NINETIETH DAY

MORNING SESSION

Senate Chamber, Olympia, Saturday, April 9, 2011

The Senate was called to order at 9:00 a.m. by President Owen. The Secretary called the roll and announced to the President that all Senators were present.

The Sergeant at Arms Color Guard consisting of Interns Timothy Gates and Lani Bonadea, presented the Colors. Senator Hargrove offered the prayer.

MOTION

On motion of Senator Eide, the reading of the Journal of the previous day was dispensed with and it was approved.

MOTION

On motion of Senator Eide, the Senate advanced to the fifth order of business.

INTRODUCTION AND FIRST READING

SB 5927 by Senators Keiser and Pflug

AN ACT Relating to limiting payments for health care services provided to low-income enrollees in state purchased health care programs; amending RCW 70.47.100; reenacting and amending RCW 74.09.522 and 70.47.020; adding a new section to chapter 70.47 RCW; and creating a new section.

Referred to Committee on Ways & Means.

SB 5928 by Senators Hobbs, Litzow and Haugen

AN ACT Relating to traffic infraction monetary penalties; and amending RCW 46.63.110.

Referred to Committee on Transportation.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

ESHB 1449 by House Committee on Education Appropriations & Oversight (originally sponsored by Representatives Hunter, Haigh, Anderson, Maxwell, Sullivan and Dammeier)

AN ACT Relating to establishing a processing fee for educator certificates and subsequent actions; adding a new section to chapter 28A.410 RCW; providing an effective date; and declaring an emergency.

Referred to Committee on Ways & Means.

<u>SHB 2017</u> by House Committee on Ways & Means (originally sponsored by Representative Hunter)

AN ACT Relating to the master license service program; amending RCW 19.02.020, 19.02.030, 19.02.050, 19.02.070, 19.02.075, 19.02.100, 19.02.800, 19.02.900, 19.80.005, 19.80.010, 19.80.025, 19.80.045, 19.80.075, 19.80.900, 19.94.015, 34.05.310, 34.05.328, 35.21.392, 35A.21.340,

43.07.200, 46.68.060, 46.72.110, 46.72A.110, 59.30.010, 59.30.020, 59.30.050, 59.30.060, 76.48.121, 79A.60.485, 82.01.060, 82.02.010, 82.32.030, 90.76.010, and 90.76.020; reenacting and amending RCW 43.24.150; adding a new section to chapter 19.02 RCW; adding a new section to chapter 59.30 RCW; creating new sections; decodifying RCW 19.02.901 and 19.02.910; prescribing penalties; providing an effective date; and declaring an emergency.

Referred to Committee on Ways & Means.

MOTION

On motion of Senator Eide, all measures listed on the Introduction and First Reading report were referred to the committees as designated.

MOTION

On motion of Senator Eide, the Senate advanced to the eighth order of business.

MOTION

Senator Pridemore moved adoption of the following resolution:

SENATE RESOLUTION 8649

By Senators Pridemore, Ranker, Haugen, Tom, Kastama, Nelson, Harper, Hargrove, Hatfield, Shin, Regala, Fraser, Brown, Eide, White, Rockefeller, Hobbs, Kline, Chase, Prentice, Murray, Kilmer, Sheldon, McAuliffe, Kohl-Welles, Conway, and Keiser

WHEREAS, Many Washington citizens have literally given the gift of life by donating organs, eyes, and tissues; and

WHEREAS, It is essential that all citizens are aware of the opportunity to save and enhance the lives of others through organ, eye, and tissue donation and transplantation; and

WHEREAS, There are more than one hundred thousand courageous Americans awaiting a lifesaving organ transplant, with eighteen individuals losing their lives every day because of the shortage of donations; and

WHEREAS, Every thirteen minutes a person is added to the national organ donation waiting list; and

WHEREAS, The organ, eye, and tissue donation from one individual can save or enhance the lives of over fifty people; and

WHEREAS, Families receive comfort through the grieving process with the knowledge that through organ, eye, and tissue donation another person's life has been saved or enhanced; and

WHEREAS, Organ donation offers the recipients a second chance at life, enabling them to be with their families and maintain a higher quality of life; and

WHEREAS, Through organ, eye, and tissue donation a donor and donor's family receive gratitude from the recipient's family and is honored by the enhancement of the recipient's life; and

WHEREAS, The example set by those who choose to donate reflects the character and compassion of these individuals, whose voluntary choice saves the lives of others;

NOW, THEREFORE, BE IT RESOLVED, That the Washington State Senate recognize April as National Donate Life

Month as declared by the Governor and honor those who have donated and celebrate the lives of the recipients.

Senators Pridemore, Eide and Benton spoke in favor of adoption of the resolution.

The President declared the question before the Senate to be the adoption of Senate Resolution No. 8649.

The motion by Senator Pridemore carried and the resolution was adopted by voice vote.

MOTION

On motion of Senator Eide, the Senate reverted to the sixth order of business.

SECOND READING CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Ranker moved that Gubernatorial Appointment No. 9060, Martha Kongsgaard, as Chair of the Puget Sound Partnership, be confirmed.

Senator Ranker spoke in favor of the motion.

APPOINTMENT OF MARTHA KONGSGAARD

The President declared the question before the Senate to be the confirmation of Gubernatorial Appointment No. 9060, Martha Kongsgaard as Chair of the Puget Sound Partnership.

The Secretary called the roll on the confirmation of Gubernatorial Appointment No. 9060, Martha Kongsgaard as Chair of the Puget Sound Partnership and the appointment was confirmed by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

Gubernatorial Appointment No. 9060, Martha Kongsgaard, having received the constitutional majority was declared confirmed as Chair of the Puget Sound Partnership.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1211, by House Committee on Technology, Energy & Communications (originally sponsored by Representatives Rivers, Blake, Takko, Kretz, Van De Wege, Liias, Klippert, Smith, Chandler, Nealey, Fitzgibbon, Warnick, Moeller, Harris and Condotta)

Concerning utility donations to hunger programs.

The measure was read the second time.

MOTION

Senator Rockefeller moved that the following committee striking amendment by the Committee on Environment, Water & Energy be adopted:

Strike everything after the enacting clause and insert the following:

"<u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 54.16 RCW to read as follows:

- (1) Public utility districts may request voluntary donations from their customers for the purpose of supporting hunger programs.
- (2) Voluntary donations collected by public utility districts under this section must be used by the public utility district to support the maintenance and operation of hunger programs.
- (3) Donations received under this section do not contribute to the gross income of a light and power business or gas distribution business under chapter 82.16 RCW.
- (4) Nothing in this section precludes a public utility district from requesting voluntary donations to support other programs.

<u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 35.92 RCW to read as follows:

- (1) Municipal utilities under this chapter may request voluntary donations from their customers for the purpose of supporting hunger programs.
- (2) Voluntary donations collected by municipal utilities under this section must be used by the municipal utility to support the maintenance and operation of hunger programs.
- (3) Donations received under this section do not contribute to the gross income of a light and power business or gas distribution business under chapter 82.16 RCW.
- (4) Nothing in this section precludes a municipal utility from requesting voluntary donations to support other programs.

<u>NEW SECTION.</u> **Sec. 3.** A new section is added to chapter 35A.80 RCW to read as follows:

- (1) Code cities providing utility services under this chapter may request voluntary donations from their customers for the purpose of supporting hunger programs.
- (2) Voluntary donations collected by code cities under this section must be used by the code city to support the maintenance and operation of hunger programs.
- (3) Donations received under this section do not contribute to the gross income of a light and power business or gas distribution business under chapter 82.16 RCW.
- (4) Nothing in this section precludes a code city providing utility services from requesting voluntary donations to support other programs."

Senator Rockefeller spoke in favor of adoption of the committee striking amendment.

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Environment, Water & Energy to Substitute House Bill No. 1211

The motion by Senator Rockefeller carried and the committee striking amendment was adopted by voice vote.

MOTION

There being no objection, the following title amendment was adopted:

On page 1, line 1 of the title, after "programs;" strike the remainder of the title and insert "adding a new section to chapter 54.16 RCW; adding a new section to chapter 35.92 RCW; and adding a new section to chapter 35A.80 RCW."

MOTION

On motion of Senator Rockefeller, the rules were suspended, Substitute House Bill No. 1211 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Rockefeller spoke in favor of passage of the bill.

NINETIETH DAY, APRIL 9, 2011

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1211 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1211 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 48; Nays, 1; Absent, 0: Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

Voting nay: Senator Honeyford

SUBSTITUTE HOUSE BILL NO. 1211 as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

HOUSE BILL NO. 1225, by Representatives Angel, Takko, Warnick, Van De Wege and Fitzgibbon

Clarifying the method for calculating port commissioner compensation.

The measure was read the second time.

MOTION

On motion of Senator Pridemore, the rules were suspended, House Bill No. 1225 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Pridemore spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of House Bill No. 1225.

ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 1225 and the bill passed the Senate by the following vote: Yeas, 44; Nays, 4; Absent, 1; Excused, 0.

Voting yea: Senators Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Fain, Fraser, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

Voting nay: Senators Baumgartner, Baxter, Ericksen and Roach

Absent: Senator Hargrove

HOUSE BILL NO. 1225, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1136, by House Committee on Transportation (originally sponsored by Representatives Eddy, Armstrong, Morris, Kristiansen, Chandler, Pearson and Kenney)

Creating volunteer firefighter special license plates.

The measure was read the second time.

MOTION

Senator Haugen moved that the following committee striking amendment by the Committee on Transportation be adopted:

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 46.18.200 and 2010 c 161 s 611 are each amended to read as follows:

- (1) ((The legislature recognizes that the special license plate review board established in RCW 46.16.705 reviews and approves applications for special license plate series.
- (2))) Special license plate series reviewed and approved by the ((special license plate review board)) department:
- (a) May be issued in lieu of standard issue or personalized license plates for vehicles required to display one and two license plates unless otherwise specified;
- (b) Must be issued under terms and conditions established by the department;
- (c) Must not be issued for vehicles registered under chapter 46.87 RCW; and
- (d) Must display a symbol or artwork approved by the ((special license plate review board)) department.
- (((3) The special license plate review board approves, and)) (2) The department approves and shall issue($(\frac{1}{2})$) the following special license plates:

| LICENSE PLATE | DESCRIPTION, SYMBOL, OR ARTWORK |
|---------------------------|--|
| Armed forces collection | Recognizes the contribution of veterans, active duty |
| | military personnel, reservists, and members of the national |
| | und memoers of the manorum |
| | guard, and includes six separate designs, each containing a |
| | symbol representing a different |
| | branch of the armed forces |
| | to include army, navy, air force, |
| | marine corps, coast guard, |
| | and national guard. |
| Endangered wildlife | Displays a symbol or artwork, |
| | approved by the special |
| | license plate review board and |
| | the legislature. |
| Gonzaga University alumni | Recognizes the Gonzaga |
| <u>association</u> | University alumni association. |
| Helping kids speak | Recognizes an organization that |
| | supports programs that |
| | provide no-cost speech |
| | pathology programs to children. |
| Keep kids safe | Recognizes efforts to prevent |
| | child abuse and neglect. |
| Law enforcement memorial | Honors law enforcement officers |

in Washington killed in the line of duty.

| Professional firefighters and paramedics | Recognizes professional firefighters and paramedics who are members of the Washington state council of | | |
|--|---|--|--|
| Share the road | firefighters. Recognizes an organization that promotes bicycle safety and awareness education. | | |
| Ski & ride Washington | Recognizes the Washington snowsports industry. | | |
| Volunteer firefighters | Recognizes volunteer firefighters. | | |
| Washington lighthouses | Recognizes an organization that | | |
| | supports selected Washington state lighthouses and | | |
| | provides environmental | | |
| | education programs. | | |
| Washington state parks | Recognizes Washington state | | |
| | parks as premier destinations | | |
| | of uncommon quality that | | |
| | preserve significant natural, cultural, historical, and | | |
| | recreational resources. | | |
| Washington's national park | Builds awareness of | | |
| fund | Washington's national parks and | | |
| | supports priority park programs | | |
| | and projects in | | |
| | Washington's national parks, | | |
| | such as enhancing visitor | | |
| | experience, promoting | | |
| | volunteerism, engaging | | |
| | communities, and providing | | |
| | educational opportunities | | |
| | related to Washington's national parks. | | |
| Washington's wildlife | Recognizes Washington's | | |
| collection | wildlife. | | |
| We love our pets | Recognizes an organization that | | |
| • | assists local member | | |
| | agencies of the federation of | | |
| | animal welfare and control | | |
| | agencies to promote and perform | | |
| | spay/neuter surgery on | | |
| | Washington state pets to reduce pet overpopulation. | | |
| Wild on Washington | Symbolizes wildlife viewing in | | |
| Wha on Washington | Washington state. | | |
| (((4))) (3) Applicants for | initial and renewal professional | | |
| firefighters and paramedics special license plates must show proof | | | |
| eligibility by providing a certificate of current membership from the | | | |
| Washington state council of firefighters. | | | |
| (4) Applicants for initial volunteer firefighters special license plates must (a) have been a volunteer firefighter for at least ten years or be | | | |
| | | | |
| a volunteer firefighter for one or more years and (b) have | | | |

a volunteer firefighter for one or more years and (b) have documentation of service from the district of the appropriate fire service. If the volunteer firefighter leaves firefighting service before ten years of service have been completed, the volunteer firefighter shall surrender the license plates to the department on the registration renewal date. If the volunteer firefighter stays in service for at least ten years and then leaves, the license plate may be retained by the former volunteer firefighter and as long as the license plate is retained for use the person will continue to pay the future registration renewals. A qualifying volunteer firefighter may have no more than one set of license plates per vehicle, and a maximum of two sets per applicant, for their personal vehicles. If the

volunteer firefighter is convicted of a violation of RCW 46.61.502 or a felony, the license plates must be surrendered upon conviction.

Sec. 2. RCW 46.17.220 and 2010 c 161 s 521 are each amended to read as follows:

(1) In addition to all fees and taxes required to be paid upon application for a vehicle registration in chapter ((46.16)) 46.16A RCW, the holder of a special license plate shall pay the appropriate special license plate fee as listed in this section.

| PLATE TYPE | INITIAL | RENEWAL | DISTRIBUTED |
|---|---------------------|------------|--|
| (a) Amateur | FEE \$ 5.00 | FEE N/A | UNDER RCW 46.68.070 |
| radio | Ψ 3.00 | 17/11 | 10.00.070 |
| license (b) Armed | \$ 40.00 | \$ 30.00 | RCW 46.68.425 |
| forces | | • | |
| (c) Baseball stadium | \$ 40.00 | \$ 30.00 | Subsection (2) of this section |
| (d) Collector vehicle | \$ 35.00 | N/A | RCW 46.68.030 |
| (e) Collegiate | \$ 40.00 | \$ 30.00 | RCW 46.68.430 |
| (f) Endangered wildlife | \$ 40.00 | \$ 30.00 | RCW 46.68.425 |
| (g) Gonzaga University alumni | \$ 40.00 | \$ 30.00 | RCW 46.68.420 |
| association | \$ 40.00 | \$ 30.00 | DCW 46 69 420 |
| (h) Helping kids speak | \$ 40.00 | \$ 30.00 | RCW 46.68.420 |
| (i) Horseless carriage | \$ 35.00 | N/A | RCW 46.68.030 |
| (j) Keep kids safe | \$ 45.00 | \$ 30.00 | RCW 46.68.425 |
| (k) Law | \$ 40.00 | \$ 30.00 | RCW 46.68.420 |
| enforceme nt | | | |
| memorial | | 27/4 | D GTT 1 4 40 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 |
| (l) Military affiliate | \$ 5.00 | N/A | RCW 46.68.070 |
| radio | | | |
| system (m) | \$ 40.00 | \$ 30.00 | RCW 46.68.420 |
| Profession | + | 7 | |
| al firefighter | | | |
| S | | | |
| and paramedics | | | |
| (n) Ride share | \$ 25.00 | N/A | RCW 46.68.030 |
| (o) Share the road | \$ 40.00 | \$ 30.00 | RCW 46.68.420 |
| (p) Ski and ride Washingt | \$ 40.00 | \$ 30.00 | RCW 46.68.420 |
| on (q) Square | \$ 40.00 | N/A | RCW 46.68.070 |
| dancer | ψ 1 0.00 | IV/A | KC W 40.00.070 |
| (r) <u>Volunteer</u> <u>firefighters</u> | \$40.00 | \$30.00 | RCW 46.68.420 |
| (s) Washington | \$ 40.00 | \$ 30.00 | RCW 46.68.420 |
| lighthouse s | | | |
| (((s))) <u>(t)</u> Washington | \$ 40.00 | \$ 30.00 | RCW 46.68.425 |

Lighthouse environmental

programs

Share the road

Ski & ride Washington

Volunteer firefighters

Washington state council of

firefighters benevolent fund

Washington's national park

fund

| NINETIETH | DAY, APRIL 9 | , 2011 | |
|--------------------------------------|--------------|----------|---------------|
| state | | | |
| parks | | | |
| (((t))) <u>(u)</u> | \$ 40.00 | \$ 30.00 | RCW 46.68.420 |
| Washingt | | | |
| on's | | | |
| national | | | |
| parks | | | |
| (((u))) <u>(v)</u> | \$ 40.00 | \$ 30.00 | RCW 46.68.425 |
| Washingt | | | |
| on's | | | |
| wildlife | | | |
| collection | | | |
| (((v))) <u>(w)</u> We | \$ 40.00 | \$ 30.00 | RCW 46.68.420 |
| love our pets | | | |
| (((w))) <u>(x)</u> Wild | \$ 40.00 | \$ 30.00 | RCW 46.68.425 |
| on | | | |
| Washington | | | |

- (2) After deducting administration and collection expenses for the sale of baseball stadium license plates, the remaining proceeds must be distributed to a county for the purpose of paying the principal and interest payments on bonds issued by the county to construct a baseball stadium, as defined in RCW 82.14.0485, including reasonably necessary preconstruction costs, while the taxes are being collected under RCW 82.14.360. After this date, the state treasurer shall credit the funds to the state general fund.
- **Sec. 3.** RCW 46.68.420 and 2010 c 161 s 809 are each amended to read as follows:
 - (1) The department shall:
- (a) Collect special license plate fees established under RCW 46.17.220 ((that were approved by the special license plate review board under RCW 46.18.200));
- (b) Deduct an amount not to exceed twelve dollars for initial issue and two dollars for renewal issue for administration and collection expenses incurred by it; and
- (c) Remit the remaining proceeds to the custody of the state treasurer with a proper identifying detailed report.
- (2) The state treasurer shall credit the proceeds to the motor vehicle account until the department determines that the state has been reimbursed for the cost of implementing the special license plate. Upon determination by the department that the state has been reimbursed, the state treasurer shall credit the remaining special license plate fee amounts for each special license plate to the following appropriate account <u>as created in this section in the custody of the state treasurer:</u>

| ACCOUNT | CONDITIONS FOR USE OF FUNDS |
|---------------------------------------|--|
| Gonzaga University alumni association | Scholarship funds to needy and qualified students attending or planning to attend |
| Helping kids speak | Gonzaga University Provide free diagnostic and therapeutic services to families of children who suffer from a |
| Law enforcement memorial | delay in language or speech development Provide support and assistance to survivors and families of law enforcement officers in Washington killed in the line |
| | of duty and to organize, finance, fund, construct, utilize, and maintain a memorial on the state capitol grounds to honor those fallen officers |

| - |
|-----------------------------------|
| 2011 REGULAR SESSION |
| Support selected Washington |
| state lighthouses that are |
| accessible to the public and |
| staffed by volunteers; provide |
| environmental education |
| programs; provide grants for |
| other Washington lighthouses to |
| assist in funding |
| infrastructure preservation and |
| restoration; encourage and |
| support interpretive programs by |
| lighthouse docents |
| Promote bicycle safety and |
| awareness education in |
| communities throughout |
| Washington |
| Promote winter snowsports, |
| |
| such as skiing and |
| snowboarding, and related |
| programs, such as ski and ride |
| safety programs, |
| underprivileged youth ski and |
| ride |
| programs, and active, healthy |
| lifestyle programs |
| Receive and disseminate funds |
| for purposes on behalf of |
| volunteer firefighters, their |
| families, and others deemed in |
| need |
| Receive and disseminate funds |
| for charitable purposes on |
| behalf of members of the |
| Washington state council of |
| firefighters, their families, and |
| others deemed in need |
| Build awareness of |
| Washington's national parks and |
| support priority park programs |
| and projects in |
| Washington's national parks, |
| such as enhancing visitor |
| experience, promoting |
| volunteerism, engaging |
| communities, and providing |
| educational opportunities |
| related to Washington's national |
| parks |
| Support and enable the |
| Washington fodomation of |

We love our pets

educational opportunities
related to Washington's national
parks
Support and enable the
Washington federation of
animal
welfare and control agencies to
promote and perform
spay/neuter surgery of
Washington state pets in order to
reduce pet population

- (3) Only the director or the director's designee may authorize expenditures from the accounts described in subsection (2) of this section. The accounts are subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.
- (4) Funds in the special license plate accounts described in subsection (2) of this section must be disbursed subject to the conditions described in subsection (2) of this section and under contract between the department and qualified nonprofit

organizations that provide the services described in subsection (2) of this section.

