **Sec. 1215.** CONFIDENTIALITY. A proposer must
13 identify those portions of a proposal that the proposer considers to
14 be confidential, proprietary information, or trade secrets and
15 provide any justification as to why these materials, upon request,
16 should not be disclosed by the department. Patent information will be
17 covered until the patent expires. Other information, such as
18 originality of design or records of negotiation, is protected under
19 this section only until an agreement under section 1214 of this act
20 is reached. Eligible transportation projects under federal
21 jurisdiction or using federal funds must conform to federal
22 regulations under the freedom of information act.

23 NEW SECTION. **Sec. 1216.** GOVERNMENT AGREEMENTS. The state may,
24 either separately or in combination with any other public sector
25 partner, enter into working agreements, coordination agreements, or
26 similar implementation agreements, including the formation of bistate
27 transportation organizations, to carry out the joint implementation
28 and operation of an eligible transportation project selected under
29 this chapter. The state may enter into agreements with other units of
30 government or Canadian provinces for transborder transportation
31 projects.

32 NEW SECTION. **Sec. 1217.** EMINENT DOMAIN. The state may exercise
33 the power of eminent domain to acquire property, easements, or other
34 rights or interests in property for projects that are necessary to
35 implement an eligible transportation project developed under this
36 chapter. Any property acquired pursuant to this section must be owned
37 in fee simple by the state.

1 NEW SECTION. **Sec. 1218.** FEDERAL LAWS. Applicable federal laws,
2 rules, and regulations govern in any situation that involves federal
3 funds if the federal laws, rules, or regulations:

- 4 (1) Conflict with any provision of this chapter;
5 (2) Require procedures that are additional to or inconsistent
6 with those provided in this chapter; or
7 (3) Require contract provisions not authorized in this chapter.

8 NEW SECTION. **Sec. 1219.** PUBLIC-PRIVATE PARTNERSHIPS ACCOUNT.
9 (1) The public-private partnerships account is created in the custody
10 of the state treasurer.

- 11 (2) The following moneys must be deposited into the account:
12 (a) Proceeds from bonds or other financing instruments;
13 (b) Revenues received from any transportation project developed
14 under this chapter or developed under the general powers granted to
15 the department; and
16 (c) Any other moneys that are by donation, grant, contract, law,
17 or other means transferred, allocated, or appropriated to the
18 account.

19 (3) Expenditures from the account may be used only for the
20 planning, acquisition, financing, development, design, construction,
21 reconstruction, replacement, improvement, maintenance, preservation,
22 management, repair, or operation of any eligible transportation
23 project under this chapter.

24 (4) The state treasurer may establish separate subaccounts within
25 the public-private partnerships account for each transportation
26 project that is initiated under this chapter or under the general
27 powers granted to the department. The state may pledge moneys in the
28 public-private partnerships account to secure revenue bonds or any
29 other debt obligations relating to the project for which the account
30 is established.

31 (5) Only the secretary or the secretary's designee may authorize
32 distributions from the account. The account is subject to the
33 allotment procedures under chapter 43.88 RCW, but an appropriation is
34 not required for expenditures.

35 **Sec. 1220.** RCW 47.56.030 and 2023 c 429 s 6 are each amended to
36 read as follows:

- 37 (1) Except as permitted under chapter ((47.29)) 47.--- RCW (the
38 new chapter created in section 1224 of this act) or 47.46 RCW:

1 (a) Unless otherwise delegated, and subject to RCW 47.56.820, the
2 department of transportation shall have full charge of the planning,
3 analysis, and construction of all toll bridges and other toll
4 facilities including the Washington state ferries, and the operation
5 and maintenance thereof.

6 (b) The transportation commission shall determine and establish
7 the tolls and charges thereon.

8 (c) Unless otherwise delegated, and subject to RCW 47.56.820, the
9 department shall have full charge of planning, analysis, and design
10 of all toll facilities. The department may conduct the planning,
11 analysis, and design of toll facilities as necessary to support the
12 legislature's consideration of toll authorization.

13 (d) The department shall utilize and administer toll collection
14 systems that are simple, unified, and interoperable. To the extent
15 practicable, the department shall avoid the use of toll booths. The
16 department shall set the statewide standards and protocols for all
17 toll facilities within the state, including those authorized by local
18 authorities.

19 (e) Except as provided in this section, the department shall
20 proceed with the construction of such toll bridges and other
21 facilities and the approaches thereto by contract in the manner of
22 state highway construction immediately upon there being made
23 available funds for such work and shall prosecute such work to
24 completion as rapidly as practicable. The department is authorized to
25 negotiate contracts for any amount without bid under (e)(i) and (ii)
26 of this subsection:

27 (i) Emergency contracts, in order to make repairs to ferries or
28 ferry terminal facilities or removal of such facilities whenever
29 continued use of ferries or ferry terminal facilities constitutes a
30 real or immediate danger to the traveling public or precludes prudent
31 use of such ferries or facilities; and

32 (ii) Single source contracts for vessel dry dockings, when there
33 is clearly and legitimately only one available bidder to conduct dry
34 dock-related work for a specific class or classes of vessels. The
35 contracts may be entered into for a single vessel dry docking or for
36 multiple vessel dry dockings for a period not to exceed two years.

37 (f) Any new vessel planning, construction, purchase, analysis, or
38 design work must be consistent with RCW 47.60.810, except as
39 otherwise provided in RCW 47.60.826.

1 (2) The department shall proceed with the procurement of
2 materials, supplies, services, and equipment needed for the support,
3 maintenance, and use of a ferry, ferry terminal, or other facility
4 operated by Washington state ferries, in accordance with chapter
5 43.19 RCW except as follows:

6 (a) When the secretary of the department of transportation
7 determines in writing that the use of invitation for bid is either
8 not practicable or not advantageous to the state and it may be
9 necessary to make competitive evaluations, including technical or
10 performance evaluations among acceptable proposals to complete the
11 contract award, a contract may be entered into by use of a
12 competitive sealed proposals method, and a formal request for
13 proposals solicitation. Such formal request for proposals
14 solicitation shall include a functional description of the needs and
15 requirements of the state and the significant factors.

16 (b) When purchases are made through a formal request for
17 proposals solicitation the contract shall be awarded to the
18 responsible proposer whose competitive sealed proposal is determined
19 in writing to be the most advantageous to the state taking into
20 consideration price and other evaluation factors set forth in the
21 request for proposals. No significant factors may be used in
22 evaluating a proposal that are not specified in the request for
23 proposals. Factors that may be considered in evaluating proposals
24 include but are not limited to: Price; maintainability; reliability;
25 commonality; performance levels; life-cycle cost if applicable under
26 this section; cost of transportation or delivery; delivery schedule
27 offered; installation cost; cost of spare parts; availability of
28 parts and service offered; and the following:

29 (i) The ability, capacity, and skill of the proposer to perform
30 the contract or provide the service required;

31 (ii) The character, integrity, reputation, judgment, experience,
32 and efficiency of the proposer;

33 (iii) Whether the proposer can perform the contract within the
34 time specified;

35 (iv) The quality of performance of previous contracts or
36 services;

37 (v) The previous and existing compliance by the proposer with
38 laws relating to the contract or services;

39 (vi) Objective, measurable criteria defined in the request for
40 proposal. These criteria may include but are not limited to items

1 such as discounts, delivery costs, maintenance services costs,
2 installation costs, and transportation costs; and

3 (vii) Such other information as may be secured having a bearing
4 on the decision to award the contract.

