
SUBSTITUTE SENATE BILL 5801

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, 46.68.090, 46.17.323, 46.17.324, 46.17.040, 46.17.005,
3 82.08.020, 82.12.020, 70A.205.405, 70A.205.430, 70A.205.425,
4 46.20.161, 46.20.181, 46.68.041, 46.63.200, 46.63.110, 47.46.100,
5 47.56.245, 47.56.850, 47.56.870, 90.58.356, 77.55.181, 49.26.013,
6 36.70A.200, 36.70A.200, 47.04.380, 47.04.430, 47.04.390, 47.01.051,
7 47.01.071, 47.04.280, 81.52.050, 46.63.220, 47.04.350, 47.04.355,
8 47.60.826, 88.16.035, 46.16A.305, 47.60.322, 82.42.090, 43.19.642,
9 47.04.035, 39.114.020, 47.56.030, 47.56.031, and 70A.15.4030;
10 reenacting and amending RCW 46.20.117, 43.84.092, 43.84.092,
11 70A.65.030, 70A.65.040, 70A.65.230, and 46.16A.030; adding a new
12 section to chapter 47.60 RCW; adding a new section to chapter 46.17
13 RCW; adding a new section to chapter 82.14 RCW; adding a new section
14 to chapter 47.66 RCW; adding a new section to chapter 47.04 RCW;
15 adding a new section to chapter 72.60 RCW; adding new chapters to
16 Title 82 RCW; adding a new chapter to Title 36 RCW; adding a new
17 chapter to Title 47 RCW; creating new sections; repealing RCW
18 47.46.110, 47.01.075, 46.68.490, 46.68.500, 47.29.010, 47.29.020,
19 47.29.030, 47.29.040, 47.29.050, 47.29.060, 47.29.070, 47.29.080,
20 47.29.090, 47.29.100, 47.29.110, 47.29.120, 47.29.130, 47.29.140,
21 47.29.150, 47.29.160, 47.29.170, 47.29.180, 47.29.190, 47.29.200,
22 47.29.210, 47.29.220, 47.29.230, 47.29.240, 47.29.250, 47.29.260,
23 47.29.270, 47.29.280, and 47.29.290; prescribing penalties; providing

effective dates; providing expiration dates; and declaring an emergency.

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

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

PART I

MOTOR VEHICLE FUEL TAXES, ELECTRIC VEHICLES FEES, AND OTHER VEHICLE FEES

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

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

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

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

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

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

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

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

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

8 (9) Beginning July 1, 2026, and on July 1st of each year
9 thereafter, the fuel tax imposed under this section on fuel licensees
10 must be increased by an additional inflation adjustment factor. The
11 additional inflation adjustment factor is the fuel tax rate as of
12 June 30th of the immediately preceding fiscal year increased by two
13 percent. The resulting fuel tax rate must be rounded to the nearest
14 10th cent per gallon.

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

18 ~~((+9))~~ (11) Taxes are imposed when:

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

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

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

29 (ii) The removal is at the refinery rack unless the removal is to
30 a licensed supplier or distributor for direct delivery to a
31 destination outside of the state, or the removal is to a licensed
32 supplier for direct delivery to an international fuel tax agreement
33 licensee under RCW 82.38.320;

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

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

40 (ii) The entry is not by bulk transfer;

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

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

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

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

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

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

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

20 **Sec. 102.** RCW 46.68.090 and 2015 3rd sp.s. c 44 s 105 are each
21 amended to read as follows:

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

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

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

34 (2) All of the remaining net tax amount collected under RCW
35 82.38.030(1) must be distributed as set forth in (a) through (j) of
36 this subsection.

37 (a) For distribution to the motor vehicle fund an amount equal to
38 44.387 percent to be expended for highway purposes of the state as
39 defined in RCW 46.68.130;

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

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

9 (A) Accident experience;

10 (B) Fatal accident experience;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

36 (7) The remaining net tax amount collected under RCW 82.38.030
37 (7) and (~~((8))~~) (10) must be distributed to the connecting Washington
38 account created in RCW 46.68.395.

1 (8) The remaining net tax amount collected under RCW 82.38.030
2 (8) and (9) must be distributed to the move ahead WA account created
3 in RCW 46.68.510.

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

9 **Sec. 103.** RCW 46.17.323 and 2022 c 149 s 1 are each amended to
10 read as follows:

11 (1) Before accepting an application for an annual vehicle
12 registration (~~((renewal))~~) for a vehicle that both (a) uses at least
13 one method of propulsion that is capable of being reenergized by an
14 external source of electricity and (b) is capable of traveling at
15 least 30 miles using only battery power, except for electric
16 motorcycles, the department, county auditor or other agent, or
17 subagent appointed by the director must require the applicant to pay
18 a (~~(((\$100))~~) \$150 fee in addition to any other fees and taxes required
19 by law. The (~~(((\$100))~~) fee is due (~~((only))~~) at the time of annual
20 registration (~~((renewal))~~).

21 (2) This section only applies to a vehicle that is designed to
22 have the capability to drive at a speed of more than 35 miles per
23 hour.

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

33 (b) If in any year the amount of proceeds from the first \$100 of
34 the fee collected under subsection (1) of this section on
35 registration renewals exceeds \$1,000,000, the excess amount over
36 \$1,000,000 must be deposited as follows:

37 (i) Seventy percent to the motor vehicle fund created in RCW
38 46.68.070;

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

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

5 (c) The first \$100 of the fee collected under subsection (1) of
6 this section on original registrations must be deposited in the move
7 ahead WA account created in RCW 46.68.510.

8 (d) \$50 of the fee collected under subsection (1) of this section
9 on both original registrations and renewal registrations must be
10 deposited in the move ahead WA account created in RCW 46.68.510.

11 (4)(a) In addition to the fee established in subsection (1) of
12 this section, before accepting an application for an annual vehicle
13 registration (~~((renewal))~~) for a vehicle that both (i) uses at least
14 one method of propulsion that is capable of being reenergized by an
15 external source of electricity and (ii) is capable of traveling at
16 least 30 miles using only battery power, except for electric
17 motorcycles, the department, county auditor or other agent, or
18 subagent appointed by the director must require the applicant to pay
19 a \$50 fee.

20 (b) (~~((The))~~) Except as provided in subsection (7) of this section,
21 the fee required under (a) of this subsection on registration
22 renewals must be distributed as follows:

23 (i) The first \$1,000,000 raised by the fee must be deposited into
24 the multimodal transportation account created in RCW 47.66.070; and

25 (ii) Any remaining amounts must be deposited into the motor
26 vehicle fund created in RCW 46.68.070.

27 (c) Except as provided in subsection (7) of this section, the fee
28 required under (a) of this subsection on original registrations must
29 be deposited in the move ahead WA account created in RCW 46.68.510.

30 (5) Beginning November 1, 2022, before accepting an application
31 for an annual vehicle registration (~~((renewal))~~) for an electric
32 motorcycle that uses propulsion units powered solely by electricity,
33 the department, county auditor or other agent, or subagent appointed
34 by the director must require the applicant to pay a \$30 fee in
35 addition to any other fees and taxes required by law. The \$30 fee is
36 due (~~((only))~~) at the time of annual registration (~~((renewal))~~).

37 (6) (~~((The))~~) (a) Except as provided in subsection (7) of this
38 section, the fees collected pursuant to subsection (5) of this
39 section on registration renewals shall be deposited into the motor
40 vehicle fund created in RCW 46.68.070 and the fees collected pursuant

1 to subsection (5) of this section on original registrations shall be
2 deposited in the move ahead WA account created in RCW 46.68.510.

3 (7) Beginning July 1, 2026, and on July 1st of each year
4 thereafter, the fees under subsections (1), (4), and (5) of this
5 section must be increased by an additional inflation adjustment
6 factor. The additional inflation adjustment factor is the fee rate as
7 of June 30th of the immediately preceding fiscal year increased by
8 two percent. The result must be rounded to the nearest 20th of \$1.
9 The entire amount of the proceeds from the additional inflation
10 adjustment factor under this subsection must be deposited in the move
11 ahead WA account created in RCW 46.68.510.

12 (8) This section applies to annual vehicle ((registration
13 renewals)) registrations until the effective date of enacted
14 legislation that imposes a vehicle miles traveled fee or tax.

15 (9) The fees in this section shall be known and designated as the
16 "Fix Our Roads" Electric vehicle registration renewal fees—Electric
17 motorcycles."

18 **Sec. 104.** RCW 46.17.324 and 2019 c 287 s 23 are each amended to
19 read as follows:

20 ~~((To realize the environmental benefits of electrification of the~~
21 ~~transportation system it is necessary to support the adoption of~~
22 ~~electric vehicles and other electric technology in the state by~~
23 ~~incentivizing the purchase of these vehicles, building out the~~
24 ~~charging infrastructure, developing greener transit options, and~~
25 ~~supporting clean alternative fuel infrastructure. Therefore, it is~~
26 ~~the intent of the legislature to support these activities through the~~
27 ~~imposition of new transportation electrification fees in this~~
28 ~~section.))~~

29 (1) A vehicle that both (a) uses at least one method of
30 propulsion that is capable of being reenergized by an external source
31 of electricity and (b) is capable of traveling at least ~~((thirty))~~ 30
32 miles using only battery power, is subject to an annual ~~((seventy-~~
33 ~~five dollar))~~ \$75 transportation electrification fee to be collected
34 by the department, county auditor, or other agent or subagent
35 appointed by the director, in addition to any other fees and taxes
36 required by law. For administrative efficiencies, the transportation
37 electrification fee must be collected at the same time as an annual
38 vehicle registration ((renewals and may only be collected for
39 vehicles that are renewing an annual vehicle registration)).

1 (2) Beginning October 1, 2019, in lieu of the fee in subsection
2 (1) of this section for a hybrid or alternative fuel vehicle that is
3 not required to pay the fees established in RCW 46.17.323 (1) and
4 (4), the department, county auditor, or other agent or subagent
5 appointed by the director must require that the applicant for the
6 annual vehicle registration (~~((renewal))~~) of such hybrid or alternative
7 fuel vehicle pay a (~~((seventy-five dollar))~~) \$100 hybrid vehicle
8 transportation electrification fee, in addition to any other fees and
9 taxes required by law.

10 (3) ~~The ((fees required under this section must be deposited in~~
11 ~~the electric vehicle account created in RCW 82.44.200, until July 1,~~
12 ~~2025, when the fee))~~ first \$75 of the fees on renewal registrations
13 required under this section must be deposited in the motor vehicle
14 account. The remaining amounts on registration renewals and all of
15 the fees on original registrations must be deposited in the move
16 ahead WA account created in RCW 46.68.510.

17 (4) Beginning July 1, 2026, and on July 1st of each year
18 thereafter, the fees under this section must be increased by an
19 additional inflation adjustment factor. The additional inflation
20 adjustment factor is the fee rate as of June 30th of the immediately
21 preceding fiscal year increased by two percent. The result must be
22 rounded to the nearest 20th of \$1. The entire amount of the proceeds
23 from the additional inflation adjustment factor under this subsection
24 must be deposited in the move ahead WA account created in RCW
25 46.68.510.

26 (5) This section only applies to a vehicle that is designed to
27 have the capability to drive at a speed of more than (~~((thirty-five))~~)
28 35 miles per hour.

29 (6) The fees in this section shall be known and designated as the
30 "Fix Our Roads" Electric Transportation electrification fee."

31 **Sec. 105.** RCW 46.17.040 and 2019 c 417 s 2 are each amended to
32 read as follows:

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

35 (a) (~~((Fifteen dollars))~~) \$18 for changes in a certificate of
36 title, changes in ownership for nontitled vehicles, or for
37 verification of record and preparation of an affidavit of lost title
38 other than at the time of the certificate of title application or

1 transfer, in addition to any other fees or taxes due at the time of
2 application; and

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

6 (2) Service fees collected under this section by the department
7 or county auditor or other agent appointed by the director must be
8 credited to the capital vessel replacement account under RCW
9 47.60.322.

10 **Sec. 106.** RCW 46.17.005 and 2019 c 417 s 3 are each amended to
11 read as follows:

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

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

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

21 NEW SECTION. **Sec. 107.** Sections 105 and 106 of this act apply
22 to registrations that are due or become due on or after January 1,
23 2026, and certificate of title transactions that are processed on or
24 after January 1, 2026.

25 **PART II**

26 **LUXURY TAX ON EXPENSIVE MOTOR VEHICLES/VESSELS/AIRCRAFT, RENTAL CAR** 27 **TAX, TIRE DISPOSAL FEE, AND ELECTRIC BICYCLE SURCHARGE**

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

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

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

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

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

6 (d) Extended warranties to consumers; and

7 (e) Anything else, the sale of which is included within the RCW
8 82.04.050 definition of retail sale.

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

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

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

17 (B) The revenue collected from the first five and nine-tenths
18 percent of the selling price under (a) of this subsection must be
19 deposited in the multimodal transportation account created in RCW
20 47.66.070 with the remainder deposited in the move ahead WA flexible
21 account created in RCW 46.68.520.

22 (b)(i) There is levied and collected an additional tax on peer-
23 to-peer car sharing transactions equal to the selling price
24 multiplied by the rate of tax imposed in (a) of this subsection. The
25 revenue collected under this subsection (2)(b) must be deposited in
26 the move ahead WA flexible account created in RCW 46.68.520.

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

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

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

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

38 (4)(a) In addition to the taxes imposed in subsections (1) and
39 (3) of this section, there is levied and collected an additional 10

1 percent luxury vehicle tax on the sale of a passenger motor vehicle
2 if:

3 (i) The selling price of the passenger motor vehicle exceeds
4 \$100,000; or

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

8 (b) The additional tax imposed in this subsection applies to
9 passenger motor vehicles not used exclusively for a business purpose.

10 (c) The additional tax imposed in this subsection only applies to
11 the portion of the selling price in excess of \$100,000, or in the
12 case of a lease requiring periodic payments, the fair market value of
13 the passenger motor vehicle in excess of \$100,000 at the inception of
14 the lease.

15 (d) For purposes of this subsection, "passenger motor vehicle"
16 means any motor vehicle that is designed for carrying 10 or fewer
17 passengers, including passenger cars, light trucks, limousines,
18 motorcycles, passenger vans, and sport utility vehicles. For purposes
19 of this subsection (4), the definitions in chapter 46.04 RCW apply.

20 (e) The revenue collected under this subsection must be deposited
21 in the move ahead WA flexible account created in RCW 46.68.520.

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

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

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

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

30 (d) Snowmobiles as defined in RCW 46.04.546.

31 ~~((+5))~~ (6) Beginning on December 8, 2005, 0.16 percent of the
32 taxes collected under subsection (1) of this section must be
33 dedicated to funding comprehensive performance audits required under
34 RCW 43.09.470. The revenue identified in this subsection must be
35 deposited in the performance audits of government account created in
36 RCW 43.09.475.

37 ~~((+6))~~ (7) The taxes imposed under this chapter apply to
38 successive retail sales of the same property.

39 ~~((+7))~~ (8) The rates provided in this section apply to taxes
40 imposed under chapter 82.12 RCW as provided in RCW 82.12.020.

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

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

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

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

16 (c) Services defined as a retail sale in RCW 82.04.050 (2) (a) or
17 (g) or (6)(c), excluding services defined as a retail sale in RCW
18 82.04.050(6)(c) that are provided free of charge;

19 (d) Extended warranty; or

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

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

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

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

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

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

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

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

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

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

18 (i) If the sale to, or the use by, the present user or his or her
19 bailor or donor has already been subjected to the tax under chapter
20 82.08 RCW or this chapter and the tax has been paid by the present
21 user or by his or her bailor or donor;

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

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

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

39 (4)(a) Except as provided in (b) of this subsection (4), the tax
40 is levied and must be collected in an amount equal to the value of

1 the article used, value of the digital good or digital code used,
2 value of the extended warranty used, or value of the service used by
3 the taxpayer, multiplied by the applicable rates in effect for the
4 retail sales tax under RCW 82.08.020.

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

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

12 (6)(a) The tax imposed in this section at the rate provided in
13 RCW 82.08.020(4) applies to the use of a passenger motor vehicle as
14 defined in RCW 82.08.020(4) on the value of the passenger motor
15 vehicle in excess of \$100,000 at the time that it is first used in
16 this state by the consumer.

17 (b) "Value of the passenger motor vehicle" means the fair market
18 value of the passenger motor vehicle. In the case of a leased
19 passenger motor vehicle in which the consumer is required to make
20 periodic lease payments, "value of the passenger motor vehicle" means
21 the fair market value of the passenger motor vehicle at the inception
22 of the lease.

23 (c) The revenue collected under this subsection must be deposited
24 in the move ahead WA flexible account created in RCW 46.68.520.

25 NEW SECTION. Sec. 203. The additional sales and use tax imposed
26 in sections 201 and 202 of this act applies only to passenger motor
27 vehicles acquired by the purchaser on or after January 1, 2026. In
28 the case of leased passenger motor vehicles, the additional sales and
29 use tax imposed in sections 201 and 202 of this act applies only with
30 respect to leases entered into by the lessee on or after January 1,
31 2026.

32 NEW SECTION. Sec. 204. (1)(a) In addition to taxes required
33 under chapters 82.08 and 82.12 RCW, there is levied and collected an
34 electric bicycle surcharge equal to 10 percent of the selling price
35 on each retail sale in this state of new electric bicycles. The
36 electric bicycle surcharge applies to Class 1 and 2 electric-assisted
37 bicycles as defined in RCW 46.04.169 (1) and (2) without UL or EN

1 certification and Class 3 electric-assisted bicycles as defined in
2 RCW 46.04.169(3).

3 (b) All electric bicycle surcharge amounts shall be reported and
4 remitted to the department in a manner and frequency consistent with
5 the reporting and remittance of state sales taxes, and on such forms
6 as the department shall prescribe and approve.

7 (c) The tax collected by the electric bicycle retailer is deemed
8 to be held in trust until paid to the department. Any electric
9 bicycle retailer who appropriates or converts the tax collected to
10 the dealer's own use or to any use other than the payment of the tax
11 to the extent that the money required to be collected is not
12 available for payment on the due date as prescribed in this chapter
13 is guilty of a gross misdemeanor.

14 (2) The definitions in this subsection apply throughout this
15 chapter, unless the context clearly requires otherwise.

16 (a) "Electric bicycle" has the same meaning as "electric-assisted
17 bicycle" as provided in RCW 46.04.169.

18 (b) "Selling price" has the same meaning as provided in RCW
19 82.08.010.

20 NEW SECTION. **Sec. 205.** The revenue collected under this chapter
21 must be deposited in the move ahead WA flexible account created in
22 RCW 46.68.520.