- (5) For the purposes of this section, a "qualified nonprofit organization" means a not-for-profit corporation operating in Washington that has received a determination of tax exempt status under 26 U.S.C. Sec. 501(c)(3). The qualified nonprofit organization must meet all the requirements under RCW 46.18.100(1).
- **Sec. 4.** RCW 46.18.060 and 2010 1st sp.s. c 7 s 94 and 2010 c 161 s 604 are each reenacted and amended to read as follows:
- (1) ((The creation of the board does not in any way preclude the authority of the legislature to independently propose and enact special license plate legislation.
- (2))) The ((board)) department must review and either approve or reject special license plate applications submitted by sponsoring organizations.
- (((3))) (2) Duties of the ((board)) department include but are not limited to the following:
- (a) Review and approve the annual financial reports submitted by sponsoring organizations with active special license plate series and present those annual financial reports to the ((senate and house transportation committees)) joint transportation committee;
- (b) Report annually to the ((senate and house of representatives transportation committees)) joint transportation committee on the special license plate applications that were considered by the ((board)) department;
- (c) Issue approval and rejection notification letters to sponsoring organizations, ((the department,)) the ((chairs of the senate and house of representatives transportation committees)) joint transportation committee, and the legislative sponsors identified in each application. The letters must be issued within seven days of making a determination on the status of an application; and
- (d) Review annually the number of plates sold for each special license plate series created after January 1, 2003. The ((board)) department may submit a recommendation to discontinue a special plate series to the ((chairs of the senate and house of representatives transportation committees; and
- (e) Provide policy guidance and directions to the department concerning the adoption of rules necessary to limit the number of special license plates for which an organization or a governmental entity may apply)) joint transportation committee.
- (((4))) (3) Except as provided in RCW 46.18.245, in order to assess the effects and impact of the proliferation of special license plates, the legislature declares a temporary moratorium on the issuance of any additional plates until July 1, 2011. During this period of time, ((the special license plate review board created in RCW 46.16.705 and)) the department ((are)) is prohibited from accepting, reviewing, processing, or approving any applications. Additionally, a special license plate may not be enacted by the legislature during the moratorium, unless the proposed license plate has been approved by the former special license plate review board before February 15, 2005.
- (4) The volunteer firefighters license plates created under RCW 46.18.200 are exempt from the requirements of subsection (3) of this section.

NEW SECTION. Sec. 5. This act takes effect January 1, 2012."

Senator Haugen spoke in favor of adoption of the committee striking amendment.

The President declared the question before the Senate to be the adoption of the committee amendment by the Committee on Transportation to Substitute House Bill No. 1136.

The motion by Senator Haugen carried and the committee amendment was adopted by voice vote.

MOTION

There being no objection, the following title amendment was adopted:

On page 1, line 1 of the title, after "plates;" strike the remainder of the title and insert "amending RCW 46.18.200, 46.17.220, and 46.68.420; reenacting and amending RCW 46.18.060; and providing an effective date."

MOTION

On motion of Senator Haugen, the rules were suspended, Substitute House Bill No. 1136 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Haugen spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1136 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1136 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 46; Nays, 2; Absent, 1; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Swecker, Tom, White and Zarelli

Voting nay: Senators Holmquist Newbry and Stevens

Absent: Senator Hargrove

SUBSTITUTE HOUSE BILL NO. 1136 as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

PERSONAL PRIVILEGE

Senator Swecker: "Sure, as I was voting on this last measure something occurred to me. I served as a volunteer firefighter in the late 70's and early 80's. In 1981 I had two sons, brand new baby sons come into my home and I actually had to resign in order to continue with my home obligations. Later on my son became a volunteer firefighter and showed up at my home when my heart stopped and so what goes around comes around. It's a good thing. Thank you."

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1328, by House Committee on Transportation (originally sponsored by Representatives Van De Wege, DeBolt, Blake, Klippert, Hinkle, Ross, Hasegawa, Kirby, Billig, Liias, Takko, Stanford, Finn, Alexander, Short, Angel, Dammeier, Zeiger, Upthegrove, Tharinger, Green, Kelley, Hurst, McCune, Kenney and Maxwell)

Authorizing the temporary local suspension of certain motorcycle provisions for the operation of motorcycles in parades or public demonstrations. Revised for 1st Substitute: Temporarily suspending certain motorcycle rules when operating in parades or public demonstrations.

The measure was read the second time.

MOTION

Senator King moved that the following committee striking amendment by the Committee on Transportation be adopted:

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 46.61.613 and 2010 c 8 s 9073 are each amended to read as follows:

The provisions of RCW 46.37.530 and 46.61.610 through 46.61.612 ((may be)) are temporarily suspended ((by the chief of the Washington state patrol, or his or her designee,)) with respect to the operation of motorcycles ((within their respective jurisdictions in connection with a parade or public demonstration)) on a closed road during a parade or public demonstration that has been permitted by a local jurisdiction.

Sec. 2. RCW 46.04.437 and 2010 c 161 s 133 are each amended to read as follows:

"Purple heart license plates" means special license plates that may be assigned to a motor vehicle required to display one or two license plates, excluding vehicles registered under chapter 46.87 RCW, upon terms and conditions established by the department, to recipients of the Purple Heart medal or to another qualified person.

Sec. 3. RCW 46.18.215 and 2010 c 161 s 614 are each amended to read as follows:

The department shall create, design, and issue a special baseball stadium license plate that may be used in lieu of standard issue or personalized license plates for motor vehicles required to display one or two license plates, excluding vehicles registered under chapter 46.87 RCW, upon terms and conditions established by the department. The special license plates commemorate the construction of a baseball stadium, as defined in RCW 82.14.0485. The department shall also issue to each recipient of a special baseball stadium license plate a certificate of participation in the construction of the baseball stadium.

Sec. 4. RCW 46.18.225 and 2010 c 161 s 615 are each amended to read as follows:

A state university, regional university, or state college as defined in RCW 28B.10.016 may apply to the department, in a form approved by the department and request the department to issue a series of collegiate license plates, for display on motor vehicles required to display one or two license plates, excluding vehicles registered under chapter 46.87 RCW, upon terms and conditions established by the department, depicting the name and mascot or symbol of the college or university, as submitted and approved for use by the requesting institution.

- **Sec. 5.** RCW 46.18.230 and 2010 c 161 s 618 are each amended to read as follows:
- (1) A registered owner who has been awarded the Congressional Medal of Honor may apply to the department for special license plates for use on a ((passenger)) motor vehicle required to display one or two license plates, excluding vehicles registered under chapter 46.87 RCW, upon terms and conditions established by the department. The Congressional Medal of Honor recipient must:
- (a) Provide proof from the Washington state department of veterans affairs showing receipt of the medal; and
- (b) Be recorded as the registered owner of the <u>motor</u> vehicle on which the Congressional Medal of Honor license <u>plate or</u> plates will be displayed.
- (2) Congressional Medal of Honor license plates must be issued:

- (a) Only for a personal ((passenger)) motor vehicle owned by persons who have received the Congressional Medal of Honor; and
- (b) Without payment of vehicle license fees, license plate fees, and motor vehicle excise taxes.
- (3) Congressional Medal of Honor license plates must be replaced, free of charge, if the license plates become lost, stolen, damaged, defaced, or destroyed.
- (4) \underline{A} Congressional Medal of Honor license <u>plate or</u> plates may be transferred, free of charge, from one motor vehicle to another motor vehicle owned by the Congressional Medal of Honor recipient upon application to the department, county auditor or other agent, or subagent appointed by the director.
- **Sec. 6.** RCW 46.18.235 and 2010 c 161 s 619 are each amended to read as follows:
- (1) A registered owner who is a veteran, as defined in RCW 41.04.007, may apply to the department for disabled American veteran or former prisoner of war license plates, for use on one personal use motor vehicle <u>required to display one or two license plates</u>, excluding vehicles <u>registered under chapter 46.87 RCW</u>, <u>upon terms and conditions established by the department</u>. The veteran must be recorded as the registered owner of the <u>motor</u> vehicle on which the disabled American veteran or former prisoner of war license plate or plates will be displayed and:
- (a) Provide certification from the veterans administration or the military service from which the veteran was discharged that the veteran has a service-connected disability rating;
 - (b) Have lost the use of both hands or one foot;
- (c) Have been captured and incarcerated by an enemy of the United States during a period of war with the United States and have received a prisoner of war medal;
- (d) Have become blind in both eyes as the result of military service; or
- (e) Be rated by the veterans administration or the military service from which the veteran was discharged and be receiving service-connected compensation at the one hundred percent rate that is expected to exist for more than one year.
 - (2) The special license plates under this section must:
- (a) Display distinguishing marks, letters, or numerals indicating that the registered owner is a disabled American veteran or former prisoner of war; and
- (b) Be issued for one personal use vehicle without the payment of any vehicle license fees, license plate fees, or excise taxes.
- (3) A registered owner who is a veteran, as defined in RCW 41.04.007, may, in lieu of applying for the special license plates under this section, apply for regular issue or any qualifying special license plate and receive the full benefit of the vehicle license fee and excise tax exemption provided in subsection (2)(b) of this section.
- (4) The department may periodically verify the one hundred percent rate as described in subsection (1)(e) of this section.
- (5) A veteran who has been issued disabled American veteran or former prisoner of war license plates under this section before July 1, 1983, continues to be eligible for the vehicle license fee and excise tax exemption described in subsection (2)(b) of this section.
- (6) <u>A disabled American veteran and former prisoner of war license plate or plates may be transferred from one motor vehicle to another motor vehicle owned by the veteran upon application to the department, county auditor or other agent, or subagent appointed by the director.</u>
 - (7) For the purposes of this section:
- (a) "Blind" means the definition of "blind" used by the state of Washington in determining eligibility for financial assistance to the blind under Title 74 RCW; and

- (b) "Special license plates" does not include any plate from the armed forces license plate collection established in RCW 46.18.200(3).
- (8) Any unauthorized use of a special license plate under this section is a gross misdemeanor.
- **Sec. 7.** RCW 46.18.270 and 2010 c 161 s 625 are each amended to read as follows:
- (1) A registered owner who has survived the attack on Pearl Harbor on December 7, 1941, may apply to the department for special license plates for use on only one motor vehicle required to display one or two license plates, excluding vehicles registered under chapter 46.87 RCW, upon terms and conditions established by the department, and owned by the qualified applicant. The applicant must:
 - (a) Be a resident of this state;
- (b) Have been a member of the United States armed forces on December 7, 1941;
- (c) Have been on station on December 7, 1941, between the hours of 7:55 a.m. and 9:45 a.m. Hawaii time at Pearl Harbor, the island of Oahu, or offshore at a distance not to exceed three miles;
- (d) Have received an honorable discharge from the United States armed forces;
- (e) Provide certification by a Washington state chapter of the Pearl Harbor survivors association showing that qualifications in (c) of this subsection have been met;
- (f) Be recorded as the registered owner of the <u>motor</u> vehicle on which the Pearl Harbor survivor license <u>plate or</u> plates will be displayed; and
- (g) Pay all fees and taxes required by law for registering the motor vehicle.
- (2) Pearl Harbor survivor license plates must be issued without the payment of any license plate fee.
- (3) Pearl Harbor survivor license plates must be replaced, free of charge, if the license plates have become lost, stolen, damaged, defaced, or destroyed.
- (4) Pearl Harbor survivor license plates may be issued to the surviving spouse or domestic partner of a Pearl Harbor survivor who met the requirements in subsection (1) of this section. The surviving spouse or domestic partner must be a resident of this state. If the surviving spouse remarries or the surviving domestic partner marries or enters into a new domestic partnership, he or she must return the special <u>license</u> plates to the department within fifteen days and apply for regular license plates or another type of special license plate.
- (5) A Pearl Harbor survivor license <u>plate or</u> plates may be transferred from one motor vehicle to another motor vehicle owned by the Pearl Harbor survivor or the surviving spouse or domestic partner as described in subsection (4) of this section upon application to the department, county auditor or other agent, or subagent appointed by the director.
- **Sec. 8.** RCW 46.18.280 and 2010 c 161 s 628 are each amended to read as follows:
- (1) A registered owner who has been awarded a Purple Heart medal by any branch of the United States armed forces, including the merchant marines and the women's air forces service pilots may apply to the department for special license plates for use on only one motor vehicle required to display one or two license plates, excluding vehicles registered under chapter 46.87 RCW, upon terms and conditions established by the department, and owned by the qualified applicant. The applicant must:
 - (a) Be a resident of this state;
- (b) Have been wounded during one of this nation's wars or conflicts identified in RCW 41.04.005;
- (c) Have received an honorable discharge from the United States armed forces;

- (d) Provide a copy of the armed forces document showing the recipient was awarded the Purple Heart medal;
- (e) Be recorded as the registered owner of the <u>motor</u> vehicle on which the Purple Heart survivor license <u>plate or</u> plates will be displayed; and
- (f) Pay all fees and taxes required by law for registering the motor vehicle.
- (2) Purple Heart license plates must be issued without the payment of any special license plate fee.
- (3) Purple Heart license plates may be issued to the surviving spouse or domestic partner of a Purple Heart recipient who met the requirements in subsection (1) of this section. The surviving spouse or domestic partner must be a resident of this state. If the surviving spouse remarries or the surviving domestic partner marries or enters into a new domestic partnership, he or she must return the special <u>license</u> plates to the department within fifteen days and apply for regular license plates or another type of special license plate.
- (4) A Purple Heart license <u>plate or</u> plates may be transferred from one motor vehicle to another motor vehicle owned by the Purple Heart recipient or the surviving spouse or domestic partner as described in subsection (3) of this section upon application to the department, county auditor or other agent, or subagent appointed by the director.
- **Sec. 9.** RCW 46.18.290 and 2010 c 161 s 630 are each amended to read as follows:

A registered owner may apply to the department, county auditor or other agent, or subagent appointed by the director for a square dancer license plate. The registered owner shall pay the special license plate fee required under RCW 46.17.220(1)(q), in addition to any other fee or tax required by law. The square dancer license plate may be issued in lieu of standard issue or personalized license plates for motor vehicles required to display one or two license plates, but may not be issued for vehicles registered under chapter 46.87 RCW."

Senator King spoke in favor of adoption of the committee striking amendment.

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Transportation to Substitute House Bill No. 1328.

The motion by Senator King carried and the committee striking amendment was adopted by voice vote.

MOTION

There being no objection, the following title amendment was adopted:

On page 1, line 1 of the title, after "motorcycles" strike the remainder of the title and insert "; and amending RCW 46.61.613, 46.04.437, 46.18.215, 46.18.225, 46.18.230, 46.18.235, 46.18.270, 46.18.280, and 46.18.290."

MOTION

On motion of Senator King, the rules were suspended, Substitute House Bill No. 1328 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator King spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1328 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1328 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

SUBSTITUTE HOUSE BILL NO. 1328 as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SECOND SUBSTITUTE HOUSE BILL NO. 1405, by House Committee on General Government Appropriations & Oversight (originally sponsored by Representatives Kirby, Kelley, Ladenburg, Darneille, Ryu, Stanford and Jinkins)

Regulating loans made under the consumer loan act.

The measure was read the second time.

MOTION

Senator Hobbs moved that the following striking amendment by Senators Hobbs, Benton and Rockefeller be adopted:

Strike everything after the enacting clause and insert the following:

- "Sec. 1. RCW 31.04.025 and 2009 c 311 s 1 and 2009 c 120 s 3 are each reenacted and amended to read as follows:
- (1) Each loan made to a resident of this state by a licensee, or persons subject to this chapter, is subject to the authority and restrictions of this chapter, unless such loan is made under the authority of chapter 63.14 RCW.
 - (2) This chapter does not apply to the following:
- (a) Any person doing business under, and as permitted by, any law of this state or of the United States relating to banks, savings banks, trust companies, savings and loan or building and loan associations, or credit unions;
- (b) Entities making loans under chapter 19.60 RCW (pawnbroking);
- (c) Entities making loans under chapter 63.14 RCW (retail installment sales of goods and services);
- (d) Entities making loans under chapter 31.45 RCW (check cashers and sellers);
- (e) Any person making ((loans)) <u>a loan</u> primarily for business, commercial, or agricultural purposes((, or)) <u>unless the loan is</u> secured by a lien on the borrower's primary residence;
- (f) Any person making loans made to government or government agencies or instrumentalities((τ)) or making loans to organizations as defined in the federal truth in lending act;
- (((f))) (g) Entities making loans under chapter 43.185 RCW (housing trust fund);
- (((g))) (h) Entities making loans under programs of the United States department of agriculture, department of housing and urban development, or other federal government program that provides funding or access to funding for single-family housing

- developments or grants to low-income individuals for the purchase or repair of single-family housing; ((and
- (h))) (i) Nonprofit housing organizations making loans, or loans made, under housing programs that are funded in whole or in part by federal or state programs if the primary purpose of the programs is to assist low-income borrowers with purchasing or repairing housing or the development of housing for low-income Washington state residents; and
- (j) Entities making loans which are not residential mortgage loans under a credit card plan.
- (3) The director may, at his or her discretion, waive applicability of the consumer loan company licensing provisions of this chapter to other persons, not including individuals subject to the S.A.F.E. act, making or servicing loans when the director determines it necessary to facilitate commerce and protect consumers. The director may adopt rules interpreting this section.
- Sec. 2. RCW 31.04.027 and 2001 c 81 s 3 are each amended to read as follows:
- It is a violation of this chapter for a licensee, its officers, directors, employees, or independent contractors, or any other person subject to this chapter to:
- (1) Directly or indirectly employ any scheme, device, or artifice to defraud or mislead any borrower, to defraud or mislead any lender, or to defraud or mislead any person;
- (2) Directly or indirectly engage in any unfair or deceptive practice toward any person;
- (3) Directly or indirectly obtain property by fraud or misrepresentation;
- (4) Solicit or enter into a contract with a borrower that provides in substance that the consumer loan company may earn a fee or commission through the consumer loan company's best efforts to obtain a loan even though no loan is actually obtained for the borrower:
- (5) Solicit, advertise, or enter into a contract for specific interest rates, points, or other financing terms unless the terms are actually available at the time of soliciting, advertising, or contracting;
- (6) Fail to make disclosures to loan applicants as required by RCW 31.04.102 and any other applicable state or federal law;
- (7) Make, in any manner, any false or deceptive statement or representation with regard to the rates, points, or other financing terms or conditions for a residential mortgage loan or engage in bait and switch advertising;
- (8) Negligently make any false statement or knowingly and willfully make any omission of material fact in connection with any reports filed with the department by a licensee or in connection with any investigation conducted by the department;
- (9) Make any payment, directly or indirectly, to any appraiser of a property, for the purposes of influencing the independent judgment of the appraiser with respect to the value of the property; ((ex))
- (10) Accept from any borrower at or near the time a loan is made and in advance of any default an execution of, or induce any borrower to execute, any instrument of conveyance, not including a mortgage or deed of trust, to the lender of any ownership interest in the borrower's primary residence that is the security for the borrower's loan;
- (11) Obtain at the time of closing a release of future damages for usury or other damages or penalties provided by law or a waiver of the provisions of this chapter; or
- (12) Advertise any rate of interest without conspicuously disclosing the annual percentage rate implied by that rate of interest or otherwise fail to comply with any requirement of the truth in lending act, 15 U.S.C. Sec. 1601 and regulation Z, 12 C.F.R. Sec. 226, the real estate settlement procedures act, 12 U.S.C. Sec. 2601 and regulation X, 24 C.F.R. Sec. 3500, or the equal credit

opportunity act, 15 U.S.C. Sec. 1691 and regulation B, Sec. 202.9, 202.11, and 202.12, or any other applicable federal statute, as now or hereafter amended, in any advertising of residential mortgage loans or any other consumer loan company activity."

Senator Hobbs spoke in favor of adoption of the striking amendment.

MOTION

Senator Benton moved that the following amendment by Senators Benton and Hatfield to the striking amendment be adopted:

On page 4, after line 6 of the striking amendment insert:

"Sec. 3. RCW 31.45.073 and 2009 c 510 s 3 are each amended to read as follows:

- (1) No licensee may engage in the business of making small loans without first obtaining a small loan endorsement to its license from the director in accordance with this chapter. An endorsement will be required for each location where a licensee engages in the business of making small loans, but a small loan endorsement may authorize a licensee to make small loans at a location different than the licensed locations where it cashes or sells checks. A licensee may have more than one endorsement.
- (2) A licensee must set the due date of a small loan on or after the date of the borrower's next pay date. If a borrower's next pay date is within seven days of taking out the loan, a licensee must set the due date of a small loan on or after the borrower's second pay date after the date the small loan is made. The termination date of a small loan may not exceed the origination date of that same small loan by more than forty-five days, including weekends and holidays, unless the term of the loan is extended by agreement of both the borrower and the licensee and no additional fee or interest is charged. The maximum principal amount of any small loan, or the outstanding principal balances of all small loans made by all licensees to a single borrower at any one time, may not exceed seven hundred dollars or thirty percent of the gross monthly income of the borrower, whichever is lower. A licensee is prohibited from making a small loan to a borrower who is in default on another small loan until after that loan is paid in full or two years have passed from the origination date of the small loan, whichever occurs first.
- (3) A licensee is prohibited from making a small loan to a borrower in an installment plan with any licensee until after the plan is paid in full or two years have passed from the origination date of the installment plan, whichever occurs first.
- (4) A borrower is prohibited from receiving more than ((eight)) sixteen small loans from all licensees in any twelve-month period. A licensee is prohibited from making a small loan to a borrower if making that small loan would result in a borrower receiving more than ((eight)) sixteen small loans from all licensees in any twelve-month period.
- (5) A licensee that has obtained the required small loan endorsement may charge interest or fees for small loans not to exceed in the aggregate fifteen percent of the first five hundred dollars of principal. If the principal exceeds five hundred dollars, a licensee may charge interest or fees not to exceed in the aggregate ten percent of that portion of the principal in excess of five hundred dollars. If a licensee makes more than one loan to a single borrower, and the aggregated principal of all loans made to that borrower exceeds five hundred dollars at any one time, the licensee may charge interest or fees not to exceed in the aggregate ten percent on that portion of the aggregated principal of all loans at any one time that is in excess of five hundred dollars. The director may determine by rule which fees, if any, are not subject to the interest or fee limitations described in this section. It is a violation of this chapter for any licensee to knowingly loan to a single borrower at

- any one time, in a single loan or in the aggregate, more than the maximum principal amount described in this section.
- (6) In connection with making a small loan, a licensee may advance moneys on the security of a postdated check. The licensee may not accept any other property, title to property, or other evidence of ownership of property as collateral for a small loan. The licensee may accept only one postdated check per loan as security for the loan. A licensee may permit a borrower to redeem a postdated check with a payment of cash or the equivalent of cash. The licensee may disburse the proceeds of a small loan in cash, in the form of a check, or in the form of the electronic equivalent of cash or a check.
- (7) No person may at any time cash or advance any moneys on a postdated check or draft in excess of the amount of goods or services purchased without first obtaining a small loan endorsement to a check casher or check seller license."