5 (c) When purchases are made through a request for proposal
6 process, proposals received shall be evaluated based on the
7 evaluation factors set forth in the request for proposal. When
8 issuing a request for proposal for the procurement of propulsion
9 equipment or systems that include an engine, the request for proposal
10 must specify the use of a life-cycle cost analysis that includes an
11 evaluation of fuel efficiency. When a life-cycle cost analysis is
12 used, the life-cycle cost of a proposal shall be given at least the
13 same relative importance as the initial price element specified in
14 the request of proposal documents. The department may reject any and
15 all proposals received. If the proposals are not rejected, the award
16 shall be made to the proposer whose proposal is most advantageous to
17 the department, considering price and the other evaluation factors
18 set forth in the request for proposal.

19 **Sec. 1221.** RCW 47.56.031 and 2005 c 335 s 2 are each amended to
20 read as follows:

21 No tolls may be imposed on new or existing highways or bridges
22 without specific legislative authorization, or upon a majority vote
23 of the people within the boundaries of the unit of government
24 empowered to impose tolls. This section applies to chapter 47.56 RCW
25 and to any tolls authorized under chapter ~~((47.29 RCW, the~~
26 ~~transportation innovative partnership act of 2005))~~ 47.--- RCW (the
27 new chapter created in section 1224 of this act).

28 **Sec. 1222.** RCW 70A.15.4030 and 2020 c 20 s 1126 are each amended
29 to read as follows:

30 (1) A county, city, or town may, as part of its commute trip
31 reduction plan, designate existing activity centers listed in its
32 comprehensive plan or new activity centers as growth and
33 transportation efficiency centers and establish a transportation
34 demand management program in the designated area.

35 (a) The transportation demand management program for the growth
36 and transportation efficiency center shall be developed in
37 consultation with local transit agencies, the applicable regional

1 transportation planning organization, major employers, and other
2 interested parties.

3 (b) In order to be eligible for state funding provided for the
4 purposes of this section, designated growth and transportation
5 efficiency centers shall be certified by the applicable regional
6 transportation organization to: (i) Meet the minimum land use and
7 transportation criteria established in collaboration among local
8 jurisdictions, transit agencies, the regional transportation planning
9 organization, and other interested parties as part of the regional
10 commute trip reduction plan; and (ii) have established a
11 transportation demand management program that includes the elements
12 identified in (c) of this subsection and is consistent with the rules
13 established by the department of transportation in RCW
14 70A.15.4060(2). If a designated growth and transportation efficiency
15 center is denied certification, the local jurisdiction may appeal the
16 decision to the commute trip reduction board.

17 (c) Transportation demand management programs for growth and
18 transportation efficiency centers shall include, but are not limited
19 to: (i) Goals for reductions in the proportion of single-occupant
20 vehicle trips that are more aggressive than the state program goal
21 established by the commute trip reduction board; (ii) a sustainable
22 financial plan demonstrating how the program can be implemented to
23 meet state and regional trip reduction goals, indicating resources
24 from public and private sources that are reasonably expected to be
25 made available to carry out the plan, and recommending any innovative
26 financing techniques consistent with chapter ((47.29 RCW)) 47.--- RCW
27 (the new chapter created in section 1224 of this act), including
28 public/private partnerships, to finance needed facilities, services,
29 and programs; (iii) a proposed organizational structure for
30 implementing the program; (iv) a proposal to measure performance
31 toward the goal and implementation progress; and (v) an evaluation to
32 which local land use and transportation policies apply, including
33 parking policies and ordinances, to determine the extent that they
34 complement and support the trip reduction investments of major
35 employers. Each of these program elements shall be consistent with
36 the rules established under RCW 70A.15.4060.

37 (d) A designated growth and transportation efficiency center
38 shall be consistent with the land use and transportation elements of
39 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

1 section does not apply to rail right-of-way owned by the department
2 of transportation.

3 **Temporary License Plates**

4 **Sec. 1302.** RCW 46.16A.305 and 2022 c 132 s 5 are each amended to
5 read as follows:

6 (1) The department, county auditor or other agent, or subagent
7 appointed by the director may grant a temporary license plate to
8 operate a vehicle for which an application for registration has been
9 made. The application for a temporary license plate must be made by
10 the owner or the owner's representative to the department, county
11 auditor or other agent, or subagent appointed by the director on a
12 form furnished by the department and must contain:

13 (a) A full description of the vehicle, including its make, model,
14 vehicle identification number, and type of body;

15 (b) The name and address of the applicant;

16 (c) The date of application; and

17 (d) Other information that the department may require.

18 (2) Temporary license plates must:

19 (a) Be consecutively numbered;

20 (b) Be displayed as described for permanent license plates in RCW
21 46.16A.200(5)(a);

22 (c) Be composed of material that must be durable and remain
23 unaltered in field conditions for a minimum of four months; and

24 (d) Remain on the vehicle only until the receipt of permanent
25 license plates.

26 (3) The application must be accompanied by the fee required under
27 RCW 46.17.400(1)(b).

28 (4) Pursuant to subsection (2) of this section, the department
29 may adopt rules for the design and display of temporary license
30 plates.

31 (5) By December 1, 2025, the department must adopt rules
32 implementing contingency extensions of the expiration date for
33 department temporary license plates in cases of shortages of
34 permanent license plates. The rules must prioritize reducing customer
35 return trips for department temporary license plates, and include a
36 communication plan with state and local law enforcement agencies
37 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

1 such city or town, except with respect to limited access facilities
2 established by the commission;

3 (2) The city or town shall exercise full responsibility for and
4 control over any such street beyond the curbs and if no curb is
5 installed, beyond that portion of the highway used for highway
6 purposes. However, within incorporated cities and towns the title to
7 a state limited access highway vests in the state, and,
8 notwithstanding any other provision of this section, the department
9 shall exercise full jurisdiction, responsibility, and control to and
10 over such facility as provided in chapter 47.52 RCW;

11 (3) The department has authority to prohibit the suspension of
12 signs, banners, or decorations above the portion of such street
13 between the curbs or portion used for highway purposes up to a
14 vertical height of (~~((twenty))~~) 20 feet above the surface of the
15 roadway;

16 (4) The city or town shall at its own expense maintain all
17 underground facilities in such streets, and has the right to
18 construct such additional underground facilities as may be necessary
19 in such streets. However, pavement trenching and restoration
20 performed as part of installation of such facilities must meet or
21 exceed requirements established by the department;

22 (5) The city or town has the right to grant the privilege to open
23 the surface of any such street, but all damage occasioned thereby
24 shall promptly be repaired either by the city or town itself or at
25 its direction. Pavement trenching and restoration performed under a
26 privilege granted by the city under this subsection must meet or
27 exceed requirements established by the department;

28 (6) Except as otherwise provided in subsection (17) of this
29 section, the city or town at its own expense shall provide street
30 illumination and shall clean all such streets, including storm sewer
31 inlets and catch basins, and remove all snow, except that the state
32 shall when necessary plow the snow on the roadway. In cities and
33 towns having a population of (~~((twenty-seven thousand five hundred))~~)
34 27,500 or less according to the latest determination of population by
35 the office of financial management, the state, when necessary for
36 public safety, shall assume, at its expense, responsibility for the
37 stability of the slopes of cuts and fills and the embankments within
38 the right-of-way to protect the roadway itself. When the population
39 of a city or town first exceeds (~~((twenty-seven thousand five~~
40 ~~hundred))~~) 27,500 according to the determination of population by the