23 NEW SECTION. **Sec. 206.** Chapter 82.32 RCW applies to the
24 administration of the electric bicycle surcharge authorized in this
25 chapter.

26 NEW SECTION. **Sec. 207.** (1) The electric bicycle surcharge
27 authorized in this chapter does not apply to any transaction that the
28 state is prohibited from taxing under the Constitution of this state
29 or the Constitution or laws of the United States.

30 (2) There are no other exemptions from this tax.

31 NEW SECTION. **Sec. 208.** Sections 204 through 207 of this act
32 constitute a new chapter in Title 82 RCW.

33 **Sec. 209.** RCW 70A.205.405 and 2020 c 20 s 1190 are each amended
34 to read as follows:

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

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

15 (a) The number of tires sold; and

16 (b) The fee levied in this section.

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

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

23 **Sec. 210.** RCW 70A.205.430 and 2020 c 20 s 1193 are each amended
24 to read as follows:

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

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

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

37 (b) Grants to local government for enforcement programs;

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

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

6 **Sec. 211.** RCW 70A.205.425 and 2020 c 20 s 1192 are each amended
7 to read as follows:

8 (1) ~~((All receipts from))~~ The first \$600,000 of the receipts from
9 the tire fees imposed under RCW 70A.205.405~~((, except as provided in~~
10 ~~subsection (2) of this section,))~~ each fiscal year must be deposited
11 in the waste tire removal account created under RCW 70A.205.415 with
12 remainder distributed as provided in subsection (2) of this section.
13 Moneys in the account may be spent only after appropriation.
14 Expenditures from the account may be used for the cleanup of
15 unauthorized waste tire piles and measures that prevent future
16 accumulation of unauthorized waste tire piles.

17 (2) ~~((On September 1st of odd-numbered years, the state treasurer~~
18 ~~must transfer any cash balance in excess of one million dollars from~~
19 ~~the waste tire removal account created under RCW 70A.205.415 to))~~ (a)
20 After making the deposit required under subsection (1) of this
21 section, \$4,750,000 of the remaining net receipts from the tire fee
22 imposed under RCW 70A.205.405 each fiscal year must be deposited in
23 the motor vehicle fund for the purpose of road wear related
24 maintenance on state and local public highways.

25 (b) All remaining receipts from the tire fee imposed under RCW
26 70A.205.405 each fiscal year must be deposited in the move ahead WA
27 flexible account created in RCW 46.68.520.

28 NEW SECTION. **Sec. 212.** LARGE EVENT TRANSPORTATION ASSESSMENT.

29 (1) Beginning January 1, 2026, a large event transportation
30 assessment is imposed on large events occurring at a large event
31 facility. The amount of the assessment is \$1 per attendee of the
32 large event.

33 (2) The large event transportation assessment is a legal
34 obligation of the large event facility operator, but may be
35 separately listed for informational purposes on customer ticket or
36 billing documents. If a large event is canceled or postponed, the
37 large event assessment is not due and payable until after the large
38 event has occurred. For an event occurring over multiple days, the

1 large event transportation assessment is assessed for each day the
2 event constitutes a large event.

3 (3) The large event transportation assessment does not apply to
4 the area fairs, county fairs, community fairs, or youth shows and
5 fairs described in RCW 15.76.120 or any state fair.

6 (4) For the purposes of this chapter, the following definitions
7 apply unless the context clearly requires otherwise.

8 (a) "Attendee" means an individual admitted or attending a large
9 event by paying an admission charge, purchasing a ticket including
10 season tickets, subscription, or admitted to the large event free of
11 charge, at a reduced rate, or based on a complimentary admission. An
12 attendee also includes individuals working at the large event or
13 providing contracted services on the premises, including assisting
14 with parking.

15 (b) "Event day" means each day that a sports contest, concert,
16 trade convention, or any other similar activity, takes place.

17 (c) "Large event" means any sports contest, concert, trade
18 convention, or any other similar activity, which draws at least
19 20,000 attendees on an event day. "Large event" does not include any
20 state or local fairs, including youth shows and fairs described in
21 RCW 15.76.120.

22 (d) "Large event facility" means a facility described under RCW
23 82.29A.130 (14) or (15). "Large event facility" also includes a
24 convention center, amusement park, or any other sports facility,
25 concert venue, or similar public entertainment or spectator venue
26 that is specifically designed to accommodate or seat at least 20,000
27 attendees per event day.

28 (e) "Large event facility operator" means the owner or operator
29 of a large event facility.

30 NEW SECTION. **Sec. 213.** COLLECTION AND ADMINISTRATION. The
31 department may adopt such rules as may be necessary to enforce and
32 administer the provisions of this chapter. To the extent applicable,
33 chapter 82.32 RCW applies to the large event transportation
34 assessment imposed in this chapter.

35 NEW SECTION. **Sec. 214.** Revenues collected under this chapter
36 must be deposited in the move ahead WA flexible account created in
37 RCW 46.68.520.

1 NEW SECTION. **Sec. 215.** The provisions of RCW 82.32.805 and
2 82.32.808 do not apply to sections 212 through 214 of this act.

3 NEW SECTION. **Sec. 216.** Sections 212 through 214 of this act
4 constitute a new chapter in Title 82 RCW.

5 NEW SECTION. **Sec. 217.** (1) In addition to taxes required under
6 chapters 82.08 and 82.12 RCW, there is levied and collected an
7 additional 10 percent luxury motor home tax on the sale of a motor
8 home if:

9 (a) The selling price of the motor home exceeds \$500,000; or

10 (b) In the case of a lease requiring periodic payments, the fair
11 market value of the motor home exceeds \$500,000 at the inception of
12 the lease.

13 (c) The additional tax imposed in this subsection only applies to
14 the portion of the selling price in excess of \$500,000, or in the
15 case of a lease requiring periodic payments, the fair market value of
16 the motor home in excess of \$500,000 at the inception of the lease.

17 (2) In addition to taxes required under chapters 82.08, 82.12,
18 and 82.49 RCW, there is levied and collected an additional 10 percent
19 luxury vessel tax on the sale of a recreational vessel if:

20 (a) The selling price of the recreational vessel exceeds
21 \$500,000; or

22 (b) In the case of a lease requiring periodic payments, the fair
23 market value of the recreational vessel exceeds \$500,000 at the
24 inception of the lease.

25 (c) The additional tax imposed in this subsection only applies to
26 the portion of the selling price in excess of \$500,000, or in the
27 case of a lease requiring periodic payments, the fair market value of
28 the recreational vessel in excess of \$500,000 at the inception of the
29 lease.

30 (3) In addition to taxes required under chapters 82.08 and 82.12
31 RCW, there is levied and collected an additional 10 percent luxury
32 aircraft tax on the sale of a noncommercial aircraft if:

33 (a) The selling price of the noncommercial aircraft exceeds
34 \$500,000; or

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

1 (c) The additional tax imposed in this subsection only applies to
2 the portion of the selling price in excess of \$500,000, or in the
3 case of a lease requiring periodic payments, the fair market value of
4 the noncommercial aircraft in excess of \$500,000 at the inception of
5 the lease.

6 (4) The definitions in this subsection apply throughout this
7 chapter, unless the context clearly requires otherwise.

8 (a) "Motor home" has the same meaning as provided in RCW
9 46.04.623.

10 (b) "Vessel" has the same meaning as provided in RCW 88.02.310.

11 (c) "Aircraft" has the same meaning as provided in RCW 47.68.020.

12 (d) "Selling price" has the same meaning as provided in RCW
13 82.08.010.

14 NEW SECTION. **Sec. 218.** (1)(a) In addition to taxes required
15 under chapters 82.08 and 82.12 RCW, there is levied and collected
16 from every person in this state a tax for the privilege of using
17 within this state as a consumer any motor home if the value of the
18 motor home exceeds \$500,000.

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

22 (2)(a) In addition to taxes required under chapters 82.08, 82.12,
23 and 82.49 RCW, there is levied and collected from every person in
24 this state a tax for the privilege of using within this state as a
25 consumer any recreational vessel if the value of the vessel exceeds
26 \$500,000.

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

30 (3)(a) In addition to taxes required under chapters 82.08 and
31 82.12 RCW, there is levied and collected from every person in this
32 state a tax for the privilege of using within this state as a
33 consumer any noncommercial aircraft if the value of the aircraft
34 exceeds \$500,000.

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

38 (4) "Value" means the fair market value of the motor home,
39 vessel, or aircraft. In the case of a leased passenger the motor

home, vessel, or aircraft in which the consumer is required to make periodic lease payments, "value" of the motor home, vessel, or aircraft means the fair market value of the motor home, vessel, or aircraft at the inception of the lease.

NEW SECTION. **Sec. 219.** The revenue collected under this chapter must be deposited in the move ahead WA flexible account created in RCW 46.68.520.

NEW SECTION. **Sec. 220.** Chapter 82.32 RCW applies to the administration of the luxury taxes authorized in this chapter.

NEW SECTION. **Sec. 221.** Sections 217 through 220 of this act constitute a new chapter in Title 82 RCW.

PART III

DRIVER'S LICENSE FEES, WORK ZONE VIOLATIONS, TRAFFIC INFRACTIONS, VEHICLE REGISTRATION SYSTEM FOR TRANSIT, AND CREDIT CARD SURCHARGES FOR FERRY RIDERS

Sec. 301. RCW 46.20.161 and 2024 c 146 s 29 are each amended to read as follows:

(1)(a) The department, upon receipt of a fee of ~~((seventy-two dollars))~~ \$80, unless the driver's license is issued for a period other than eight years, in which case the fee shall be ~~((nine dollars))~~ \$10 for each year that the license is issued, which includes the fee for the required photograph, shall issue to every qualifying applicant a driver's license.

(b) Beginning July 1, 2026, and on July 1st of each year thereafter, the fee under (a) of this subsection must be increased by an additional inflation adjustment factor. The additional inflation adjustment factor is the fee rate as of June 30th of the immediately preceding fiscal year increased by two percent. The result must be rounded to the nearest 20th of \$1.

(c) A driver's license issued to a person under the age of ~~((eighteen))~~ 18 is an intermediate license, subject to the restrictions imposed under RCW 46.20.075, until the person reaches the age of eighteen.

(2) The license must include:

(a) A distinguishing number assigned to the licensee;

(b) The name of record;

(c) Date of birth;

(d) Washington residence address;

(e) Photograph;

(f) A brief description of the licensee;

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

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

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

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

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

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

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

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

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

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

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

(a) Self-attestation that the individual:

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

(ii) Is deaf or hard of hearing; or

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

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

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

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

(a) Shall not be disclosed;

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

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

Sec. 302. RCW 46.20.181 and 2021 c 158 s 8 are each amended to read as follows:

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

(2) (a) A person may renew a license on or before the expiration date by submitting an application as prescribed by the department and paying a fee of ~~((seventy-two dollars))~~ \$80.

(b) Beginning July 1, 2026, and on July 1st of each year thereafter, the fee under (a) of this subsection must be increased by an additional inflation adjustment factor. The additional inflation adjustment factor is the fee rate as of June 30th of the immediately preceding fiscal year increased by two percent. The result must be rounded to the nearest 20th of \$1.

(c) This fee includes the fee for the required photograph.

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

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

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

10 (4) (a) The department may issue or renew a driver's license for a
11 period other than eight years, or may extend by mail or electronic
12 commerce a license that has already been issued. The fee for a
13 driver's license issued or renewed for a period other than eight
14 years, or that has been extended by mail or electronic commerce, is
15 (~~nine dollars~~) \$10 for each year that the license is issued,
16 renewed, or extended.

17 (b) Beginning July 1, 2026, and on July 1st of each year
18 thereafter, the fee under (a) of this subsection must be increased by
19 an additional inflation adjustment factor. The additional inflation
20 adjustment factor is the fee rate as of June 30th of the immediately
21 preceding fiscal year increased by two percent. The result must be
22 rounded to the nearest 20th of \$1.

23 (c) The department must offer the option to issue or renew a
24 driver's license for six years in addition to the eight year
25 issuance. The department may adopt any rules as are necessary to
26 carry out this subsection.

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

1 the licensee must pay a fee of (~~nine dollars~~) \$9 for each year that
2 the license is extended.

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

5 **Sec. 303.** RCW 46.20.117 and 2024 c 315 s 4 and 2024 c 162 s 3
6 are each reenacted and amended to read as follows:

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

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

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

12 (c) Pays the required fee. Except as provided in subsection (7)
13 of this section, the fee is (~~\$72~~) \$80, unless an applicant is:

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

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

20 (iii) An individual who is scheduled to be released from an
21 institution as defined in RCW 13.40.020, a community facility as
22 defined in RCW 72.05.020, a correctional facility as defined in RCW
23 72.09.015, or other juvenile rehabilitation facility operated by the
24 department of social and health services or the department of
25 children, youth, and families; or an individual who has been released
26 from such an institution or facility within 30 calendar days before
27 the date of the application.

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

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

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

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

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

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

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

3 (a) Personal appearance before the department;

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

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

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

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

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 an identicard issued under this chapter by
18 providing:

19 (a) Self-attestation that the individual:

20 (i) Has a medical condition that could affect communication or
21 account for a 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 18 years of age or who have a developmental
29 disability, the signature of a parent or legal guardian.

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

32 (a) Shall not be disclosed; and

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

36 (7) **Alternative issuance/renewal/extension.** The department may
37 issue or renew an identicard for a period other than eight years, or
38 may extend by mail or electronic commerce an identicard that has
39 already been issued. The fee for an identicard issued or renewed for
40 a period other than eight years, or that has been extended by mail or

1 electronic commerce, is (~~(\$9)~~) \$10 for each year that the identicard
2 is issued, renewed, or extended. The department must offer the option
3 to issue or renew an identicard for six years in addition to the
4 eight year issuance. The department may adopt any rules as are
5 necessary to carry out this subsection.

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

8 (9) Beginning July 1, 2026, and on July 1st of each year
9 thereafter, the fees under subsections (1) and (7) of this section
10 must be increased by an additional inflation adjustment factor. The
11 additional inflation adjustment factor is the fee rate as of June
12 30th of the immediately preceding fiscal year increased by two
13 percent. The result must be rounded to the nearest 20th of \$1.

14 **Sec. 304.** RCW 46.68.041 and 2022 c 182 s 210 are each amended to
15 read as follows:

16 (1) Except as provided in subsections (2) (~~(and (3))~~) through (5)
17 of this section, the department must forward all funds accruing under
18 the provisions of chapter 46.20 RCW together with a proper
19 identifying, detailed report to the state treasurer who must deposit
20 such moneys to the credit of the highway safety fund.

21 (2) Fifty-six percent of each fee collected by the department
22 under RCW 46.20.311 (1)(e)(ii), (2)(b)(ii), and (3)(b) must be
23 deposited in the impaired driving safety account.

24 (3) Fifty percent of the revenue from the fees imposed under RCW
25 46.20.200(2) must be deposited in the move ahead WA flexible account
26 created in RCW 46.68.520.

27 (4) Ten percent of the revenue collected from the fees imposed
28 under the following must be deposited in the move ahead WA flexible
29 account created in RCW 46.68.520:

30 (a) RCW 46.20.117 (1) and (7);

31 (b) RCW 46.20.161(1)(a); and

32 (c) RCW 46.20.181 (2)(a) and (4)(a).

33 (5) All revenue generated from the additional inflation
34 adjustment factor under the following must be deposited in the move
35 ahead WA flexible account created in RCW 46.68.520:

36 (a) RCW 42.20.161(1)(b);

37 (b) RCW 42.20.181 (2)(b) and (4)(b); and

38 (c) RCW 46.20.117(9).

1 **Sec. 305.** RCW 46.63.200 and 2024 c 308 s 4 are each amended to
2 read as follows:

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

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

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

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

37 (c) When establishing rules under this subsection (3), the
38 department of transportation and the Washington state patrol may also
39 consult with other public and private agencies that have an interest

1 in the use of speed safety camera systems in state highway work
2 zones.

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

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

8 (5) The penalty for a speed safety camera system violation is:

9 (a) (~~(\$0)~~) \$125 for the first violation; and (b) \$248 for the second
10 violation, and for each violation thereafter.

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

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

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

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

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

5 (e) If a person contests the determination that the infraction
6 occurred or requests a mitigation hearing, the notice of infraction
7 shall be referred to the office of administrative hearings for
8 adjudication consistent with chapter 34.05 RCW.

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

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

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

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

37 (c) Notwithstanding any other provision of law, all photographs,
38 microphotographs, or electronic images, or any other personally
39 identifying data prepared under this section are for the exclusive
40 use of the Washington state patrol and department of transportation

1 in the discharge of duties under this section and are not open to the
2 public and may not be used in court in a pending action or proceeding
3 unless the action or proceeding relates to a speed violation under
4 this section. This data may be used in administrative appeal
5 proceedings relative to a violation under this section.

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

17 (e) Imposition of a penalty for a speed violation detected
18 through the use of speed safety camera systems shall not be deemed a
19 conviction as defined in RCW 46.25.010, and shall not be part of the
20 registered owner's driving record under RCW 46.52.101 and 46.52.120.
21 Additionally, infractions generated by the use of speed safety camera
22 systems under this section shall be processed in the same manner as
23 parking infractions, including for the purposes of RCW 46.16A.120 and
24 46.20.270(2).

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

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

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

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

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

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

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

23 (11) For the purposes of this section:

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

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

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

1 **Sec. 306.** RCW 46.63.110 and 2024 c 308 s 3 are each amended to
2 read as follows:

3 (1)(a) A person found to have committed a traffic infraction
4 shall be assessed a monetary penalty. No penalty may exceed \$250 for
5 each offense unless authorized by this chapter or title.

6 (b) The court may waive or remit any monetary penalty, fee, cost,
7 assessment, or other monetary obligation associated with a traffic
8 infraction unless the specific monetary obligation in question is
9 prohibited from being waived or remitted by state law.

10 (2) The monetary penalty for a violation of (a) RCW 46.55.105(2)
11 is \$250 for each offense; (b) RCW 46.61.210(1) is \$500 for each
12 offense. No penalty assessed under this subsection (2) may be
13 reduced.

14 (3) The supreme court shall prescribe by rule a schedule of
15 monetary penalties for designated traffic infractions. This rule
16 shall also specify the conditions under which local courts may
17 exercise discretion in assessing fines and penalties for traffic
18 infractions. The legislature respectfully requests the supreme court
19 to adjust this schedule every two years for inflation.

20 (4) There shall be a penalty of \$25 for failure to respond to a
21 notice of traffic infraction except where the infraction relates to
22 parking as defined by local law, ordinance, regulation, or resolution
23 or failure to pay a monetary penalty imposed pursuant to this
24 chapter. A local legislative body may set a monetary penalty not to
25 exceed \$25 for failure to respond to a notice of traffic infraction
26 relating to parking as defined by local law, ordinance, regulation,
27 or resolution. The local court, whether a municipal, police, or
28 district court, shall impose the monetary penalty set by the local
29 legislative body.