On page 2, strike the title amendment and insert the following:

On page 1, line 1 of the title, after "Relating to" strike the remainder of the title and insert "small loans and loans made under the consumer loan act: amending RCW 31.04.027 and 31.45.073; and reenacting and amending RCW 31.04.025."

Senator Benton spoke in favor of adoption of the amendment to the striking amendment.

POINT OF ORDER

Senator Hobbs: "That amendment 316 is beyond scope and object of the bill because the amendment exceeds the scope and object of the bill I respectfully request that you rule accordingly. I do have written arguments to present to you."

Senator Benton spoke against the point of order.

RULING BY THE PRESIDENT

President Owen: "In ruling upon the Point of Order raised by Senator Hobbs as to whether Amendment 316 to Second Substitute House Bill 1405 fits within the scope and object of the underlying bill or proposed striking amendment, the President finds and rules as follows:

This legislation makes changes to the Consumer Loan Act, limiting the types of business entities that can offer loans under Chapter 31.04 RCW. It also restricts certain provisions that may appear in such loans.

The proposed amendment expands one provision applicable to certain short term loans made by Check Cashers and Sellers under Chapter 31.45 RCW. Those loans are not governed by the Consumer Loan Act.

For this reason, the President finds that the amendment is beyond the scope and object of the bill and proposed striking amendment, and Senator Hobbs's point is well-taken."

The President declared the question before the Senate to be the adoption of the striking amendment by Senators Hobbs, Benton and Rockefeller to Second Substitute House Bill No. 1405

The motion by Senator Hobbs carried and the striking amendment was adopted by voice vote.

MOTION

There being no objection, the following title amendment was adopted:

On page 1, line 1 of the title, after "act;" strike the remainder of the title and insert "amending RCW 31.04.027; and reenacting and amending RCW 31.04.025."

MOTION

On motion of Senator Hobbs, the rules were suspended, Second Substitute House Bill No. 1405 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Hobbs spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Second Substitute House Bill No. 1405 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Second Substitute House Bill No. 1405 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 47; Nays, 2; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Swecker, Tom, White and Zarelli

Voting nay: Senators Holmquist Newbry and Stevens

SECOND SUBSTITUTE HOUSE BILL NO. 1405 as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1329, by House Committee on Transportation (originally sponsored by Representatives Maxwell, Liias, Haigh, Dammeier, Armstrong, McCoy, Finn, Billig, Hunt, Probst, Lytton, Kenney, Ryu, Frockt, Sells, Jacks, Orwall, Van De Wege, Roberts, Tharinger and Miloscia)

Creating "Music Matters" special license plates.

The measure was read the second time.

MOTION

Senator Haugen moved that the following committee striking amendment by the Committee on Transportation be adopted:

Strike everything after the enacting clause and insert the following:

- "Sec. 1. RCW 46.18.200 and 2010 c 161 s 611 are each amended to read as follows:
- (1) ((The legislature recognizes that the special license plate review board established in RCW 46.16.705 reviews and approves applications for special license plate series.
- (2))) Special license plate series reviewed and approved by the ((special license plate review board)) <u>department</u>:
- (a) May be issued in lieu of standard issue or personalized license plates for vehicles required to display one and two license plates unless otherwise specified;
- (b) Must be issued under terms and conditions established by the department:
- (c) Must not be issued for vehicles registered under chapter 46.87 RCW; and

- (d) Must display a symbol or artwork approved by the ((special license plate review board)) department.
- ((3) The special license plate review board approves, and)) (2) The department approves and shall issue((5)) the following special license plates:

| LICENSE PLATE | DESCRIPTION, SYMBOL, OR |
|-------------------------|--------------------------------|
| | ARTWORK |
| Armed forces collection | Recognizes the contribution of |
| | veterans, active duty |
| | :11:4 |

military personnel, reservists, and members of the national guard, and includes six separate designs, each containing a symbol representing a different branch of the armed forces to include army, navy, air force, marine corps, coast guard, and national guard.

Endangered wildlife Displays a symbol or artwork, approved by the special

license plate review board and the legislature.

Gonzaga University alumni Recognizes the Gonzaga

University alumni association.
Helping kids speak Recognizes an organization that supports programs that

provide no-cost speech pathology programs to children.

Keep kids safe Recognizes efforts to prevent child abuse and neglect.

Law enforcement memorial Honors law enforcement officers in Washington killed in

the line of duty.

Music matters Displays the "Music Matters"

<u>logo.</u>

Professional firefighters and paramedics Recognizes professional firefighters and paramedics who

are members of the Washington

state council of firefighters.

Share the road Recognizes an organization that

promotes bicycle safety and awareness education. Recognizes the Washington snowsports industry.

Washington lighthouses Recognizes an organization that

supports selected

Washington state lighthouses and

provides environmental education programs.

Washington state parks Recognizes Washington state

parks as premier destinations of uncommon quality that preserve significant natural, cultural, historical, and recreational resources. Builds awareness of

Washington's national park Builds awaren

fund

Ski & ride Washington

Washington's national parks and supports priority park programs

and projects in

Washington's national parks, such as enhancing visitor experience, promoting

| | volunteerism, engaging communities, and providing educational opportunities related to Washington's national parks. |
|----------------------------------|---|
| Washington's wildlife collection | Recognizes Washington's wildlife. |
| We love our pets | Recognizes an organization that assists local member agencies of the federation of animal welfare and control agencies to promote and perform |
| | spay/neuter surgery on Washington state pets to reduce |
| Wild on Washington | pet overpopulation. Symbolizes wildlife viewing in Washington state. |

(4) Applicants for initial and renewal professional firefighters and paramedics special license plates must show proof eligibility by providing a certificate of current membership from the Washington state council of firefighters.

<u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 46.04 RCW to read as follows:

"Music Matters license plates" means special license plates issued under RCW 46.18.200 that display the "Music Matters" logo.

Sec. 3. RCW 46.17.220 and 2010 c 161 s 521 are each amended to read as follows:

(1) In addition to all fees and taxes required to be paid upon application for a vehicle registration in chapter ((46.16)) 46.16A RCW, the holder of a special license plate shall pay the appropriate special license plate fee as listed in this section.

| PLATE TYPE | INITIAL FEE | RENEWAL FEE | DISTRIBUTED UNDER |
|--|-----------------|----------------|--------------------------------------|
| (a) Amateur radio license | \$ 5.00 | N/A | RCW 46.68.070 |
| (b) Armed forces | \$ 40.00 | \$ 30.00 | RCW 46.68.425 |
| (c) Baseball stadium | \$ 40.00 | \$ 30.00 | Subsection (2) of this section |
| (d) Collector vehicle | \$ 35.00 | N/A | RCW 46.68.030 |
| (e) Collegiate | \$ 40.00 | \$ 30.00 | RCW 46.68.430 |
| (f) Endangered wildlife | \$ 40.00 | \$ 30.00 | RCW 46.68.425 |
| (g) Gonzaga University alumni | \$ 40.00 | \$ 30.00 | RCW 46.68.420 |
| (h) Helping kids speak | \$ 40.00 | \$ 30.00 | RCW 46.68.420 |
| (i) Horseless carriage | \$ 35.00 | N/A | RCW 46.68.030 |
| (j) Keep kids safe | \$ 45.00 | \$ 30.00 | RCW 46.68.425 |
| (k) Law enforcemen t memorial | \$ 40.00 | \$ 30.00 | RCW 46.68.420 |
| (I) Military affiliate radio system | \$ 5.00 | N/A | RCW 46.68.070 |
| (m) Music matters | <u>\$ 40.00</u> | \$ 30.00 | RCW 46.68.420 |

| (n) Professional firefighters and | \$ 40.00 | \$ 30.00 | RCW 46.68.420 |
|---|----------------------|----------|-------------------|
| paramedics | | | |
| (((n))) <u>(o)</u> Ride share | \$ 25.00 | N/A | RCW 46.68.030 |
| (((o))) <u>(p)</u> Share the road | \$ 40.00 | \$ 30.00 | RCW 46.68.420 |
| (((p))) <u>(q)</u> Ski and ride | \$ 40.00 | \$ 30.00 | RCW 46.68.420 |
| Washington | Ф 40 00 | 3.T/A | DCW 46 60 070 |
| (((q))) <u>(r)</u> Square | \$ 40.00 | N/A | RCW 46.68.070 |
| dancer | Φ 40 00 | Ф 20 00 | D CW 1 4 6 60 100 |
| (((r))) <u>(s)</u> Washington | \$ 40.00 | \$ 30.00 | RCW 46.68.420 |
| lighthouses (((s))) (t) | \$ 40.00 | \$ 30.00 | RCW 46.68.425 |
| Washington state | \$ 40.00 | \$ 50.00 | KC W 40.06.423 |
| parks | | | |
| | \$ 40.00 | \$ 30.00 | RCW 46.68.420 |
| (((t))) <u>(u)</u> Washington | \$ 40.00 | \$ 30.00 | KC W 40.06.420 |
| 's | | | |
| s national | | | |
| | | | |
| parks | \$ 40.00 | \$ 30.00 | RCW 46.68.425 |
| (((u))) <u>(v)</u> | \$ 40.00 | \$ 50.00 | KCW 40.08.423 |
| Washington 's | | | |
| s wildlife | | | |
| collection | | | |
| | \$ 40.00 | \$ 30.00 | RCW 46.68.420 |
| (((v))) <u>(w)</u> We | \$ 4 0.00 | \$ 50.00 | NC W 40.08.420 |
| love our pets | \$ 40.00 | \$ 30.00 | RCW 46.68.425 |
| (((w))) <u>(x)</u> Wild | \$ 40.00 | \$ 30.00 | NCW 40.08.423 |
| On Washington | | | |
| Washington | | | |

Washington

- (2) After deducting administration and collection expenses for the sale of baseball stadium license plates, the remaining proceeds must be distributed to a county for the purpose of paying the principal and interest payments on bonds issued by the county to construct a baseball stadium, as defined in RCW 82.14.0485, including reasonably necessary preconstruction costs, while the taxes are being collected under RCW 82.14.360. After this date, the state treasurer shall credit the funds to the state general fund.
- **Sec. 4.** RCW 46.68.420 and 2010 c 161 s 809 are each amended to read as follows:
 - (1) The department shall:
- (a) Collect special license plate fees established under RCW 46.17.220 ((that were approved by the special license plate review board under RCW 46.18.200));
- (b) Deduct an amount not to exceed twelve dollars for initial issue and two dollars for renewal issue for administration and collection expenses incurred by it; and
- (c) Remit the remaining proceeds to the custody of the state treasurer with a proper identifying detailed report.
- (2) The state treasurer shall credit the proceeds to the motor vehicle account until the department determines that the state has been reimbursed for the cost of implementing the special license plate. Upon determination by the department that the state has been reimbursed, the state treasurer shall credit the remaining special license plate fee amounts for each special license plate to the following appropriate account <u>as created in this section in the custody of the state treasurer:</u>

| ACCOUNT | CONDITIONS FOR USE OF |
|---------------------------|--------------------------------|
| | FUNDS |
| Gonzaga University alumni | Scholarship funds to needy and |
| association | qualified students |

Helping kids speak

Law enforcement memorial

Lighthouse environmental programs

Music matters awareness

Share the road

Ski & ride Washington

Washington state council of firefighters benevolent fund

Washington's national park fund

We love our pets

attending or planning to attend

Gonzaga University

Provide free diagnostic and therapeutic services to families of children who suffer from a delay in language or speech

development

Provide support and assistance to survivors and families of

law enforcement officers in Washington killed in the line of duty and to organize, finance,

fund, construct, utilize, and maintain a memorial on the state capitol grounds to

honor those fallen officers Support selected Washington state lighthouses that are accessible to the public and staffed by volunteers; provide

environmental education programs; provide grants for other Washington lighthouses to assist in funding

infrastructure preservation and restoration; encourage and support interpretive programs by

lighthouse docents

Promote music education in

schools throughout

Washington

Promote bicycle safety and awareness education in communities throughout

Washington

Promote winter snowsports,

such as skiing and snowboarding, and related programs, such as ski and ride

safety programs,

underprivileged youth ski and

programs, and active, healthy

lifestyle programs

Receive and disseminate funds for charitable purposes on

behalf of members of the Washington state council of firefighters, their families, and

others deemed in need Build awareness of

Washington's national parks and

support priority park programs

and projects in

Washington's national parks, such as enhancing visitor experience, promoting volunteerism, engaging communities, and providing educational opportunities related to Washington's national

Support and enable the

Washington federation of

animal

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welfare and control agencies to promote and perform spay/neuter surgery of

Washington state pets in order to reduce pet population

- (3) Only the director or the director's designee may authorize expenditures from the accounts described in subsection (2) of this section. The accounts are subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.
- (4) Funds in the special license plate accounts described in subsection (2) of this section must be disbursed subject to the conditions described in subsection (2) of this section and under contract between the department and qualified nonprofit organizations that provide the services described in subsection (2) of this section.
- (5) For the purposes of this section, a "qualified nonprofit organization" means a not-for-profit corporation operating in Washington that has received a determination of tax exempt status under 26 U.S.C. Sec. 501(c)(3). The qualified nonprofit organization must meet all the requirements under RCW 46.18.100(1).
- **Sec. 5.** RCW 46.18.060 and 2010 1st sp.s. c 7 s 94 and 2010 c 161 s 604 are each reenacted and amended to read as follows:
- (1) ((The creation of the board does not in any way preclude the authority of the legislature to independently propose and enact special license plate legislation.
- (2))) The ((board)) department must review and either approve or reject special license plate applications submitted by sponsoring organizations.
- (((3))) (2) Duties of the ((board)) department include, but are not limited to, the following:
- (a) Review and approve the annual financial reports submitted by sponsoring organizations with active special license plate series and present those annual financial reports to the ((senate and house transportation committees)) joint transportation committee;
- (b) Report annually to the ((senate and house of representatives transportation committees)) joint transportation committee on the special license plate applications that were considered by the ((board)) department;
- (c) Issue approval and rejection notification letters to sponsoring organizations, ((the department,)) the ((chairs of the senate and house of representatives transportation committees)) joint transportation committee, and the legislative sponsors identified in each application. The letters must be issued within seven days of making a determination on the status of an application; and
- (d) Review annually the number of plates sold for each special license plate series created after January 1, 2003. The ((board)) department may submit a recommendation to discontinue a special plate series to the chairs of the ((senate and house of representatives transportation committees; and
- (e) Provide policy guidance and directions to the department concerning the adoption of rules necessary to limit the number of special license plates for which an organization or a governmental entity may apply)) joint transportation committee.
- (((4))) (3) Except as provided in RCW 46.18.245, in order to assess the effects and impact of the proliferation of special license plates, the legislature declares a temporary moratorium on the issuance of any additional plates until July 1, 2011. During this period of time, ((the special license plate review board created in RCW 46.16.705 and)) the department ((are)) is prohibited from accepting, reviewing, processing, or approving any applications. Additionally, a special license plate may not be enacted by the legislature during the moratorium, unless the proposed license plate

has been approved by the <u>former special license plate review</u> board before February 15, 2005.

(4) The Music Matters license plates created under RCW 46.18.200 are exempt from the requirements of subsection (3) of this section.

<u>NEW SECTION.</u> **Sec. 6.** This act takes effect January 1, 2012."

Senator Haugen spoke in favor of adoption of the committee striking amendment.

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Transportation to Substitute House Bill No. 1329.

The motion by Senator Haugen carried and the committee striking amendment was adopted by voice vote.

MOTION

There being no objection, the following title amendment was adopted:

On page 1, line 1 of the title, after "plates;" strike the remainder of the title and insert "amending RCW 46.18.200, 46.17.220, and 46.68.420; reenacting and amending RCW 46.18.060; adding a new section to chapter 46.04 RCW; and providing an effective date."

MOTION

On motion of Senator Haugen, the rules were suspended, Substitute House Bill No. 1329 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Haugen and Litzow spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1329 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1329 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 47; Nays, 2; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Swecker, Tom, White and Zarelli

Voting nay: Senators Holmquist Newbry and Stevens

SUBSTITUTE HOUSE BILL NO. 1329 as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

HOUSE BILL NO. 1358, by Representatives Klippert, Liias and Sells

Modifying combination of vehicle provisions.

The measure was read the second time.

MOTION

On motion of Senator King, the rules were suspended, House Bill No. 1358 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator King spoke in favor of passage of the bill.

MOTION

On motion of Senator White, Senator Ranker was excused.

The President declared the question before the Senate to be the final passage of House Bill No. 1358.

ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 1358 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom. White and Zarelli

HOUSE BILL NO. 1358, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

ENGROSSED HOUSE BILL NO. 1382, by Representatives Clibborn, Maxwell, Liias, Eddy, Hunter and Springer

Concerning the use of express toll lanes in the eastside corridor.

The measure was read the second time.

MOTION

Senator Haugen moved that the following committee striking amendment by the Committee on Transportation be adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature recognizes that the Puget Sound region is faced with growing traffic congestion and has limited ability to expand freeway capacity due to financial, environmental, and physical constraints. Freeway high occupancy vehicle lanes have been an effective means of providing transit, vanpools, and carpools with a fast trip on congested freeway corridors, but in many cases, these lanes operate beyond their capacity during peak commute times.

It is the intent of the legislature to improve mobility for people and goods by maximizing the effectiveness of the freeway system. An express toll lanes network is one approach for managing the use of freeway high occupancy vehicle lanes and, at the same time, generating funds to improve the Interstate 405 and state route number 167 corridor. The legislature acknowledges that as one of the most congested freeway sections in the state, the combined Interstate 405 and state route number 167 corridor serves as an ideal candidate for the use of an express toll lanes network. An express toll lanes network could provide benefits for movement of vehicles and people, as well as having the potential to generate revenue for

other improvements in the Interstate 405 and state route number 167 corridor, also known as the eastside corridor.

The legislature also recognizes the need for geographic balance and regional equity in decisions regarding tolling and pricing, and intends to consider the implementation of express toll lanes on other facilities in the region in the future. It is further the intent of the legislature to use its evaluation of initial express toll lanes on Interstate 405 to guide additions to the express toll lanes network, particularly in the most congested areas of the Interstate 405 and state route number 167 corridor, such as the Renton-to-Bellevue segment and the Interstate 405/state route number 167 interchange, with the ultimate goal of continuous express toll lanes from Puyallup to Lynnwood.

Therefore, it is the intent of this act to direct the department of transportation to develop and operate express toll lanes on Interstate 405 between the city of Bellevue on the south end and Interstate 5 on the north end and to conduct an evaluation of that project to determine the impacts on the movement of vehicles and people through the Interstate 405 and state route number 167 corridor, effectiveness for transit, carpools and single occupancy vehicles, and feasibility of financing capacity improvements through tolls.

Sec. 2. RCW 47.56.810 and 2008 c 122 s 3 are each amended to read as follows:

The definitions in this section apply throughout this subchapter unless the context clearly requires otherwise:

- (1) "Tolling authority" means the governing body that is legally empowered to review and adjust toll rates. Unless otherwise delegated, the transportation commission is the tolling authority for all state highways.
- (2) "Eligible toll facility" or "eligible toll facilities" means portions of the state highway system specifically identified by the legislature including, but not limited to, transportation corridors, bridges, crossings, interchanges, on-ramps, off-ramps, approaches, bistate facilities, and interconnections between highways.
- (3) "Toll revenue" or "revenue from an eligible toll facility" means toll receipts, all interest income derived from the investment of toll receipts, and any gifts, grants, or other funds received for the benefit of the eligible toll facility.
- (4) "Express toll lanes" means one or more high occupancy vehicle lanes of a highway in which the department charges tolls primarily as a means of regulating access to or use of the lanes to maintain travel speed and reliability.

<u>NEW SECTION.</u> **Sec. 3.** A new section is added to chapter 47.56 RCW under the subchapter heading "toll facilities created after July 1, 2008" to read as follows:

- (1) The imposition of tolls for express toll lanes on Interstate 405 between the junctions with Interstate 5 on the north end and NE 6th Street in the city of Bellevue on the south end is authorized, Interstate 405 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) Tolls for the express toll lanes must be set as follows:
- (a) The schedule of toll rates must be set by the tolling authority pursuant to RCW 47.56.850. Toll rates may vary in amount by time of day, level of traffic congestion within the highway facility, or other criteria, as the tolling authority deems appropriate.
- (b) In those locations with two express toll lanes in each direction, the toll rate must be the same in both lanes.
- (c) Toll charges may not be assessed on transit buses and vanpools.
- (d) The department shall establish performance standards for travel time, speed, and reliability for the express toll lanes project. The department must automatically adjust the toll rate within the schedule established by the tolling authority, using dynamic tolling, to ensure that average vehicle speeds in the lanes remain above

forty-five miles per hour at least ninety percent of the time during peak hours.

- (e) The tolling authority shall periodically review the toll rates against traffic performance of all lanes to determine if the toll rates are effectively maintaining travel time, speed, and reliability on the highway facilities.
- (3) The department may construct and operate express toll lanes on Interstate 405 between the city of Bellevue on the south end and Interstate 5 on the north end. Operation of the express toll lanes may not commence until the department has completed capacity improvements necessary to provide a two-lane system from NE 6th Street in the city of Bellevue to state route number 522 and the conversion of the existing high occupancy vehicle lane to an express toll lane between state route number 522 and the city of Lynnwood. Construction of the capacity improvements described in this subsection, including items that enable implementation of express toll lanes such as conduit and other underground features, must begin as soon as practicable. However, any contract term regarding tolling equipment, such as gantries, barriers, or cameras, for Interstate 405 may not take effect unless specific appropriation authority is provided in 2012 stating that funding is provided solely for tolling equipment on Interstate 405. The department shall work with local jurisdictions to minimize and monitor impacts to local streets and, after consultation with local jurisdictions, recommend mitigation measures to the legislature in those locations where it is appropriate.
- (4) The department shall monitor the express toll lanes project and shall annually report to the transportation commission and the legislature on the impacts from the project on the following performance measures:
- (a) Whether the express toll lanes maintain speeds of forty-five miles per hour at least ninety percent of the time during peak periods;
- (b) Whether the average traffic speed changed in the general purpose lanes:
 - (c) Whether transit ridership changed;
- (d) Whether the actual use of the express toll lanes is consistent with the projected use;
- (e) Whether the express toll lanes generated sufficient revenue to pay for all Interstate 405 express toll lane-related operating costs;
- (f) Whether travel times and volumes have increased or decreased on adjacent local streets and state highways; and
- (g) Whether the actual gross revenues are consistent with projected gross revenues as identified in the fiscal note for Engrossed House Bill No. 1382 distributed by the office of financial management on March 15, 2011.
- (5) If after two years of operation of the express toll lanes on Interstate 405 performance measures listed in subsection (4)(a) and (e) of this section are not being met, the express toll lanes project must be terminated as soon as practicable.
- (6) The department, in consultation with the transportation commission, shall consider making operational changes necessary to fix any unintended consequences of implementing the express toll lanes project.
- (7) A violation of the lane restrictions applicable to the express toll lanes established under this section is a traffic infraction.