1 office of financial management, the city or town shall have three
2 years from the date of the determination to plan for additional
3 staffing, budgetary, and equipment requirements before being required
4 to assume the responsibilities under this subsection. The state shall
5 install, maintain, and operate all illuminating facilities on any
6 limited access facility, together with its interchanges, located
7 within the corporate limits of any city or town, and shall assume and
8 pay the costs of all such installation, maintenance, and operation
9 incurred after November 1, 1954;

10 (7) The department has the right to use all storm sewers on such
11 highways without cost; and if new storm sewer facilities are
12 necessary in construction of new streets by the department, the cost
13 of the facilities shall be borne by the state and/or city as may be
14 mutually agreed upon between the department and the governing body of
15 the city or town;

16 (8) Cities and towns have exclusive right to grant franchises not
17 in conflict with state laws and rules, over, beneath, and upon such
18 streets, but the department is authorized to enforce in an action
19 brought in the name of the state any condition of any franchise which
20 a city or town has granted on such street. No franchise for
21 transportation of passengers in motor vehicles may be granted on such
22 streets without the approval of the department, but the department
23 shall not refuse to approve such franchise unless another street
24 conveniently located and of strength of construction to sustain
25 travel of such vehicles is accessible;

26 (9) Every franchise or permit granted any person by a city or
27 town for use of any portion of such street by a public utility must
28 require the grantee or permittee to restore, repair, and replace any
29 portion of the street damaged or injured by it to conditions that
30 meet or exceed requirements established by the department;

31 (10) The city or town has the right to issue overload or
32 overwidth permits for vehicles to operate on such streets or roads
33 subject to regulations printed and distributed to the cities and
34 towns by the department;

35 (11) Cities and towns shall regulate and enforce all traffic and
36 parking restrictions on such streets, but all regulations adopted by
37 a city or town relating to speed, parking, and traffic control
38 devices on such streets not identical to state law relating thereto
39 are subject to the approval of the department before becoming
40 effective. All regulations pertaining to speed, parking, and traffic

1 control devices relating to such streets heretofore adopted by a city
2 or town not identical with state laws shall become null and void
3 unless approved by the department heretofore or within one year after
4 March 21, 1963;

5 (12) The department shall erect, control, and maintain at state
6 expense all route markers and directional signs, except street signs,
7 on such streets;

8 (13) Except as otherwise provided in subsection (17) of this
9 section, the department shall install, operate, maintain, and control
10 at state expense all traffic control signals, signs, and traffic
11 control devices for the purpose of regulating both pedestrian and
12 motor vehicular traffic on, entering upon, or leaving state highways
13 in cities and towns having a population of (~~((twenty-seven-thousand~~
14 ~~five-hundred))~~ 27,500 or less according to the latest determination
15 of population by the office of financial management. Such cities and
16 towns may submit to the department a plan for traffic control
17 signals, signs, and traffic control devices desired by them,
18 indicating the location, nature of installation, or type thereof, or
19 a proposed amendment to such an existing plan or installation, and
20 the department shall consult with the cities or towns concerning the
21 plan before installing such signals, signs, or devices. Cities and
22 towns having a population in excess of (~~((twenty-seven-thousand-five~~
23 ~~hundred))~~ 27,500 according to the latest determination of population
24 by the office of financial management shall install, maintain,
25 operate, and control such signals, signs, and devices at their own
26 expense, subject to approval of the department for the installation
27 and type only. When the population of a city or town first exceeds
28 (~~((twenty-seven-thousand-five-hundred))~~ 27,500 according to the
29 determination of population by the office of financial management,
30 the city or town shall have three years from the date of the
31 determination to plan for additional staffing, budgetary, and
32 equipment requirements before being required to assume the
33 responsibilities under this subsection. For the purpose of this
34 subsection, striping, lane marking, and channelization are considered
35 traffic control devices;

36 (14) All revenue from parking meters placed on such streets
37 belongs to the city or town;

38 (15) Rights-of-way for such streets shall be acquired by either
39 the city or town or by the state as shall be mutually agreed upon.
40 Costs of acquiring rights-of-way may be at the sole expense of the

1 state or at the expense of the city or town or at the expense of the
2 state and the city or town as may be mutually agreed upon. Title to
3 all such rights-of-way so acquired shall vest in the city or town:
4 PROVIDED, That no vacation, sale, rental, or any other
5 nontransportation use of any unused portion of any such street may be
6 made by the city or town without the prior written approval of the
7 department; and all revenue derived from sale, vacation, rental, or
8 any nontransportation use of such rights-of-way shall be shared by
9 the city or town and the state in the same proportion as the purchase
10 costs were shared;

11 (16) If any city or town fails to perform any of its obligations
12 as set forth in this section or in any cooperative agreement entered
13 into with the department for the maintenance of a city or town street
14 forming part of the route of a state highway, the department may
15 notify the mayor of the city or town to perform the necessary
16 maintenance within (~~((thirty))~~) 30 days. If the city or town within the
17 (~~((thirty))~~) 30 days fails to perform the maintenance or fails to
18 authorize the department to perform the maintenance as provided by
19 RCW 47.24.050, the department may perform the maintenance, the cost
20 of which is to be deducted from any sums in the motor vehicle fund
21 credited or to be credited to the city or town;

22 (17) The population thresholds identified in subsections (6) and
23 (13) of this section shall be increased as follows:

24 (a) Thirty thousand on July 1, 2023;

25 (b) Thirty-two thousand five hundred on July 1, (~~((2028))~~) 2025,
26 for cities or towns having a population of 30,000 or less on January
27 1, 2025; and

28 (c) Thirty-five thousand on July 1, (~~((2033))~~) 2030.

29 **Solicited Property Transactions For Transportation Purposes**

30 **Sec. 1306.** RCW 61.--.--- and 2025 c . . . (SHB 1081) s 1 are
31 each amended to read as follows:

32 (1) For real estate transactions executed on or after January 1,
33 2026, in which a potential buyer or someone representing a potential
34 buyer actively solicits the purchase of real property through public
35 advertising or written, electronic, or in-person contact with an
36 owner of real property that is not currently publicly available or
37 listed on the real estate market for purchase, the owner of the
38 solicited real property shall, upon execution of a purchase contract

1 between the potential buyer and the owner of the solicited real
2 property:

3 (a) Have the right to an appraisal of the real property by an
4 appraiser licensed in accordance with chapter 18.140 RCW, which right
5 shall be expressly included in the purchase contract between the
6 potential buyer and the owner of the solicited real property; and

7 (b) Have the right to cancel the purchase contract without
8 penalty or further obligation subject to subsection (2) of this
9 section.

10 (2)(a) For owners of the solicited real property who wish to
11 exercise their right to an appraisal:

12 (i) The owner has the right to select the appraiser, and the
13 potential buyer is responsible for the expense of the appraisal;

14 (ii) The appraisal must be ordered within three business days
15 after the execution of the purchase contract, and the owner of the
16 solicited real property shall notify the potential buyer of the
17 appraisal; and

18 (iii) The owner of the solicited real property has the right to
19 cancel the purchase contract, without penalty or further obligation,
20 within four business days after the appraisal is received.