30 (5) Monetary penalties provided for in chapter 46.70 RCW
31 (~~which~~) that are civil in nature and penalties (~~which~~) that may
32 be assessed for violations of chapter 46.44 RCW relating to size,
33 weight, and load of motor vehicles are not subject to the limitation
34 on the amount of monetary penalties which may be imposed pursuant to
35 this chapter.

36 (6) Whenever a monetary penalty, fee, cost, assessment, or other
37 monetary obligation is imposed by a court under this chapter, it is
38 immediately payable and is enforceable as a civil judgment under
39 Title 6 RCW. If the court determines that a person is not able to pay
40 a monetary obligation in full, the court shall enter into a payment

1 plan with the person in accordance with RCW 46.63.190 and standards
2 that may be set out in court rule.

3 (7) In addition to any other penalties imposed under this section
4 and not subject to the limitation of subsection (1) of this section,
5 a person found to have committed a traffic infraction shall be
6 assessed:

7 (a) A fee of \$5 per infraction. Under no circumstances shall this
8 fee be reduced or waived. Revenue from this fee shall be forwarded to
9 the state treasurer for deposit in the emergency medical services and
10 trauma care system trust account under RCW 70.168.040;

11 (b) A fee of \$10 per infraction. Under no circumstances shall
12 this fee be reduced or waived. Revenue from this fee shall be
13 forwarded to the state treasurer for deposit in the general fund;
14 ((and))

15 (c) A fee of \$5 per infraction. Under no circumstances shall this
16 fee be reduced or waived. Revenue from this fee shall be forwarded to
17 the state treasurer for deposit in the traumatic brain injury account
18 established in RCW 74.31.060; and

19 (d) Beginning January 1, 2026, a fee of \$10 per infraction. Under
20 no circumstances shall this fee be reduced or waived. Revenue from
21 this fee shall be forwarded to the state treasurer for deposit in the
22 highway safety fund created in RCW 46.68.060.

23 (8)(a) In addition to any other penalties imposed under this
24 section and not subject to the limitation of subsection (1) of this
25 section, a person found to have committed a traffic infraction other
26 than of RCW 46.61.527 or 46.61.212 shall be assessed an additional
27 penalty of \$24. The court may not reduce, waive, or suspend the
28 additional penalty unless the court finds the offender to be
29 indigent. If a court authorized community restitution program for
30 offenders is available in the jurisdiction, the court shall allow
31 offenders to offset all or a part of the penalty due under this
32 subsection (8) by participation in the court authorized community
33 restitution program.

34 (b) \$12.50 of the additional penalty under (a) of this subsection
35 shall be remitted to the state treasurer. The remaining revenue from
36 the additional penalty must be remitted under chapters 2.08, 3.46,
37 3.50, 3.62, 10.82, and 35.20 RCW. Money remitted under this
38 subsection to the state treasurer must be deposited as follows: \$8.50
39 in the state general fund and \$4 in the driver licensing technology
40 support account created under RCW 46.68.067. The moneys deposited

1 into the driver licensing technology support account must be used to
2 support information technology systems used by the department to
3 communicate with the judicial information system, manage driving
4 records, and implement court orders. The balance of the revenue
5 received by the county or city treasurer under this subsection must
6 be deposited into the county or city current expense fund. Moneys
7 retained by the city or county under this subsection shall constitute
8 reimbursement for any liabilities under RCW 43.135.060.

9 (9) If a legal proceeding, such as garnishment, has commenced to
10 collect any delinquent amount owed by the person for any penalty
11 imposed by the court under this section, the person may request a
12 payment plan pursuant to RCW 46.63.190.

13 (10) The monetary penalty for violating RCW 46.37.395 is: (a)
14 \$250 for the first violation; (b) \$500 for the second violation; and
15 (c) \$750 for each violation thereafter.

16 (11) The additional monetary penalty for a violation of RCW
17 46.20.500 is not subject to assessments or fees provided under this
18 section.

19 (12) The additional monetary fine for a violation of RCW
20 46.61.110, 46.61.145, 46.61.180, 46.61.185, 46.61.190, and 46.61.205
21 is not subject to assessments or fees provided under this section.

22 (13) The additional monetary penalties for a violation of RCW
23 46.61.165 are not subject to assessments or fees provided under this
24 section.

25 (14) The monetary penalty for a violation of RCW 46.63.200 is not
26 subject to assessments or fees provided under this section.

27 (15) The monetary penalty for a violation of RCW 46.16A.030(5)(b)
28 is not subject to assessments or fees provided under this section.

29 NEW SECTION. Sec. 307. A new section is added to chapter 47.60
30 RCW to read as follows:

31 The Washington state ferries shall implement cost recovery
32 mechanisms to recoup at least three percent in credit card and other
33 financial transaction costs related to the collection of ferry fares
34 imposed under RCW 47.60.290 and 47.60.315. As part of the cost
35 recovery mechanisms, the Washington state ferries may recover
36 transaction fees incurred through credit card transactions. The
37 Washington state ferries must notify customers of the fee at the
38 point-of-sale and itemize the fee on customer receipts. Costs

1 recovered under this section may not be considered revenue for the
2 purposes of fare setting.

3 NEW SECTION. **Sec. 308.** (1) By September 1, 2025, the department
4 of licensing in conjunction with the Washington state department of
5 transportation, along with involvement from the Washington state
6 transit association, and other relevant parties, must determine a
7 recommended method of collection and schedule to compensate the state
8 for vehicle registration and other vehicle fee-related exemption
9 impacts from vehicles owned or operated by public transit agencies
10 and regional transit authorities.

11 (2) The schedule and related provisions must calculate an
12 assessment for each bus and other motor vehicle for road use owned or
13 operated by each transit agency and the regional transit authority.
14 The fee schedule does not need to be uniform and may be different for
15 particular types or sizes of agencies, but the fee schedule must in
16 aggregate total \$4,500,000 per year. The recommended method of
17 collection must include either the collection method identified in
18 section 309 or 310 of this act, or a combination thereof.

19 (3) A final report with the recommended method of collection and
20 schedule must be submitted to the transportation committees of the
21 legislature by September 1, 2025.

22 NEW SECTION. **Sec. 309.** A new section is added to chapter 46.17
23 RCW to read as follows:

24 (1) Based on the recommended method of collection and schedule
25 resulting from the requirements of section 308 of this act, by
26 October 1, 2025, the department must begin collection, if applicable,
27 of the \$4,500,000 per year collection amount for fiscal year 2026, or
28 the appropriate portion thereof, from public transit agencies and the
29 regional transit authority using the most cost efficient collection
30 method as deemed appropriate.

31 (2) The department must then collect the \$4,500,000 collection
32 amount for each subsequent fiscal year, or the appropriate portion
33 thereof, using the most cost efficient collection method as deemed
34 appropriate.

35 (3) The assessments collected under this section must be
36 deposited in the move ahead WA flexible account created in RCW
37 46.68.520.

NEW SECTION. **Sec. 310.** A new section is added to chapter 82.14
RCW to read as follows:

(1) Based on the recommended method of collection and schedule resulting from the requirements of section 308 of this act, by October 1, 2025, the Washington state department of transportation, must begin collection, if applicable, of the \$4,500,000 per year collection amount for fiscal year 2026, or the appropriate portion thereof, by making reductions in regional mobility grants awarded under RCW 47.66.030, transit support grants under RCW 47.66.140, or other grants and allocations as deemed appropriate.

(2) The department must then collect the \$4,500,000 collection amount for each subsequent fiscal year, or the appropriate portion thereof, by making reductions in regional mobility grants awarded under RCW 47.66.030, transit support grants awarded under RCW 47.66.140, or other grants and allocations as deemed appropriate.

PART IV
TOLLING

Sec. 401. RCW 47.46.100 and 2002 c 114 s 7 are each amended to read as follows:

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

(2) In establishing toll charges, the commission shall give due consideration to any required costs for operating and maintaining the toll bridge or toll bridges, including the cost of insurance, and to any amount required by law to meet the redemption of bonds and interest payments on them.

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

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

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

4 (c) Repay the motor vehicle fund under RCW ((47.46.110,~~r~~))
5 47.56.165(~~r~~) and 47.46.140.

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

12 **Sec. 402.** RCW 47.56.245 and 2002 c 114 s 23 are each amended to
13 read as follows:

14 The department shall retain toll charges on all existing and
15 future facilities until all costs of investigation, financing,
16 acquisition of property, and construction advanced from the motor
17 vehicle fund, and obligations incurred under RCW 47.56.250 and
18 chapter 16, Laws of 1945 have been fully paid.

19 (1) Except as provided in subsection (2) of this section, with
20 respect to every facility completed after March 19, 1953, costs of
21 maintenance and operation shall be paid periodically out of the
22 revenues of the facility in which such costs were incurred.

23 (2) Where a state toll facility is constructed under chapter
24 47.46 RCW adjacent to or within two miles of an existing bridge that
25 was constructed under this chapter, revenue from the toll facility
26 may not be used to pay for costs of maintenance on the existing
27 bridge until after all financing obligations are satisfied on the
28 toll facility.

29 NEW SECTION. **Sec. 403.** RCW 47.46.110 (Tolls—Term, use) and 2018
30 c 195 s 3 & 2002 c 114 s 8 are each repealed.

31 **Sec. 404.** RCW 47.56.850 and 2009 c 498 s 15 are each amended to
32 read as follows:

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

36 (a) Set toll rates, establish appropriate exemptions, if any, and
37 make adjustments as conditions warrant on eligible toll facilities.

1 However, except for publicly or privately owned or operated school
2 buses, the commission may not exempt publicly or privately owned or
3 operated transit buses, vans, and ride share vehicles from tolls on
4 bridges, and must modify tolling provisions accordingly by October 1,
5 2025;

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

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

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

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

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

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

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

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

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

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

Sec. 405. RCW 47.56.870 and 2010 c 248 s 2 are each amended to read as follows:

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

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

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

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

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

1 bridge replacement and HOV program, subject to subsection (4) of this
2 section; and

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

5 (4)(a) The proceeds of the bonds designated in subsection
6 (3)(b)(i) of this section must be used only to fund the state route
7 number 520 bridge replacement and HOV program; however, two hundred
8 million dollars of bond proceeds, in excess of the proceeds necessary
9 to complete the floating bridge segment and necessary landings, must
10 be used only to fund the state route number 520, Interstate 5 to
11 Medina bridge replacement and HOV project segment of the program, as
12 identified in applicable environmental impact statements, and may be
13 used to fund effective connections for high occupancy vehicles and
14 transit for state route number 520, but only to the extent those
15 connections benefit or improve the operation of state route number
16 520.

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

22 (i) A project design, consistent with RCW 47.01.408, that
23 includes high occupancy vehicle lanes with a minimum carpool
24 occupancy requirement of three-plus persons on state route number
25 520;

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

32 (iii) A work group convened by the mayor and city council of the
33 city of Seattle to include sound transit, King county metro, the
34 Seattle department of transportation, the department, the University
35 of Washington, and other persons or organizations as designated by
36 the mayor or city council to study and make recommendations of
37 alternative connections for transit, including bus routes and high
38 capacity transit, to the university link light rail line. The work
39 group must consider such techniques as grade separation, additional
40 stations, and pedestrian lids to effect these connections. The

1 recommendations must be alternatives to the transit connections
2 identified in the supplemental draft environmental impact statement
3 for the state route number 520 bridge replacement and HOV program
4 released in January 2010, and must meet the requirements under RCW
5 47.01.408, including accommodating effective connections for transit.
6 The recommendations must be within the scope of the supplemental
7 draft environmental impact statement. For the purposes of this
8 section, "effective connections for transit" means a connection that
9 connects transit stops, including high capacity transit stops, that
10 serve the state route number 520/Montlake interchange vicinity to the
11 university link light rail line, with a connection distance of less
12 than one thousand two hundred feet between the stops and the light
13 rail station. The city of Seattle shall submit the recommendations by
14 October 1, 2010, to the governor and the transportation committees of
15 the legislature. However, if the city of Seattle does not convene the
16 work group required under this subsection before July 1, 2010, or
17 does not submit recommendations to the governor and the
18 transportation committees of the legislature by October 1, 2010, the
19 department must convene the work group required under this subsection
20 and meet all the requirements of this subsection that are described
21 as requirements of the city of Seattle by November 30, 2010;

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

28 (v) A plan to address mitigation as a result of the state route
29 number 520 bridge replacement and HOV program at the Washington park
30 arboretum. As part of its process, the department shall consult with
31 the governing board of the Washington park arboretum, the Seattle
32 city council and mayor, and the University of Washington to identify
33 all mitigation required by state and federal law resulting from the
34 state route number 520 bridge replacement and HOV program's impact on
35 the arboretum, and to develop a project mitigation plan to address
36 these impacts. The department shall submit the mitigation plan by
37 December 31, 2010, to the governor and the transportation committees
38 of the legislature. Wetland mitigation required by state and federal
39 law as a result of the state route number 520 bridge replacement and
40 HOV program's impacts on the arboretum must, to the greatest extent

1 practicable, include on-site wetland mitigation at the Washington
2 park arboretum, and must enhance the Washington park arboretum. This
3 subsection (4)(b)(v) does not preclude any other mitigation planned
4 for the Washington park arboretum as a result of the state route
5 number 520 bridge replacement and HOV program;

6 (vi) A work group convened by the department to include the mayor
7 of the city of Seattle, the Seattle city council, the Seattle
8 department of transportation, and other persons or organizations as
9 designated by the Seattle city council and mayor to study and make
10 recommendations regarding design refinements to the preferred
11 alternative selected by the department in the supplemental draft
12 environmental impact statement process for the state route number 520
13 bridge replacement and HOV program. To accommodate a timely
14 progression of the state route number 520 bridge replacement and HOV
15 program, the design refinements recommended by the work group must be
16 consistent with the current environmental documents prepared by the
17 department for the supplemental draft environmental impact statement.
18 The department shall submit the recommendations to the legislature
19 and governor by December 31, 2010, and the recommendations must
20 inform the final environmental impact statement prepared by the
21 department; and

22 (vii) An account, created in (~~section 5 of this act~~) RCW
23 47.56.876, into which civil penalties generated from the nonpayment
24 of tolls on the state route number 520 corridor are deposited to be
25 used to fund any project within the program, including mitigation.
26 However, this subsection (4)(b)(vii) is contingent on the enactment
27 by June 30, 2010, of (~~either~~) chapter 249, Laws of 2010 (~~or~~
28 ~~chapter . . . (Substitute House Bill No. 2897), Laws of 2010~~), but
29 if the enacted bill does not designate the department as the toll
30 penalty adjudicating agency, this subsection (4)(b)(vii) is null and
31 void.

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

35 **PART V**

36 **TRANSPORTATION PROJECT STREAMLINING**

37 **Sec. 501.** RCW 90.58.356 and 2015 3rd sp.s. c 15 s 10 are each
38 amended to read as follows:

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

(a) "Maintenance" means the preservation of the transportation facility or transit facility, including surface, shoulders, roadsides, structures including, but not limited to, bridges and buried structures, ditches and all stormwater treatment and conveyance features, environmental mitigation sites, utilities appurtenant to transportation system operations, and such traffic control devices as are necessary for safe and efficient utilization of the highway in a manner that substantially conforms to the preexisting design, function, and location as the original except to meet current engineering standards or environmental permit requirements.

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

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

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

(a) Maintenance, repair, or replacement that occurs within the roadway prism of a state highway as defined in RCW 46.04.560, the lease or ownership area of a state ferry terminal, or the lease or ownership area of a transit facility, including ancillary transportation facilities such as pedestrian paths, bicycle paths, or both, and bike lanes;

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

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

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

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

Sec. 502. RCW 77.55.181 and 2021 c 289 s 1 are each amended to read as follows:

(1)(a) In order to receive the permit review and approval process created in this section, a fish habitat enhancement project must meet the criteria under this section and must be a project to accomplish one or more of the following tasks:

(i) Elimination of human-made or caused fish passage barriers, including:

(A) Culvert repair and replacement; ((and))

1 (B) Fish passage barrier removal projects that comply with the
2 forest practices rules, as the term "forest practices rules" is
3 defined in RCW 76.09.020; and

4 (C) Department of transportation fish passage barrier correction
5 projects involving structures extending onto adjoining properties
6 owned by others, where the department corrects its portion of the
7 barrier while the adjacent portion owned by another entity is left in
8 place. This section includes corrections by the department where the
9 physical connection to the adjacent structure remains a barrier to
10 fish passage;

11 (ii) Restoration of an eroded or unstable stream bank employing
12 the principle of bioengineering, including limited use of rock as a
13 stabilization only at the toe of the bank, and with primary emphasis
14 on using native vegetation to control the erosive forces of flowing
15 water;

16 (iii) Placement of woody debris or other instream structures that
17 benefit naturally reproducing fish stocks; or

18 (iv) Restoration of native kelp and eelgrass beds and restoring
19 native oysters.

20 (b) The department shall develop size or scale threshold tests to
21 determine if projects accomplishing any of these tasks should be
22 evaluated under the process created in this section or under other
23 project review and approval processes. A project proposal shall not
24 be reviewed under the process created in this section if the
25 department determines that the scale of the project raises concerns
26 regarding public health and safety.

27 (c) A fish habitat enhancement project must be approved in one of
28 the following ways in order to receive the permit review and approval
29 process created in this section:

30 (i) By the department pursuant to chapter 77.95 or 77.100 RCW;

31 (ii) By the sponsor of a watershed restoration plan as provided
32 in chapter 89.08 RCW;

33 (iii) By the department as a department-sponsored fish habitat
34 enhancement or restoration project;

35 (iv) Through the review and approval process for the jobs for the
36 environment program;

37 (v) By conservation districts as conservation district-sponsored
38 fish habitat enhancement or restoration projects;

1 (vi) Through a formal grant program established by the
2 legislature or the department for fish habitat enhancement or
3 restoration;

4 (vii) By federally recognized tribes as tribally sponsored fish
5 habitat enhancement projects or restoration projects;

6 (viii) Through the department of transportation's environmental
7 retrofit program as a stand-alone fish passage barrier correction
8 project, or the fish passage barrier correction portion of a larger
9 transportation project;

10 (ix) Through a local, state, or federally approved fish barrier
11 removal grant program designed to assist local governments in
12 implementing stand-alone fish passage barrier corrections;

13 (x) By a city or county for a stand-alone fish passage barrier
14 correction project funded by the city or county;

15 (xi) Through the approval process established for forest
16 practices hydraulic projects in chapter 76.09 RCW; or

17 (xii) Through other formal review and approval processes
18 established by the legislature.