<u>NEW SECTION.</u> **Sec. 4.** A new section is added to chapter 47.56 RCW under the subchapter heading "toll facilities created after July 1, 2008" to read as follows:

(1)(a) The transportation commission shall retain appropriate independent experts and conduct a traffic and revenue analysis for the development of a forty-mile continuous express toll lane system that includes state route number 167 and Interstate 405. The analysis must include a review of the following variables within the express toll lane system:

- (i) Vehicles with two or more occupants are exempt from payment;
- (ii) Vehicles with three or more occupants are exempt from payment;
 - (iii) A variable fee; and
 - (iv) A flat rate fee.
- (b) The department, in consultation with the transportation commission, shall develop a corridor-wide project management plan to develop a strategy for phasing the completion of improvements in the Interstate 405 and state route number 167 corridor.
- (2) The department, in consultation with the transportation commission, shall use the information from the traffic and revenue analysis and the corridor-wide project management plan to develop a finance plan to fund improvements in the Interstate 405 and state route number 167 corridor. The department must include the following elements in the finance plan:
- (a) Current state and federal funding contributions for projects in the Interstate 405 and state route number 167 corridor;
- (b) A potential future state and federal funding contribution to leverage toll revenues;
- (c) Financing mechanisms to optimize the revenue available for capacity improvements including, but not limited to, using the full faith and credit of the state;
- (d) An express toll lane system operating in the Interstate 405 and state route number 167 corridor by 2014; and
- (e) Completion of the capacity improvements in the Interstate 405 and state route number 167 corridor.
- (3) The department and the transportation commission must consult with a committee consisting of local and state elected officials from the Interstate 405 and state route number 167 corridor and representatives from the transit agencies that operate in the Interstate 405 and state route number 167 corridor while developing the performance standards, traffic and revenue analysis, and finance plan.
- (4) The transportation commission must provide the traffic and revenue analysis plan, and the department must provide the finance plan, to the governor and the legislature by January 2012. The department shall provide technical and other support as requested by the transportation commission to complete the plans identified in this subsection. Funds from Interstate 405 capital project appropriations may be used by the transportation commission through an interagency agreement with the department to cover the cost of the plans identified in this subsection.
- (5) The department shall conduct ongoing education and outreach to ensure public awareness of the express toll lane system.

<u>NEW SECTION.</u> **Sec. 5.** A new section is added to chapter 47.56 RCW under the subchapter heading "toll facilities created after July 1, 2008" to read as follows:

The Interstate 405 express toll lanes operations account is created in the motor vehicle fund. All revenues received by the department as toll charges collected from Interstate 405 express toll lane users must be deposited into the account. Moneys in the account may be spent only after appropriation. Consistent with RCW 47.56.820, expenditures from the account may be used for debt service, planning, administration, construction, maintenance, operation, repair, rebuilding, enforcement, and the expansion of express toll lanes on Interstate 405.

- **Sec. 6.** RCW 43.84.092 and 2010 1st sp.s. c 30 s 20, 2010 1st sp.s. c 9 s 7, 2010 c 248 s 6, 2010 c 222 s 5, 2010 c 162 s 6, and 2010 c 145 s 11 are each reenacted and amended to read as follows:
- (1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.
- (2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the

- federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.
- (3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.
- (4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:
- (a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the budget stabilization account, the capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the cleanup settlement account, the Columbia river basin water supply development account, the common school construction fund, the county arterial preservation account, the county criminal justice assistance account, the county sales and use tax equalization account, the deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of retirement systems expense account, the developmental disabilities community trust account, the drinking water assistance account, the drinking water assistance administrative account, the drinking water assistance repayment account, the Eastern Washington University capital projects account, the Interstate 405 express toll lanes operations account, the education construction fund, the education legacy trust account, the election account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the federal forest revolving account, the ferry bond retirement fund, the freight congestion relief account, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the public health services account, the health system capacity account, the high capacity transportation account, the state higher education construction account, the higher education construction account, the highway bond retirement fund, the highway infrastructure account, the highway safety account, the high occupancy toll lanes operations account, the hospital safety net assessment fund, the industrial insurance premium refund account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources stewardship trust account, the medical aid account, the mobile home park

relocation fund, the motor vehicle fund, the motorcycle safety education account, the multiagency permitting team account, the multimodal transportation account, the municipal criminal justice assistance account, the municipal sales and use tax equalization account, the natural resources deposit account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account beginning July 1. 2004, the public health supplemental account, the public transportation systems account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the Puyallup tribal settlement account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the resource management cost account, the rural arterial trust account, the rural Washington loan fund, the site closure account, the small city pavement and sidewalk account, the special category C account, the special wildlife account, the state employees' insurance account, the state employees' insurance reserve account, the state investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state route number 520 civil penalties account, the state route number 520 corridor account, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the transportation 2003 account (nickel account), the transportation equipment fund, the transportation fund, the transportation improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the transportation partnership account, the traumatic brain injury account, the tuition recovery trust fund, the University of Washington bond retirement fund, the University of Washington building account, the urban arterial trust account, the volunteer firefighters' and reserve officers' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the Washington judicial retirement system account, the Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law enforcement officers' and firefighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state health insurance pool account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving fund, and the Western Washington University capital projects account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state university permanent fund shall be allocated to their respective beneficiary accounts.

- (b) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the state treasury that deposits funds into a fund or account in the state treasury pursuant to an agreement with the office of the state treasurer shall receive its proportionate share of earnings based upon each account's or fund's average daily balance for the period.
- (5) In conformance with Article II, section 37 of the state Constitution, no treasury accounts or funds shall be allocated earnings without the specific affirmative directive of this section."

Senator Haugen spoke in favor of adoption of the committee striking amendment.

MOTION

Senator Ericksen moved that the following amendment by Senator Ericksen to the committee striking amendment be adopted:

Beginning on page 1, line 3 of the amendment, strike all material through page 10, line 2 and insert the following:

"NEW SECTION. Sec. 1. The legislature acknowledges that public-private initiatives provide benefits to both the public and private sectors. Such initiatives will provide the state with increased access to project development opportunities and financial and development expertise, and will supplement state transportation revenues, allowing the state to use its limited resources for other needed projects.

<u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 47.01 RCW to read as follows:

- (1) The department may solicit, evaluate, negotiate, and administer a public-private partnership for the construction, operation, and maintenance of high occupancy toll lanes on Interstate 405 between the junctions with Interstate 5 on the north end and NE 6th Street in the city of Bellevue on the south end. Any public-private partnership proposal entered into by the department must demonstrate that revenues generated on high occupancy toll lanes on Interstate 405 will, at a minimum, exceed operating costs of the toll facility and provide at least fifty percent of the planned capital construction costs for capacity improvements on Interstate 405 between Bellevue and Renton, identified as option four in the department's eastside corridor tolling study provided to the legislature in January 2010.
- (2) Any public-private partnership agreements for constructing and operating high occupancy toll lanes on Interstate 405 entered into by the department should establish the conditions under which the private developer may secure the approval necessary to: Develop and operate the proposed transportation facilities; create a framework to attract the private capital necessary to finance their development; ensure that the proposed transportation facilities will be designed, constructed, and operated in accordance with applicable local, regional, state, and federal laws and the applicable standards and policies of the department; and require a demonstration that the proposed transportation facilities have the support of the affected communities and local jurisdictions.
- (3) If, by June 1, 2011, no public-private partnership has been entered into by the department for the purposes identified in subsection (1) of this section, the department shall construct the Interstate 405/Kirkland Vicinity Stage 2 widening project, funded in part by the 2003 nickel funding package, as soon as practicable to provide additional general purpose lane capacity on Interstate 405.

<u>NEW SECTION.</u> **Sec. 3.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately."

On page 10, beginning on line 4 of the title amendment, after "insert" strike the remainder of the title and insert "adding a new section to chapter 47.01 RCW; creating a new section; and declaring an emergency."

Senator Ericksen spoke in favor of adoption of the amendment to the committee striking amendment.

Senators Haugen and King spoke against adoption of the amendment to the committee striking amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Ericksen on page 1, line 3 to the committee striking amendment to Engrossed House Bill No. 1382. The motion by Senator Ericksen failed and the amendment to the committee striking amendment was not adopted by voice vote.

MOTION

Senator Ericksen moved that the following amendment by Senator Ericksen to the committee striking amendment be adopted:

Beginning on page 1, line 3 of the amendment, strike all material through page 10, line 2 and insert the following:

"<u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 47.01 RCW to read as follows:

Construction of the Interstate 405/Kirkland Vicinity - Stage 2 widening project, funded in part by the 2003 nickel funding package, must be constructed as soon as practicable to provide additional general purpose lane capacity on Interstate 405. Elements of the project may include underground features only, such as conduit, necessary to accommodate potential future toll lanes

<u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 47.01 RCW to read as follows:

The commission shall retain appropriate independent experts and conduct a traffic and revenue analysis for the development of a forty-mile continuous express toll lane system and an all-lane flat rate tolled system that includes state route number 167 and Interstate 405. The analysis must include a review of the following variables within the express toll lane system:

- (1) Vehicles with two or more occupants are exempt from payment;
- (2) Vehicles with three or more occupants are exempt from payment;
 - (3) A variable fee; and
 - (4) A flat rate fee."

On page 10, beginning on line 4 of the title amendment, after "insert" strike the remainder of the title and insert "and adding new sections to chapter 47.01 RCW."

Senator Ericksen spoke in favor of adoption of the amendment to the committee striking amendment.

Senators Haugen and King spoke against adoption of the amendment to the committee striking amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Ericksen on page 1, line 3 to the committee striking amendment to Engrossed House Bill No. 1382.

The motion by Senator Ericksen failed and the amendment to the committee striking amendment was not adopted by voice vote.

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Transportation to Engrossed House Bill No. 1382.

The motion by Senator Haugen carried and the committee striking amendment was adopted by voice vote.

MOTION

There being no objection, the following title amendment was adopted:

On page 1, line 2 of the title, after "corridor;" strike the remainder of the title and insert "amending RCW 47.56.810; reenacting and amending RCW 43.84.092; adding new sections to chapter 47.56 RCW; creating a new section; and prescribing penalties."

MOTION

On motion of Senator Haugen, the rules were suspended, Engrossed House Bill No. 1382 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Haugen, King, Nelson and Pflug spoke in favor of passage of the bill.

Senator Ericksen spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed House Bill No. 1382 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed House Bill No. 1382 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 36; Nays, 13; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Brown, Chase, Conway, Delvin, Eide, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Kastama, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Rockefeller, Schoesler, Shin, Swecker, Tom and White

Voting nay: Senators Baxter, Becker, Benton, Carrell, Ericksen, Holmquist Newbry, Honeyford, Keiser, Morton, Roach, Sheldon, Stevens and Zarelli

ENGROSSED HOUSE BILL NO. 1382 as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

PERSONAL PRIVILEGE

Senator Swecker: "I must be getting old, I think of these things as I'm voting on these bills. In the early, actually it was in 2001 we formed a group called the Transportation Permit Efficiency and Accountability Committee and our goal was to streamline the transportation permits and have better environmental outcomes. It was interesting on the 405 corridor we had a whole series of projects in the rounded number of cost was around ten billion dollars. We put together a team to expedite the permit process and we brought the project in for closer to nine billion dollars which was a significant savings for the state of Washington. Since that time some of our costs have gone down because of the economy and I know that Senator Haugen mentioned that we have eight billion dollars of work to do on that corridor but it's just interesting to know that some of these kinds of processes can achieve savings in the billion range so, worthy to think about, just occurred to me. Thank you."

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1384, by House Committee on Transportation (originally sponsored by Representatives Moscoso, Liias, Clibborn, Billig, Ryu, Kenney, Stanford and Reykdal)

Concerning public improvement contracts involving certain federally funded transportation projects.

The measure was read the second time.

MOTION

Senator Nelson moved that the following amendment by Senators Nelson and Prentice be adopted:

On page 1, at the beginning of line 7, strike "federal-aid highway" and insert "transportation"

On page 2, line 7, after "contracts" strike all material through "street" on line 8

WITHDRAWAL OF AMENDMENT

On motion of Senator Nelson, the amendment by Senators Nelson and Prentice on page 1, line 7 to Substitute House Bill No. 1384 was withdrawn.

MOTION

On motion of Senator King, the rules were suspended, Substitute House Bill No. 1384 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators King and Nelson spoke in favor of passage of the bill.

MOTION

On motion of Senator White, Senator Ranker was excused.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1384.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1384 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

Excused: Senator Ranker

SUBSTITUTE HOUSE BILL NO. 1384, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1483, by House Committee on Transportation (originally sponsored by Representative Pearson)

Authorizing payment plans for traffic infractions. Revised for 1st Substitute: Modifying the form for a notice of traffic infraction.

The measure was read the second time.

MOTION

On motion of Senator Haugen, the rules were suspended, Substitute House Bill No. 1483 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Haugen spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1483.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1483 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

Excused: Senator Ranker

SUBSTITUTE HOUSE BILL NO. 1483, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1635, by House Committee on Transportation (originally sponsored by Representatives Upthegrove, Clibborn, Eddy, Armstrong, Liias, Rivers, Angel, Van De Wege, Wilcox, Maxwell, Rolfes, Finn, Sullivan, Dammeier, Orwall, Warnick and Moscoso)

Concerning the administration of exams and renewals for drivers' licenses. Revised for 1st Substitute: Concerning the administration of exams for and issuance and renewal of certain drivers' licenses and identicards.

The measure was read the second time.

MOTION

Senator King moved that the following committee striking amendment by the Committee on Transportation be adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. It is the intent of the legislature to utilize the infrastructure and resources of the commercial driver training schools and the school districts' traffic safety education programs by authorizing these entities to provide driver licensing examinations. The legislature intends for the department of licensing to authorize the administration of driver licensing examinations by these entities in order to maintain and reprioritize its staff for the purpose of reducing the wait times at its driver licensing offices.

Further, the legislature recognizes the growing importance of the work performed by department of licensing driver licensing services employees, who play an increasingly vital role in our security by ensuring that applicants are properly issued identification.

- **Sec. 2.** RCW 28A.220.030 and 2000 c 115 s 9 are each amended to read as follows:
- (1) The superintendent of public instruction is authorized to establish a section of traffic safety education, and through such section shall: Define a "realistic level of effort" required to provide

an effective traffic safety education course, establish a level of driving competency required of each student to successfully complete the course, and ensure that an effective statewide program is implemented and sustained, administer, supervise, and develop the traffic safety education program and shall assist local school districts in the conduct of their traffic safety education programs. The superintendent shall adopt necessary rules and regulations governing the operation and scope of the traffic safety education program; and each school district shall submit a report to the superintendent on the condition of its traffic safety education program: PROVIDED, That the superintendent shall monitor the quality of the program and carry out the purposes of this chapter.

- (2) The board of directors of any school district maintaining a secondary school which includes any of the grades 10 to 12, inclusive, may establish and maintain a traffic safety education course. If a school district elects to offer a traffic safety education course and has within its boundaries a private accredited secondary school which includes any of the grades 10 to 12, inclusive, at least one class in traffic safety education shall be given at times other than regular school hours if there is sufficient demand therefor.
- (3) The board of directors of a school district, or combination of school districts, may contract with any drivers' school licensed under the provisions of chapter 46.82 RCW to teach the laboratory phase of the traffic safety education course. Instructors provided by any such contracting drivers' school must be properly qualified teachers of traffic safety education under the joint qualification requirements adopted by the superintendent of public instruction and the director of licensing.
- (4) The superintendent shall establish a required minimum number of hours of continuing traffic safety education for traffic safety education instructors. The superintendent may phase in the requirement over not more than five years.
- (5) School districts that offer a traffic safety education program under this chapter may administer the portions of the driver licensing examination that test the applicant's knowledge of traffic laws and ability to safely operate a motor vehicle as authorized under RCW 46.20.120(7). The superintendent shall work with the department of licensing, in consultation with school districts that offer a traffic safety education program, to develop standards and requirements for administering each portion of the driver licensing examination that are comparable to the standards and requirements for driver training schools under section 6 of this act.
- (6) Before a school district may provide a portion of the driver licensing examination, the school district must, after consultation with the superintendent, enter into an agreement with the department of licensing that sets forth an accountability and audit process that takes into account the unique nature of school district facilities and school hours and, at a minimum, contains provisions that:
- (a) Allow the department of licensing to conduct random examinations, inspections, and audits without prior notice;
- (b) Allow the department of licensing to conduct on-site inspections at least annually;
- (c) Allow the department of licensing to test, at least annually, a random sample of the drivers approved by the school district for licensure and to cancel any driver's license that may have been issued to any driver selected for testing who refuses to be tested; and
- (d) Reserve to the department of licensing the right to take prompt and appropriate action against a school district that fails to comply with state or federal standards for a driver licensing examination or to comply with any terms of the agreement.

<u>NEW SECTION.</u> **Sec. 3.** A new section is added to chapter 46.01 RCW to read as follows:

A civil suit or action may not be commenced or prosecuted against the director, the state of Washington, any driver training school licensed by the department, any other government officer or entity, including a school district or an employee of a school district, or against any other person, by reason of any act done or omitted to be done in connection with administering the portions of the driver licensing examination that test the applicant's knowledge of traffic laws and ability to safely operate a motor vehicle. This section does not bar the state of Washington or the director from bringing any action, whether civil or criminal, against any driver training school licensed by the department.

Sec. 4. RCW 46.20.120 and 2005 c 314 s 306 and 2005 c 61 s 2 are each reenacted and amended to read as follows:

An applicant for a new or renewed driver's license must successfully pass a driver licensing examination to qualify for a driver's license. The department ((shall give)) must ensure that examinations are given at places and times reasonably available to the people of this state. If the department does not administer driver licensing examinations as a routine part of its licensing services within a department region because adequate testing sites are provided by driver training schools or school districts within that region, the department shall, at a minimum, administer driver licensing examinations by appointment to applicants eighteen years of age and older in at least one licensing office within that region.

- (1) **Waiver**. The department may waive:
- (a) All or any part of the examination of any person applying for the renewal of a driver's license unless the department determines that the applicant is not qualified to hold a driver's license under this title: or
- (b) All or any part of the examination involving operating a motor vehicle if the applicant:
- (i) Surrenders a valid driver's license issued by the person's previous home state; or
- (ii) Provides for verification a valid driver's license issued by a foreign driver licensing jurisdiction with which the department has an informal agreement under RCW 46.20.125; and
 - (iii) Is otherwise qualified to be licensed.
- (2) **Fee**. Each applicant for a new license must pay an examination fee of twenty dollars.
- (a) The examination fee is in addition to the fee charged for issuance of the license.
 - (b) "New license" means a license issued to a driver:
 - (i) Who has not been previously licensed in this state; or
- (ii) Whose last previous Washington license has been expired for more than five years.
- (3) An application for driver's license renewal may be submitted by means of:
 - (a) Personal appearance before the department; or
- (b) Mail or electronic commerce, if permitted by rule of the department and if the applicant did not renew his or her license by mail or by electronic commerce when it last expired. ((However, the department may accept an application for renewal of a driver's license submitted by means of mail or electronic commerce only if specific authority and funding is provided for this purpose by June 30, 2004, in the omnibus transportation appropriations act.))
- (4) A person whose license expired or will expire while he or she is living outside the state, may:
- (a) Apply to the department to extend the validity of his or her license for no more than twelve months. If the person establishes to the department's satisfaction that he or she is unable to return to Washington before the date his or her license expires, the department shall extend the person's license. The department may grant consecutive extensions, but in no event may the cumulative total of extensions exceed twelve months. An extension granted under this section does not change the expiration date of the license for purposes of RCW 46.20.181. The department shall charge a fee of five dollars for each license extension:
- (b) Apply to the department to renew his or her license by mail or, if permitted by rule of the department, by electronic commerce

- even if subsection (3)(b) of this section would not otherwise allow renewal by that means. If the person establishes to the department's satisfaction that he or she is unable to return to Washington within twelve months of the date that his or her license expires, the department shall renew the person's license by mail or, if permitted by rule of the department, by electronic commerce.
- (5) If a qualified person submits an application for renewal under subsection (3)(b) or (4)(b) of this section, he or she is not required to pass an examination nor provide an updated photograph. A license renewed by mail or by electronic commerce that does not include a photograph of the licensee must be labeled "not valid for identification purposes."
- (6) Driver training schools licensed by the department under chapter 46.82 RCW may administer the portions of the driver licensing examination that test the applicant's knowledge of traffic laws and ability to safely operate a motor vehicle.
- (7) School districts that offer a traffic safety education program under chapter 28A.220 RCW may administer the portions of the driver licensing examination that test the applicant's knowledge of traffic laws and ability to safely operate a motor vehicle.
- **Sec. 5.** RCW 46.20.515 and 2003 c 41 s 3 are each amended to read as follows:
- (1) The motorcycle endorsement examination must emphasize maneuvers necessary for on-street operation, including emergency braking and turning as may be required to avoid an impending collision.
- (2) The examination for a two-wheeled motorcycle endorsement and the examination for a three-wheeled motorcycle endorsement must be separate and distinct examinations emphasizing the skills and maneuvers necessary to operate each type of motorcycle.
- (3) The department may authorize an entity that has entered into a contract under RCW 46.20.520 to administer the motorcycle endorsement examination.
- (4) The department may waive all or part of the examination for persons who satisfactorily complete the voluntary motorcycle operator training and education program authorized under RCW 46.20.520 or who satisfactorily complete a private motorcycle skills education course that has been certified by the department under RCW 46.81A.020.
- <u>NEW SECTION.</u> **Sec. 6.** A new section is added to chapter 46.82 RCW to read as follows:
- (1) Driver training schools may administer the portions of the driver licensing examination that test the applicant's knowledge of traffic laws and ability to safely operate a motor vehicle as authorized under RCW 46.20.120(6).
- (2) The director shall adopt rules to regulate the administration of the knowledge and driving portions of the driver licensing examination. The rules must include, but are not limited to, the following provisions:
- (a) Limitations or requirements that determine which driver training schools may administer the knowledge portion of the examination;
- (b) Limitations or requirements that determine which driver training schools may administer the driving portion of the examination;
- (c) Requirements for the content and method of conducting the examinations to ensure consistency with industry practices;
 - (d) Requirements for recordkeeping:
- (e) A requirement that all driver training school employees conducting driver licensing examinations meet the same qualifications and education and training standards as department employees who conduct such examinations, to the extent necessary to conduct the written and driving skills portions of the examinations;

- (f) Requirements related to whether a driver training school staff member may provide both driver training instruction and the driver licensing examination to any one student;
 - (g) Requirements for retesting and expiring examination results;
- (h) Limitations on fees that may be charged by driver training schools for administering the knowledge portion of the examination and the driving portion of the examination. The examination fees must be limited to an amount that does not exceed the amount that is sufficient for driver training schools to recover the costs of administering each examination:
- (i) Requirements for the department to monitor outcomes for applicants who take a driver licensing examination through a driver training school and to make the outcomes available to the public;
- (j) Requirements for annual auditing, which must include the collection of current information regarding insurance, curriculums, instructors' names and licenses, and a selection of random student files to review for accuracy; and
- (k) Sanctions for violations of the rules adopted under this section
- (3) Before a driver training school may provide a portion of the driver licensing examination, it must enter into an agreement with the department that, at a minimum, contains provisions that:
- (a) Allow the department to conduct random examinations, inspections, and audits without prior notice;
- (b) Allow the department to conduct on-site inspections at least annually;
- (c) Allow the department to test, at least annually, a random sample of the drivers approved by the driver training school for licensure and to cancel any driver's license that may have been issued to any driver selected for testing who refuses to be tested; and
- (d) Reserve to the department the right to take prompt and appropriate action against a driver training school that fails to comply with state or federal standards for a driver licensing examination or to comply with any terms of the agreement.