21 (b) For owners of solicited real property who do not wish to
22 receive an appraisal, the owner has the right to cancel the purchase
23 contract without penalty or further obligation within 10 business
24 days after execution of the contract.

25 (c) In the event of cancellation, the owner of the solicited real
26 property shall send a notice of cancellation to the buyer by mail,
27 telegram, email, or other means of written communication. Notice of
28 cancellation is considered given when mailed, when filed for
29 telegraphic transmission, when emailed, or, if sent by other means,
30 when delivered to the buyer's designated place of business.

31 (3) The purchase contract for a real estate transaction described
32 in this section must state clearly in at least size 10-point boldface
33 type, and the seller must affirmatively acknowledge in writing, that
34 the seller:

35 (a) Has a right to an appraisal as specified in subsection (2) of
36 this section; and

37 (b) Has a right to cancel the purchase contract without penalty
38 or further obligation in accordance with subsection (2) of this
39 section.

1 (4) This section does not apply to a buyer or seller represented
2 by a real estate broker licensed in accordance with chapter 18.85
3 RCW.

4 (5) Nothing in this chapter affects the rights accruing to any
5 party as set forth in RCW 64.04.220.

6 (6) The legislature finds that the practices covered by this
7 section are matters vitally affecting the public interest for the
8 purpose of applying the consumer protection act, chapter 19.86 RCW. A
9 violation of this section is not reasonable in relation to the
10 development and preservation of business and is an unfair or
11 deceptive act in trade or commerce and an unfair method of
12 competition for the purpose of applying the consumer protection act,
13 chapter 19.86 RCW.

14 (7) This section does not apply to any public entity including,
15 but not limited to, the department of transportation, cities, and
16 counties, acquiring real property for transportation purposes.

17 **Tow Truck Impounds**

18 NEW SECTION. **Sec. 1307.** A new section is added to chapter 46.55
19 RCW to read as follows:

20 (1) The department shall create a program to compensate
21 registered tow truck operators for private property impounds or
22 impounds performed at the direction of law enforcement to apply when
23 the owner of the vehicle is indigent, except when the vehicle has
24 been impounded after the vehicle owner has been arrested by a law
25 enforcement officer.

26 (2) An individual seeking the release of a vehicle under this
27 program must:

28 (a) Be the legal or registered owner of the vehicle;

29 (b) Be indigent;

30 (c) Either not have the ability to pay for the towing service or
31 when making such payment would be a severe hardship;

32 (d) Not have applied for the release of a vehicle under this
33 program more than once in the preceding year; and

34 (e) Fill out and certify the first part of the form described in
35 subsection (4)(a) of this section and submit it to the registered tow
36 truck operator.

37 (3) A registered tow truck operator may seek payment for private
38 property impounds or impounds ordered by a law enforcement agency

1 when the impound was not ordered following an arrest, for vehicles
2 owned by individuals meeting the requirements of subsection (2) of
3 this section. The registered tow truck operator applying for payment
4 must fill out the second part of the form described in subsection
5 (4)(b) of this section and must submit the completed form to the
6 department.

7 (4) The department shall provide a form to registered tow truck
8 operators that consists of two parts.

9 (a) The first part of the form is to be completed by individuals
10 seeking the release of a vehicle and must include a requirement that
11 individuals self-certify under penalty of perjury that they meet the
12 requirements of the program and acknowledge that they understand that
13 the department may verify or audit the information and that perjury
14 is a criminal offense.

15 (b)(i) The second part of the form is to be completed by
16 registered tow truck operators and must include a requirement that
17 registered tow truck operators self-certify under penalty of perjury
18 that they have verified that:

19 (A) The impound was a private property impound or ordered by a
20 law enforcement agency;

21 (B) The impound was not ordered following an arrest;

22 (C) The individual seeking the release of a vehicle is the owner
23 of the vehicle registered or titled with the department; and

24 (ii) The registered tow truck operators must acknowledge that
25 they understand that the department may verify or audit the
26 information and that perjury is a criminal offense.

27 (5)(a) Subject to the availability of amounts appropriated for
28 this specific purpose, the department shall disburse excess funds
29 deposited under RCW 46.55.130(2)(h) that are no longer subject to
30 payment for a valid claim under RCW 46.55.130(2)(h) in an amount
31 equal to the cost of the towing, storage, or other services incurred
32 by the registered tow truck operators during the course of the
33 private property impound or law enforcement directed impound to the
34 eligible registered tow truck operators following submission of the
35 form by the registered tow truck operator. Eligibility for payment
36 under this section does not constitute an entitlement for payment. If
37 eligible applications for payment exceed the funds available, the
38 department must create and maintain a waitlist in the order the forms
39 are received pursuant to this section. The department is not civilly

1 or criminally liable and no penalty or cause of action may be brought
2 against it regarding the provision or lack of provision of funds.

3 (b) After consulting with appropriate stakeholders, the
4 department must develop rules establishing maximum rates of
5 reimbursement for towing, storage, and other services, under this
6 subsection. The department shall convene a stakeholder work group
7 every two years, with the first meeting to be held within 12 months
8 of rule adoption, to make recommendations on amendments to these
9 rules.

10 (6) The department shall provide an annual report to the
11 appropriate committees of the legislature by October 1st of each
12 year. The annual report must include the total number of law
13 enforcement directed tows not following an arrest, the number of
14 vehicles released under this program, the number of applicants who
15 received payment under this program, the total funds provided to
16 applicants, the number of applicants on the waitlist who did not
17 receive grants, the total amount of grants unpaid due to lack of
18 funds, and the number of ineligible applicants and the reasons for
19 ineligibility.

20 (7) A registered tow truck operator who releases the vehicle
21 under this section does not have a lien or deficiency claim on the
22 released vehicle.

23 (8) When an impounding tow truck operator sends notification to
24 the legal and registered owners of a vehicle regarding the
25 impoundment of it as required under RCW 46.55.110 and the vehicle may
26 be eligible under this program, the impounding tow truck operator
27 must include information in the notification about the program
28 established in this section for the release of vehicles to indigent
29 persons.

30 (9) The registered tow truck operator shall provide to each
31 person who seeks to redeem an impounded vehicle that may be eligible
32 under this program written notice, in a form and manner specified by
33 the department, of the release of vehicles to indigent individuals.
34 The notice must be accompanied by the form described in subsection
35 (4) of this section.

36 **Sec. 1308.** RCW 46.55.115 and 1993 c 121 s 2 are each amended to
37 read as follows:

38 The Washington state patrol, under its authority to remove
39 vehicles from the highway, may remove the vehicles directly, through

1 towing operators appointed by the state patrol and called on a
2 rotational or other basis, through contracts with towing operators,
3 or by a combination of these methods. When removal is to be
4 accomplished through a towing operator on a noncontractual basis, the
5 state patrol may appoint any towing operator for this purpose upon
6 the application of the operator. Each appointment shall be contingent
7 upon the submission of an application to the state patrol and the
8 making of subsequent reports in such form and frequency and
9 compliance with such standards of equipment, performance, pricing,
10 and practices as may be required by rule of the state patrol.