19 (2) Fish habitat enhancement projects meeting the criteria of
20 subsection (1) of this section are expected to result in beneficial
21 impacts to the environment. Decisions pertaining to fish habitat
22 enhancement projects meeting the criteria of subsection (1) of this
23 section and being reviewed and approved according to the provisions
24 of this section are not subject to the requirements of RCW
25 43.21C.030(2)(c).

26 (3)(a) A permit is required for projects that meet the criteria
27 of subsection (1) of this section and are being reviewed and approved
28 under this section. An applicant shall use a joint aquatic resource
29 permit application form developed by the office of regulatory
30 assistance to apply for approval under this chapter. The department
31 of transportation shall use the department's online permit
32 application system or a joint aquatic resource permit application
33 form developed by the office of regulatory assistance to apply for
34 approval under this chapter. On the same day, the applicant shall
35 provide copies of the completed application form to the department
36 and to each appropriate local government. Applicants for a forest
37 practices hydraulic project that are not otherwise required to submit
38 a joint aquatic resource permit application must submit a copy of
39 their forest practices application to the appropriate local

1 government on the same day that they submit the forest practices
2 application to the department of natural resources.

3 (b) Local governments shall accept the application identified in
4 this section as notice of the proposed project. A local government
5 shall be provided with a 15-day comment period during which it may
6 transmit comments regarding environmental impacts to the department
7 or, for forest practices hydraulic projects, to the department of
8 natural resources.

9 (c)(i) Except for forest practices hydraulic projects, the
10 department shall, within 45 days, either issue a permit, with or
11 without conditions, deny approval, or make a determination that the
12 review and approval process created by this section is not
13 appropriate for the proposed project. The department shall base this
14 determination on identification during the comment period of adverse
15 impacts that cannot be mitigated by the conditioning of a permit.
16 Permitting decisions over forest practices hydraulic approvals must
17 be made consistent with chapter 76.09 RCW.

18 (ii) For department of transportation fish passage barrier
19 correction projects, the department of fish and wildlife shall,
20 within 30 days, either issue a permit, with or without conditions,
21 deny approval, or make a determination that the review and approval
22 process created by this section is not appropriate for the proposed
23 project.

24 (d) If the department determines that the review and approval
25 process created by this section is not appropriate for the proposed
26 project, the department shall notify the applicant and the
27 appropriate local governments of its determination. The applicant may
28 reapply for approval of the project under other review and approval
29 processes.

30 (e) Any person aggrieved by the approval, denial, conditioning,
31 or modification of a permit other than a forest practices hydraulic
32 project under this section may appeal the decision as provided in RCW
33 77.55.021(8). Appeals of a forest practices hydraulic project may be
34 made as provided in chapter 76.09 RCW.

35 (4) No local government may require permits or charge fees for
36 fish habitat enhancement projects that meet the criteria of
37 subsection (1) of this section and that are reviewed and approved
38 according to the provisions of this section, except that, pursuant to
39 chapter 86.16 RCW, a local government may impose such requirements,
40 or charge such fees, or both, only as may be necessary in order for

1 the local government to administer the national flood insurance
2 program regulation requirements. However, for department of
3 transportation fish habitat enhancement projects that are within an
4 existing FEMA special flood hazard area and do not impact structures
5 but do create a rise in 100-year flood elevation, a local government
6 shall allow the department to apply directly to the federal emergency
7 management agency for modification to an effective flood insurance
8 rate map through a letter of map revision or a similar process,
9 instead of requiring the department to complete a conditional letter
10 of map revision process or a similar process. For department of
11 transportation fish habitat enhancement projects that are within an
12 existing FEMA special flood hazard area and will not result in any
13 rise to the 100-year flood elevation or are not within an existing
14 FEMA special flood hazard area, a local government may not require
15 the department to apply for a conditional letter of map revision or a
16 similar process with either the local government or the federal
17 emergency management agency.

18 (5) No civil liability may be imposed by any court on the state
19 or its officers and employees for any adverse impacts resulting from
20 a fish enhancement project permitted by the department or the
21 department of natural resources under the criteria of this section
22 except upon proof of gross negligence or willful or wanton
23 misconduct.

24 **Sec. 503.** RCW 49.26.013 and 1995 c 218 s 1 are each amended to
25 read as follows:

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

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

38 An inspection under this section is not required if the owner or
39 owner's agent is reasonably certain that asbestos will not be

1 disturbed or assumes that asbestos will be disturbed by a project
2 which involves construction, renovation, remodeling, maintenance,
3 repair, or demolition and takes the maximum precautions as specified
4 by all applicable federal and state requirements.

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

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

17 (A) Completes the good faith inspection;

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

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

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

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

32 **Sec. 504.** RCW 36.70A.200 and 2023 sp.s. c 1 s 12 are each
33 amended to read as follows:

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

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

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

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

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

(3) Any city or county not planning under RCW 36.70A.040 shall, not later than September 1, 2002, establish a process for siting

1 secure community transition facilities and adopt or amend its
2 development regulations as necessary to provide for the siting of
3 such facilities consistent with statutory requirements applicable to
4 these facilities.

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

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

11 (6) No person may bring a cause of action for civil damages based
12 on the good faith actions of any county or city to provide for the
13 siting of secure community transition facilities in accordance with
14 this section and with the requirements of chapter 12, Laws of 2001
15 2nd sp. sess. For purposes of this subsection, "person" includes, but
16 is not limited to, any individual, agency as defined in RCW
17 42.17A.005, corporation, partnership, association, and limited
18 liability entity.

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

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

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

25 (b) A consideration for grants or loans provided under RCW
26 43.17.250(3); or

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

29 **Sec. 505.** RCW 36.70A.200 and 2024 c 164 s 511 are each amended
30 to read as follows:

31 (1)(a) The comprehensive plan of each county and city that is
32 planning under RCW 36.70A.040 shall include a process for identifying
33 and siting essential public facilities. Essential public facilities
34 include those facilities that are typically difficult to site, such
35 as airports, state education facilities and state or regional
36 transportation facilities as defined in RCW 47.06.140, regional
37 transit authority facilities as defined in RCW 81.112.020,
38 improvements to high capacity transportation systems as defined in
39 RCW 81.104.015, state and local correctional facilities, solid waste

1 handling facilities, opioid treatment programs including both mobile
2 and fixed-site medication units, recovery residences, harm reduction
3 programs excluding safe injection sites, and inpatient facilities
4 including substance use disorder treatment facilities, mental health
5 facilities, group homes, community facilities as defined in RCW
6 72.05.020, and secure community transition facilities as defined in
7 RCW 71.09.020.

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

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

23 (d) For the purpose of this section, "harm reduction programs"
24 means programs that emphasize working directly with people who use
25 drugs to prevent overdose and infectious disease transmission,
26 improve the physical, mental, and social well-being of those served,
27 and offer low threshold options for accessing substance use disorder
28 treatment and other services.

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

36 (3) Any city or county not planning under RCW 36.70A.040 shall,
37 not later than September 1, 2002, establish a process for siting
38 secure community transition facilities and adopt or amend its
39 development regulations as necessary to provide for the siting of

1 such facilities consistent with statutory requirements applicable to
2 these facilities.

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

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

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. 506.** 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.

4 **PART VI**
5 **TRANSPORTATION GRANT PROGRAMS**

6 NEW SECTION. **Sec. 601.** A new county local road program is
7 established to fund the preservation and improvement of county local
8 roads. The board must:

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

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

13 NEW SECTION. **Sec. 602.** The definitions in this section apply
14 throughout this chapter unless the context clearly requires
15 otherwise.

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

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

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

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

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

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

33 NEW SECTION. **Sec. 603.** (1) The board shall adopt rules to
34 select preservation and improvement projects under this chapter
35 taking into consideration, at a minimum, the following priority
36 rating factors:

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

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

15 NEW SECTION. **Sec. 604.** The following project types are allowed
16 under the county local road program created in this chapter:

- 17 (1) 2-R as defined in the LAG manual;
- 18 (2) 3-R as defined in the LAG manual;
- 19 (3) Reconstruction as defined in the LAG manual;
- 20 (4) Replacement of any bridge on the national bridge inventory;
- 21 (5) Removal of human-made or caused impediments to anadromous
- 22 fish passage; and
- 23 (6) Pedestrian facilities.

24 NEW SECTION. **Sec. 605.** Whenever a proposed county local road
25 program project is adjacent to a city or town, the appropriate city
26 or town and county officials shall jointly plan and include the
27 improvement in their respective long-range plans. Whenever a county
28 local road program project connects with and will be substantially
29 affected by a programmed construction project on a state highway, the
30 proper county officials shall jointly plan the development of such
31 project with the department of transportation district administrator.

32 NEW SECTION. **Sec. 606.** Counties receiving funds from the county
33 local road program shall provide such matching funds as established
34 by rules adopted by the board. Matching requirements must be
35 established after appropriate studies by the board and considering
36 the financial resources available to counties.

1 NEW SECTION. **Sec. 607.** (1) Only those counties that, during the
2 preceding 12 months, have spent all revenues collected for road
3 purposes only for such purposes, including removal of barriers to
4 fish passage and accompanying streambed and stream bank repair as
5 specified in RCW 36.82.070, and including traffic law enforcement as
6 allowed under Article II, section 40 of the state Constitution or RCW
7 36.82.070(2), are eligible to receive funds from the county local
8 road program, except that:

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

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

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

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

25 (3) Subject to the availability of amounts appropriated for this
26 specific purpose, the board may consider additional projects for
27 authorization under this chapter upon a clear and conclusive showing
28 by the submitting county that the proposed project is of an emergent
29 nature and that its need was unable to be anticipated at the time the
30 six-year plan of the county was developed. The proposed projects must
31 be evaluated on the basis of the priority rating factors specified in
32 section 603 of this act.

33 NEW SECTION. **Sec. 608.** Whenever the board approves a county
34 local road program project under this chapter it shall determine the
35 amount of county local road program funds to be allocated for such
36 project. The allocation must be based upon information submitted by
37 the county seeking approval of the project and upon such further
38 investigation as the board deems necessary. The board shall adopt
39 reasonable rules pursuant to which county local road program funds

1 allocated to a project may be increased upon a subsequent application
2 of the county constructing the project. The rules adopted by the
3 board must take into account, but are not limited to, the following
4 factors:

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

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

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

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

15 NEW SECTION. **Sec. 609.** Sections 601 through 608 of this act
16 constitute a new chapter in Title 36 RCW.

17 NEW SECTION. **Sec. 610.** A new section is added to chapter 47.66
18 RCW to read as follows:

19 (1)(a) The department's public transportation division shall
20 establish a transit safety and security grant program. The purpose of
21 the grant program is to aid any transit authority with safety and
22 security enhancements that may include, but are not limited to, the
23 following examples:

24 (i) Safety and security improvements to the built environment
25 such as lighting enhancements or fare gates;

26 (ii) Cleaning or replacement of damaged amenities in passenger
27 facilities;

28 (iii) Improving safety for frontline employees such as barriers
29 on rolling stock or facilities;

30 (iv) Safety personnel such as behavioral health professionals and
31 service and fare ambassadors; and

32 (v) Supporting education, training, and retraining employees and
33 customers.

34 (b) Grant funds are prohibited from usage for any expenses
35 relating to armed security.

36 (2) The department's public transportation division shall
37 identify projects and shall submit a prioritized list of all projects
38 requesting funding to the legislature by December 1st of each even-

1 numbered year. The department must report annually to the
2 transportation committees of the legislature on the grant projects
3 funded by the program created under this section.

4 (3) In order to receive transit safety grant funds for projects,
5 a transit authority must provide matching funding at a level deemed
6 appropriate by the department.

7 (4) No one entity may receive more than 35 percent of funds
8 awarded in a grant cycle.

9 (5) For purposes of this section, "transit authority" means a
10 city transit system under RCW 35.58.2721 or chapter 35.95A RCW, a
11 county public transportation authority under chapter 36.57 RCW, a
12 metropolitan municipal corporation transit system under chapter 36.56
13 RCW, a public transportation benefit area under chapter 36.57A RCW,
14 an unincorporated transportation benefit area under RCW 36.57.100, a
15 regional transit authority under chapter 81.112 RCW, or any special
16 purpose district formed to operate a public transportation system.

17 **Sec. 611.** RCW 47.04.380 and 2024 c 106 s 1 are each amended to
18 read as follows:

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

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

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

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

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

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

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

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

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

12 (c) Whether the project will serve:

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

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

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

33 (iv) People with disabilities;

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

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

40 (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 move ahead WA flexible account created in RCW 46.68.520 to the Sandy Williams connecting communities program account created in this section.

Sec. 612. RCW 47.04.430 and 2023 c 447 s 5 are each amended to read as follows:

(1) The department shall create a bicyclist and pedestrian grant program to improve pedestrian and bicyclist safety and mobility and increase active transportation trips.

(2) Project types may include, but are not limited to, bicycle facilities such as buffered bike lanes, pedestrian facilities such as sidewalks, crossing improvements for people who walk and roll, and speed management.

(3) The department shall report on an annual basis the status of projects funded as part of the bicyclist and pedestrian grant and safe routes to school grant programs. The report must include, but is not limited to, a list of projects selected and a brief description of each project's status.

(4) Beginning July 1, 2027, at least 25 percent of grants awarded for the bicyclist and pedestrian grant program must benefit communities or census tracts with a high concentration of people over the age of 65, with priority for projects that enhance safety and community connectivity.

1 **Sec. 613.** RCW 47.04.390 and 2023 c 431 s 7 are each amended to
2 read as follows:

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

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

15 (2)((a)) For the ~~((elementary and middle school program))~~
16 grades through three through eight and grades six through 12
17 programs, the department shall contract with a nonprofit organization
18 with relevant reach and experience, including a statewide footprint
19 and demonstrable experience deploying bicycling and road safety
20 education curriculum via a train the trainer model in schools. The
21 selected nonprofit shall identify partner schools and partner
22 organizations that serve target populations, based on the criteria in
23 subsection ~~((3))~~ (4) of this section. Partner schools shall receive
24 from the nonprofit: In-school bike and pedestrian safety education
25 curriculum, materials, equipment guidance and consultation, and
26 physical education teacher ~~((trainings. Youth grades three through~~
27 ~~eight are eligible for the program.~~

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

34 (3) For the ~~((junior high and high school))~~ grades six through 12
35 program, the department shall contract with a nonprofit organization
36 with relevant reach and experience, including a statewide footprint;
37 demonstrable experience developing and managing youth-based
38 programming serving youth of color in an after-school and/or
39 community setting; and deploying bicycling and road safety education
40 curriculum via a train the trainer model. The selected nonprofit

1 shall use the equity-based criteria in subsection (4) of this section
2 to identify target populations and partner organizations including,
3 but not limited to, schools, community-based organizations, housing
4 authorities, and parks and recreation departments, that work with the
5 eligible populations of youth (~~ages 14 to 18~~). Partner
6 organizations shall receive from the nonprofit: Education curriculum,
7 materials, equipment including, but not limited to, bicycles,
8 helmets, locks, and lights, guidance and consultation, and initial
9 instructor/volunteer training, as well as ongoing support.

10 (4) In selecting schools and partner organizations and qualifying
11 youth receiving bikes for the school-based bicycle education grant
12 program, the department and nonprofit must consider, at a minimum,
13 the following criteria:

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

16 (b) People of color;

17 (c) People of Hispanic heritage;

18 (d) People with disabilities;

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

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

24 (g) Geographic location throughout the state;

25 (h) Crash experience involving pedestrians and bicyclists;

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

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

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

34 NEW SECTION. Sec. 614. A new section is added to chapter 47.04
35 RCW to read as follows:

36 The legislature finds that establishment of paved trails and
37 shared-use paths to link population centers will reduce exposure to
38 serious and fatal crashes for people using any mode of
39 transportation, provide accessibility for nondrivers, support mode

1 shift to reduce vehicle miles traveled, enhance the resiliency of the
2 state transportation system, and contribute to local economic growth.

3 To address these policy priorities and opportunities, the
4 department shall create a grant program to develop statewide active
5 transportation connectivity infrastructure. The program must
6 prioritize connecting regional trail networks, filling gaps in
7 regional active transportation systems, developing networks to serve
8 a variety of user needs, and facilitating connections to major
9 transit stops, ferry terminals, and commuter and passenger rail
10 stations. The department is encouraged to collaborate with local
11 agencies, tribes, and active transportation partners to develop the
12 structure, criteria, and eligibility for the program.

13 **PART VII**
14 **MISCELLANEOUS**

15 **Sec. 701.** RCW 47.01.051 and 2006 c 334 s 1 are each amended to
16 read as follows:

17 There is hereby created a transportation commission, which shall
18 consist of ~~((seven))~~ five voting members appointed by the governor,
19 with the consent of the senate. ~~((The present five members of the~~
20 ~~highway commission shall serve as five initial members of the~~
21 ~~transportation commission until their terms of office as highway~~
22 ~~commission members would have expired. The additional two members~~
23 ~~provided herein for the transportation commission shall be appointed~~
24 ~~for initial terms to expire on June 30, 1982, and June 30, 1983.~~
25 ~~Thereafter all terms))~~ The present two members of the commission
26 whose terms expire June 30, 2025, shall serve until their expiration
27 date, at which time one of those positions is eliminated. The present
28 member of the commission whose term expires June 30, 2026, shall
29 serve until the expiration date, at which time the position is
30 eliminated. The other present four members of the commission shall
31 continue serving until the expiration dates of their respective
32 current terms. Terms shall be for six years. No elective state
33 official, state officer, or state employee shall be a member of the
34 commission. At the time of appointment or thereafter during their
35 respective terms of office, ~~((four))~~ three members of the commission
36 shall reside in the western part of the state and ~~((three))~~ two
37 members shall reside in the eastern part of the state as divided
38 north and south by the summit of the Cascade mountains. No more than

1 two members of the commission shall reside in the same county;
2 however, the governor, or his or her designee, shall serve as a
3 nonvoting member of the commission. Commission appointments should
4 reflect both a wide range of transportation interests and a balanced
5 statewide geographic representation. Commissioners may be removed
6 from office by the governor before the expiration of their terms for
7 cause. No member shall be appointed for more than two consecutive
8 terms.