<u>NEW SECTION.</u> **Sec. 7.** In communications facilitating the transition to driver training schools and school districts administering portions of the driver licensing examination, the department of licensing shall include at least one representative from each stakeholder group, including the superintendent of public instruction, driver training schools, the unions representing licensing services representatives, and the Washington state school directors' association."

Senator King spoke in favor of adoption of the committee striking amendment.

MOTION

Senator White moved that the following amendment by Senators White and King to the committee striking amendment be adopted:

On page 7, beginning on line 4 of the amendment, after "(h)" strike all material through "(i)" on line 10

Reletter the remaining subsections consecutively and correct any internal references accordingly.

Senators White and King spoke in favor of adoption of the amendment to the committee striking amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senators White and King on page 7, line 4 to the committee striking amendment to Engrossed Substitute House Bill No. 1635.

The motion by Senator White carried and the amendment to the committee striking amendment was adopted by voice vote. The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Transportation as amended to Engrossed Substitute House Bill No. 1635.

The motion by Senator King carried and the committee striking amendment as amended was adopted by voice vote.

MOTION

There being no objection, the following title amendment was adopted:

On page 1, line 2 of the title, after "offices;" strike the remainder of the title and insert "amending RCW 28A.220.030 and 46.20.515; reenacting and amending RCW 46.20.120; adding a new section to chapter 46.01 RCW; adding a new section to chapter 46.82 RCW; and creating new sections."

MOTION

On motion of Senator King, the rules were suspended, Engrossed Substitute House Bill No. 1635 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators King and Carrell spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute House Bill No. 1635 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute House Bill No. 1635 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 1; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

Absent: Senator Hargrove

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1635 as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1897, by House Committee on Transportation (originally sponsored by Representatives Billig, Johnson, Clibborn, Armstrong, Liias, Takko, Walsh, Blake, Dunshee, Rolfes, Van De Wege, Lytton, Fitzgibbon and Ormsby)

Establishing a rural mobility grant program.

The measure was read the second time.

MOTION

On motion of Senator Haugen, the rules were suspended, Substitute House Bill No. 1897 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Haugen spoke in favor of passage of the bill.

MOTION

On motion of Senator White, Senator Hargrove was excused.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1897.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1897 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

SUBSTITUTE HOUSE BILL NO. 1897, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1933, by House Committee on Transportation (originally sponsored by Representative Finn)

Addressing fraud and law enforcement safety for certain license plates. Revised for 1st Substitute: Addressing license plate fraud and law enforcement safety for collector vehicles.

The measure was read the second time.

MOTION

Senator King moved that the following committee striking amendment by the Committee on Transportation be adopted:

Strike everything after the enacting clause and insert the following:

- "Sec. 1. RCW 46.18.220 and 2010 c 161 s 617 are each amended to read as follows:
- (1) A registered owner may apply to the department, county auditor or other agent, or subagent appointed by the director for a collector vehicle license plate for a motor vehicle that is at least thirty years old. The motor vehicle must be operated primarily as a collector vehicle and be in good running order. The applicant for the collector vehicle license plate shall:
- (a) Purchase a registration for the motor vehicle as required under chapters ((46.16)) $\underline{46.16A}$ and 46.17 RCW; and
- (b) Pay the special license plate fee established under RCW 46.17.220(1)(d), in addition to any other fees or taxes required by law
 - (2) A person applying for a collector vehicle license plate may:
- (a) Receive a collector vehicle license plate assigned by the department; or
- (b) Provide ((a)) an actual Washington state issued license plate designated for general use in the year of the vehicle's manufacture.
 - (3) Collector vehicle license plates:

- (a) Are valid for the life of the motor vehicle;
- (b) Are not required to be renewed; and
- (c) Must be displayed on the rear of the motor vehicle.
- (4) A collector vehicle registered under this section may only be used for participation in club activities, exhibitions, tours, parades, and occasional pleasure driving.
- (5) Collector vehicle license plates may be transferred from one motor vehicle to another motor vehicle described in subsection (1) of this section upon application to the department, county auditor or other agent, or subagent appointed by the director and upon payment of a transfer fee to the department as listed in RCW 46.17.200(1)(c).
- (6) Any person who knowingly provides a false or facsimile license plate under subsection (2)(b) of this section is subject to a traffic infraction and fine in an amount equal to the monetary penalty for a violation of RCW 46.16A.200(7)(b). Additionally, the person must pay for the cost of a collector vehicle license plate as listed in RCW 46.17.220(1)(d), unless already paid.

<u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 46.18 RCW to read as follows:

The department must provide a method by which law enforcement officers may readily access vehicle information for collector vehicles by using the collector vehicle license plate number. In the event duplicate license plate numbers have been issued to more than one collector vehicle, the department must provide a method for law enforcement officers to identify the correct vehicle.

<u>NEW SECTION.</u> **Sec. 3.** Section 1 of this act takes effect August 1, 2011.

<u>NEW SECTION.</u> **Sec. 4.** Section 2 of this act takes effect January 1, 2012."

MOTION

Senator Haugen moved that the following amendment by Senator Haugen to the committee striking amendment be adopted:

On page 1, line 28 of the amendment, after "plates" insert "under subsection (2)(b) of this section"

On page 2, beginning on line 2 of the amendment, after "director" strike all material through "46.17.200(1)(c)" on line 3

Senators Haugen and King spoke in favor of adoption of the amendment to the committee striking amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Haugen on page 1, line 28 to the committee striking amendment to Substitute House Bill No. 1933.

The motion by Senator Haugen carried and the amendment to the committee striking amendment was adopted by voice vote.

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Transportation as amended to Substitute House Bill No. 1933.

The motion by Senator King carried and the committee striking amendment as amended was adopted by voice vote.

MOTION

There being no objection, the following title amendment was adopted:

On page 1, line 1 of the title, after "Relating to" strike the remainder of the title and insert "certain collector vehicle license plate provisions; amending RCW 46.18.220; adding a new section

to chapter 46.18 RCW; prescribing penalties; and providing effective dates."

MOTION

On motion of Senator King, the rules were suspended, Substitute House Bill No. 1933 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator King spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1933 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1933 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 47; Nays, 2; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Swecker, Tom, White and Zarelli

Voting nay: Senators Holmquist Newbry and Stevens

SUBSTITUTE HOUSE BILL NO. 1933 as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1967, by House Committee on Transportation (originally sponsored by Representatives Fitzgibbon, Armstrong, Liias, Nealey, Clibborn, Billig, Frockt and Reykdal)

Concerning public transportation systems.

The measure was read the second time.

MOTION

Senator Haugen moved that the following committee striking amendment by the Committee on Transportation be adopted:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 35.58.2795 and 1994 c 158 s 6 are each amended to read as follows:

By ((April)) September 1st of each year, the legislative authority of each municipality, as defined in RCW 35.58.272, and each regional transit authority shall prepare a six-year transit development plan for that calendar year and the ensuing five years. The program shall be consistent with the comprehensive plans adopted by counties, cities, and towns, pursuant to chapter 35.63, 35A.63, or 36.70 RCW, the inherent authority of a first-class city or charter county derived from its charter, or chapter 36.70A RCW. The program shall contain information as to how the municipality intends to meet state and local long-range priorities for public transportation, capital improvements, significant operating changes planned for the system, and how the municipality intends to fund

program needs. The six-year plan for each municipality and regional transit authority shall specifically set forth those projects of regional significance for inclusion in the transportation improvement program within that region. Each municipality and regional transit authority shall file the six-year program with the state department of transportation, the transportation improvement board, and cities, counties, and regional planning councils within which the municipality is located.

In developing its program, the municipality and the regional transit authority shall consider those policy recommendations affecting public transportation contained in the state transportation policy plan approved by the state transportation commission and, where appropriate, adopted by the legislature. The municipality shall conduct one or more public hearings while developing its program and for each annual update.

- **Sec. 2.** RCW 35.58.2796 and 2005 c 319 s 101 are each amended to read as follows:
- (1) The department of transportation shall develop an annual report summarizing the status of public transportation systems in the state for the previous calendar year. By ((September)) December 1st of each year, ((copies of)) the report ((shall be submitted)) must be made available to the transportation committees of the legislature and to each municipality, as defined in RCW 35.58.272, and to individual members of the municipality's legislative authority.
- (2) To assist the department with preparation of the report, each municipality shall file a system report by ((April)) September 1st of each year with the state department of transportation identifying its public transportation services for the previous calendar year and its objectives for improving the efficiency and effectiveness of those services. The system report shall address those items required for each public transportation system in the department's report.
- (3) The department report shall describe individual public transportation systems, including contracted transportation services and dial-a-ride services, and include a statewide summary of public transportation issues and data. The descriptions shall include the following elements and such other elements as the department deems appropriate after consultation with the municipalities and the transportation committees of the legislature:
- (((++))) (a) Equipment and facilities, including vehicle replacement standards;
 - $((\frac{2}{2}))$ (b) Services and service standards;
- (((3))) (c) Revenues, expenses, and ending balances, by fund source;
- (((4))) (d) Policy issues and system improvement objectives, including community participation in development of those objectives and how those objectives address statewide transportation priorities;
- (((5))) (e) Operating indicators applied to public transportation services, revenues, and expenses. Operating indicators shall include operating cost per passenger trip, operating cost per revenue vehicle service hour, passenger trips per revenue service hour, passenger trips per vehicle service mile, vehicle service hours per employee, and farebox revenue as a percent of operating costs.
- (4) To the extent that information is available, the department report must include descriptive information on any other modes of public transportation, the impact of public transportation on transportation system performance, and how public transportation helps the state meet the transportation system policy goals described in RCW 47.04.280.

<u>NEW SECTION.</u> **Sec. 3.** A new section is added to chapter 43.19 RCW to read as follows:

New state facilities, to be located within the boundaries of a public transportation system identified under RCW 82.14.045, may only be sited after the department has consulted with the respective public transportation system to ensure that the new state facilities are located in an area that is adequately accessible by transit service."

Senator Haugen spoke in favor of adoption of the committee striking amendment.

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Transportation to Engrossed Substitute House Bill No. 1967.

The motion by Senator Haugen carried and the committee striking amendment was adopted by voice vote.

MOTION

There being no objection, the following title amendment was adopted:

On page 1, line 1 of the title, after "Relating to" strike the remainder of the title and insert "modifying provisions related to public transportation system planning; amending RCW 35.58.2795 and 35.58.2796; and adding a new section to chapter 43.19 RCW."

MOTION

On motion of Senator Haugen, the rules were suspended, Engrossed Substitute House Bill No. 1967 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Haugen spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute House Bill No. 1967 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute House Bill No. 1967 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 44; Nays, 5; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Sheldon, Shin, Swecker, Tom, White and Zarelli

Voting nay: Senators Baxter, Holmquist Newbry, Honeyford, Schoesler and Stevens

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1967 as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1046, by House Committee on Transportation (originally sponsored by Representatives Moeller, Condotta and Morris)

Concerning vehicle and vessel quick title.

The measure was read the second time.

MOTION

Senator King moved that the following committee striking amendment by the Committee on Transportation be adopted:

Strike everything after the enacting clause and insert the following:

- "NEW SECTION. Sec. 1. A new section is added to chapter 46.12 RCW under the subchapter heading "general provisions" to read as follows:
- (1) The application for a quick title of a vehicle must be submitted by the owner or the owner's representative to the department, participating county auditor or other agent, or subagent appointed by the director on a form furnished or approved by the department and must contain:
- (a) A description of the vehicle, including make, model, vehicle identification number, type of body, and the odometer reading at the time of delivery of the vehicle, when required;
- (b) The name and address of the person who is to be the registered owner of the vehicle and, if the vehicle is subject to a security interest, the name and address of the secured party; and
 - (c) Other information as may be required by the department.
- (2) The application for a quick title must be signed by the person applying to be the registered owner and be sworn to by that person in the manner described under RCW 9A.72.085. The department must keep a copy of the application.
 - (3) The application for a quick title must be accompanied by:
- (a) All fees and taxes due for an application for a certificate of title, including a quick title service fee under section 2 of this act; and
- (b) The most recent certificate of title or other satisfactory evidence of ownership.
- (4) All applications for quick title must meet the requirements established by the department.
- (5) For the purposes of this section, "quick title" means a certificate of title printed at the time of application.
- (6) The quick title process authorized under this section may not be used to obtain the first title issued to a vehicle previously designated as a salvage vehicle as defined in RCW 46.04.514.
- (7) A subagent may process a quick title under this section only after (a) the department has instituted a process in which blank certificates of title can be inventoried; (b) the county auditor of the county in which the subagent is located has processed quick titles for a minimum of six months; and (c) the county auditor approves a request from a subagent in its county to process quick titles.

<u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 46.17 RCW under the subchapter heading "certificate of title fees" to read as follows:

Before accepting an application for a quick title of a vehicle under section 1 of this act, the department, participating county auditor or other agent, or subagent appointed by the director shall require the applicant to pay a twenty-five dollar quick title service fee in addition to any other fees and taxes required by law. The quick title service fee must be distributed under section 3 of this act.

<u>NEW SECTION.</u> **Sec. 3.** A new section is added to chapter 46.68 RCW to read as follows:

- (1) The quick title service fee imposed under section 2 of this act must be distributed as follows:
- (a) If the fee is paid to the director, the fee must be deposited to the motor vehicle fund established under RCW 46.68.070.
- (b) If the fee is paid to the participating county auditor or other agent or subagent appointed by the director, twelve dollars and fifty cents must be deposited to the motor vehicle fund established under RCW 46.68.070. The remainder must be retained by the county treasurer in the same manner as other fees collected by the county auditor.
- (2) For the purposes of this section, "quick title" has the same meaning as in section 1 of this act.

- <u>NEW SECTION.</u> **Sec. 4.** A new section is added to chapter 88.02 RCW under the subchapter heading "certificates of title" to read as follows:
- (1) The application for a quick title of a vessel must be made by the owner or the owner's representative to the department, participating county auditor or other agent, or subagent appointed by the director on a form furnished or approved by the department and must contain:
- (a) A description of the vessel, including make, model, hull identification number, series, and body;
- (b) The name and address of the person who is to be the registered owner of the vessel and, if the vessel is subject to a security interest, the name and address of the secured party; and
 - (c) Other information as may be required by the department.
- (2) The application for a quick title must be signed by the person applying to be the registered owner and be sworn to by that person in the manner described under RCW 9A.72.085. The department must keep a copy of the application.
 - (3) The application for a quick title must be accompanied by:
- (a) All fees and taxes due for an application for a certificate of title, including a quick title service fee under RCW 88.02.640(1); and
- (b) The most recent certificate of title or other satisfactory evidence of ownership.
- (4) All applications for quick title must meet the requirements established by the department.
- (5) For the purposes of this section, "quick title" means a certificate of title printed at the time of application.
- (6) A subagent may process a quick title under this section only after (a) the department has instituted a process in which blank certificates of title can be inventoried; (b) the county auditor of the county in which the subagent is located has processed quick titles for a minimum of six months; and (c) the county auditor approves a request from a subagent in its county to process quick titles.
- **Sec. 5.** RCW 88.02.640 and 2010 c 161 s 1028 are each amended to read as follows:
- (1) In addition to any other fees and taxes required by law, the department, county auditor or other agent, or subagent appointed by the director shall charge the following vessel fees:

| FEE | AMOUN T | AUTHORITY | DISTRIBUTIO N |
|-----------------------------------|-------------|---------------------|-------------------|
| (a) Dealer temporary permit | \$5.00 | RCW 88.02.800(2) | General fund |
| (b) Derelict | Subsection | Subsections (3) | Subsection (3) of |
| vessel and | (3) of this | and (4) of | this |
| invasive | section | this section | section |
| species | | | |
| removal | | | |
| (c) Duplicate | \$1.25 | RCW | General fund |
| registration | | 88.02.590(1)(c | |
| | |) | |
| (d) Filing | RCW | RCW | RCW 46.68.440 |
| | 46.17.005 | 46.17.005 | |
| (e) License | RCW | RCW | RCW 46.68.400 |
| plate | 46.17.015 | 46.17.015 | |
| technology | | | |
| (f) License | RCW | RCW | RCW 46.68.220 |
| service | 46.17.025 | 46.17.025 | |
| (g) | \$25.00 | RCW | Subsection (6) of |
| Nonresident | | 88.02.620(3) | this |
| vessel | | | section |
| permit | | | |

| (h) <u>Quick</u> title service | <u>\$25.00</u> | Section 4(3) of this act | Subsection (7) of this |
|-----------------------------------|----------------|--------------------------|------------------------|
| | | | section _ |
| <u>(i)</u> | \$10.50 | RCW | General fund |
| Registration | | 88.02.560(2) | |
| (((i))) <u>(j)</u> | \$1.25 | RCW | General fund |
| Replacemen | | 88.02.595(1)(c | |
| t | |) | |
| decal | | | |
| (((j))) <u>(k)</u> | \$5.00 | RCW | General fund |
| Title | | 88.02.515 | |
| application | | | |
| (((k))) <u>(1)</u> | \$1.00 | RCW | General fund |
| Transfer | | 88.02.560(7) | |
| (((1))) (m) | \$30.00 | RCW | General fund |
| Vessel | | 88.02.610(3) | |
| visitor | | | |
| permit | | | |

- (2) The five dollar dealer temporary permit fee required in subsection (1) of this section must be credited to the payment of registration fees at the time application for registration is made.
- (3)(a) Until June 30, 2012, the derelict vessel and invasive species removal fee required in subsection (1) of this section is five dollars and must be distributed as follows:
- (i) One dollar and fifty cents must be deposited in the aquatic invasive species prevention account created in RCW 77.12.879;
- (ii) One dollar must be deposited into the freshwater aquatic algae control account created in RCW 43.21A.667;
- (iii) Fifty cents must be deposited into the aquatic invasive species enforcement account created in RCW 43.43.400; and
- (iv) Two dollars must be deposited in the derelict vessel removal account created in RCW 79.100.100.
- (b) On and after June 30, 2012, the derelict vessel and invasive species removal fee is two dollars and must be deposited into the derelict vessel removal account created in RCW 79.100.100. If the department of natural resources indicates that the balance of the derelict vessel removal account, not including any transfer or appropriation of funds into the account or funds deposited into the account collected under subsection (5) of this section reaches million dollars as of March 1st of any year, the collection of the dollar derelict vessel and invasive species removal fee must be suspended for the following fiscal year.
- (4) Until January 1, 2014, an annual derelict vessel removal surcharge of one dollar must be charged with each vessel registration. The surcharge:
- (a) Is to address the significant backlog of derelict vessels accumulated in Washington state waters that pose a threat to the health and safety of the people and to the environment;
- (b) Is to be used only for the removal of vessels that are less than seventy-five feet in length; and
- (c) Must be deposited into the derelict vessel removal account created in RCW 79.100.100.
- (5) The twenty-five dollar nonresident vessel permit fee must be paid by the vessel owner to the department for the cost of providing the identification document by the department. Any moneys remaining from the fee after the payment of costs must be allocated to counties by the state treasurer for approved boating safety programs under RCW 88.02.655.
- (6) The thirty dollar vessel visitor permit fee must be distributed as follows:
- (a) Five dollars must be deposited in the derelict vessel removal account created in RCW 79.100.100;
- (b) The department may keep an amount to cover costs for providing the vessel visitor permit;

- (c) Any moneys remaining must be allocated to counties by the state treasurer for approved boating safety programs under RCW 88 02 655; and
- (d) Any fees required for licensing agents under RCW 46.17.005 are in addition to any other fee or tax due for the titling and registration of vessels.
- (7)(a) The twenty-five dollar quick title service fee must be distributed as follows:
- (i) If the fee is paid to the director, the fee must be deposited to the general fund.
- (ii) If the fee is paid to the participating county auditor or other agent or subagent appointed by the director, twelve dollars and fifty cents must be deposited to the general fund. The remainder must be retained by the county treasurer in the same manner as other fees collected by the county auditor.
- (b) For the purposes of this subsection, "quick title" has the same meaning as in section 4 of this act.