11 An appointment may be rescinded by the state patrol upon evidence
12 that the appointed towing operator is not complying with the laws or
13 rules relating to the removal and storage of vehicles from the
14 highway. The state patrol may not rescind an appointment merely
15 because a registered tow truck operator negotiates a different rate
16 for voluntary, owner-requested towing than for involuntary towing
17 under this chapter. The costs of removal and storage of vehicles
18 under this section shall be paid by the owner or driver of the
19 vehicle and shall be a lien upon the vehicle until paid, unless the
20 removal is determined to be invalid or the registered tow truck
21 operator releases the vehicle under the program established in
22 section 1307 of this act.

23 Rules promulgated under this section shall be binding only upon
24 those towing operators appointed by the state patrol for the purpose
25 of performing towing services at the request of the Washington state
26 patrol. Any person aggrieved by a decision of the state patrol made
27 under this section may appeal the decision under chapter 34.05 RCW.

28 **Sec. 1309.** RCW 46.55.120 and 2017 c 152 s 1 are each amended to
29 read as follows:

30 (1)(a) Vehicles or other items of personal property registered or
31 titled with the department that are impounded by registered tow truck
32 operators pursuant to RCW 46.55.080, 46.55.085, 46.55.113, or
33 9A.88.140 may be redeemed only by the following persons or entities:

- 34 (i) The legal owner;
- 35 (ii) The registered owner;
- 36 (iii) A person authorized in writing by the registered owner;
- 37 (iv) The vehicle's insurer or a vendor working on behalf of the
- 38 vehicle's insurer;

1 (v) A third-party insurer that has a duty to repair or replace
2 the vehicle, has obtained consent from the registered owner or the
3 owner's agent to move the vehicle, and has documented that consent in
4 the insurer's claim file, or a vendor working on behalf of a third-
5 party insurer that has received such consent; provided, however, that
6 at all times the registered owner must be granted access to and may
7 reclaim possession of the vehicle. For the purposes of this
8 subsection, "owner's agent" means the legal owner of the vehicle, a
9 driver in possession of the vehicle with the registered owner's
10 permission, or an adult member of the registered owner's family;

11 (vi) A person who is determined and verified by the operator to
12 have the permission of the registered owner of the vehicle or other
13 item of personal property registered or titled with the department;

14 (vii) A person who has purchased a vehicle or item of personal
15 property registered or titled with the department from the registered
16 owner who produces proof of ownership or written authorization and
17 signs a receipt therefor; or

18 (viii) If (a)(i) through (vii) of this subsection do not apply, a
19 person, who is known to the registered or legal owner of a motorcycle
20 or moped, as each are defined in chapter 46.04 RCW, that was towed
21 from the scene of an accident, may redeem the motorcycle or moped as
22 a bailment in accordance with RCW 46.55.125 while the registered or
23 legal owner is admitted as a patient in a hospital due to the
24 accident.

25 (b) In addition, a vehicle impounded because the operator is in
26 violation of RCW 46.20.342(1)(c) shall not be released until a person
27 eligible to redeem it under (a) of this subsection satisfies the
28 requirements of (f) of this subsection, including paying all towing,
29 removal, and storage fees, notwithstanding the fact that the hold was
30 ordered by a government agency. If the department's records show that
31 the operator has been convicted of a violation of RCW 46.20.342 or a
32 similar local ordinance within the past five years, the vehicle may
33 be held for up to ~~((thirty))~~ 30 days at the written direction of the
34 agency ordering the vehicle impounded. A vehicle impounded because
35 the operator is arrested for a violation of RCW 46.20.342 may be
36 released only pursuant to a written order from the agency that
37 ordered the vehicle impounded or from the court having jurisdiction.
38 An agency shall issue a written order to release pursuant to a
39 provision of an applicable state agency rule or local ordinance
40 authorizing release on the basis of the following:

1 (i) Economic or personal hardship to the spouse of the operator,
2 taking into consideration public safety factors, including the
3 operator's criminal history and driving record; or

4 (ii) The owner of the vehicle was not the driver, the owner did
5 not know that the driver's license was suspended or revoked, and the
6 owner has not received a prior release under this subsection or RCW
7 46.55.113(3).

8 In order to avoid discriminatory application, other than for the
9 reasons for release set forth in (b)(i) and (ii) of this subsection,
10 an agency shall, under a provision of an applicable state agency rule
11 or local ordinance, deny release in all other circumstances without
12 discretion.

13 If a vehicle is impounded because the operator is in violation of
14 RCW 46.20.342(1) (a) or (b), the vehicle may be held for up to
15 ((~~thirty~~)) 30 days at the written direction of the agency ordering
16 the vehicle impounded. However, if the department's records show that
17 the operator has been convicted of a violation of RCW 46.20.342(1)
18 (a) or (b) or a similar local ordinance within the past five years,
19 the vehicle may be held at the written direction of the agency
20 ordering the vehicle impounded for up to ((~~sixty~~)) 60 days, and for
21 up to ((~~ninety~~)) 90 days if the operator has two or more such prior
22 offenses. If a vehicle is impounded because the operator is arrested
23 for a violation of RCW 46.20.342, the vehicle may not be released
24 until a person eligible to redeem it under (a) of this subsection
25 satisfies the requirements of (f) of this subsection, including
26 paying all towing, removal, and storage fees, notwithstanding the
27 fact that the hold was ordered by a government agency.

28 (c) If the vehicle is directed to be held for a suspended license
29 impound, a person who desires to redeem the vehicle at the end of the
30 period of impound shall within five days of the impound at the
31 request of the tow truck operator pay a security deposit to the tow
32 truck operator of not more than one-half of the applicable impound
33 storage rate for each day of the proposed suspended license impound.
34 The tow truck operator shall credit this amount against the final
35 bill for removal, towing, and storage upon redemption. The tow truck
36 operator may accept other sufficient security in lieu of the security
37 deposit. If the person desiring to redeem the vehicle does not pay
38 the security deposit or provide other security acceptable to the tow
39 truck operator, the tow truck operator may process and sell at
40 auction the vehicle as an abandoned vehicle within the normal time

1 limits set out in RCW 46.55.130(1). The security deposit required by
2 this section may be paid and must be accepted at any time up to
3 (~~(twenty-four)~~) 24 hours before the beginning of the auction to sell
4 the vehicle as abandoned. The registered owner is not eligible to
5 purchase the vehicle at the auction, and the tow truck operator shall
6 sell the vehicle to the highest bidder who is not the registered
7 owner.

8 (d) Notwithstanding (c) of this subsection, a rental car business
9 may immediately redeem a rental vehicle it owns by payment of the
10 costs of removal, towing, and storage, whereupon the vehicle will not
11 be held for a suspended license impound.