9 **Sec. 702.** RCW 47.01.071 and 2022 c 186 s 702 are each amended to
10 read as follows:

11 The transportation commission shall have the following functions,
12 powers, and duties:

13 ~~(1) ((To propose policies to be adopted by the governor and the~~
14 ~~legislature designed to assure the development and maintenance of a~~
15 ~~comprehensive and balanced statewide transportation system which will~~
16 ~~meet the needs of the people of this state for safe and efficient~~
17 ~~transportation services. Wherever appropriate, the policies shall~~
18 ~~provide for the use of integrated, intermodal transportation systems.~~
19 ~~The policies must be aligned with the goals established in RCW~~
20 ~~47.04.280. To this end the commission shall:~~

21 ~~(a) Develop transportation policies which are based on the~~
22 ~~policies, goals, and objectives expressed and inherent in existing~~
23 ~~state laws;~~

24 ~~(b) Inventory the adopted policies, goals, and objectives of the~~
25 ~~local and area-wide governmental bodies of the state and define the~~
26 ~~role of the state, regional, and local governments in determining~~
27 ~~transportation policies, in transportation planning, and in~~
28 ~~implementing the state transportation plan;~~

29 ~~(c) Establish a procedure for review and revision of the state~~
30 ~~transportation policy and for submission of proposed changes to the~~
31 ~~governor and the legislature; and~~

32 ~~(d) Integrate the statewide transportation plan with the needs of~~
33 ~~the elderly and persons with disabilities, and coordinate federal and~~
34 ~~state programs directed at assisting local governments to answer such~~
35 ~~needs;~~

36 ~~(2) To provide for the effective coordination of state~~
37 ~~transportation planning with national transportation policy, state~~
38 ~~and local land use policies, and local and regional transportation~~
39 ~~plans and programs;~~

1 ~~(3) In conjunction with the provisions under RCW 47.01.075, to~~
2 ~~provide for public involvement in transportation designed to elicit~~
3 ~~the public's views both with respect to adequate transportation~~
4 ~~services and appropriate means of minimizing adverse social,~~
5 ~~economic, environmental, and energy impact of transportation~~
6 ~~programs;~~

7 ~~(4) By December 2010, to prepare a comprehensive and balanced~~
8 ~~statewide transportation plan consistent with the state's growth~~
9 ~~management goals and based on the transportation policy goals~~
10 ~~provided under RCW 47.04.280 and applicable state and federal laws.~~
11 ~~The plan must reflect the priorities of government developed by the~~
12 ~~office of financial management and address regional needs, including~~
13 ~~multimodal transportation planning. The plan must, at a minimum: (a)~~
14 ~~Establish a vision for the development of the statewide~~
15 ~~transportation system; (b) identify significant statewide~~
16 ~~transportation policy issues; and (c) recommend statewide~~
17 ~~transportation policies and strategies to the legislature to fulfill~~
18 ~~the requirements of subsection (1) of this section. The plan must be~~
19 ~~the product of an ongoing process that involves representatives of~~
20 ~~significant transportation interests and the general public from~~
21 ~~across the state. Every four years, except during the 2021-2023~~
22 ~~fiscal biennium, the plan shall be reviewed and revised, and~~
23 ~~submitted to the governor and the house of representatives and senate~~
24 ~~standing committees on transportation.~~

25 ~~The plan shall take into account federal law and regulations~~
26 ~~relating to the planning, construction, and operation of~~
27 ~~transportation facilities;~~

28 ~~(5)) To propose to the governor and the legislature prior to the~~
29 ~~convening of each regular session held in an odd-numbered year a~~
30 ~~recommended budget for the operations of the commission as required~~
31 ~~by RCW 47.01.061;~~

32 ~~((6))~~ (2) To adopt such rules as may be necessary to carry out
33 reasonably and properly those functions expressly vested in the
34 commission by statute;

35 ~~((7))~~ (3) To contract with the office of financial management
36 or other appropriate state agencies for administrative support,
37 accounting services, computer services, and other support services
38 necessary to carry out its other statutory duties;

39 ~~((8))~~ (4) To conduct transportation-related studies and policy
40 analysis to the extent directed by the legislature or governor in the

1 biennial transportation budget act, or as otherwise provided in law,
2 and subject to the availability of amounts appropriated for this
3 specific purpose; and

4 ~~((+9))~~ (5) To exercise such other specific powers and duties as
5 may be vested in the transportation commission by this or any other
6 provision of law.

7 NEW SECTION. **Sec. 703.** RCW 47.01.075 (Transportation policy
8 development) and 2007 c 516 s 5, 2006 c 334 s 4, & 2005 c 319 s 6 are
9 each repealed.

10 **Sec. 704.** RCW 47.04.280 and 2021 c 153 s 1 are each amended to
11 read as follows:

12 (1) It is the intent of the legislature to establish policy goals
13 for the planning, operation, performance of, and investment in, the
14 state's transportation system. Public investments in transportation
15 should support achievement of these policy goals:

16 (a) Preservation: To maintain, preserve, and extend the life and
17 utility of prior investments in transportation systems and services,
18 including the state ferry system;

19 (b) Safety: To provide for and improve the safety and security of
20 transportation customers and the transportation system;

21 (c) Stewardship: To continuously improve the quality,
22 effectiveness, resilience, and efficiency of the transportation
23 system;

24 (d) Mobility: To improve the predictable movement of goods and
25 people throughout Washington state, including congestion relief and
26 improved freight mobility;

27 (e) Economic vitality: To promote and develop transportation
28 systems that stimulate, support, and enhance the movement of people
29 and goods to ensure a prosperous economy; and

30 (f) Environment: To enhance Washington's quality of life through
31 transportation investments that promote energy conservation, enhance
32 healthy communities, and protect the environment.

33 (2) The powers, duties, and functions of state transportation
34 agencies must be performed in a manner consistent with the policy
35 goals set forth in subsection (1) of this section with preservation
36 and safety being priorities.

1 (3) These policy goals are intended to be the basis for
2 establishing detailed and measurable objectives and related
3 performance measures.

4 (4) It is the intent of the legislature that the office of
5 financial management(~~(, in consultation with the transportation~~
6 ~~commission,))~~ establish objectives and performance measures for the
7 department and other state agencies with transportation-related
8 responsibilities to ensure transportation system performance at
9 local, regional, and state government levels progresses toward the
10 attainment of the policy goals set forth in subsection (1) of this
11 section. The office of financial management shall submit objectives
12 and performance measures to the legislature for its review and shall
13 provide copies of the same to the commission during each regular
14 session of the legislature during an even-numbered year thereafter.

15 (5) A local or regional agency engaging in transportation
16 planning may voluntarily establish objectives and performance
17 measures to demonstrate progress toward the attainment of the policy
18 goals set forth in subsection (1) of this section or any other
19 transportation policy goals established by the local or regional
20 agency. A local or regional agency engaging in transportation
21 planning is encouraged to provide local and regional objectives and
22 performance measures to be included with the objectives and
23 performance measures submitted to the legislature pursuant to
24 subsection (4) of this section.

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

26 NEW SECTION. **Sec. 705.** The following acts or parts of acts are
27 each repealed:

28 (1) RCW 46.68.490 (Climate active transportation account) and
29 2023 c 472 s 711 & 2022 c 182 s 102; and

30 (2) RCW 46.68.500 (Climate transit programs account) and 2023 c
31 472 s 712 & 2022 c 182 s 103.

32 **Sec. 706.** RCW 43.84.092 and 2024 c 210 s 4 and 2024 c 168 s 12
33 are each reenacted and amended to read as follows:

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

37 (2) The treasury income account shall be utilized to pay or
38 receive funds associated with federal programs as required by the

1 federal cash management improvement act of 1990. The treasury income
2 account is subject in all respects to chapter 43.88 RCW, but no
3 appropriation is required for refunds or allocations of interest
4 earnings required by the cash management improvement act. Refunds of
5 interest to the federal treasury required under the cash management
6 improvement act fall under RCW 43.88.180 and shall not require
7 appropriation. The office of financial management shall determine the
8 amounts due to or from the federal government pursuant to the cash
9 management improvement act. The office of financial management may
10 direct transfers of funds between accounts as deemed necessary to
11 implement the provisions of the cash management improvement act, and
12 this subsection. Refunds or allocations shall occur prior to the
13 distributions of earnings set forth in subsection (4) of this
14 section.

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

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

28 (a) The following accounts and funds shall receive their
29 proportionate share of earnings based upon each account's and fund's
30 average daily balance for the period: The abandoned recreational
31 vehicle disposal account, the aeronautics account, the Alaskan Way
32 viaduct replacement project account, the ambulance transport fund,
33 the budget stabilization account, the capital vessel replacement
34 account, the capitol building construction account, the Central
35 Washington University capital projects account, the charitable,
36 educational, penal and reformatory institutions account, the Chehalis
37 basin account, the Chehalis basin taxable account, the clean fuels
38 credit account, the clean fuels transportation investment account,
39 the cleanup settlement account, (~~the climate active transportation~~
40 ~~account, the climate transit programs account,~~) the Columbia river

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

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

1 officers' administrative fund, the vulnerable roadway user education
2 account, the Washington judicial retirement system account, the
3 Washington law enforcement officers' and firefighters' system plan 1
4 retirement account, the Washington law enforcement officers' and
5 firefighters' system plan 2 retirement account, the Washington public
6 safety employees' plan 2 retirement account, the Washington school
7 employees' retirement system combined plan 2 and 3 account, the
8 Washington state patrol retirement account, the Washington State
9 University building account, the Washington State University bond
10 retirement fund, the water pollution control revolving administration
11 account, the water pollution control revolving fund, the Western
12 Washington University capital projects account, the Yakima integrated
13 plan implementation account, the Yakima integrated plan
14 implementation revenue recovery account, and the Yakima integrated
15 plan implementation taxable bond account. Earnings derived from
16 investing balances of the agricultural permanent fund, the normal
17 school permanent fund, the permanent common school fund, the
18 scientific permanent fund, and the state university permanent fund
19 shall be allocated to their respective beneficiary accounts.

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

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

29 **Sec. 707.** RCW 43.84.092 and 2024 c 210 s 5 and 2024 c 168 s 13
30 are each reenacted and amended to read as follows:

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

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

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

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

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

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

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

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

1 system plan 2 retirement account, the Washington public safety
2 employees' plan 2 retirement account, the Washington school
3 employees' retirement system combined plan 2 and 3 account, the
4 Washington state patrol retirement account, the Washington State
5 University building account, the Washington State University bond
6 retirement fund, the water pollution control revolving administration
7 account, the water pollution control revolving fund, the Western
8 Washington University capital projects account, the Yakima integrated
9 plan implementation account, the Yakima integrated plan
10 implementation revenue recovery account, and the Yakima integrated
11 plan implementation taxable bond account. Earnings derived from
12 investing balances of the agricultural permanent fund, the normal
13 school permanent fund, the permanent common school fund, the
14 scientific permanent fund, and the state university permanent fund
15 shall be allocated to their respective beneficiary accounts.

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

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

25 **Sec. 708.** RCW 70A.65.030 and 2023 c 475 s 1902 and 2023 c 475 s
26 936 are each reenacted and amended to read as follows:

27 (1) (~~Except as provided in subsection (4) of this section,~~
28 ~~each~~) Each year or biennium, as appropriate, when allocating funds
29 from the carbon emissions reduction account created in RCW
30 70A.65.240, the climate commitment account created in RCW 70A.65.260,
31 the natural climate solutions account created in RCW 70A.65.270, the
32 climate investment account created in RCW 70A.65.250, or the air
33 quality and health disparities improvement account created in RCW
34 70A.65.280, (~~the climate transit programs account created in RCW~~
35 ~~46.68.500, or the climate active transportation account created in~~
36 ~~RCW 46.68.490,~~) or administering grants or programs funded by the
37 accounts, agencies shall conduct an environmental justice assessment
38 consistent with the requirements of RCW 70A.02.060 and establish a
39 minimum of not less than 35 percent and a goal of 40 percent of total

1 investments that provide direct and meaningful benefits to vulnerable
2 populations within the boundaries of overburdened communities
3 through: (a) The direct reduction of environmental burdens in
4 overburdened communities; (b) the reduction of disproportionate,
5 cumulative risk from environmental burdens, including those
6 associated with climate change; (c) the support of community led
7 project development, planning, and participation costs; or (d)
8 meeting a community need identified by the community that is
9 consistent with the intent of this chapter or RCW 70A.02.010.

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

26 (3) (~~Except as provided in subsection (4) of this section,~~
27 ~~state))~~ State agencies allocating funds or administering grants or
28 programs from the carbon emissions reduction account created in RCW
29 70A.65.240, the climate commitment account created in RCW 70A.65.260,
30 the natural climate solutions account created in RCW 70A.65.270, the
31 climate investment account created in RCW 70A.65.250, or the air
32 quality and health disparities improvement account created in RCW
33 70A.65.280, (~~(the climate transit programs account created in RCW~~
34 ~~46.68.500, or the climate active transportation account created in~~
35 ~~RCW 46.68.490,))~~ must:

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

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

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

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

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

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

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

22 ~~(c) The requirements of subsection (3)(c) of this section for~~
23 ~~agencies other than covered agencies to create and adopt community~~
24 ~~engagement plans apply only to executive branch agencies and~~
25 ~~institutions of higher education, as defined in RCW 28B.10.016,~~
26 ~~receiving total appropriations of more than \$2,000,000 for the~~
27 ~~2023-2025 fiscal biennium from the accounts listed in subsection (1)~~
28 ~~of this section.))~~

29 **Sec. 709.** RCW 70A.65.040 and 2022 c 182 s 105 and 2022 c 181 s
30 14 are each reenacted and amended to read as follows:

31 (1) The environmental justice council created in RCW 70A.02.110
32 must provide recommendations to the legislature, agencies, and the
33 governor in the development and implementation of the program
34 established in RCW 70A.65.060 through 70A.65.210, and the programs
35 funded from the carbon emissions reduction account created in RCW
36 70A.65.240, the climate commitment account created in RCW 70A.65.260,
37 the natural climate solutions account created in RCW 70A.65.270, and
38 the climate investment account created in RCW 70A.65.250 ~~((, the~~

~~climate transit programs account created in RCW 46.68.500, and the climate active transportation account created in RCW 46.68.490)).~~

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 710. RCW 70A.65.230 and 2022 c 182 s 426 and 2022 c 181 s 8 are each reenacted and amended to read as follows:

(1) It is the intent of the legislature that each year the total investments made through the carbon emissions reduction account created in RCW 70A.65.240, the climate commitment account created in RCW 70A.65.260, the natural climate solutions account created in RCW 70A.65.270, and the air quality and health disparities improvement account created in RCW 70A.65.280, ~~((the climate transit programs account created in RCW 46.68.500, and the climate active transportation account created in RCW 46.68.490,))~~ achieve the following:

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

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

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

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

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

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

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

(4) The state must develop a process by which to evaluate the impacts of the investments made under this chapter, work across state

1 agencies to develop and track priorities across the different
2 eligible funding categories, and work with the environmental justice
3 council pursuant to RCW 70A.65.040.

4 NEW SECTION. **Sec. 711.** Any residual balance of funds remaining
5 in the climate transit programs account or the climate active
6 transportation account on June 30, 2025, shall be transferred by the
7 state treasurer to the carbon emissions reduction account.

8 **Sec. 712.** RCW 81.52.050 and 2013 c 23 s 301 are each amended to
9 read as follows:

10 Every person, company, or corporation having the control or
11 management of any railroad shall, outside of any corporate city or
12 town, and outside the limits of any sidetrack or switch, cause to be
13 constructed and maintained in good repair on each side of said
14 railroad, along the line of said right-of-way of such person,
15 company, or corporation operating the same, a substantial fence, and
16 at every point where any roadway or other public highway shall cross
17 said railroad, a safe and sufficient crossing must be built and
18 maintained, and on each side of such crossing and at each end of such
19 sidetrack or switch, outside of any incorporated city or town, a
20 sufficient cattle guard: PROVIDED, That any person holding land on
21 both sides of said right-of-way shall have the right to put in gates
22 for his or her own use at such places as may be convenient. This
23 section does not apply to rail right-of-way owned by the department
24 of transportation.

25 **Sec. 713.** RCW 46.63.220 and 2024 c 307 s 2 are each amended to
26 read as follows:

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

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

34 (3) The local legislative authority must prepare an analysis of
35 the locations within the jurisdiction where automated traffic safety
36 cameras are proposed to be located before adding traffic safety
37 cameras to a new location or relocating any existing camera to a new

1 location within the jurisdiction. The analysis must include equity
2 considerations including the impact of the camera placement on
3 livability, accessibility, economics, education, and environmental
4 health when identifying where to locate an automated traffic safety
5 camera. The analysis must also show a demonstrated need for traffic
6 cameras based on one or more of the following in the vicinity of the
7 proposed camera location: Travel by vulnerable road users, evidence
8 of vehicles speeding, rates of collision, reports showing near
9 collisions, and anticipated or actual ineffectiveness or
10 infeasibility of other mitigation measures.

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

13 (5) A city may use automated traffic safety cameras to enforce
14 traffic ordinances in this section on state highways that are also
15 classified as city streets under chapter 47.24 RCW. A city government
16 must notify the department of transportation when it installs an
17 automated traffic safety camera to enforce traffic ordinances as
18 authorized in this subsection.

19 (6)(a) At a minimum, a local ordinance adopted pursuant to this
20 section must contain the restrictions described in this section and
21 provisions for public notice and signage. Cities and counties must
22 also post such restrictions and other automated traffic safety camera
23 policies on the city's or county's website. Cities and counties using
24 automated traffic safety cameras before July 24, 2005, are subject to
25 the restrictions described in this section, but are not required to
26 adopt an authorizing ordinance.

27 (b)(i) Cities and counties using automated traffic safety cameras
28 must post an annual report on the city's or county's website of the
29 number of traffic crashes that occurred at each location where an
30 automated traffic safety camera is located, as well as the number of
31 notices of infraction issued for each camera. Beginning January 1,
32 2026, the annual report must include the percentage of revenues
33 received from fines issued from automated traffic safety camera
34 infractions that were used to pay for the costs of the automated
35 traffic safety camera program and must describe the uses of revenues
36 that exceeded the costs of operation and administration of the
37 automated traffic safety camera program by the city or county.

38 (ii) The Washington traffic safety commission must provide an
39 annual report to the transportation committees of the legislature,
40 and post the report to its website for public access, beginning July

1 1, 2026, that includes aggregated information on the use of automated
2 traffic safety cameras in the state that includes an assessment of
3 the impact of their use, information required in city and county
4 annual reports under (b)(i) of this subsection, and information on
5 the number of automated traffic safety cameras in use by type and
6 location, with an analysis of camera placement in the context of area
7 demographics and household incomes. To the extent practicable, the
8 commission must also provide in its annual report the number of
9 traffic accidents, speeding violations, single vehicle accidents,
10 pedestrian accidents, and driving under the influence violations that
11 occurred at each location where an automated traffic safety camera is
12 located in the five years before each camera's authorization and
13 after each camera's authorization. Cities and counties using
14 automated traffic safety cameras must provide the commission with the
15 data it requests for the report required under this subsection in a
16 form and manner specified by the commission.