<u>NEW SECTION.</u> **Sec. 6.** This act applies to quick title transactions processed on and after January 1, 2012.

<u>NEW SECTION.</u> **Sec. 7.** This act takes effect January 1, 2012."

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Transportation to Substitute House Bill No. 1046.

The motion by Senator King carried and the committee striking amendment was adopted by voice vote.

MOTION

There being no objection, the following title amendment was adopted:

On page 1, line 1 of the title, after "title;" strike the remainder of the title and insert "amending RCW 88.02.640; adding a new section to chapter 46.12 RCW; adding a new section to chapter 46.17 RCW; adding a new section to chapter 46.68 RCW; adding a new section to chapter 88.02 RCW; creating a new section; and providing an effective date."

MOTION

On motion of Senator King, the rules were suspended, Substitute House Bill No. 1046 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators King and Haugen spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1046 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1046 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 41; Nays, 8; Absent, 0; Excused, 0.

Voting yea: Senators Benton, Brown, Chase, Conway, Delvin, Eide, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Honeyford, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach,

Rockefeller, Schoesler, Sheldon, Shin, Swecker, Tom, White and Zarelli

Voting nay: Senators Baumgartner, Baxter, Becker, Carrell, Ericksen, Holmquist Newbry, Kastama and Stevens

SUBSTITUTE HOUSE BILL NO. 1046 as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MOTION

At 11:08 a.m., on motion of Senator Eide, the Senate was declared to be at ease subject to the call of the President.

AFTERNOON SESSION

The Senate was called to order at 12:35 p.m. by President Owen.

RULING BY THE PRESIDENT

President Owen: "In ruling upon the Point of Order raised by Senator Holmquist Newbry as to whether the Ways & Means Committee amendment to Senate Bill 5907 fits within the scope and object of the underlying bill, the President finds and rules as follows:

This legislation addresses the serious subject of the security of personnel working within Washington's correctional facilities. In its initial form, the bill establishes several methods to address the protocols and equipment related to the safety of Department of Corrections' employees. These include the creation of a statewide security advisory committee, the establishment of local security committees, and the creation of multidisciplinary teams at certain DOC facilities. Each of these includes significant involvement by personnel at many levels of the correctional system.

The bill also provides for the use of consultants, working with the statewide advisory committee, to assess the use of various forms of safety equipment within the prison system.

The proposed committee amendment would add safety and equipment to the list of issues that may be collectively bargained, a separate subject not found in the underlying bill.

For this reason, the President finds that the amendment is beyond the scope and object of the bill, and Senator Holmquist Newbry's point is well-taken."

MOTION

On motion of Senator Eide, further consideration of Senate Bill No. 5907 was deferred and the bill held its place on the second reading calendar.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1560, by House Committee on Health Care & Wellness (originally sponsored by Representatives Cody and Jinkins)

Concerning the health insurance partnership.

The measure was read the second time.

MOTION

Senator Keiser moved that the following committee striking amendment by the Committee on Health & Long-Term Care be adopted:

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 70.47A.020 and 2008 c 143 s 1 are each amended to read as follows:

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

- (1) "Administrator" means the administrator of the Washington state health care authority, established under chapter 41.05 RCW.
- (2) "Board" means the health insurance partnership board established in RCW 70.47A.100.
- (3) "Eligible partnership participant" means a partnership participant who:
 - (a) Is a resident of the state of Washington; and
- (b) Has family income that does not exceed two hundred percent of the federal poverty level, as determined annually by the federal department of health and human services.
- (4) "Health benefit plan" has the same meaning as defined in RCW 48.43.005.
- (5) "Participating small employer" means a small employer that has entered into an agreement with the partnership to purchase health benefits through the partnership. To participate in the partnership, an employer must attest to the fact that (((a))) the employer does not currently offer health insurance to its employees((, and (b) at least fifty percent of the employer's employees are low wage workers)).
- (6) "Partnership" means the health insurance partnership established in RCW 70.47A.030.
- (7) "Partnership participant" means a participating small employer and employees of a participating small employer, and, except to the extent provided otherwise in RCW 70.47A.110(1)(e), a former employee of a participating small employer who chooses to continue receiving coverage through the partnership following separation from employment.
- (8) "Small employer" has the same meaning as defined in RCW 48.43.005.
- (9) "Subsidy" or "premium subsidy" means payment or reimbursement to an eligible partnership participant toward the purchase of a health benefit plan, and may include a net billing arrangement with insurance carriers or a prospective or retrospective payment for health benefit plan premiums.
- Sec. 2. RCW 70.47A.030 and 2009 c 257 s 1 are each amended to read as follows:
- (1) To the extent funding is appropriated in the operating budget for this purpose or obtained through federal resources, the health insurance partnership is established. The administrator shall be responsible for the implementation and operation of the health insurance partnership, directly or by contract. The administrator shall offer premium subsidies to eligible partnership participants under RCW 70.47A.040.
- (2) Consistent with policies adopted by the board under RCW 70.47A.110, the administrator shall, directly or by contract:
- (a) Establish and administer procedures for enrolling small employers in the partnership, including publicizing the existence of the partnership and disseminating information on enrollment, and establishing rules related to minimum participation of employees in small groups purchasing health insurance through the partnership. Opportunities to publicize the program for outreach and education of small employers on the value of insurance shall explore the use of online employer guides((.—As a condition of participating in the partnership, a small employer must agree to establish a cafeteria plan under section 125 of the federal internal revenue code that will enable employees to use pretax dollars to pay their share of their

health benefit plan premium. The partnership shall provide technical assistance to small employers for this purpose));

- (b) Establish and administer procedures for health benefit plan enrollment by employees of small employers during open enrollment periods and outside of open enrollment periods upon the occurrence of any qualifying event specified in the federal health insurance portability and accountability act of 1996 or applicable state law. Except to the extent authorized in RCW 70.47A.110(1)(e), neither the employer nor the partnership shall limit an employee's choice of coverage from among the health benefit plans offered through the partnership;
- (c) Establish and manage a system of collecting and transmitting to the applicable carriers all premium payments or contributions made by or on behalf of partnership participants, including employer contributions, automatic payroll deductions for partnership participants, premium subsidy payments, and contributions from philanthropies;
- (d) Establish and manage a system for determining eligibility for and making premium subsidy payments under chapter 259, Laws of 2007:
- (e) Establish a mechanism to apply a surcharge to each health benefit plan purchased through the partnership, which shall be used only to pay for administrative and operational expenses of the partnership. The surcharge must be applied uniformly to all health benefit plans purchased through the partnership. Any surcharge amount may be added to the premium, but shall not be considered part of the small group community rate, and shall be applied only to the coverage purchased through the partnership. Surcharges may not be used to pay any premium assistance payments under this chapter. The surcharge shall reflect administrative and operational expenses remaining after any appropriation provided by the legislature or resources received from the federal government to support administrative or operational expenses of the partnership during the year the surcharge is assessed;
- (f) Design a schedule of premium subsidies that is based upon gross family income, giving appropriate consideration to family size and the ages of all family members based on a benchmark health benefit plan designated by the board. The amount of an eligible partnership participant's premium subsidy shall be determined by applying a sliding scale subsidy schedule with the percentage of premium similar to that developed for subsidized basic health plan enrollees under RCW 70.47.060. The subsidy shall be applied to the employee's premium obligation for his or her health benefit plan, so that employees benefit financially from any employer contribution to the cost of their coverage through the partnership.
- (3) The administrator may enter into interdepartmental agreements with the office of the insurance commissioner, the department of social and health services, and any other state agencies necessary to implement this chapter.
- **Sec. 3.** RCW 70.47A.050 and 2007 c 260 s 12 are each amended to read as follows:

Enrollment in the health insurance partnership is not an entitlement and shall not result in expenditures that exceed the amount that has been appropriated for the program in the operating budget or resources received from the federal government. If it appears that continued enrollment will result in expenditures exceeding the appropriated level for a particular fiscal year, the administrator may freeze new enrollment in the program and establish a waiting list of eligible employees who shall receive subsidies only when sufficient funds are available.

- **Sec. 4.** RCW 70.47A.110 and 2008 c 143 s 5 are each amended to read as follows:
 - (1) The health insurance partnership board shall:
- (a) Develop policies for enrollment of small employers in the partnership, including minimum participation rules for small employer groups. The small employer shall determine the criteria

- for eligibility and enrollment in his or her plan and the terms and amounts of the employer's contributions to that plan, consistent with any minimum employer premium contribution level established by the board under (d) of this subsection:
- (b) Designate health benefit plans that are currently offered in the small group market that will be offered to participating small employers through the health insurance partnership and those plans that will qualify for premium subsidy payments. Up to five health benefit plans shall be chosen, with multiple deductible and point-of-service cost-sharing options. The health benefit plans shall range from catastrophic to comprehensive coverage, and one health benefit plan shall be a high deductible health plan accompanied by a health savings account. Every effort shall be made to include health benefit plans that include components to maximize the quality of care provided and result in improved health outcomes, such as preventive care, wellness incentives, chronic care management services, and provider network development and payment policies related to quality of care;
- (c) Approve a mid-range benefit plan from those selected to be used as a benchmark plan for calculating premium subsidies;
- (d) Determine whether there should be a minimum employer premium contribution on behalf of employees, and if so, how much;
- (e) Develop policies related to partnership participant enrollment in health benefit plans. The board may focus its initial efforts on access to coverage and affordability of coverage for participating small employers and their employees. To the extent necessary for successful implementation of the partnership, ((during a start up phase of partnership operation.)) the board may:
 - (i) Limit partnership participant health benefit plan choice; and
- (ii) Offer former employees of participating small employers the opportunity to continue coverage after separation from employment to the extent that a former employee is eligible for continuation coverage under 29 U.S.C. Sec. 1161 et seq.
- ((The start-up phase may not exceed two years from the date the partnership begins to offer coverage));
- (f) Determine appropriate health benefit plan rating methodologies. The methodologies shall be based on the small group adjusted community rate as defined in Title 48 RCW. The board shall evaluate the impact of applying the small group adjusted community rating methodology to health benefit plans purchased through the partnership on the principle of allowing each partnership participant to choose his or her health benefit plan, and may implement one or more risk adjustment or reinsurance mechanisms to reduce uncertainty for carriers and provide for efficient risk management of high-cost enrollees;
- (g) Determine whether the partnership should be designated as the administrator of a participating small employer health benefit plan and undertake the obligations required of a plan administrator under federal law in order to minimize administrative burdens on participating small employers;
- (h) Conduct analyses and provide recommendations as requested by the legislature and the governor, with the assistance of staff from the health care authority and the office of the insurance commissioner.
- (2) The board may authorize one or more limited health care service plans for dental care services to be offered by limited health care service contractors under RCW 48.44.035. However, such plan shall not qualify for subsidy payments.
- (3) In fulfilling the requirements of this section, the board shall consult with small employers, the office of the insurance commissioner, members in good standing of the American academy of actuaries, health carriers, agents and brokers, and employees of small business."

Senator Keiser spoke in favor of adoption of the committee striking amendment.

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Senator Keiser moved that the following amendment by Senators Keiser and Becker to the committee striking amendment be adopted:

On page 1, line 22 after "that" remove the strike out and retain "(a)"

On page 1, line 23 after "employees" insert "and has not offered insurance for at least six months" and remove the strike out down through and including line 24 and retain ", and (b) at least fifty percent of the employer's employees are low-wage workers."

Senators Keiser and Becker spoke in favor of adoption of the amendment to the committee striking amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senators Keiser and Becker on page 1, line 22 to the committee striking amendment to Substitute House Bill No. 1560.

The motion by Senator Keiser carried and the amendment to the committee striking amendment was adopted by voice vote.

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Health & Long-Term Care as amended to Substitute House Bill No. 1560.

The motion by Senator Keiser carried and the committee striking amendment as amended was adopted by voice vote.

MOTION

There being no objection, the following title amendment was adopted:

On page 1, line 1 of the title, after "partnership;" strike the remainder of the title and insert "and amending RCW 70.47A.020, 70.47A.030, 70.47A.050, and 70.47A.110."

MOTION

On motion of Senator Keiser, the rules were suspended, Substitute House Bill No. 1560 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Keiser spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1560 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1560 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 31; Nays, 18; Absent, 0: Excused, 0.

Voting yea: Senators Baumgartner, Becker, Brown, Chase, Conway, Eide, Fain, Fraser, Hargrove, Harper, Hatfield, Hill, Hobbs, Kastama, Keiser, Kilmer, Kline, Kohl-Welles, Litzow, McAuliffe, Murray, Nelson, Prentice, Pridemore, Ranker, Regala, Rockefeller, Shin, Stevens, Tom and White

Voting nay: Senators Baxter, Benton, Carrell, Delvin, Ericksen, Haugen, Hewitt, Holmquist Newbry, Honeyford, King, Morton, Parlette, Pflug, Roach, Schoesler, Sheldon, Swecker and Zarelli

SUBSTITUTE HOUSE BILL NO. 1560 as amended by the Senate, having received the constitutional majority, was declared

passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

PERSONAL PRIVILEGE

Senator Becker: "I'm wondering if it would be ok to wish my mother, who will be ninety-three, a happy birthday on the floor today?"

REPLY BY THE PRESIDENT

President Owen: "Appears you just did."

PERSONAL PRIVILEGE

Senator Becker: "I did, didn't I?"

REPLY BY THE PRESIDENT

President Owen: "Please, go right ahead."

PERSONAL PRIVILEGE

Senator Becker: "May I continue?"

REPLY BY THE PRESIDENT

President Owen: "Yes."

PERSONAL PRIVILEGE

Senator Becker: "Well, my mother lives in Yakima and she is ninety-three as of today. She's gone through some health issues but she is probably one of the most vivacious wonderful women you will ever meet. She can still out shop me. She wears me out. I hope I have that energy, I'm not a fan of shopping by the way but I hope I have her energy at ninety-three to do all the things that she's done. She's led a wonderful life and I just want to say Happy Birthday Mom and wanted to do it publicly. Thank you."

REMARKS BY THE PRESIDENT

President Owen: "Senator Becker, what is mom's name?"

PERSONAL PRIVILEGE

Senator Becker: "My mother's name is Laurine Dyer."

REPLY BY THE PRESIDENT

President Owen: "Happy Birthday, Mrs. Dyer."

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1854, by House Committee on Ways & Means (originally sponsored by Representatives Upthegrove, Rolfes, Finn, Hunt, Hope, Fitzgibbon, Stanford, Kenney and Ormsby)

Concerning the annexation of territory by regional fire protection service authorities.

The measure was read the second time.

MOTION

On motion of Senator Pridemore, the rules were suspended, Substitute House Bill No. 1854 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Pridemore spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1854.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1854 and the bill passed the Senate by the following vote: Yeas, 47; Nays, 2; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Swecker, Tom, White and Zarelli

Voting nay: Senators Baxter and Stevens

SUBSTITUTE HOUSE BILL NO. 1854, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SIGNED BY THE PRESIDENT

The President signed: SENATE BILL NO. 5083, SENATE BILL NO. 5584.

SECOND READING

HOUSE BILL NO. 1455, by Representative McCune

Concerning where an individual may petition to restore firearm possession rights.

The measure was read the second time.

MOTION

Senator Kline moved that the following committee amendment by the Committee on Judiciary be adopted:

On page 6, after line 24, insert the following:

"Sec. 3. RCW 36.23.030 and 2002 c 30 s 1 are each amended to read as follows:

The clerk of the superior court at the expense of the county shall keep the following records:

- (1) A record in which he or she shall enter all appearances and the time of filing all pleadings in any cause;
- (2) A docket in which before every session, he or she shall enter the titles of all causes pending before the court at that session in the order in which they were commenced, beginning with criminal cases, noting in separate columns the names of the attorneys, the character of the action, the pleadings on which it stands at the commencement of the session. One copy of this docket shall be furnished for the use of the court and another for the use of the members of the bar;
- (3) A record for each session in which he or she shall enter the names of witnesses and jurors, with time of attendance, distance of travel, and whatever else is necessary to enable him or her to make out a complete cost bill;

- (4) A record in which he or she shall record the daily proceedings of the court, and enter all verdicts, orders, judgments, and decisions thereof, which may, as provided by local court rule, be signed by the judge; but the court shall have full control of all entries in the record at any time during the session in which they were made;
- (5) An execution docket and also one for a final record in which he or she shall make a full and perfect record of all criminal cases in which a final judgment is rendered, and all civil cases in which by any order or final judgment the title to real estate, or any interest therein, is in any way affected, and such other final judgments, orders, or decisions as the court may require;
- (6) A record in which shall be entered all orders, decrees, and judgments made by the court and the minutes of the court in probate proceedings;
- (7) A record of wills and bonds shall be maintained. Originals shall be placed in the original file and shall be preserved or duplicated pursuant to RCW 36.23.065;
- (8) A record of letters testamentary, administration, and guardianship in which all letters testamentary, administration, and guardianship shall be recorded;
- (9) A record of claims shall be entered in the appearance docket under the title of each estate or case, stating the name of each claimant, the amount of his or her claim and the date of filing of such:
- (10) A memorandum of the files, in which at least one page shall be given to each estate or case, wherein shall be noted each paper filed in the case, and the date of filing each paper;
- (11) A record of the number of petitions filed for restoration of the right to possess a firearm under chapter 9.41 RCW and the outcome of the petitions;
- (12) Such other records as are prescribed by law and required in the discharge of the duties of his or her office."

Senator Kline spoke in favor of adoption of the committee amendment

The President declared the question before the Senate to be the adoption of the committee amendment by the Committee on Judiciary to House Bill No. 1455.

The motion by Senator Kline carried and the committee amendment was adopted by voice vote.

MOTION

There being no objection, the following title amendment was adopted:

On page 1, line 2 of the title, after "9.41.040" strike "and 9.41.047" and insert ", 9.41.047, and 36.23.030"

MOTION

On motion of Senator Kline, the rules were suspended, House Bill No. 1455 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Kline spoke in favor of passage of the bill.

POINT OF INQUIRY

Senator Delvin: "Would Senator Kline yield to a question? What kind of records that the clerk, is there money provided for them to keep these records and do they have to report them and to who? How is that all going to work out?"

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Senator Kline: "No, I believe there is no fund in the record that is directed specifically to record keeping. Presumably this is an unfunded mandate on the court."

Senator Carrell spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of House Bill No. 1455 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 1455 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

HOUSE BILL NO. 1455 as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1864, by House Committee on Business & Financial Services (originally sponsored by Representatives Stanford, Frockt, Fitzgibbon, Ryu, Billig, Moscoso, Ladenburg and Kenney)

Concerning the business practices of collection agencies.

The measure was read the second time.

MOTION

Senator Kline moved that the following committee striking amendment by the Committee on Judiciary be adopted:

Strike everything after the enacting clause and insert the following:

- "Sec. 1. RCW 19.16.250 and 2001 c 217 s 5 and 2001 c 47 s 2 are each reenacted and amended to read as follows: No licensee or employee of a licensee shall:
- (1) Directly or indirectly aid or abet any unlicensed person to engage in business as a collection agency in this state or receive compensation from such unlicensed person: PROVIDED, That nothing in this chapter shall prevent a licensee from accepting, as forwardee, claims for collection from a collection agency or attorney whose place of business is outside the state.
- (2) Collect or attempt to collect a claim by the use of any means contrary to the postal laws and regulations of the United States postal department.
- (3) Publish or post or cause to be published or posted, any list of debtors commonly known as "bad debt lists" or threaten to do so. For purposes of this chapter, a "bad debt list" means any list of natural persons alleged to fail to honor their lawful debts. However, nothing herein shall be construed to prohibit a licensee from communicating to its customers or clients by means of a coded list, the existence of a check dishonored because of insufficient

funds, not sufficient funds or closed account by the financial institution servicing the debtor's checking account: PROVIDED, That the debtor's identity is not readily apparent: PROVIDED FURTHER, That the licensee complies with the requirements of subsection (9)(e) of this section.