12 (e) Notwithstanding (c) of this subsection, a motor vehicle
13 dealer or lender with a perfected security interest in the vehicle
14 may redeem or lawfully repossess a vehicle immediately by payment of
15 the costs of removal, towing, and storage, whereupon the vehicle will
16 not be held for a suspended license impound. A motor vehicle dealer
17 or lender with a perfected security interest in the vehicle may not
18 knowingly and intentionally engage in collusion with a registered
19 owner to repossess and then return or resell a vehicle to the
20 registered owner in an attempt to avoid a suspended license impound.
21 However, this provision does not preclude a vehicle dealer or a
22 lender with a perfected security interest in the vehicle from
23 repossessing the vehicle and then selling, leasing, or otherwise
24 disposing of it in accordance with chapter 62A.9A RCW, including
25 providing redemption rights to the debtor under RCW 62A.9A-623. If
26 the debtor is the registered owner of the vehicle, the debtor's right
27 to redeem the vehicle under chapter 62A.9A RCW is conditioned upon
28 the debtor obtaining and providing proof from the impounding
29 authority or court having jurisdiction that any fines, penalties, and
30 forfeitures owed by the registered owner, as a result of the
31 suspended license impound, have been paid, and proof of the payment
32 must be tendered to the vehicle dealer or lender at the time the
33 debtor tenders all other obligations required to redeem the vehicle.
34 Vehicle dealers or lenders are not liable for damages if they rely in
35 good faith on an order from the impounding agency or a court in
36 releasing a vehicle held under a suspended license impound.

37 (f) The vehicle or other item of personal property registered or
38 titled with the department shall be released upon the presentation to
39 any person having custody of the vehicle of commercially reasonable
40 tender sufficient to cover the costs of towing, storage, or other

1 services rendered during the course of towing, removing, impounding,
2 or storing any such vehicle, with credit being given for the amount
3 of any security deposit paid under (c) of this subsection.
4 Alternatively, a vehicle must be released when the registered tow
5 truck operator completes the form described in section 1307(4) of
6 this act provided that the first part of the form is completed by an
7 individual seeking the release of a vehicle. In addition, if a
8 vehicle is impounded because the operator was arrested for a
9 violation of RCW 46.20.342 or 46.20.345 and was being operated by the
10 registered owner when it was impounded under local ordinance or
11 agency rule, it must not be released to any person until the
12 registered owner establishes with the agency that ordered the vehicle
13 impounded or the court having jurisdiction that any penalties, fines,
14 or forfeitures owed by him or her have been satisfied. Registered tow
15 truck operators are not liable for damages if they rely in good faith
16 on an order from the impounding agency or a court in releasing a
17 vehicle held under a suspended license impound. Commercially
18 reasonable tender shall include, without limitation, cash, major bank
19 credit cards issued by financial institutions, or personal checks
20 drawn on Washington state branches of financial institutions if
21 accompanied by two pieces of valid identification, one of which may
22 be required by the operator to have a photograph. If the towing firm
23 cannot determine through the customer's bank or a check verification
24 service that the presented check would be paid by the bank or
25 guaranteed by the service, the towing firm may refuse to accept the
26 check. Any person who stops payment on a personal check or credit
27 card, or does not make restitution within ((ten)) 10 days from the
28 date a check becomes insufficient due to lack of funds, to a towing
29 firm that has provided a service pursuant to this section or in any
30 other manner defrauds the towing firm in connection with services
31 rendered pursuant to this section shall be liable for damages in the
32 amount of twice the towing and storage fees, plus costs and
33 reasonable attorney's fees.

34 (2)(a) The registered tow truck operator shall give to each
35 person who seeks to redeem an impounded vehicle, or item of personal
36 property registered or titled with the department, written notice of
37 the right of redemption and opportunity for a hearing, which notice
38 shall be accompanied by a form to be used for requesting a hearing,
39 the name of the person or agency authorizing the impound, and a copy
40 of the towing and storage invoice. The registered tow truck operator

1 shall maintain a record evidenced by the redeeming person's signature
2 that such notification was provided.

3 (b) Any person seeking to redeem an impounded vehicle under this
4 section has a right to a hearing in the district or municipal court
5 for the jurisdiction in which the vehicle was impounded to contest
6 the validity of the impoundment or the amount of towing and storage
7 charges. The district court has jurisdiction to determine the issues
8 involving all impoundments including those authorized by the state or
9 its agents. The municipal court has jurisdiction to determine the
10 issues involving impoundments authorized by agents of the
11 municipality. Any request for a hearing shall be made in writing on
12 the form provided for that purpose and must be received by the
13 appropriate court within (~~(ten)~~) 10 days of the date the opportunity
14 was provided for in (a) of this subsection and more than five days
15 before the date of the auction. At the time of the filing of the
16 hearing request, the petitioner shall pay to the court clerk a filing
17 fee in the same amount required for the filing of a suit in district
18 court. If the hearing request is not received by the court within the
19 (~~(ten-day)~~) 10-day period, the right to a hearing is waived and the
20 registered owner is liable for any towing, storage, or other
21 impoundment charges permitted under this chapter. Upon receipt of a
22 timely hearing request, the court shall proceed to hear and determine
23 the validity of the impoundment.

24 (3)(a) The court, within five days after the request for a
25 hearing, shall notify the registered tow truck operator, the person
26 requesting the hearing if not the owner, the registered and legal
27 owners of the vehicle or other item of personal property registered
28 or titled with the department, and the person or agency authorizing
29 the impound in writing of the hearing date and time.

30 (b) At the hearing, the person or persons requesting the hearing
31 may produce any relevant evidence to show that the impoundment,
32 towing, or storage fees charged were not proper. The court may
33 consider a written report made under oath by the officer who
34 authorized the impoundment in lieu of the officer's personal
35 appearance at the hearing.

36 (c) At the conclusion of the hearing, the court shall determine
37 whether the impoundment was proper, whether the towing or storage
38 fees charged were in compliance with the posted rates, and who is
39 responsible for payment of the fees. The court may not adjust fees or
40 charges that are in compliance with the posted or contracted rates.

1 (d) If the impoundment is found proper, the impoundment, towing,
2 and storage fees as permitted under this chapter together with court
3 costs shall be assessed against the person or persons requesting the
4 hearing, unless the operator did not have a signed and valid
5 impoundment authorization from a private property owner or an
6 authorized agent.

7 (e) If the impoundment is determined to be in violation of this
8 chapter, then the registered and legal owners of the vehicle or other
9 item of personal property registered or titled with the department
10 shall bear no impoundment, towing, or storage fees, and any security
11 shall be returned or discharged as appropriate, and the person or
12 agency who authorized the impoundment shall be liable for any towing,
13 storage, or other impoundment fees permitted under this chapter. The
14 court shall enter judgment in favor of the registered tow truck
15 operator against the person or agency authorizing the impound for the
16 impoundment, towing, and storage fees paid. In addition, the court
17 shall enter judgment in favor of the registered and legal owners of
18 the vehicle, or other item of personal property registered or titled
19 with the department, for the amount of the filing fee required by law
20 for the impound hearing petition as well as reasonable damages for
21 loss of the use of the vehicle during the time the same was impounded
22 against the person or agency authorizing the impound. However, if an
23 impoundment arising from an alleged violation of RCW 46.20.342 or
24 46.20.345 is determined to be in violation of this chapter, then the
25 law enforcement officer directing the impoundment and the government
26 employing the officer are not liable for damages if the officer
27 relied in good faith and without gross negligence on the records of
28 the department in ascertaining that the operator of the vehicle had a
29 suspended or revoked driver's license. If any judgment entered is not
30 paid within (~~(fifteen)~~) 15 days of notice in writing of its entry,
31 the court shall award reasonable attorneys' fees and costs against
32 the defendant in any action to enforce the judgment. Notice of entry
33 of judgment may be made by registered or certified mail, and proof of
34 mailing may be made by affidavit of the party mailing the notice.
35 Notice of the entry of the judgment shall read essentially as
36 follows:

37 TO:

38 YOU ARE HEREBY NOTIFIED JUDGMENT was entered against you in
39 the Court located at in the sum of

1 \$., in an action entitled, Case
2 No. YOU ARE FURTHER NOTIFIED that attorneys fees and
3 costs will be awarded against you under RCW . . . if the
4 judgment is not paid within 15 days of the date of this
5 notice.