17 (7) All locations where an automated traffic safety camera is
18 used on roadways or intersections must be clearly marked by placing
19 signs at least 30 days prior to activation of the camera in locations
20 that clearly indicate to a driver either that: (a) The driver is
21 within an area where automated traffic safety cameras are authorized;
22 or (b) the driver is entering an area where violations are enforced
23 by an automated traffic safety camera. The signs must be readily
24 visible to a driver approaching an automated traffic safety camera.
25 Signs placed in automated traffic safety camera locations after June
26 7, 2012, must follow the specifications and guidelines under the
27 manual of uniform traffic control devices for streets and highways as
28 adopted by the department of transportation under chapter 47.36 RCW.
29 All public transportation vehicles utilizing a vehicle-mounted system
30 must post a sign on the rear of the vehicle indicating to drivers
31 that the vehicle is equipped with an automated traffic safety camera
32 to enforce bus stop zone violations.

33 (8) Automated traffic safety cameras may only record images of
34 the vehicle and vehicle license plate and only while an infraction is
35 occurring. The image must not reveal the face of the driver or of
36 passengers in the vehicle. The primary purpose of camera placement is
37 to record images of the vehicle and vehicle license plate when an
38 infraction is occurring. Cities and counties must consider installing
39 automated traffic safety cameras in a manner that minimizes the
40 impact of camera flash on drivers.

1 (9) A notice of infraction must be mailed to the registered owner
2 of the vehicle within 14 days of the violation, or to the renter of a
3 vehicle within 14 days of establishing the renter's name and address
4 under subsection (17) of this section. The notice of infraction must
5 include with it a certificate or facsimile thereof, based upon
6 inspection of photographs, microphotographs, or electronic images
7 produced by an automated traffic safety camera, stating the facts
8 supporting the notice of infraction. This certificate or facsimile is
9 prima facie evidence of the facts contained in it and is admissible
10 in a proceeding charging a violation under this chapter. The
11 photographs, microphotographs, or electronic images evidencing the
12 violation must be available for inspection and admission into
13 evidence in a proceeding to adjudicate the liability for the
14 infraction. A person receiving a notice of infraction based on
15 evidence detected by an automated traffic safety camera may respond
16 to the notice by mail.

17 (10) The registered owner of a vehicle is responsible for an
18 infraction under RCW 46.63.030(1)(d) unless the registered owner
19 overcomes the presumption in RCW 46.63.075, or, in the case of a
20 rental car business, satisfies the conditions under subsection (17)
21 of this section. If appropriate under the circumstances, a renter
22 identified under subsection (17)(a) of this section is responsible
23 for an infraction.

24 (11) Notwithstanding any other provision of law, all photographs,
25 microphotographs, or electronic images, or any other personally
26 identifying data prepared under this section are for the exclusive
27 use of authorized city or county employees, as specified in RCW
28 46.63.030(1)(d), in the discharge of duties under this section and
29 are not open to the public and may not be used in a court in a
30 pending action or proceeding unless the action or proceeding relates
31 to a violation under this section. No photograph, microphotograph, or
32 electronic image, or any other personally identifying data may be
33 used for any purpose other than enforcement of violations under this
34 section nor retained longer than necessary to enforce this section.
35 Transit authorities must provide to the appropriate local
36 jurisdiction that has authorized traffic safety camera use under RCW
37 46.63.260(~~((+2))~~) (3) any images or evidence collected establishing
38 that a violation of stopping, standing, or parking in a bus stop zone
39 has occurred for infraction processing purposes consistent with this
40 section.

1 (12) If a county or city has established an automated traffic
2 safety camera program as authorized under this section, the
3 compensation paid to the manufacturer or vendor of the equipment used
4 must be based only upon the value of the equipment and services
5 provided or rendered in support of the system and may not be based
6 upon a portion of the fine or civil penalty imposed or the revenue
7 generated by the equipment. If the contract between the city or
8 county and manufacturer or vendor of the equipment does not provide
9 for performance or quality control measures regarding camera images,
10 the city or county must perform a performance audit of the
11 manufacturer or vendor of the equipment every three years to review
12 and ensure that images produced from automated traffic safety cameras
13 are sufficient for evidentiary purposes as described in subsection
14 (9) of this section.

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

18 (i) Traffic safety activities related to construction and
19 preservation projects and maintenance and operations purposes
20 including, but not limited to, projects designed to implement the
21 complete streets approach as defined in RCW 47.04.010, changes in
22 physical infrastructure to reduce speeds through road design, and
23 changes to improve safety for active transportation users, including
24 improvements to access and safety for road users with mobility,
25 sight, or other disabilities; and

26 (ii) The cost to administer, install, operate, and maintain the
27 automated traffic safety cameras, including the cost of processing
28 infractions.

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

30 (i) The automated traffic safety camera program revenue used by a
31 county or city with a population of 10,000 or more for purposes
32 described in (a)(i) of this subsection must include the use of
33 revenue in census tracts of the city or county that have household
34 incomes in the lowest quartile determined by the most currently
35 available census data and areas that experience rates of injury
36 crashes that are above average for the city or county. Funding
37 contributed from traffic safety program revenue must be, at a
38 minimum, proportionate to the share of the population of the county
39 or city who are residents of these low-income communities and
40 communities experiencing high injury crash rates. This share must be

1 directed to investments that provide direct and meaningful traffic
2 safety benefits to these communities. Revenue used to administer,
3 install, operate, and maintain automated traffic safety cameras,
4 including the cost of processing infractions, are excluded from
5 determination of the proportionate share of revenues under this
6 subsection (13)(b); and

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

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

19 (d)(i)(A) Jurisdictions with an automated traffic safety camera
20 program in effect before January 1, 2024, may continue to allocate
21 revenue generated from automated traffic safety cameras authorized
22 under RCW 46.63.230 and 46.63.250(2)(c) as determined by the
23 jurisdiction, as well as for the purposes established in (a) through
24 (c) of this subsection, by:

25 (I) Up to a 10 percent increase in the number of traffic safety
26 camera locations authorized to detect violations for automated
27 traffic safety cameras authorized under RCW 46.63.230; and

28 (II) Up to a 10 percent increase in the number of traffic safety
29 camera locations authorized to detect violations for automated
30 traffic safety cameras authorized under RCW 46.63.250(2)(c).

31 (B)(I) Any automated traffic safety camera program in effect
32 before January 1, 2024, with fewer than 10 traffic safety camera
33 locations for automated traffic safety cameras authorized under RCW
34 46.63.230, which adds automated traffic safety cameras to one
35 additional location for the use of cameras authorized under RCW
36 46.63.230, may continue to allocate revenue generated from automated
37 traffic safety cameras authorized under RCW 46.63.230 as determined
38 by the jurisdiction, as well as for the purposes established in (a)
39 through (c) of this subsection.

1 (II) Any automated traffic safety camera program in effect before
2 January 1, 2024, with fewer than 10 traffic safety camera locations
3 for automated traffic safety cameras authorized under RCW
4 46.63.250(2)(c) as of January 1, 2024, which adds automated traffic
5 safety cameras to one additional location for the use of cameras
6 authorized under RCW 46.63.250(2)(c), may continue to allocate
7 revenue generated from automated traffic safety cameras authorized
8 under RCW 46.63.250(2)(c) as determined by the jurisdiction, as well
9 as for the purposes established in (a) through (c) of this
10 subsection.

11 (C) For the purposes of this subsection (13)(d)(i), a location
12 is:

13 (I) An intersection for automated traffic safety cameras
14 authorized under RCW 46.63.230 where cameras authorized under RCW
15 46.63.230 are in use; and

16 (II) A school speed zone for automated traffic safety cameras
17 authorized under RCW 46.63.250(2)(c) where cameras authorized under
18 RCW 46.63.250(2)(c) are in use.

19 (ii) The revenue distribution requirements under (a) through
20 (d)(i) of this subsection do not apply to automated traffic safety
21 camera programs in effect before January 1, 2024, for which an
22 ordinance in effect as of January 1, 2024, directs the manner in
23 which revenue generated from automated traffic safety cameras
24 authorized under RCW 46.63.230 or 46.63.250(2)(c) must be used.

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

29 (15) Except as provided in this subsection, registered owners of
30 vehicles who receive notices of infraction for automated traffic
31 safety camera-enforced infractions and are recipients of public
32 assistance under Title 74 RCW or participants in the Washington
33 women, infants, and children program, and who request reduced
34 penalties for infractions detected through the use of automated
35 traffic safety camera violations, must be granted reduced penalty
36 amounts of 50 percent of what would otherwise be assessed for a first
37 automated traffic safety camera violation and for subsequent
38 automated traffic safety camera violations issued within 21 days of
39 issuance of the first automated traffic safety camera violation.
40 Eligibility for medicaid under RCW 74.09.510 is not a qualifying

1 criterion under this subsection. Registered owners of vehicles who
2 receive notices of infraction must be provided with information on
3 their eligibility and the opportunity to apply for a reduction in
4 penalty amounts through the mail or internet.

5 (16) Infractions detected through the use of automated traffic
6 safety cameras are not part of the registered owner's driving record
7 under RCW 46.52.101 and 46.52.120. Additionally, infractions
8 generated by the use of automated traffic safety cameras under this
9 section must be processed in the same manner as parking infractions,
10 including for the purposes of RCW 3.50.100, 35.20.220, 46.16A.120,
11 and 46.20.270(2). The amount of the fine issued for an infraction
12 generated through the use of an automated traffic safety camera may
13 not exceed \$145, as adjusted for inflation by the office of financial
14 management every five years, beginning January 1, 2029, based upon
15 changes in the consumer price index during that time period, but may
16 be doubled for a school speed zone infraction generated through the
17 use of an automated traffic safety camera.

18 (17) If the registered owner of the vehicle is a rental car
19 business, the issuing agency must, before a notice of infraction
20 being issued under this section, provide a written notice to the
21 rental car business that a notice of infraction may be issued to the
22 rental car business if the rental car business does not, within 18
23 days of receiving the written notice, provide to the issuing agency
24 by return mail:

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

28 (b) A statement under oath that the business is unable to
29 determine who was driving or renting the vehicle at the time the
30 infraction occurred because the vehicle was stolen at the time of the
31 infraction. A statement provided under this subsection must be
32 accompanied by a copy of a filed police report regarding the vehicle
33 theft; or

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

38 **Sec. 714.** RCW 47.04.350 and 2019 c 287 s 3 are each amended to
39 read as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

11 **Sec. 715.** RCW 47.04.355 and 2019 c 287 s 16 are each amended to
12 read as follows:

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

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

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

35 (4) The department must include the following elements in its
36 proposal evaluation and scoring methodology: History of successful
37 management of equity focused clean alternative fuel vehicle projects;
38 substantial level of involvement from community-based, equity focused
39 organizations in the project; plan for long-term financial

1 sustainability of the work beyond the duration of the grant period;
2 matching resources leveraged for the project; and geographical
3 diversity of the projects selected.

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

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

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

23 **Sec. 716.** RCW 47.60.826 and 2023 c 429 s 2 are each amended to
24 read as follows:

25 (1) (a) The department shall contract for the acquisition of up to
26 (~~(five)~~) 16 new hybrid diesel-electric ferry vessels that can carry
27 up to (~~(144)~~) 160 vehicles, using a one or two contract procurement
28 approach to potentially accelerate vessel delivery.

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

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

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

37 (iii) Accelerate the proposed delivery schedule; or

38 (iv) Make other improvements determined to be beneficial by the
39 department. The Washington state ferries may allow for exceptions of

1 the ((144)) 160 vehicle capacity of the vessel design in cases where
2 efficiencies outlined in (b)(i) or (ii) of this subsection are met.

3 (2)(a) The contract or contracts must be for a minimum of two
4 vessels, with options for ((up to five vessels in total)) additional
5 vessels, and are exempt from the requirements set forth in RCW
6 47.60.810 through 47.60.824.

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

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

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

13 (iii) Lease with an option to buy in accordance with RCW
14 47.60.010. The terms of any plan to pursue a lease with an option to
15 buy agreement must be approved by the governor and appropriate
16 committees of the legislature and are subject to the availability of
17 amounts appropriated for this specific purpose.

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

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

26 (i) Amount of economic and revenue loss to the state of
27 Washington from constructing vessels outside the state of Washington,
28 as indicated by the Washington institute for public policy study
29 regarding Washington state ferry vessel procurement dated December
30 2016; and

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

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

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

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

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

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

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

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

16 (c) Advise on contract and technical matters; and

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

20 NEW SECTION. **Sec. 717.** Nothing in section 716 of this act shall
21 be construed to apply to, or otherwise interfere with, vessel
22 procurements underway prior to the effective date of section 716 of
23 this act.

24 **Sec. 718.** RCW 88.16.035 and 2018 c 107 s 3 are each amended to
25 read as follows:

26 (1) The board of pilotage commissioners shall:

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

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

32 (ii) Establish a comprehensive training program to assist in the
33 training and evaluation of pilot applicants before final licensing;
34 and

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

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

3 (d) Determine from time to time the number of pilots necessary to
4 be licensed in each district of the state to optimize the operation
5 of a safe, fully regulated, efficient, and competent pilotage service
6 in each district;

7 (e) Provide assistance to the utilities and transportation
8 commission, as requested by the utilities and transportation
9 commission, in its performance of pilotage tariff setting functions
10 under RCW 81.116.010 through 81.116.060;

11 (f) File annually with the governor and the chairs of the
12 transportation committees of the senate and house of representatives
13 a report which includes, but is not limited to, the following: The
14 number, names, ages, pilot license number, training license number,
15 and years of service as a Washington licensed pilot of any person
16 licensed by the board as a Washington state pilot or trainee; the
17 names, employment, and other information of the members of the board;
18 the total number of pilotage assignments by pilotage district,
19 including information concerning the various types and sizes of
20 vessels and the total annual tonnage; the annual earnings or stipends
21 of individual pilots and trainees before and after deduction for
22 expenses of pilot organizations, including extra compensation as a
23 separate category; the annual expenses of private pilot associations,
24 including personnel employed and capital expenditures; the status of
25 pilotage tariffs, extra compensation, and travel; the retirement
26 contributions paid to pilots and the disposition thereof; the number
27 of groundings, marine occurrences, or other incidents which are
28 reported to or investigated by the board, and which are determined to
29 be accidents, as defined by the board, including the vessel name,
30 location of incident, pilot's or trainee's name, and disposition of
31 the case together with information received before the board acted
32 from all persons concerned, including the United States coast guard;
33 the names, qualifications, time scheduled for examinations, and the
34 district of persons desiring to apply for Washington state pilotage
35 licenses; summaries of dispatch records, quarterly reports from
36 pilots, and the bylaws and operating rules of pilotage organizations;
37 the names, sizes in deadweight tons, surcharges, if any, port of
38 call, name of the pilot or trainee, and names and horsepower of tug
39 boats for any and all oil tankers subject to the provisions of RCW
40 88.16.190 together with the names of any and all vessels for which

1 the United States coast guard requires special handling pursuant to
2 their authority under the Ports and Waterways Safety Act of 1972; the
3 expenses of the board; updates on efforts to increase diversity of
4 pilots, trainees, and applicants; and any and all other information
5 which the board deems appropriate to include;

6 (g) Make available information that includes the pilotage act and
7 other statutes of Washington state and the federal government that
8 affect pilotage, including the rules of the board, together with such
9 additional information as may be informative for pilots, agents,
10 owners, operators, and masters;

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

13 (i) Provide for the maintenance of efficient and competent
14 pilotage service on all waters covered by this chapter; and do such
15 other things as are reasonable, necessary, and expedient to insure
16 proper and safe pilotage upon the waters covered by this chapter and
17 facilitate the efficient administration of this chapter.

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

20 **Sec. 719.** RCW 46.16A.305 and 2022 c 132 s 5 are each amended to
21 read as follows:

22 (1) The department, county auditor or other agent, or subagent
23 appointed by the director may grant a temporary license plate to
24 operate a vehicle for which an application for registration has been
25 made. The application for a temporary license plate must be made by
26 the owner or the owner's representative to the department, county
27 auditor or other agent, or subagent appointed by the director on a
28 form furnished by the department and must contain:

29 (a) A full description of the vehicle, including its make, model,
30 vehicle identification number, and type of body;

31 (b) The name and address of the applicant;

32 (c) The date of application; and

33 (d) Other information that the department may require.

34 (2) Temporary license plates must:

35 (a) Be consecutively numbered;

36 (b) Be displayed as described for permanent license plates in RCW
37 46.16A.200(5)(a);

38 (c) Be composed of material that must be durable and remain
39 unaltered in field conditions for a minimum of four months; and

1 (d) Remain on the vehicle only until the receipt of permanent
2 license plates.

3 (3) The application must be accompanied by the fee required under
4 RCW 46.17.400(1)(b).

5 (4) Pursuant to subsection (2) of this section, the department
6 may adopt rules for the design and display of temporary license
7 plates.

8 (5) By December 1, 2025, the department must adopt rules
9 implementing contingency extensions of the expiration date for
10 department temporary license plates in cases of shortages of
11 permanent license plates. The rules must prioritize reducing customer
12 return trips for department temporary license plates, and include a
13 communication plan with state and local law enforcement agencies
14 regarding the implementation of the contingency extensions.

15 NEW SECTION. Sec. 720. A new section is added to chapter 72.60
16 RCW to read as follows:

17 When the department of corrections, in conjunction with the
18 department of licensing, anticipates a projected license plate
19 shortage statewide or in particular locations, the department of
20 licensing must promptly communicate such shortage to the county
21 auditors or other agents, and subagents appointed by the director of
22 the department of licensing. The department of corrections, in
23 conjunction with the department of licensing, must also develop and
24 implement a mitigation plan to address the shortage that may include
25 the contracting with a third-party vendor for production of license
26 plates until such time as the shortage is eliminated and a sufficient
27 license plate inventory is available for the subsequent 90-day
28 period. Use of a third-party vendor may thereafter be initiated by
29 the department of corrections, the department of licensing, or
30 jointly by the two agencies.

31 **Sec. 721.** RCW 47.60.322 and 2023 c 472 s 715 are each amended to
32 read as follows:

33 (1) The capital vessel replacement account is created in the
34 motor vehicle account. All revenues generated from the vessel
35 replacement (~~((surcharge))~~) surcharges under RCW 47.60.315 (7) and (8),
36 and service fees collected by the department of licensing or county
37 auditor or other agent appointed by the director under RCW 46.17.040,
38 46.17.050, and 46.17.060, must be deposited into the account. Moneys

1 in the account may be spent only after appropriation. Expenditures
2 from the account may be used only for the construction or purchase of
3 ferry vessels and to pay the principal and interest on bonds
4 authorized for the construction or purchase of ferry vessels.
5 (~~((However, expenditures from the account must first be used to~~
6 ~~support the construction or purchase, including any applicable~~
7 ~~financing costs, of a ferry vessel with a carrying capacity of at~~
8 ~~least one hundred forty-four cars.))~~)

9 (2) (~~((The state treasurer may transfer moneys from the capital~~
10 ~~vessel replacement account to the transportation 2003 account (nickel~~
11 ~~account) for debt service on bonds issued for the construction of~~
12 ~~144-car class ferry vessels.~~

13 ~~(3))~~) The legislature may transfer from the capital vessel
14 replacement account to the connecting Washington account created
15 under RCW 46.68.395 such amounts as reflect the excess fund balance
16 of the capital vessel replacement account to be used for ferry
17 terminal construction and preservation.