- (4) Have in his possession or make use of any badge, use a uniform of any law enforcement agency or any simulation thereof, or make any statements which might be construed as indicating an official connection with any federal, state, county, or city law enforcement agency, or any other governmental agency, while engaged in collection agency business.
- (5) Perform any act or acts, either directly or indirectly, constituting the practice of law.
- (6) Advertise for sale or threaten to advertise for sale any claim as a means of endeavoring to enforce payment thereof or agreeing to do so for the purpose of soliciting claims, except where the licensee has acquired claims as an assignee for the benefit of creditors or where the licensee is acting under court order.
- (7) Use any name while engaged in the making of a demand for any claim other than the name set forth on his or its current license issued hereunder.
- (8) Give or send to any debtor or cause to be given or sent to any debtor, any notice, letter, message, or form which represents or implies that a claim exists unless it shall indicate in clear and legible type:
- (a) The name of the licensee and the city, street, and number at which he is licensed to do business;
- (b) The name of the original creditor to whom the debtor owed the claim if such name is known to the licensee or employee: PROVIDED, That upon written request of the debtor, the licensee shall ((make a reasonable effort to obtain the name of such person and)) provide this name to the debtor or cease efforts to collect on the debt until this information is provided;
- (c) If the notice, letter, message, or form is the first notice to the debtor or if the licensee is attempting to collect a different amount than indicated in his or its first notice to the debtor, an itemization of the claim asserted must be made including:
- (i) Amount owing on the original obligation at the time it was received by the licensee for collection or by assignment;
- (ii) Interest or service charge, collection costs, or late payment charges, if any, added to the original obligation by the original creditor, customer or assignor before it was received by the licensee for collection, if such information is known by the licensee or employee: PROVIDED, That upon written request of the debtor, the licensee shall make a reasonable effort to obtain information on such items and provide this information to the debtor;
- (iii) Interest or service charge, if any, added by the licensee or customer or assignor after the obligation was received by the licensee for collection;
- (iv) Collection costs, if any, that the licensee is attempting to collect;
- (v) Attorneys' fees, if any, that the licensee is attempting to collect on his or its behalf or on the behalf of a customer or assignor; and
- (vi) Any other charge or fee that the licensee is attempting to collect on his or its own behalf or on the behalf of a customer or assignor:
- (d) If the notice, letter, message, or form is the first notice to the debtor, an itemization of the claim asserted must be made including the following information:
- (i) The original account number or redacted original account number assigned to the debt, if known to the licensee or employee: PROVIDED, That upon written request of the debtor, the licensee must make a reasonable effort to obtain this information or cease efforts to collect on the debt until this information is provided; and

- (ii) The date of the last payment to the creditor on the subject debt by the debtor, if known to the licensee or employee: PROVIDED, That upon written request of the debtor, the licensee must make a reasonable effort to obtain this information or cease efforts to collect on the debt until this information is provided.
- (9) Communicate or threaten to communicate, the existence of a claim to a person other than one who might be reasonably expected to be liable on the claim in any manner other than through proper legal action, process, or proceedings except under the following conditions:
- (a) A licensee or employee of a licensee may inform a credit reporting bureau of the existence of a claim: PROVIDED, That if the licensee or employee of a licensee reports a claim to a credit reporting bureau, the licensee shall upon receipt of written notice from the debtor that any part of the claim is disputed, forward a copy of such written notice to the credit reporting bureau;
- (b) A licensee or employee in collecting or attempting to collect a claim may communicate the existence of a claim to a debtor's employer if the claim has been reduced to a judgment;
- (c) A licensee or employee in collecting or attempting to collect a claim that has not been reduced to judgment, may communicate the existence of a claim to a debtor's employer if:
- (i) The licensee or employee has notified or attempted to notify the debtor in writing at his last known address or place of employment concerning the claim and the debtor after a reasonable time has failed to pay the claim or has failed to agree to make payments on the claim in a manner acceptable to the licensee, and
- (ii) The debtor has not in writing to the licensee disputed any part of the claim: PROVIDED, That the licensee or employee may only communicate the existence of a claim which has not been reduced to judgment to the debtor's employer once unless the debtor's employer has agreed to additional communications.
- (d) A licensee may for the purpose of locating the debtor or locating assets of the debtor communicate the existence of a claim to any person who might reasonably be expected to have knowledge of the whereabouts of a debtor or the location of assets of the debtor if the claim is reduced to judgment, or if not reduced to judgment, when:
- (i) The licensee or employee has notified or attempted to notify the debtor in writing at his last known address or last known place of employment concerning the claim and the debtor after a reasonable time has failed to pay the claim or has failed to agree to make payments on the claim in a manner acceptable to the licensee, and
 - (ii) The debtor has not in writing disputed any part of the claim.
- (e) A licensee may communicate the existence of a claim to its customers or clients if the claim is reduced to judgment, or if not reduced to judgment, when:
- (i) The licensee has notified or attempted to notify the debtor in writing at his last known address or last known place of employment concerning the claim and the debtor after a reasonable time has failed to pay the claim or has failed to agree to make payments on the claim in a manner acceptable to the licensee, and
 - (ii) The debtor has not in writing disputed any part of the claim.
- (10) Threaten the debtor with impairment of his credit rating if a claim is not paid.
- (11) Communicate with the debtor after notification in writing from an attorney representing such debtor that all further communications relative to a claim should be addressed to the attorney: PROVIDED, That if a licensee requests in writing information from an attorney regarding such claim and the attorney does not respond within a reasonable time, the licensee may communicate directly with the debtor until he or it again receives notification in writing that an attorney is representing the debtor.
- (12) Communicate with a debtor or anyone else in such a manner as to harass, intimidate, threaten, or embarrass a debtor, including but not limited to communication at an unreasonable hour,

- with unreasonable frequency, by threats of force or violence, by threats of criminal prosecution, and by use of offensive language. A communication shall be presumed to have been made for the purposes of harassment if:
- (a) It is made with a debtor or spouse in any form, manner, or place, more than three times in a single week;
- (b) It is made with a debtor at his or her place of employment more than one time in a single week;
- (c) It is made with the debtor or spouse at his or her place of residence between the hours of 9:00~p.m. and 7:30~a.m.
- (13) Communicate with the debtor through use of forms or instruments that simulate the form or appearance of judicial process, the form or appearance of government documents, or the simulation of a form or appearance of a telegraphic or emergency message.
- (14) Communicate with the debtor and represent or imply that the existing obligation of the debtor may be or has been increased by the addition of attorney fees, investigation fees, service fees, or any other fees or charges when in fact such fees or charges may not legally be added to the existing obligation of such debtor.
- (15) Threaten to take any action against the debtor which the licensee cannot legally take at the time the threat is made.
- (16) Send any telegram or make any telephone calls to a debtor or concerning a debt or for the purpose of demanding payment of a claim or seeking information about a debtor, for which the charges are payable by the addressee or by the person to whom the call is made.
- (17) In any manner convey the impression that the licensee is vouched for, bonded to or by, or is an instrumentality of the state of Washington or any agency or department thereof.
- (18) Collect or attempt to collect in addition to the principal amount of a claim any sum other than allowable interest, collection costs or handling fees expressly authorized by statute, and, in the case of suit, attorney's fees and taxable court costs. A licensee may collect or attempt to collect collection costs and fees, including contingent collection fees, as authorized by a written agreement or contract, between the licensee's client and the debtor, in the collection of a commercial claim. The amount charged to the debtor for collection services shall not exceed thirty-five percent of the commercial claim.
- (19) Procure from a debtor or collect or attempt to collect on any written note, contract, stipulation, promise or acknowledgment under which a debtor may be required to pay any sum other than principal, allowable interest, except as noted in subsection (18) of this section, and, in the case of suit, attorney's fees and taxable court costs.
- (20) Upon notification by a debtor that the debtor disputes all debts arising from a series of dishonored checks, automated clearinghouse transactions on a demand deposit account, or other preprinted written instruments, initiate oral contact with a debtor more than one time in an attempt to collect from the debtor debts arising from the identified series of dishonored checks, automated clearinghouse transactions on a demand deposit account, or other preprinted written instruments when: (a) Within the previous one hundred eighty days, in response to the licensee's attempt to collect the initial debt assigned to the licensee and arising from the identified series of dishonored checks, automated clearinghouse transactions on a demand deposit account, or other preprinted written instruments, the debtor in writing notified the licensee that the debtor's checkbook or other series of preprinted written instruments was stolen or fraudulently created; (b) the licensee has received from the debtor a certified copy of a police report referencing the theft or fraudulent creation of the checkbook, automated clearinghouse transactions on a demand deposit account, or series of preprinted written instruments; (c) in the written notification to the licensee or in the police report, the debtor identified the financial institution where the account was

maintained, the account number, the magnetic ink character recognition number, the full bank routing and transit number, and the check numbers of the stolen checks, automated clearinghouse transactions on a demand deposit account, or other preprinted written instruments, which check numbers included the number of the check that is the subject of the licensee's collection efforts; (d) the debtor provides, or within the previous one hundred eighty days provided, to the licensee a legible copy of a government-issued photo identification, which contains the debtor's signature and which was issued prior to the date of the theft or fraud identified in the police report; and (e) the debtor advised the licensee that the subject debt is disputed because the identified check, automated clearinghouse transaction on a demand deposit account, or other preprinted written instrument underlying the debt is a stolen or fraudulently created check or instrument.

The licensee is not in violation of this subsection if the licensee initiates oral contact with the debtor more than one time in an attempt to collect debts arising from the identified series of dishonored checks, automated clearinghouse transactions on a demand deposit account, or other preprinted written instruments when: (i) The licensee acted in good faith and relied on their established practices and procedures for batching, recording, or packeting debtor accounts, and the licensee inadvertently initiates oral contact with the debtor in an attempt to collect debts in the identified series subsequent to the initial debt assigned to the licensee; (ii) the licensee is following up on collection of a debt assigned to the licensee, and the debtor has previously requested more information from the licensee regarding the subject debt; (iii) the debtor has notified the licensee that the debtor disputes only some, but not all the debts arising from the identified series of dishonored checks, automated clearinghouse transactions on a demand deposit account, or other preprinted written instruments, in which case the licensee shall be allowed to initiate oral contact with the debtor one time for each debt arising from the series of identified checks, automated clearinghouse transactions on a demand deposit account, or written instruments and initiate additional oral contact for those debts that the debtor acknowledges do not arise from stolen or fraudulently created checks or written instruments; (iv) the oral contact is in the context of a judicial, administrative, arbitration, mediation, or similar proceeding; or (v) the oral contact is made for the purpose of investigating, confirming, or authenticating the information received from the debtor, to provide additional information to the debtor, or to request additional information from the debtor needed by the licensee to accurately record the debtor's information in the licensee's records.

- (21) Submit an affidavit or other request pursuant to chapter 6.32 RCW asking a superior or district court to transfer a bond posted by a debtor subject to a money judgment to the licensee, when the debtor has appeared as required.
- **Sec. 2.** RCW 6.15.010 and 2005 c 272 s 6 are each amended to read as follows:
- $(\underline{1})$ Except as provided in RCW 6.15.050, the following personal property ((shall be)) is exempt from execution, attachment, and garnishment:
- (((1))) (a) All wearing apparel of every individual and family, but not to exceed ((one)) three thousand five hundred dollars in value in furs, jewelry, and personal ornaments for any individual.
- (((2))) (b) All private libraries including electronic media, which includes audio-visual, entertainment, or reference media in digital or analogue format, of every individual, but not to exceed ((fifteen hundred)) three thousand five hundred dollars in value, and all family pictures and keepsakes.
- (((3))) (c) To each individual or, as to community property of spouses maintaining a single household as against a creditor of the community, to the community:

- (((a))) (i) The individual's or community's household goods, appliances, furniture, and home and yard equipment, not to exceed ((two)) six thousand ((seven)) five hundred dollars in value for the individual or ((five)) thirteen thousand ((four hundred)) dollars for the community, no single item to exceed seven hundred fifty dollars, said amount to include provisions and fuel for the comfortable maintenance of the individual or community;
- (((b))) (<u>ii)</u> Other personal property, except personal earnings as provided under RCW 6.15.050(1), not to exceed ((two)) <u>three</u> thousand dollars in value, of which not more than ((two hundred)) <u>one thousand five hundred</u> dollars in value may consist of cash, and of which not more than ((two hundred dollars in value may consist of)):

(A) Until January 1, 2018:

- (I) For debts owed to state agencies, two hundred dollars in value may consist of bank accounts, savings and loan accounts, stocks, bonds, or other securities. The maximum exemption under (c)(ii)(A) of this subsection may not exceed two hundred dollars, regardless of the number of existing separate bank accounts, savings and loan accounts, stocks, bonds, or other securities.
- (II) For all other debts, five hundred dollars in value may consist of bank accounts, savings and loan accounts, stocks, bonds, or other securities. The maximum exemption under (c)(ii)(B) of this subsection may not exceed five hundred dollars, regardless of the number of existing separate bank accounts, savings and loan accounts, stocks, bonds, or other securities.
- (B) After January 1, 2018: For all debts, five hundred dollars in value may consist of bank accounts, savings and loan accounts, stocks, bonds, or other securities. The maximum exemption under this subsection (1)(c)(ii)(B) may not exceed five hundred dollars, regardless of the number of existing separate bank accounts, savings and loan accounts, stocks, bonds, or other securities;
- (((e))) (iii) For an individual, a motor vehicle used for personal transportation, not to exceed ((two)) three thousand ((five)) two hundred fifty dollars or for a community two motor vehicles used for personal transportation, not to exceed ((five)) six thousand five hundred dollars in aggregate value;
- ((((d)))) (<u>iv)</u> Any past due, current, or future child support paid or owed to the debtor, which can be traced;
- $((\frac{(e)}{(e)}))$ (v) All professionally prescribed health aids for the debtor or a dependent of the debtor; and
- (((f))) (<u>vi)</u> To any individual, the right to or proceeds of a payment not to exceed ((sixteen)) twenty thousand ((one hundred fifty)) dollars on account of personal bodily injury, not including pain and suffering or compensation for actual pecuniary loss, of the debtor or an individual of whom the debtor is a dependent; or the right to or proceeds of a payment in compensation of loss of future earnings of the debtor or an individual of whom the debtor is or was a dependent, to the extent reasonably necessary for the support of the debtor and any dependent of the debtor. The exemption under this subsection (((3)(f))) (1)(c)(vi) does not apply to the right of the state of Washington, or any agent or assignee of the state, as a lienholder or subrogee under RCW 43.20B.060.
- (((4))) (d) To each qualified individual, one of the following exemptions:
- $((\underbrace{(a)}))$ (i) To a farmer, farm trucks, farm stock, farm tools, farm equipment, supplies and seed, not to exceed $((\underbrace{five}))$ ten thousand dollars in value;
- $((\frac{(b)}{(b)}))$ (ii) To a physician, surgeon, attorney, clergyman, or other professional person, the individual's library, office furniture, office equipment and supplies, not to exceed $((\frac{five}{b}))$ ten thousand dollars in value;
- (((e))) (iii) To any other individual, the tools and instruments and materials used to carry on his or her trade for the support of

himself or herself or family, not to exceed (($\frac{\text{five}}{\text{i}}$)) $\underline{\text{ten}}$ thousand dollars in value.

- (e) Tuition units, under chapter 28B.95 RCW, purchased more than two years prior to the date of a bankruptcy filing or court judgment, and contributions to any other qualified tuition program under 26 U.S.C. Sec. 529 of the internal revenue code of 1986, as amended, and to a Coverdell education savings account, also known as an education individual retirement account, under 26 U.S.C. Sec. 530 of the internal revenue code of 1986, as amended, contributed more than two years prior to the date of a bankruptcy filing or court judgment.
- (2) For purposes of this section, "value" means the reasonable market value of the debtor's interest in an article or item at the time it is selected for exemption, exclusive of all liens and encumbrances thereon
- (((5) Tuition units, under chapter 28B.95 RCW, purchased more than two years prior to the date of a bankruptcy filing or court judgment.))
- **Sec. 3.** RCW 6.15.020 and 2007 c 492 s 1 are each amended to read as follows:
- (1) It is the policy of the state of Washington to ensure the well-being of its citizens by protecting retirement income to which they are or may become entitled. For that purpose generally and pursuant to the authority granted to the state of Washington under 11 U.S.C. Sec. 522(b)(2), the exemptions in this section relating to retirement benefits are provided.
- (2) Unless otherwise provided by federal law, any money received by any citizen of the state of Washington as a pension from the government of the United States, whether the same be in the actual possession of such person or be deposited or loaned, shall be exempt from execution, attachment, garnishment, or seizure by or under any legal process whatever, and when a debtor dies, or absconds, and leaves his or her family any money exempted by this subsection, the same shall be exempt to the family as provided in this subsection. This subsection shall not apply to child support collection actions issued under chapter 26.18, 26.23, or 74.20A RCW, if otherwise permitted by federal law.
- (3) The right of a person to a pension, annuity, or retirement allowance or disability allowance, or death benefits, or any optional benefit, or any other right accrued or accruing to any citizen of the state of Washington under any employee benefit plan, and any fund created by such a plan or arrangement, shall be exempt from execution, attachment, garnishment, or seizure by or under any legal process whatever. This subsection shall not apply to child support collection actions issued under chapter 26.18, 26.23, or 74.20A RCW if otherwise permitted by federal law. This subsection shall permit benefits under any such plan or arrangement to be payable to a spouse, former spouse, child, or other dependent of a participant in such plan to the extent expressly provided for in a qualified domestic relations order that meets the requirements for such orders under the plan, or, in the case of benefits payable under a plan described in ((sections)) 26 U.S.C. Sec. 403(b) or 408 of the internal revenue code of 1986, as amended, or section 409 of such code as in effect before January 1, 1984, to the extent provided in any order issued by a court of competent jurisdiction that provides for maintenance or support. This subsection ((shall)) does not prohibit actions against an employee benefit plan, or fund for valid obligations incurred by the plan or fund for the benefit of the plan or
- (4) For the purposes of this section, the term "employee benefit plan" means any plan or arrangement that is described in RCW 49.64.020, including any Keogh plan, whether funded by a trust or by an annuity contract, and in ((sections)) 26 U.S.C. Sec. 401(a) or 403(a) of the internal revenue code of 1986, as amended; or that is a tax-sheltered annuity or a custodial account described in section 403(b) of such code or an individual retirement account or an

- individual retirement annuity described in section 408 of such code; or a Roth individual retirement account described in section 408A of such code; or a medical savings account or a health savings account described in sections 220 and 223, respectively, of such code; ((or an education individual retirement account described in section 530 of such code;)) or a retirement bond described in section 409 of such code as in effect before January 1, 1984. ((The term "employee benefit plan" also means any rights accruing on account of money paid currently or in advance for purchase of tuition units under the advanced college tuition payment program in chapter 28B.95 RCW.)) The term "employee benefit plan" shall not include any employee benefit plan that is established or maintained for its employees by the government of the United States, by the state of Washington under chapter 2.10, 2.12, 41.26, 41.32, 41.34, 41.35, 41.37, 41.40, or 43.43 RCW or RCW 41.50.770, or by any agency or instrumentality of the government of the United States.
- (5) An employee benefit plan shall be deemed to be a spendthrift trust, regardless of the source of funds, the relationship between the trustee or custodian of the plan and the beneficiary, or the ability of the debtor to withdraw or borrow or otherwise become entitled to benefits from the plan before retirement. subsection shall not apply to child support collection actions issued under chapter 26.18, 26.23, or 74.20A RCW, if otherwise permitted by federal law. This subsection shall permit benefits under any such plan or arrangement to be payable to a spouse, former spouse, child, or other dependent of a participant in such plan to the extent expressly provided for in a qualified domestic relations order that meets the requirements for such orders under the plan, or, in the case of benefits payable under a plan described in ((sections)) 26 U.S.C. Sec. 403(b) or 408 of the internal revenue code of 1986, as amended, or section 409 of such code as in effect before January 1, 1984, to the extent provided in any order issued by a court of competent jurisdiction that provides for maintenance or support.
- (6) Unless ((eontrary to applicable)) prohibited by federal law, nothing contained in subsection (3), (4), or (5) of this section shall be construed as a termination or limitation of a spouse's community property interest in an ((individual retirement account)) employee benefit plan held in the name of or on account of the other spouse, who is the participant or the account holder spouse. Unless prohibited by applicable federal law, at the death of the nonparticipant, nonaccount holder spouse, the nonparticipant, nonaccount holder spouse may transfer or distribute the community property interest of the nonparticipant, nonaccount holder spouse in the participant or account holder spouse's ((individual retirement account)) employee benefit plan to the nonparticipant, nonaccount holder spouse's estate, testamentary trust, inter vivos trust, or other successor or successors pursuant to the last will of the nonparticipant, nonaccount holder spouse or the law of intestate succession, and that distributee may, but shall not be required to, obtain an order of a court of competent jurisdiction, including a nonjudicial ((dispute resolution)) binding agreement or ((other)) order entered under chapter 11.96A RCW, to confirm the distribution. For purposes of subsection (3) of this section, the distributee of the nonparticipant, nonaccount holder spouse's community property interest in an ((individual retirement account)) employee benefit plan shall be considered a person entitled to the full protection of subsection (3) of this section. The nonparticipant, nonaccount holder spouse's consent to a beneficiary designation by the participant or account holder spouse with respect to an ((individual retirement account)) employee benefit plan shall not, absent clear and convincing evidence to the contrary, be deemed a release, gift, relinquishment, termination, limitation, or transfer of the nonparticipant, nonaccount holder spouse's community property interest in an ((individual retirement account)) employee benefit plan. For purposes of this subsection, the term "nonparticipant, nonaccount holder spouse" means the spouse of the person who is a

participant in an employee benefit plan or in whose name ((the)) an individual retirement account is maintained. ((The term "individual retirement account" includes an individual retirement account and an individual retirement annuity both as described in section 408 of the internal revenue code of 1986, as amended, a Roth individual retirement account as described in section 408A of the internal revenue code of 1986, as amended, and an individual retirement bond as described in section 409 of the internal revenue code as in effect before January 1, 1984.)) As used in this subsection, an order of a court of competent jurisdiction entered under chapter 11.96A RCW includes an agreement, as that term is used under RCW 11.96A.220.

- **Sec. 4.** RCW 48.18.430 and 2005 c 223 s 10 are each amended to read as follows:
- (1) The benefits, rights, privileges, and options under any annuity contract that are due the annuitant who paid the consideration for the annuity contract are not subject to execution and the annuitant may not be compelled to exercise those rights, powers, or options, and creditors are not allowed to interfere with or terminate the contract, except:
- (a) As to amounts paid for or as premium on an annuity with intent to defraud creditors, with interest thereon, and of which the creditor has given the insurer written notice at its home office prior to making the payments to the annuitant out of which the creditor seeks to recover. The notice must specify the amount claimed or the facts that will enable the insurer to determine the amount, and must set forth the facts that will enable the insurer to determine the insurance or annuity contract, the person insured or annuitant and the payments sought to be avoided on the basis of fraud.
- (b) The total exemption of benefits presently due and payable to an annuitant periodically or at stated times under all annuity contracts may not at any time exceed ((two)) three thousand ((five hundred)) dollars per month for the length of time represented by the installments, and a periodic payment in excess of ((two)) three thousand ((five hundred)) dollars per month is subject to garnishee execution to the same extent as are wages and salaries.
- (c) If the total benefits presently due and payable to an annuitant under all annuity contracts at any time exceeds payment at the rate of ((two)) three thousand ((five hundred)) dollars per month, then the court may order the annuitant to pay to a judgment creditor or apply on the judgment, in installments, the portion of the excess benefits that the court determines to be just and proper, after due regard for the reasonable requirements of the judgment debtor and the judgment debtor's dependent family, as well as any payments required to be made by the annuitant to other creditors under prior court orders.
- (2) The benefits, rights, privileges, or options accruing under an annuity contract to a beneficiary or assignee are not transferable or subject to commutation, and if the benefits are payable periodically or at stated times, the same exemptions and exceptions contained in this section for the annuitant apply to the beneficiary or assignee.
- (3) An annuity contract within the meaning of this section is any obligation to pay certain sums at stated times, during life or lives, or for a specified term or terms, issued for a valuable consideration, regardless of whether or not the sums are payable to one or more persons, jointly or otherwise, but does not include payments under life insurance contracts at stated times during life or lives, or for a specified term or terms.
- **Sec. 5.** RCW 6.27.140 and 2010 1st sp.s. c 26 s 2 are each amended to read as follows:
- (1) The notice required by RCW 6.27.130(1) to be mailed to or served on an individual judgment debtor shall be in the following form, printed or typed in type no smaller than elite type:

NOTICE OF GARNISHMENT

AND OF YOUR RIGHTS

A Writ of Garnishment issued in a Washington court has been or will be served on the garnishee named in the attached copy of the writ. After receipt of the writ, the garnishee is required to withhold payment of any money that was due to you and to withhold any other property of yours that the garnishee held or controlled. This notice of your rights is required by law.