6 DATED this day of, (year) . . .

7 Signature

8 Typed name and address

9 of party mailing notice

10 (4) Any impounded abandoned vehicle or item of personal property
11 registered or titled with the department that is not redeemed within
12 ((fifteen)) 15 days of mailing of the notice of custody and sale as
13 required by RCW 46.55.110(3) shall be sold at public auction in
14 accordance with all the provisions and subject to all the conditions
15 of RCW 46.55.130. A vehicle or item of personal property registered
16 or titled with the department may be redeemed at any time before the
17 start of the auction either upon ((payment)):

18 (a) Payment of the applicable towing and storage fees; or

19 (b) The completion of the form specified in section 1307 of this
20 act.

21 **Tax Increment Financing for Transportation Projects**

22 **Sec. 1310.** RCW 39.114.020 and 2024 c 236 s 2 are each amended to
23 read as follows:

24 (1) A local government may designate an increment area under this
25 chapter and use the tax allocation revenues to pay public improvement
26 costs, subject to the following conditions:

27 (a) The local government must adopt an ordinance designating an
28 increment area within its boundaries and describing the public
29 improvements proposed to be paid for, or financed with, tax
30 allocation revenues;

31 (b) The local government may not designate increment area
32 boundaries such that the entirety of its territory falls within an
33 increment area;

34 (c) ((The)) (i) Except as provided in (c)(ii) of this subsection,
35 the increment area may not have an assessed valuation of more than
36 \$200,000,000 or more than 20 percent of the sponsoring jurisdiction's
37 total assessed valuation, whichever is less, when the ordinance is

1 passed. If a sponsoring jurisdiction creates two increment areas, the
2 total combined assessed valuation in both of the two increment areas
3 may not equal more than \$200,000,000 or more than 20 percent of the
4 sponsoring jurisdiction's total assessed valuation, whichever is
5 less, when the ordinances are passed creating the increment areas.

6 (ii) During the 2026 fiscal year, a sponsoring jurisdiction may
7 enact a tax increment area or areas with a combined assessed
8 valuation greater than \$200,000,000 but no more than \$500,000,000 if:

9 (A) The sponsoring jurisdiction is a city with a population over
10 150,000 but less than 170,000 and is located in a county with a
11 population of over 1,500,000;

12 (B) The tax increment area is connected to Interstate 405 and the
13 transportation-related public improvements that will be funded
14 enhance the integration and connection of neighborhoods within and
15 adjacent to the increment area;

16 (C) The sponsoring jurisdiction enacted an ordinance designating
17 the increment area no later than June 30, 2026; and

18 (D) A governing body of any taxing district within the increment
19 area approves by a majority vote, and according to the governing
20 body's ordinance and publication procedures, the taxing district's
21 partial or full participation in the tax increment project. If the
22 governing body does not approve its participation, the taxing
23 district's property taxes are not subject to apportionment under this
24 chapter and the taxing district is excluded from the provisions of
25 this section;

26 (d) ((A)) Except as otherwise provided in (c)(ii) of this
27 subsection, a local government can create no more than two active
28 increment areas at any given time and they may not physically overlap
29 by including the same land in more than one increment area at any
30 time;

31 (e) The ordinance must set a sunset date for the increment area,
32 which may be no more than 25 years after the first year in which tax
33 allocation revenues are collected from the increment area;

34 (f) The ordinance must identify the public improvements to be
35 financed and indicate whether the local government intends to issue
36 bonds or other obligations, payable in whole or in part, from tax
37 allocation revenues to finance the public improvement costs, and must
38 estimate the maximum amount of obligations contemplated;

1 (g) The ordinance must provide that the increment area takes
2 effect on June 1st following the adoption of the ordinance in (a) of
3 this subsection;

4 (h) The sponsoring jurisdiction may not add additional public
5 improvements to the project after adoption of the ordinance creating
6 the increment area or change the boundaries of the increment area.
7 The sponsoring jurisdiction may expand, alter, or add to the original
8 public improvements when doing so is necessary to assure the
9 originally approved improvements can be constructed or operated;

10 (i) The ordinance must impose a deadline by which commencement of
11 construction of the public improvements shall begin, which deadline
12 must be at least five years into the future and for which extensions
13 shall be made available for good cause; and

14 (j) The local government must make a finding that:

15 (i) The public improvements proposed to be paid or financed with
16 tax allocation revenues are expected to encourage private development
17 within the increment area and to increase the assessed value of real
18 property within the increment area;

19 (ii) Private development that is anticipated to occur within the
20 increment area as a result of the proposed public improvements will
21 be permitted consistent with the permitting jurisdiction's applicable
22 zoning and development standards;

23 (iii) The private development would not reasonably be expected to
24 occur solely through private investment within the reasonably
25 foreseeable future without the proposed public improvements; and

26 (iv) The increased assessed value within the increment area that
27 could reasonably be expected to occur without the proposed public
28 improvements would be less than the increase in the assessed value
29 estimated to result from the proposed development with the proposed
30 public improvements.

31 (2) In considering whether to designate an increment area, the
32 legislative body of the local government must prepare a project
33 analysis that shall include, but need not be limited to, the
34 following:

35 (a) A statement of objectives of the local government for the
36 designated increment area;

37 (b) A statement as to the property within the increment area, if
38 any, that the local government may intend to acquire;

39 (c) The duration of the increment area;

40 (d) Identification of all parcels to be included in the area;

1 (e) A description of the expected private development within the
2 increment area, including a comparison of scenarios with the proposed
3 public improvements and without the proposed public improvements;

4 (f) A description of the public improvements, estimated public
5 improvement costs, and the estimated amount of bonds or other
6 obligations expected to be issued to finance the public improvement
7 costs and repaid with tax allocation revenues;

8 (g) The assessed value of real property listed on the tax roll as
9 certified by the county assessor under RCW 84.52.080 from within the
10 increment area and an estimate of the increment value and tax
11 allocation revenues expected to be generated;

12 (h) An estimate of the job creation reasonably expected to result
13 from the public improvements and the private development expected to
14 occur in the increment area;

15 (i) An assessment of any impacts on the following:

16 (i) Affordable and low-income housing;

17 (ii) The local business community;

18 (iii) The local school districts; and

19 (iv) The local fire service, public hospital service, and
20 emergency medical services; and

21 (j) The assessment of impacts under (i) of this subsection (2)
22 must include any necessary mitigation to the local fire service,
23 public hospital service, and emergency medical services; and

24 (k) An assessment of any impacts of any other junior taxing
25 districts not referenced in (i) of this subsection (2).

26 (3) The local government may charge a private developer, who
27 agrees to participate in creating the increment area, a fee
28 sufficient to cover the cost of the project analysis and establishing
29 the increment area, including staff time, professionals and
30 consultants, and other administrative costs related to establishing
31 the increment area.

32 (4) Nothing in this section prohibits a local government from
33 entering into an agreement under chapter 39.34 RCW with another local
34 government for the administration or other activities related to tax
35 increment financing authorized under this section.