18 (~~((4))~~) (3) During the 2021-2023 and 2023-2025 fiscal biennia,
19 the legislature may direct the state treasurer to make transfers of
20 moneys in the capital vessel replacement account to the
21 transportation partnership account and the connecting Washington
22 account.

23 **Sec. 722.** RCW 82.42.090 and 2017 3rd sp.s. c 25 s 42 are each
24 amended to read as follows:

25 All moneys collected by the director from the aircraft fuel
26 excise tax as provided in RCW 82.42.020 shall be transmitted to the
27 state treasurer and shall be credited to the aeronautics account
28 hereby created in the state treasury. Moneys in the account may be
29 spent only after appropriation. Expenditures from the account may be
30 used only for aviation-related purposes. Moneys collected from the
31 consumer or user of aircraft fuel from either the use tax imposed by
32 RCW 82.12.020 or the retail sales tax imposed by RCW 82.08.020 shall
33 be transmitted to the state treasurer and credited to the state
34 general fund.

35 **Sec. 723.** RCW 43.19.642 and 2023 c 472 s 703 are each amended to
36 read as follows:

37 (1) Effective June 1, 2006, for agencies complying with the
38 ultra-low sulfur diesel mandate of the United States environmental

1 protection agency for on-highway diesel fuel, agencies shall use
2 biodiesel as an additive to ultra-low sulfur diesel for lubricity,
3 provided that the use of a lubricity additive is warranted and that
4 the use of biodiesel is comparable in performance and cost with other
5 available lubricity additives. The amount of biodiesel added to the
6 ultra-low sulfur diesel fuel shall be not less than two percent.

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

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

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

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

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

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

33 **Sec. 724.** RCW 47.04.035 and 2022 c 182 s 418 are each amended to
34 read as follows:

35 (1) In order to improve the safety, mobility, and accessibility
36 of state highways, it is the intent of the legislature that the
37 department must incorporate the principles of complete streets with
38 facilities that provide street access with all users in mind,
39 including pedestrians, bicyclists, and public transportation users,

1 notwithstanding the provisions of RCW 47.24.020 concerning
2 responsibility beyond the curb of state rights-of-way. As such, state
3 transportation projects (a) starting design ((on or after)) between
4 July 1, 2022, and July 31, 2025, that are \$500,000 or more, and (b)
5 starting design on or after August 1, 2025, that are \$1,000,000 or
6 more, must:

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

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

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

35 ((~~(d)~~)) (iv) Plan, design, and construct facilities providing
36 context-sensitive solutions that contribute to network connectivity
37 and safety for pedestrians, bicyclists, and people accessing public
38 transportation and other modal connections, such facilities to
39 include Americans with disabilities act accessible sidewalks or

1 shared-use paths, bicyclist facilities, and crossings as needed to
2 integrate the state route into the local network.

3 (2) Projects undertaken for emergent work required to reopen a
4 state highway in the event of a natural disaster or other emergency
5 repair are not required to comply with the provisions of this
6 section.

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

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

10 **Sec. 725.** RCW 46.16A.030 and 2019 c 459 s 3 and 2019 c 423 s 203
11 are each reenacted and amended to read as follows:

12 (1) Vehicles must be registered as required by this chapter and
13 must display license plates or decals assigned by the department.

14 (2) It is unlawful for a person to operate any vehicle on a
15 public highway of this state without having in full force and effect
16 a current and proper vehicle registration and displaying license
17 plates on the vehicle.

18 (3) Vehicle license plates or registration certificates, whether
19 original issues or duplicates, may not be issued or furnished by the
20 department until the applicant makes satisfactory application for a
21 certificate of title or presents satisfactory evidence that a
22 certificate of title covering the vehicle has been previously issued.

23 (4) Failure to make initial registration before operating a
24 vehicle on the public highways of this state is a traffic infraction.
25 A person committing this infraction must pay a fine of (~~((five hundred~~
26 ~~twenty-nine dollars))~~ \$529, which may not be suspended or reduced.
27 This fine is in addition to any delinquent taxes and fees that must
28 be deposited and distributed in the same manner as if the taxes and
29 fees were properly paid in a timely fashion. The (~~((five hundred~~
30 ~~twenty-nine dollar))~~ \$529 fine must be deposited into the vehicle
31 licensing fraud account created in the state treasury in RCW
32 46.68.250.

33 (5) (a) Failure to renew an expired registration before operating
34 a vehicle on the public highways of this state is a traffic
35 infraction.

36 (b) A law enforcement officer may issue a notice of infraction
37 for failure to renew an expired registration to the registered owner
38 of the vehicle that is parked, standing, and unoccupied on the public
39 right-of-way. Such an infraction under this subsection (5) (b) is not

1 part of the registered owner's driving record under RCW 46.52.101 and
2 46.52.120, and must be processed in the same manner as a parking
3 infraction, including for the purposes of RCW 3.50.100, 35.20.220,
4 46.16A.120, and 46.20.270(2). The penalty for failure to renew an
5 expired registration as enforced under this subsection (5)(b) is
6 \$150.

7 (6) It is a gross misdemeanor for a resident, as identified in
8 RCW 46.16A.140, to register a vehicle in another state, evading the
9 payment of any tax or vehicle license fee imposed in connection with
10 registration. It is punishable, in lieu of the fine in subsection (4)
11 of this section, as follows:

12 (a) For a first offense:

13 (i) Up to (~~((three hundred sixty-four))~~) 364 days in the county
14 jail;

15 (ii) Payment of a fine of (~~((five hundred twenty-nine dollars))~~)
16 \$529 plus any applicable assessments, which may not be suspended or
17 reduced. The fine of (~~((five hundred twenty-nine dollars))~~) \$529 must
18 be deposited into the vehicle licensing fraud account created in the
19 state treasury in RCW 46.68.250;

20 (iii) A fine of (~~((one thousand dollars))~~) \$1,000 to be deposited
21 into the vehicle licensing fraud account created in the state
22 treasury in RCW 46.68.250, which may not be suspended or reduced; and

23 (iv) The delinquent taxes and fees, which must be deposited and
24 distributed in the same manner as if the taxes and fees were properly
25 paid in a timely fashion, and which may not be suspended or reduced;

26 (b) For a second or subsequent offense:

27 (i) Up to (~~((three hundred sixty-four))~~) 364 days in the county
28 jail;

29 (ii) Payment of a fine of (~~((five hundred twenty-nine dollars))~~)
30 \$529 plus any applicable assessments, which may not be suspended or
31 reduced, except as provided in RCW 10.05.180. The fine of (~~((five~~
32 ~~hundred twenty-nine dollars))~~) \$529 must be deposited into the vehicle
33 licensing fraud account created in the state treasury in RCW
34 46.68.250;

35 (iii) A fine of (~~((five thousand dollars))~~) \$5,000 to be deposited
36 into the vehicle licensing fraud account created in the state
37 treasury in RCW 46.68.250, which may not be suspended or reduced; and

38 (iv) The amount of delinquent taxes and fees, which must be
39 deposited and distributed in the same manner as if the taxes and fees

1 were properly paid in a timely fashion, and which may not be
2 suspended or reduced.

3 (7) A vehicle with an expired registration of more than
4 (~~forty-five~~) 45 days parked on a public street may be impounded by
5 a police officer under RCW 46.55.113(2).

6 **Sec. 726.** RCW 39.114.020 and 2024 c 236 s 2 are each amended to
7 read as follows:

8 (1) A local government may designate an increment area under this
9 chapter and use the tax allocation revenues to pay public improvement
10 costs, subject to the following conditions:

11 (a) The local government must adopt an ordinance designating an
12 increment area within its boundaries and describing the public
13 improvements proposed to be paid for, or financed with, tax
14 allocation revenues;

15 (b) The local government may not designate increment area
16 boundaries such that the entirety of its territory falls within an
17 increment area;

18 (c) (~~The~~) (i) Except as provided in (c)(ii) of this subsection,
19 the increment area may not have an assessed valuation of more than
20 \$200,000,000 or more than 20 percent of the sponsoring jurisdiction's
21 total assessed valuation, whichever is less, when the ordinance is
22 passed. If a sponsoring jurisdiction creates two increment areas, the
23 total combined assessed valuation in both of the two increment areas
24 may not equal more than \$200,000,000 or more than 20 percent of the
25 sponsoring jurisdiction's total assessed valuation, whichever is
26 less, when the ordinances are passed creating the increment areas.

27 (ii) A sponsoring jurisdiction may designate a single tax
28 increment area with a combined assessed valuation greater than
29 \$200,000,000 but no more than \$500,000,000 if:

30 (A) The sponsoring jurisdiction is a city with a population over
31 150,000 but less than 170,000 and is located in a county with a
32 population of over 1,500,000;

33 (B) The tax increment area is connected to Interstate 405 and the
34 transportation-related public improvements that will be funded
35 enhance the integration and connection of neighborhoods within and
36 adjacent to the increment area;

37 (C) The sponsoring jurisdiction enacted an ordinance designating
38 the increment area no later than January 1, 2029; and

1 (D) Affected port districts or public utility districts where all
2 or a portion of its levy is excluded from the definition of "regular
3 property taxes" under RCW 39.114.010(9) must approve partial or full
4 participation within the increment area to be subject to the
5 apportionment under this chapter;

6 (d) ((A)) Except as otherwise provided in (c)(ii) of this
7 subsection, a local government can create no more than two active
8 increment areas at any given time and they may not physically overlap
9 by including the same land in more than one increment area at any
10 time;

11 (e) The ordinance must set a sunset date for the increment area,
12 which may be no more than 25 years after the first year in which tax
13 allocation revenues are collected from the increment area;

14 (f) The ordinance must identify the public improvements to be
15 financed and indicate whether the local government intends to issue
16 bonds or other obligations, payable in whole or in part, from tax
17 allocation revenues to finance the public improvement costs, and must
18 estimate the maximum amount of obligations contemplated;

19 (g) The ordinance must provide that the increment area takes
20 effect on June 1st following the adoption of the ordinance in (a) of
21 this subsection;

22 (h) The sponsoring jurisdiction may not add additional public
23 improvements to the project after adoption of the ordinance creating
24 the increment area or change the boundaries of the increment area.
25 The sponsoring jurisdiction may expand, alter, or add to the original
26 public improvements when doing so is necessary to assure the
27 originally approved improvements can be constructed or operated;

28 (i) The ordinance must impose a deadline by which commencement of
29 construction of the public improvements shall begin, which deadline
30 must be at least five years into the future and for which extensions
31 shall be made available for good cause; and

32 (j) The local government must make a finding that:

33 (i) The public improvements proposed to be paid or financed with
34 tax allocation revenues are expected to encourage private development
35 within the increment area and to increase the assessed value of real
36 property within the increment area;

37 (ii) Private development that is anticipated to occur within the
38 increment area as a result of the proposed public improvements will
39 be permitted consistent with the permitting jurisdiction's applicable
40 zoning and development standards;

1 (iii) The private development would not reasonably be expected to
2 occur solely through private investment within the reasonably
3 foreseeable future without the proposed public improvements; and

4 (iv) The increased assessed value within the increment area that
5 could reasonably be expected to occur without the proposed public
6 improvements would be less than the increase in the assessed value
7 estimated to result from the proposed development with the proposed
8 public improvements.

9 (2) In considering whether to designate an increment area, the
10 legislative body of the local government must prepare a project
11 analysis that shall include, but need not be limited to, the
12 following:

13 (a) A statement of objectives of the local government for the
14 designated increment area;

15 (b) A statement as to the property within the increment area, if
16 any, that the local government may intend to acquire;

17 (c) The duration of the increment area;

18 (d) Identification of all parcels to be included in the area;

19 (e) A description of the expected private development within the
20 increment area, including a comparison of scenarios with the proposed
21 public improvements and without the proposed public improvements;

22 (f) A description of the public improvements, estimated public
23 improvement costs, and the estimated amount of bonds or other
24 obligations expected to be issued to finance the public improvement
25 costs and repaid with tax allocation revenues;

26 (g) The assessed value of real property listed on the tax roll as
27 certified by the county assessor under RCW 84.52.080 from within the
28 increment area and an estimate of the increment value and tax
29 allocation revenues expected to be generated;

30 (h) An estimate of the job creation reasonably expected to result
31 from the public improvements and the private development expected to
32 occur in the increment area;

33 (i) An assessment of any impacts on the following:

34 (i) Affordable and low-income housing;

35 (ii) The local business community;

36 (iii) The local school districts; and

37 (iv) The local fire service, public hospital service, and
38 emergency medical services; and

1 (j) The assessment of impacts under (i) of this subsection (2)
2 must include any necessary mitigation to the local fire service,
3 public hospital service, and emergency medical services; and

4 (k) An assessment of any impacts of any other junior taxing
5 districts not referenced in (i) of this subsection (2).

6 (3) The local government may charge a private developer, who
7 agrees to participate in creating the increment area, a fee
8 sufficient to cover the cost of the project analysis and establishing
9 the increment area, including staff time, professionals and
10 consultants, and other administrative costs related to establishing
11 the increment area.

12 (4) Nothing in this section prohibits a local government from
13 entering into an agreement under chapter 39.34 RCW with another local
14 government for the administration or other activities related to tax
15 increment financing authorized under this section.

16 (5)(a) If the project analysis indicates that an increment area
17 will impact at least 20 percent of the assessed value in a public
18 hospital district, fire protection district, or regional fire
19 protection service authority, or if the public hospital district's or
20 the fire service agency's annual report, or other governing board-
21 adopted capital facilities plan, demonstrates an increase in the
22 level of service directly related to the increased development in the
23 increment area, the local government must enter into negotiations for
24 a mitigation plan with the impacted public hospital district, fire
25 protection district, or regional fire protection service authority to
26 address level of service issues in the increment area.

27 (b) If the parties cannot agree pursuant to (a) of this
28 subsection (5), the parties must proceed to arbitration to determine
29 the appropriate mitigation plan. The board of arbitrators must
30 consist of three persons: One appointed by the local government
31 seeking to designate the increment area and one appointed by the
32 junior taxing district, both of whom must be appointed within 60 days
33 of the date when arbitration is requested, and a third arbitrator who
34 must be appointed by agreement of the other two arbitrators within 90
35 days of the date when arbitration is requested. If the two are unable
36 to agree on the appointment of the third arbitrator within this 90-
37 day period, then the third arbitrator must be appointed by a judge in
38 the superior court of the county within which the largest portion of
39 the increment area is located. The determination by the board of

1 arbitrators is binding on both the local government seeking to impose
2 the increment area and the junior taxing district.

3 (6) The local government may reimburse the assessor and treasurer
4 for their costs as provided in RCW 39.114.010(6)(e).

5 (7) Prior to the adoption of an ordinance authorizing creation of
6 an increment area, the local government must:

7 (a) Hold at least two public briefings for the community solely
8 on the tax increment project that include the description of the
9 increment area, the public improvements proposed to be financed with
10 the tax allocation revenues, and a detailed estimate of tax revenues
11 for the participating local governments and taxing districts,
12 including the amounts allocated to the increment public improvements.
13 The briefings must be announced at least two weeks prior to the date
14 being held, including publishing in a legal newspaper of general
15 circulation and posting information on the local government website
16 and all local government social media sites, and must occur no
17 earlier than 90 days after submitting the project analysis to the
18 office of the treasurer and all local governments and taxing
19 districts impacted by the increment area;

20 (b) Submit the project analysis to all local governments and
21 taxing districts impacted by the increment area no less than 90 days
22 prior to the adoption of the ordinance; and

23 (c) Submit the project analysis to the office of the treasurer
24 for review and consider any comments that the treasurer may provide
25 upon completion of their review of the project analysis as provided
26 under this subsection. The treasurer must complete the review within
27 90 days of receipt of the project analysis and may consult with other
28 agencies and outside experts as necessary. Upon completing their
29 review, the treasurer must promptly provide to the local government
30 any comments regarding suggested revisions or enhancements to the
31 project analysis that the treasurer deems appropriate based on the
32 requirements in subsection (2) of this section.

33 NEW SECTION. **Sec. 727.** (1) The legislature finds that a full
34 set of project procurement, contracting, financing, and funding tools
35 are needed to enable the delivery of transportation projects in a
36 manner most advantageous to the public. Current public-private
37 partnership laws have failed to spur innovative proposals from the
38 private sector or new project delivery approaches from the department
39 of transportation.

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

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

9 (b) Provide an additional option for delivering complex
10 transportation projects, including addressing a shortage of truck
11 parking;

12 (c) Incorporate private sector expertise and innovation into
13 transportation project delivery;

14 (d) Allocate project risks to the parties best able to manage
15 those risks;

16 (e) Allow new sources of private capital;

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

18 (g) Better align private sector incentives with public
19 priorities; and

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

22 NEW SECTION. **Sec. 728.** DEFINITIONS. The definitions in this
23 section apply throughout this chapter unless the context clearly
24 requires otherwise.

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

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

27 (3) "Eligible transportation project" means any project, whether
28 capital or operating, where the state's purpose for the project is to
29 preserve or facilitate the safe transport of people or goods via any
30 mode of travel.

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

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

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

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

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

NEW SECTION. **Sec. 729.** WASHINGTON STATE DEPARTMENT OF TRANSPORTATION POWERS AND DUTIES. (1) The department shall develop policies and, where appropriate, adopt rules to carry out this chapter and govern the use of public-private partnerships for transportation projects. At a minimum, the department's policies and rules must address the following issues:

- (a) The types of projects allowed;
- (b) Consistent with section 735 of this act, a process and methodology for determining whether a public-private partnership delivery model will be in the public's interest;
- (c) Consistent with section 740 of this act, a process and methodology for determining whether a negotiated partnership agreement will result in greater public value to the state than if the project is delivered using other procurement and contracting methods;
- (d) The types of contracts allowed, with consideration given to the best practices available;
- (e) Minimum standards and criteria required of all proposals;
- (f) Procedures for the proper identification, solicitation, acceptance, review, and evaluation of projects, consistent with existing project procurement and contracting requirements and practices;
- (g) Criteria to be considered in the evaluation and selection of proposals that includes:
 - (i) Comparison with the department's internal ability to complete the project that documents the advantages of completing the project as a partnership versus solely as a public venture; and
 - (ii) Factors such as, but not limited to: Priority, life-cycle cost, risk sharing, scheduling, innovation, and management conditions;

1 (h) The protection of confidential proprietary information while
2 still meeting the need for transparency and public disclosure that is
3 consistent with section 740 of this act;

4 (i) Protection for local contractors to participate in
5 subcontracting opportunities that is consistent with section 730(3)
6 of this act;

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

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

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

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

17 NEW SECTION. **Sec. 730.** APPLICABILITY OF OTHER TRANSPORTATION
18 PROJECT GOVERNING PROVISIONS.

19 (1) For any eligible transportation project that requires the
20 imposition of tolls on a state facility, the legislature must approve
21 the imposition of such tolls consistent with RCW 47.56.820.