36 (5)(a) If the project analysis indicates that an increment area
37 will impact at least 20 percent of the assessed value in a public
38 hospital district, fire protection district, or regional fire
39 protection service authority, or if the public hospital district's or
40 the fire service agency's annual report, or other governing board-

1 adopted capital facilities plan, demonstrates an increase in the
2 level of service directly related to the increased development in the
3 increment area, the local government must enter into negotiations for
4 a mitigation plan with the impacted public hospital district, fire
5 protection district, or regional fire protection service authority to
6 address level of service issues in the increment area.

7 (b) If the parties cannot agree pursuant to (a) of this
8 subsection (5), the parties must proceed to arbitration to determine
9 the appropriate mitigation plan. The board of arbitrators must
10 consist of three persons: One appointed by the local government
11 seeking to designate the increment area and one appointed by the
12 junior taxing district, both of whom must be appointed within 60 days
13 of the date when arbitration is requested, and a third arbitrator who
14 must be appointed by agreement of the other two arbitrators within 90
15 days of the date when arbitration is requested. If the two are unable
16 to agree on the appointment of the third arbitrator within this 90-
17 day period, then the third arbitrator must be appointed by a judge in
18 the superior court of the county within which the largest portion of
19 the increment area is located. The determination by the board of
20 arbitrators is binding on both the local government seeking to impose
21 the increment area and the junior taxing district.

22 (6) The local government may reimburse the assessor and treasurer
23 for their costs as provided in RCW 39.114.010(6)(e).

24 (7) Prior to the adoption of an ordinance authorizing creation of
25 an increment area, the local government must:

26 (a) Hold at least two public briefings for the community solely
27 on the tax increment project that include the description of the
28 increment area, the public improvements proposed to be financed with
29 the tax allocation revenues, and a detailed estimate of tax revenues
30 for the participating local governments and taxing districts,
31 including the amounts allocated to the increment public improvements.
32 The briefings must be announced at least two weeks prior to the date
33 being held, including publishing in a legal newspaper of general
34 circulation and posting information on the local government website
35 and all local government social media sites, and must occur no
36 earlier than 90 days after submitting the project analysis to the
37 office of the treasurer and all local governments and taxing
38 districts impacted by the increment area;

1 (b) Submit the project analysis to all local governments and
2 taxing districts impacted by the increment area no less than 90 days
3 prior to the adoption of the ordinance; and

4 (c) Submit the project analysis to the office of the treasurer
5 for review and consider any comments that the treasurer may provide
6 upon completion of their review of the project analysis as provided
7 under this subsection. The treasurer must complete the review within
8 90 days of receipt of the project analysis and may consult with other
9 agencies and outside experts as necessary. Upon completing their
10 review, the treasurer must promptly provide to the local government
11 any comments regarding suggested revisions or enhancements to the
12 project analysis that the treasurer deems appropriate based on the
13 requirements in subsection (2) of this section.

14 **Sec. 1311.** RCW 84.55.010 and 2021 c 207 s 10 are each amended to
15 read as follows:

16 (1) Except as provided in this chapter, the levy for a taxing
17 district in any year must be set so that the regular property taxes
18 payable in the following year do not exceed the limit factor
19 multiplied by the amount of regular property taxes lawfully levied
20 for such district in the highest of the three most recent years in
21 which such taxes were levied for such district, excluding any
22 increase due to (e) of this subsection, unless the highest levy was
23 the statutory maximum rate amount, plus an additional dollar amount
24 calculated by multiplying the regular property tax levy rate of that
25 district for the preceding year by the increase in assessed value in
26 that district resulting from:

27 (a) New construction;

28 (b) Increases in assessed value due to construction of wind
29 turbine, solar, biomass, and geothermal facilities, if such
30 facilities generate electricity and the property is not included
31 elsewhere under this section for purposes of providing an additional
32 dollar amount. The property may be classified as real or personal
33 property;

34 (c) Improvements to property;

35 (d) Any increase in the assessed value of state-assessed
36 property; and

37 (e) Any increase in the assessed value of real property, as that
38 term is defined in RCW 39.114.010, within an increment area as
39 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

1 apply to levies by the state or by port districts and public utility
2 districts for the purpose of making required payments of principal
3 and interest on general indebtedness. For the purposes of this
4 subsection (5), "increment area" does not include increment areas
5 that are not approved by the taxing district's governing body for
6 participation in the tax increment project pursuant to RCW
7 39.114.020(1)(c)(ii)(D).

8 **Sec. 1313.** RCW 84.55.030 and 2023 c 354 s 6 are each amended to
9 read as follows:

10 For the first levy for a taxing district following annexation of
11 additional property, the limitation set forth in RCW 84.55.010 must
12 be increased by an amount equal to the aggregate assessed valuation
13 of the newly annexed property as shown by the current completed and
14 balanced tax rolls of the county or counties within which such
15 property lies, multiplied by the dollar rate that would have been
16 used by the annexing unit in the absence of such annexation, plus the
17 additional dollar amount calculated by multiplying the regular
18 property tax levy rate of that annexing taxing district for the
19 preceding year by the increase in assessed value in the annexing
20 district resulting from:

21 (1) New construction;

22 (2) Increases in assessed value due to construction of wind
23 turbine, solar, biomass, and geothermal facilities, if such
24 facilities generate electricity and the property is not included
25 elsewhere under this section for purposes of providing an additional
26 dollar amount. The property may be classified as real or personal
27 property;

28 (3) Improvements to property;

29 (4) Any increase in the assessed value of state-assessed
30 property; and

31 (5) Any increase in the assessed value of real property, as
32 defined in RCW 39.114.010, within an increment area as designated by
33 any local government in RCW 39.114.020 if the increase is not
34 included elsewhere under this section. This subsection does not apply
35 to levies by the state or by port districts or public utility
36 districts for the purpose of making required payments of principal
37 and interest on general indebtedness. For the purposes of this
38 subsection (5), "increment area" does not include increment areas
39 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.

1 NEW SECTION. **Sec. 1408.** Sections 207 through 211 of this act
2 take effect April 1, 2026.

3 NEW SECTION. **Sec. 1409.** Sections 304 and 1201 through 1224 of
4 this act take effect July 1, 2026.

5 NEW SECTION. **Sec. 1410.** Sections 1102 and 1103 of this act
6 expire July 1, 2027.

7 NEW SECTION. **Sec. 1411.** Section 803 of this act takes effect
8 July 1, 2028.

9 NEW SECTION. **Sec. 1412.** Section 802 of this act expires July 1,
10 2028.

11 NEW SECTION. **Sec. 1413.** Section 106 of this act takes effect
12 January 1, 2029.

13 NEW SECTION. **Sec. 1414.** Section 105 of this act expires January
14 1, 2029.

15 NEW SECTION. **Sec. 1415.** Section 106 of this act applies to
16 vehicle registrations that are due or become due on or after January
17 1, 2029.

18 NEW SECTION. **Sec. 1416.** Sections 104, 105, and 107 through 110
19 of this act apply to vehicle registrations that are due or become due
20 on or after January 1, 2026.

21 NEW SECTION. **Sec. 1417.** If any provision of this act or its
22 application to any person or circumstance is held invalid, the
23 remainder of the act or the application of the provision to other
24 persons or circumstances is not affected.

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