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

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

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

36 (4) All other transportation project procurement and contracting
37 governing provisions and procedures that do not conflict with this
38 chapter apply unless otherwise specified.

1 NEW SECTION. **Sec. 731.** PROJECT COST THRESHOLD FOR P3
2 EVALUATION. Any eligible transportation project with an estimated
3 cost to the state of less than \$500,000,000 may be evaluated for
4 delivery under a public-private partnership model as prescribed under
5 this chapter. Any eligible transportation project with an estimated
6 cost to the state of \$500,000,000 or more may only be evaluated for
7 delivery under a public-private partnership model pursuant to this
8 chapter if explicitly authorized by the legislature.

9 NEW SECTION. **Sec. 732.** ELIGIBLE FINANCING. (1) Subject to the
10 limitations in this section, the department may, in connection with
11 the evaluation of eligible transportation projects, consider any
12 financing mechanisms from any lawful source, either integrated as
13 part of a project proposal or as a separate, stand-alone proposal to
14 finance a project. Financing may be considered for all or part of a
15 proposed project. A project may be financed in whole or in part with:

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

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

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

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

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

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

37 (g) Revenue bonds, subject to legislative authorization and
38 appropriation as required.

1 (2) Subject to subsection (4) of this section, the department may
2 develop a plan of finance that would require either the state or a
3 private partner, or both, to: Issue debt, equity, or other securities
4 or obligations; enter into contracts, leases, concessions, and grant
5 and loan agreements; or secure any financing with a pledge of funds
6 to be appropriated by the legislature or with a lien or exchange of
7 real property.

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

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

20 NEW SECTION. **Sec. 733.** USE OF FEDERAL FUNDS OR OTHER SOURCES.

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

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

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

1 NEW SECTION. **Sec. 734.** PUBLIC INTEREST FINDING. (1) The
2 department may evaluate eligible transportation projects that are
3 already programmed for other delivery methods to determine their
4 appropriateness for delivery under a public-private partnership
5 model.

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

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

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

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

17 (d) Additional criteria that reflects the legislative findings in
18 section 727 of this act.

19 (3) Before commencing any solicitation to deliver the project as
20 a public-private partnership, the department must provide an
21 opportunity for public comment on the proposed project and delivery
22 method.

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

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

31 (a) Solicit concepts or proposals for the identified public-
32 private partnership project from private entities and units of
33 government;

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

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

38 NEW SECTION. **Sec. 735.** USE OF FUNDS FOR PROPOSAL PURPOSES. (1)
39 Subject to the availability of amounts appropriated for this specific

1 purpose, the department may spend such moneys as may be necessary for
2 stipends for respondents to a solicitation, the evaluation of
3 concepts or proposals for eligible transportation projects, and for
4 negotiating agreements for eligible transportation projects
5 authorized under this chapter. Expenses incurred by the department
6 under this section before the issuance of transportation project
7 bonds or other financing must be paid by the department and charged
8 to the appropriate project. The department must keep records and
9 accounts showing each charged amount.

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

16 NEW SECTION. **Sec. 736.** EXPERT CONSULTATION. The department may
17 consult with legal, financial, technical, and other experts in the
18 public and private sector in the evaluation, negotiation, and
19 development of projects under this chapter.

20 NEW SECTION. **Sec. 737.** CONTRACTED STUDIES. In the absence of
21 any direct federal funding or direction, the department may contract
22 with a private developer of a selected project proposal to conduct
23 environmental impact studies and engineering and technical studies.

24 NEW SECTION. **Sec. 738.** PARTNERSHIP AGREEMENTS. (1) The
25 following provisions must be included in any transportation project
26 agreement entered into under the authority of this chapter and to
27 which the state is a party:

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

33 (b) A finding of public interest, as issued by the department
34 pursuant to section 734 of this act;

35 (c) If there is a tolling component to the project, it must be
36 specified that the tolling technology used in the project must be

1 consistent with tolling technology standards adopted by the
2 department for transportation-related projects;

3 (d) Provisions for bonding, financial guarantees, deposits, or
4 the posting of other security to secure the payment of laborers,
5 subcontractors, and suppliers who perform work or provide materials
6 as part of the project;

7 (e) All projects must be financed in a manner consistent with
8 section 733 of this act.

9 (2) At a minimum, agreements between the state and private sector
10 partners entered into under this section must specifically include
11 the following contractual elements:

12 (a) The point in the project at which public and private sector
13 partners will enter the project and which partners will assume
14 responsibility for specific project elements;

15 (b) How the partners will share management of the risks of the
16 project;

17 (c) The compensation method and amount for the private partner,
18 establishing a maximum rate of return, and identifying how project
19 revenue, if any, in excess of the maximum rate of return will be
20 distributed;

21 (d) How the partners will share the costs of development of the
22 project;

23 (e) How the partners will allocate financial responsibility for
24 cost overruns;

25 (f) The penalties for nonperformance;

26 (g) The incentives for performance;

27 (h) The accounting and auditing standards to be used to evaluate
28 work on the project;

29 (i) For any project that reverts to public ownership, the
30 responsibility for reconstruction or renovations that are required
31 for a facility to meet all service standards and state of good repair
32 upon reversion of the facility to the state;

33 (j) Provisions and remedies for default by either party, and
34 provisions for termination of the agreement for or without cause;

35 (k) Provisions for public communication and participation with
36 respect to the development of the project.

37 NEW SECTION. **Sec. 739.** BEST VALUE FINDING AND AGREEMENT
38 EXECUTION. Before executing an agreement under section 738 of this
39 act, the department must make a formal finding that the negotiated

1 partnership agreement is expected to result in best value for the
2 public. The department must develop and adopt a process and criteria
3 for measuring, determining, and transparently reporting best value
4 relevant to the proposed project. At minimum, the criteria must
5 include:

6 (1) A comparison of the total cost to deliver the project,
7 including any operations and maintenance costs, as a public-private
8 partnership compared to traditional or other alternative delivery
9 methods available to the department;

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

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

17 NEW SECTION. **Sec. 740.** CONFIDENTIALITY. A proposer must
18 identify those portions of a proposal that the proposer considers to
19 be confidential, proprietary information, or trade secrets and
20 provide any justification as to why these materials, upon request,
21 should not be disclosed by the department. Patent information will be
22 covered until the patent expires. Other information, such as
23 originality of design or records of negotiation, is protected under
24 this section only until an agreement under section 739 of this act is
25 reached. Eligible transportation projects under federal jurisdiction
26 or using federal funds must conform to federal regulations under the
27 freedom of information act.

28 NEW SECTION. **Sec. 741.** PREVAILING WAGES. If public funds are
29 used to pay any costs of construction of a public facility that is
30 part of an eligible transportation project, chapter 39.12 RCW applies
31 to the entire eligible transportation project.

32 NEW SECTION. **Sec. 742.** GOVERNMENT AGREEMENTS. The state may,
33 either separately or in combination with any other public sector
34 partner, enter into working agreements, coordination agreements, or
35 similar implementation agreements, including the formation of bistate
36 transportation organizations, to carry out the joint implementation
37 and operation of an eligible transportation project selected under

1 this chapter. The state may enter into agreements with other units of
2 government or Canadian provinces for transborder transportation
3 projects.

4 NEW SECTION. **Sec. 743.** EMINENT DOMAIN. The state may exercise
5 the power of eminent domain to acquire property, easements, or other
6 rights or interests in property for projects that are necessary to
7 implement an eligible transportation project developed under this
8 chapter. Any property acquired pursuant to this section must be owned
9 in fee simple by the state.

10 NEW SECTION. **Sec. 744.** FEDERAL LAWS. Applicable federal laws,
11 rules, and regulations govern in any situation that involves federal
12 funds if the federal laws, rules, or regulations:

- 13 (1) Conflict with any provision of this chapter;
14 (2) Require procedures that are additional to or inconsistent
15 with those provided in this chapter; or
16 (3) Require contract provisions not authorized in this chapter.

17 NEW SECTION. **Sec. 745.** PUBLIC-PRIVATE PARTNERSHIPS ACCOUNT. (1)
18 The public-private partnerships account is created in the custody of
19 the state treasurer.

- 20 (2) The following moneys must be deposited into the account:
21 (a) Proceeds from bonds or other financing instruments;
22 (b) Revenues received from any transportation project developed
23 under this chapter or developed under the general powers granted to
24 the department; and
25 (c) Any other moneys that are by donation, grant, contract, law,
26 or other means transferred, allocated, or appropriated to the
27 account.

28 (3) Expenditures from the account may be used only for the
29 planning, acquisition, financing, development, design, construction,
30 reconstruction, replacement, improvement, maintenance, preservation,
31 management, repair, or operation of any eligible transportation
32 project under this chapter.

33 (4) The state treasurer may establish separate subaccounts within
34 the public-private partnerships account for each transportation
35 project that is initiated under this chapter or under the general
36 powers granted to the department. The state may pledge moneys in the
37 public-private partnerships account to secure revenue bonds or any

1 other debt obligations relating to the project for which the account
2 is established.

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

7 **Sec. 746.** RCW 47.56.030 and 2023 c 429 s 6 are each amended to
8 read as follows:

9 (1) Except as permitted under chapter ((47.29)) 47.--- RCW (the
10 new chapter created in section 750 of this act) or 47.46 RCW:

11 (a) Unless otherwise delegated, and subject to RCW 47.56.820, the
12 department of transportation shall have full charge of the planning,
13 analysis, and construction of all toll bridges and other toll
14 facilities including the Washington state ferries, and the operation
15 and maintenance thereof.

16 (b) The transportation commission shall determine and establish
17 the tolls and charges thereon.

18 (c) Unless otherwise delegated, and subject to RCW 47.56.820, the
19 department shall have full charge of planning, analysis, and design
20 of all toll facilities. The department may conduct the planning,
21 analysis, and design of toll facilities as necessary to support the
22 legislature's consideration of toll authorization.

23 (d) The department shall utilize and administer toll collection
24 systems that are simple, unified, and interoperable. To the extent
25 practicable, the department shall avoid the use of toll booths. The
26 department shall set the statewide standards and protocols for all
27 toll facilities within the state, including those authorized by local
28 authorities.

29 (e) Except as provided in this section, the department shall
30 proceed with the construction of such toll bridges and other
31 facilities and the approaches thereto by contract in the manner of
32 state highway construction immediately upon there being made
33 available funds for such work and shall prosecute such work to
34 completion as rapidly as practicable. The department is authorized to
35 negotiate contracts for any amount without bid under (e)(i) and (ii)
36 of this subsection:

37 (i) Emergency contracts, in order to make repairs to ferries or
38 ferry terminal facilities or removal of such facilities whenever
39 continued use of ferries or ferry terminal facilities constitutes a

1 real or immediate danger to the traveling public or precludes prudent
2 use of such ferries or facilities; and

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

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

11 (2) The department shall proceed with the procurement of
12 materials, supplies, services, and equipment needed for the support,
13 maintenance, and use of a ferry, ferry terminal, or other facility
14 operated by Washington state ferries, in accordance with chapter
15 43.19 RCW except as follows:

16 (a) When the secretary of the department of transportation
17 determines in writing that the use of invitation for bid is either
18 not practicable or not advantageous to the state and it may be
19 necessary to make competitive evaluations, including technical or
20 performance evaluations among acceptable proposals to complete the
21 contract award, a contract may be entered into by use of a
22 competitive sealed proposals method, and a formal request for
23 proposals solicitation. Such formal request for proposals
24 solicitation shall include a functional description of the needs and
25 requirements of the state and the significant factors.

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

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

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

3 (iii) Whether the proposer can perform the contract within the
4 time specified;

5 (iv) The quality of performance of previous contracts or
6 services;

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

9 (vi) Objective, measurable criteria defined in the request for
10 proposal. These criteria may include but are not limited to items
11 such as discounts, delivery costs, maintenance services costs,
12 installation costs, and transportation costs; and

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

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

29 **Sec. 747.** RCW 47.56.031 and 2005 c 335 s 2 are each amended to
30 read as follows:

31 No tolls may be imposed on new or existing highways or bridges
32 without specific legislative authorization, or upon a majority vote
33 of the people within the boundaries of the unit of government
34 empowered to impose tolls. This section applies to chapter 47.56 RCW
35 and to any tolls authorized under chapter ~~((47.29 RCW, the~~
36 ~~transportation innovative partnership act of 2005))~~ 47.--- RCW (the
37 new chapter created in section 750 of this act).

1 **Sec. 748.** RCW 70A.15.4030 and 2020 c 20 s 1126 are each amended
2 to read as follows:

3 (1) A county, city, or town may, as part of its commute trip
4 reduction plan, designate existing activity centers listed in its
5 comprehensive plan or new activity centers as growth and
6 transportation efficiency centers and establish a transportation
7 demand management program in the designated area.

8 (a) The transportation demand management program for the growth
9 and transportation efficiency center shall be developed in
10 consultation with local transit agencies, the applicable regional
11 transportation planning organization, major employers, and other
12 interested parties.

13 (b) In order to be eligible for state funding provided for the
14 purposes of this section, designated growth and transportation
15 efficiency centers shall be certified by the applicable regional
16 transportation organization to: (i) Meet the minimum land use and
17 transportation criteria established in collaboration among local
18 jurisdictions, transit agencies, the regional transportation planning
19 organization, and other interested parties as part of the regional
20 commute trip reduction plan; and (ii) have established a
21 transportation demand management program that includes the elements
22 identified in (c) of this subsection and is consistent with the rules
23 established by the department of transportation in RCW
24 70A.15.4060(2). If a designated growth and transportation efficiency
25 center is denied certification, the local jurisdiction may appeal the
26 decision to the commute trip reduction board.

27 (c) Transportation demand management programs for growth and
28 transportation efficiency centers shall include, but are not limited
29 to: (i) Goals for reductions in the proportion of single-occupant
30 vehicle trips that are more aggressive than the state program goal
31 established by the commute trip reduction board; (ii) a sustainable
32 financial plan demonstrating how the program can be implemented to
33 meet state and regional trip reduction goals, indicating resources
34 from public and private sources that are reasonably expected to be
35 made available to carry out the plan, and recommending any innovative
36 financing techniques consistent with chapter ((47.29-RCW)) 47.--- RCW
37 (the new chapter created in section 750 of this act), including
38 public/private partnerships, to finance needed facilities, services,
39 and programs; (iii) a proposed organizational structure for
40 implementing the program; (iv) a proposal to measure performance

1 toward the goal and implementation progress; and (v) an evaluation to
2 which local land use and transportation policies apply, including
3 parking policies and ordinances, to determine the extent that they
4 complement and support the trip reduction investments of major
5 employers. Each of these program elements shall be consistent with
6 the rules established under RCW 70A.15.4060.

7 (d) A designated growth and transportation efficiency center
8 shall be consistent with the land use and transportation elements of
9 the local comprehensive plan.

10 (e) Transit agencies, local governments, and regional
11 transportation planning organizations shall identify certified growth
12 and transportation efficiency centers as priority areas for new
13 service and facility investments in their respective investment
14 plans.

15 (2) A county, city, or town that has established a growth and
16 transportation efficiency center program shall support vehicle trip
17 reduction activities in the designated area. The implementing
18 jurisdiction shall adopt policies, ordinances, and funding strategies
19 that will lead to attainment of program goals in those areas.

20 NEW SECTION. **Sec. 749.** The following acts or parts of acts are
21 each repealed:

22 (1) RCW 47.29.010 (Finding—Intent) and 2006 c 334 s 48 & 2005 c
23 317 s 1;

24 (2) RCW 47.29.020 (Definitions) and 2005 c 317 s 2;

25 (3) RCW 47.29.030 (Transportation commission powers and duties)
26 and 2005 c 317 s 3;

27 (4) RCW 47.29.040 (Purpose) and 2005 c 317 s 4;

28 (5) RCW 47.29.050 (Eligible projects) and 2005 c 317 s 5;

29 (6) RCW 47.29.060 (Eligible financing) and 2008 c 122 s 18 & 2005
30 c 317 s 6;

31 (7) RCW 47.29.070 (Use of federal funds and similar revenues) and
32 2005 c 317 s 7;

33 (8) RCW 47.29.080 (Other sources of funds or property) and 2005 c
34 317 s 8;

35 (9) RCW 47.29.090 (Project review, evaluation, and selection) and
36 2005 c 317 s 9;

37 (10) RCW 47.29.100 (Administrative fee) and 2005 c 317 s 10;

38 (11) RCW 47.29.110 (Funds for proposal evaluation and
39 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. 750.** Sections 727 through 745 of this act
constitute a new chapter in Title 47 RCW.

PART VIII
MISCELLANEOUS

NEW SECTION. **Sec. 801.** Section 706 of this act expires July 1,
2028.

NEW SECTION. **Sec. 802.** Sections 705, 706, and 708 through 711
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.

1 NEW SECTION. **Sec. 803.** Sections 101, 102, 601 through 610, 612,
2 702 through 704, 714, 715, and 723 of this act are necessary for the
3 immediate preservation of the public peace, health, or safety, or
4 support of the state government and its existing public institutions,
5 and take effect July 1, 2025.

6 NEW SECTION. **Sec. 804.** Sections 103 and 104 and 301 through 304
7 of this act take effect October 1, 2025.

8 NEW SECTION. **Sec. 805.** Sections 105, 106, 201 through 207, 209,
9 210, 212 through 214, 305, and 505 of this act take effect January 1,
10 2026.

11 NEW SECTION. **Sec. 806.** Section 707 of this act takes effect
12 July 1, 2028.

13 NEW SECTION. **Sec. 807.** Section 504 of this act expires January
14 1, 2026.

15 NEW SECTION. **Sec. 808.** Sections 211, 307 through 310, and 701
16 of this act are necessary for the immediate preservation of the
17 public peace, health, or safety, or support of the state government
18 and its existing public institutions, and take effect immediately.

19 NEW SECTION. **Sec. 809.** Sections 727 through 749 of this act
20 take effect July 1, 2026.

21 NEW SECTION. **Sec. 810.** 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.

--- END ---