YOU HAVE THE FOLLOWING EXEMPTION RIGHTS:

WAGES. If the garnishee is your employer who owes wages or other personal earnings to you, your employer is required to pay amounts to you that are exempt under state and federal laws, as explained in the writ of garnishment. You should receive a copy of your employer's answer, which will show how the exempt amount was calculated. If the garnishment is for child support, the exempt amount paid to you will be forty percent of wages due you, but if you are supporting a spouse, state registered domestic partner, or dependent child, you are entitled to claim an additional ten percent as exempt.

BANK ACCOUNTS. If the garnishee is a bank or other institution with which you have an account in which you have deposited benefits such as Temporary Assistance for Needy Families, Supplemental Security Income (SSI), Social Security, veterans' benefits, unemployment compensation, or a United States pension, you may claim the account as fully exempt if you have deposited only such benefit funds in the account. It may be partially exempt even though you have deposited money from other sources in the same account. An exemption is also available under RCW 26.16.200, providing that funds in a community bank account that can be identified as the earnings of a stepparent are exempt from a garnishment on the child support obligation of the

OTHER EXEMPTIONS. If the garnishee holds other property of yours, some or all of it may be exempt under RCW 6.15.010, a Washington statute that exempts certain property of your choice (including ((specified cash or)) money in a bank account up to \$200.00 for debts owed to state agencies, or up to \$500.00 for all other debts) and certain other property such as household furnishings, tools of trade, and a motor vehicle (all limited by differing dollar values).

HOW TO CLAIM EXEMPTIONS. Fill out the enclosed claim form and mail or deliver it as described in instructions on the claim form. If the plaintiff does not object to your claim, the funds or other property that you have claimed as exempt

must be released not later than 10 days after the plaintiff receives your claim form. If the plaintiff objects, the law requires a hearing not later than 14 days after the plaintiff receives your claim form, and notice of the objection and hearing date will be mailed to you at the address that you put on the claim form.

THE LAW ALSO PROVIDES OTHER EXEMPTION RIGHTS. IF NECESSARY, AN ATTORNEY CAN ASSIST YOU TO ASSERT THESE AND OTHER RIGHTS, BUT YOU MUST ACT IMMEDIATELY TO AVOID LOSS OF RIGHTS BY DELAY.

(2) The claim form required by RCW 6.27.130(1) to be mailed to or served on an individual judgment debtor shall be in the following form, printed or typed in type no smaller than elite type:

[Caption to be filled in by judgment creditor

| or plaintiff before | re mailing.] |
|---------------------|-----------------|
| Name of Court | |
| | No |
| Plaintiff, | |
| VS. | |
| | EXEMPTION CLAIM |
| Defendant, | |
| | |
| Garnishee Defendant | |

INSTRUCTIONS:

- Read this whole form after reading the enclosed notice. Then put an X in the box or boxes that describe your exemption claim or claims and write in the necessary information on the blank lines. If additional space is needed, use the bottom of the last page or attach another sheet.
- 2. Make two copies of the completed form. Deliver the original form by first-class mail or in person to the clerk of the court, whose address is shown at the bottom of the writ of garnishment. Deliver one of the copies by first-class mail or in person to the plaintiff or plaintiff's attorney, whose name and address are shown at the bottom of the writ. Keep the other copy. YOU SHOULD DO THIS AS QUICKLY AS POSSIBLE, BUT NO LATER THAN 28 DAYS (4 WEEKS) AFTER THE DATE ON THE WRIT.

I/We claim the following money or property as exempt:

IF BANK ACCOUNT IS GARNISHED:

[] The account contains payments from:

| | [] | Temporary assistance for needy families, SSI, or other public assistance. I receive \$ monthly. | | |
|--------|---------------|---|---|--|
| | [] | Social Security. I rece | | |
| | [] | Veterans' Benefits. Ir | eceive \$ monthly. | |
| | [] | U.S. Government Pens | ion. I receive \$ | |
| | [] | monthly. Unemployment Compe | ensation. I receive \$ | |
| | [] | monthly. Child support. I receive | ve \$ monthly. | |
| | [] | Other. Explain | | |
| | | | | |
| | | TION IN BANK ACCO ONE OR BOTH OF TH | | |
| | [] | · · · | rom above payments are in | |
| | [] | | he above payments have | |
| | | | ccount. Explain | |
| | | | | |
| TE E . | | | | |
| | ARNII PORT | NGS ARE GARNISHED : | FOR CHILD | |
| | [] | I claim maximum exen | nption. | |
| | [] | I am supporting anothe | r child or other children. | |
| | [] | I am supporting a husbadomestic partner. | and, wife, or state registered | |
| | ENSIC NISH | ON OR RETIREMENT B | SENEFITS ARE | |
| [] | | Name and address of em | | |
| | | | | |
| ОТН | ER PF | ROPERTY: | | |
| [] | | Describe property | | |
| LJ | | Describe property | | |
| | | | | |
| | | | nal property as exempt, you her personal property that | |
| ••••• | ••••• | •••••• | | |
| | | Print: Your name | If married or in a state registered domestic | |
| | | | partnership, name of husband/wife/state | |
| | | | registered domestic partner | |
| | | | | |
| | | Your signature | Signature of husband, | |
| | | | wife, or state registered | |

domestic partner

| NINETIETH DAY, APRIL 9, 20 |)11 |
|----------------------------|---------------------------|
| | |
| | |
| | |
| Address | Address |
| | |
| | (if different from yours) |
| | |
| | |
| Telephone number | Telephone number |
| F | F |
| | (if different from yours) |

MINETERIA DAM ADDII 0 2011

CAUTION: If the plaintiff objects to your claim, you will have to go to court and give proof of your claim. For example, if you claim that a bank account is exempt, you may have to show the judge your bank statements and papers that show the source of the money you deposited in the bank. Your claim may be granted more quickly if you attach copies of such proof to your claim.

IF THE JUDGE DENIES YOUR EXEMPTION CLAIM, YOU WILL HAVE TO PAY THE PLAINTIFF'S COSTS. IF THE JUDGE DECIDES THAT YOU DID NOT MAKE THE CLAIM IN GOOD FAITH, HE OR SHE MAY DECIDE THAT YOU MUST PAY THE PLAINTIFF'S ATTORNEY FEES.

- **Sec. 6.** RCW 6.27.140 and 2011 c ... s 5 (section 5 of this act) are each amended to read as follows:
- (1) The notice required by RCW 6.27.130(1) to be mailed to or served on an individual judgment debtor shall be in the following form, printed or typed in type no smaller than elite type:

NOTICE OF GARNISHMENT AND OF YOUR RIGHTS

A Writ of Garnishment issued in a Washington court has been or will be served on the garnishee named in the attached copy of the writ. After receipt of the writ, the garnishee is required to withhold payment of any money that was due to you and to withhold any other property of yours that the garnishee held or controlled. This notice of your rights is required by law.

YOU HAVE THE FOLLOWING EXEMPTION RIGHTS:

WAGES. If the garnishee is your employer who owes wages or other personal earnings to you, your employer is required to pay amounts to you that are exempt under state and federal laws, as explained in the writ of garnishment. You should receive a copy of your employer's answer, which will show how the exempt amount was calculated. If the garnishment is for child support, the exempt amount paid to you will be forty percent of wages due you, but if you are supporting a spouse, state registered domestic partner, or dependent child, you are entitled to claim an additional ten percent as exempt.

BANK ACCOUNTS. If the garnishee is a bank or other institution with which you have an account in which you have deposited benefits such

as Temporary Assistance for Needy Families, Supplemental Security Income (SSI), Social Security, veterans' benefits, unemployment compensation, or a United States pension, you may claim the account as fully exempt if you have deposited only such benefit funds in the account. It may be partially exempt even though you have deposited money from other sources in the same account. An exemption is also available under RCW 26.16.200, providing that funds in a community bank account that can be identified as the earnings of a stepparent are exempt from a garnishment on the child support obligation of the parent.

OTHER EXEMPTIONS. If the garnishee holds other property of yours, some or all of it may be exempt under RCW 6.15.010, a Washington statute that exempts certain property of your choice (including ((money)) up to \$500.00 in a bank account ((up to \$200.00 for debts owed to state agencies, or up to \$500.00 for all other debts))) and certain other property such as household furnishings, tools of trade, and a motor vehicle (all limited by differing dollar values).

HOW TO CLAIM EXEMPTIONS. Fill out the enclosed claim form and mail or deliver it as described in instructions on the claim form. If the plaintiff does not object to your claim, the funds or other property that you have claimed as exempt must be released not later than 10 days after the plaintiff receives your claim form. If the plaintiff objects, the law requires a hearing not later than 14 days after the plaintiff receives your claim form, and notice of the objection and hearing date will be mailed to you at the address that you put on the claim form.

THE LAW ALSO PROVIDES OTHER EXEMPTION RIGHTS. IF NECESSARY, AN ATTORNEY CAN ASSIST YOU TO ASSERT THESE AND OTHER RIGHTS, BUT YOU MUST ACT IMMEDIATELY TO AVOID LOSS OF RIGHTS BY DELAY.

(2) The claim form required by RCW 6.27.130(1) to be mailed to or served on an individual judgment debtor shall be in the following form, printed or typed in type no smaller than elite type:

| [Caption to be filled in boot or plaintiff before | |
|---|-----------------|
| | |
| Name of Court | |
| | No |
| Plaintiff, | |
| VS. | |
| | EXEMPTION CLAIM |
| Defendant. | |

T 1

38 Garnishee Defendant INSTRUCTIONS: 1 Read this whole form after reading the enclosed notice. Then put an X in the box or boxes that describe your exemption claim or claims and write in the necessary information on the blank lines. If additional space is needed, use the bottom of the last page or attach another sheet. 2. Make two copies of the completed form. Deliver the original form by first-class mail or in person to the clerk of the court, whose address is shown at the bottom of the writ of garnishment. Deliver one of the copies by first-class mail or in person to the plaintiff or plaintiff's attorney, whose name and address are shown at the bottom of the writ. Keep the other copy. YOU SHOULD DO THIS AS **QUICKLY AS POSSIBLE, BUT NO LATER** THAN 28 DAYS (4 WEEKS) AFTER THE DATE ON THE WRIT. I/We claim the following money or property as exempt: IF BANK ACCOUNT IS GARNISHED: [] The account contains payments from: Temporary assistance for needy families, SSI, or other public assistance. I receive \$ monthly. Social Security. I receive \$ monthly. Veterans' Benefits. I receive \$ monthly. U.S. Government Pension. I receive \$ monthly. Unemployment Compensation. I receive \$ monthly. Child support. I receive \$ monthly. [] Other. Explain IF EXEMPTION IN BANK ACCOUNT IS CLAIMED, ANSWER ONE OR BOTH OF THE FOLLOWING: No money other than from above payments are in the account. [] Moneys in addition to the above payments have been deposited in the account. Explain

IF EARNINGS ARE GARNISHED FOR CHILD

domestic partner.

I claim maximum exemption.

I am supporting another child or other children.

I am supporting a husband, wife, or state registered

SUPPORT:

[]

IF PENSION OR RETIREMENT BENEFITS ARE GARNISHED:

Name and address of employer who is paying the

| | benefits: | | |
|---------|---|--|--|
| OTHER I | PROPERTY: | | |
| [] | Describe property | | |
| | (If you claim other personal property as exempt, you must attach a list of all other personal property that you own.) | | |
| | Print: Your name | If married or in a state registered domestic partnership, name of husband/wife/state registered domestic partner | |
| ••••• | V | C: | |
| | Your signature | Signature of husband, wife, or state registered domestic partner | |
| | | | |
| | | | |
| | Address | Address | |
| | | (if different from yours) | |
| | | | |
| | Telephone number | Telephone number | |
| | | (if different from yours) | |
| | | | |

CAUTION: If the plaintiff objects to your claim, you will have to go to court and give proof of your claim. For example, if you claim that a bank account is exempt, you may have to show the judge your bank statements and papers that show the source of the money you deposited in the bank. Your claim may be granted more quickly if you attach copies of such proof to your claim.

IF THE JUDGE DENIES YOUR EXEMPTION CLAIM, YOU WILL HAVE TO PAY THE PLAINTIFF'S COSTS. IF THE JUDGE DECIDES THAT YOU DID NOT MAKE THE CLAIM IN GOOD FAITH, HE OR SHE MAY DECIDE THAT YOU MUST PAY THE PLAINTIFF'S ATTORNEY FEES.

NEW SECTION. Sec. 7. Section 6 of this act takes effect January 1, 2018."

Senator Kline spoke in favor of adoption of the committee striking amendment.

The President declared the question before the Senate to be the adoption of the committee amendment by the Committee on Judiciary to Engrossed Substitute House Bill No. 1864.

The motion by Senator Kline carried and the committee striking amendment was adopted by voice vote.

MOTION

There being no objection, the following title amendment was adopted:

On page 1, line 1 of the title, after "Relating to" strike the remainder of the title and insert "debt collection; amending RCW 6.15.010, 6.15.020, 48.18.430, 6.27.140, and 6.27.140; reenacting and amending RCW 19.16.250; and providing an effective date."

MOTION

On motion of Senator Kline, the rules were suspended, Engrossed Substitute House Bill No. 1864 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Kline spoke in favor of passage of the bill.

Senator Carrell spoke on final passage.

Senator Benton spoke against passage of the bill.

POINT OF INOUIRY

Senator Swecker: "Would Senator Kline yield to a question? Thanks Senator Kline. What happens if we don't pass the bill?"

Senator Kline: "If we don't pass the bill there will be many, many more people who are suffering bankruptcy, foreclosure, seizures of their property in law suits are going to be out in the street. You're going to have to understand that these are the dollar values that have historically been in Washington statutes probably since about 1889 that allow in lawsuits certain dollar amount, typically the tools of the trade, your books, your personal effects, your separate dollar amounts, clothing, a carriage, now a day's an automobile. Those set dollar amounts set that are exempt from seizure to allow you some dignity in bankruptcy. Those figures have been increased over the course of years. This bill does that. It simply allows approximately the consumer price index increase more or less for each of these accounts. I think what the good Senator from the Twenty-second is talking about is this. There was a fiscal note on this bill and the fiscal note had only to do with state agencies. There is no fiscal note when we simply involve this in private litigation. The fiscal note was because of the Department of L & I. When it goes to collect from a worker often has a small account and this would have been a little bit of a burden if we expanded the amount of that account that is protected. For that very reason and for that only reason this bill was amended, simply to avoid a fiscal note. If we lay this bill down what we will be doing for another year is requiring ordinary people, everyone of our constituents going through a foreclosure or bankruptcy or a seizure, simply be out on the street. I don't think we want to do that. I don't like this exemption for L & I anymore than anybody else does quite frankly. I don't feel like the state should be treated better than a private litigant. The state ought to be treated like any other litigant. But we're in fiscal situation now in which the collection of dollars even in small amounts apparently makes a difference to our committees on Ways & Means. Alright, don't do the bill. Fine. We're hurting our citizens who have private losses. With that I urge the passage of the bill as imperfect as it is."

Senator Pflug spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute House Bill No. 1864 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute House Bill No. 1864 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 37; Nays, 12; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Brown, Chase, Conway, Eide, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Murray, Nelson, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Shin, Swecker, Tom, White and Zarelli

Voting nay: Senators Baxter, Becker, Benton, Carrell, Delvin, Ericksen, Holmquist Newbry, Morton, Parlette, Schoesler, Sheldon and Stevens

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1864 as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1421, by House Committee on Agriculture & Natural Resources (originally sponsored by Representatives Rolfes, Lytton, Moscoso, Van De Wege, Green, Sells, Blake, Sullivan, Eddy, Fitzgibbon, Frockt, Dunshee, Ryu, Upthegrove, Kenney, Reykdal and Tharinger)

Providing authority to create a community forest trust.

The measure was read the second time.

MOTION

On motion of Senator Ranker, the rules were suspended, Engrossed Substitute House Bill No. 1421 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Ranker and Morton spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute House Bill No. 1421.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute House Bill No. 1421 and the bill passed the Senate by the following vote: Yeas, 39; Nays, 10; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Benton, Brown, Carrell, Chase, Conway, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Kastama, Keiser, Kilmer, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Prentice, Pridemore, Ranker, Regala, Rockefeller, Sheldon, Shin, Swecker, Tom, White and Zarelli

Voting nay: Senators Baxter, Becker, Delvin, Holmquist Newbry, Honeyford, King, Pflug, Roach, Schoesler and Stevens

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1421, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SENATE BILL NO. 5907, by Senators Kohl-Welles, Holmquist Newbry, Kline, Hewitt, Keiser, King, Regala, Conway, Carrell and Hargrove

Implementing the policy recommendations resulting from the national institute of corrections review of prison safety.

The measure was read the second time.

MOTION

On motion of Senator Kohl-Welles, Substitute Senate Bill No. 5907 was not substituted for Senate Bill No. 5907 and the substitute bill was not adopted.

MOTION

Senator Kohl-Welles moved that the following striking amendment by Senators Kohl-Welles and Holmquist Newbry be adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. It is the intent of the legislature to promote safe state correctional facilities. Following the tragic murder of officer Jayme Biendl, the governor and department of corrections requested the national institute of corrections to review safety procedures at the Monroe reformatory. While the report found the Monroe reformatory is a safe institution, it recommends changes that would enhance safety. The legislature recognizes that operating safe institutions requires ongoing efforts to address areas where improvements can be made to enhance the safety of state correctional facilities. This act addresses ways to increase safety at state correctional facilities and implements changes recommended in the report of the national institute of corrections.

<u>NEW SECTION.</u> **Sec. 2.** (1) The department shall establish a statewide security advisory committee to conduct comprehensive reviews of the department's total confinement security-related policies and procedures.

- (2) The statewide security advisory committee shall make recommendations to the secretary regarding methods to provide consistent application of the policies and procedures regarding security issues in total confinement correctional facilities.
- (3) The statewide security advisory committee shall include a balance of institutional staff including, but not limited to, custody staff. At a minimum, the statewide security advisory committee shall include:
 - (a) The director of prisons or his or her designee;
- (b) A nonsupervisory classified employee and/or sergeant from each local advisory committee of a major facility and one nonsupervisory classified employee and/or sergeant representative from a minimum facility;
- (c) A senior-ranking security custody staff member from each major correctional facility and a senior-ranking custody staff member from a minimum correctional facility;
 - (d) A senior-ranking community corrections officer; and
- (e) A delegate from the union that represents department employees located at correctional facilities.
- (4) The statewide security advisory committee shall develop guidelines to establish local security advisory committees for each total confinement correctional facility within the department. The chair of each local security advisory committee shall be the captain at a major facility and the lieutenant at a minimum security facility. The local security advisory committee should consist of a wide range of nonsupervisory classified employees and/or sergeants from

the facility, such as medical staff, class counselors, program staff, and mental health staff.

- (5) The department shall report back to the governor and appropriate committees of the legislature by November 1, 2011, and annually thereafter. The report shall include:
- (a) Recommendations raised by both the statewide and local security advisory committees;
- (b) Recommendations, if any, for improving the ability of nonsupervisory classified employees to provide input on safety concerns including labor and industries mandated safety committees and the inclusion of safety issues in collective bargaining;
- (c) Actions taken by the department as a result of recommendations by the statewide and local security advisory committees; and
- (d) Recommendations for additional resources or legislation to address security concerns in total confinement correctional facilities.
- (6) The department shall report back to the governor and the appropriate committees of the legislature by November 1, 2011, on issues related to safety within community corrections. The department shall engage employees from all levels of the community corrections division in preparing the report.

<u>NEW SECTION.</u> **Sec. 3.** (1) The department shall establish multidisciplinary teams at each total confinement correctional facility that will evaluate offenders' placements in inmate job assignments and custody promotions. The teams at each facility shall determine suitable placements based on the offender's risk, behavior, or other factors considered by the team.

(2) At a minimum, each team shall have representation from a wide range of nonsupervisory classified employees and/or sergeants from the facility, such as medical staff, class counselors, program staff, and mental health staff.

<u>NEW SECTION.</u> **Sec. 4.** (1) The department shall develop training curriculum regarding staff safety issues at total confinement correctional facilities. At a minimum, the training shall address the following issues:

- (a) Security routines;
- (b) Physical plant layout;
- (c) Offender movement and program area coverage; and
- (d) Situational awareness and de-escalation techniques.
- (2) The department shall seek the input of both the statewide security and local advisory committees in developing the curriculum.
- (3) The department shall deliver such training to applicable correctional staff at in-service training by July 1, 2012.

<u>NEW SECTION.</u> **Sec. 5.** (1) The department may pilot the use of body alarms and proximity cards within available resources.

- (2) The department shall hire a consultant to study the feasibility of implementing a statewide system for staff safety, utilizing body alarms and proximity cards for staff within the department's total confinement correctional facilities and report findings and recommendations to the governor and appropriate committees of the legislature by November 1, 2011. At a minimum, the report shall include:
- (a) Recommendations for the use of body alarms by security level:
- (b) Recommendations for specific positions that should require the use of body alarms;
- (c) The information technological and infrastructure requirements needed for body alarms and proximity cards;
 - (d) The training requirements for body alarms;
- (e) Lessons learned from any pilot project the department may implement in the interim;
- (f) The estimated cost of the alarms and proximity cards and needed supporting infrastructure, staffing, and training requirements.

(3) The consultant shall seek the input of both the statewide and local security advisory committees in preparing his or her report.

<u>NEW SECTION.</u> **Sec. 6.** (1) The department shall hire a consultant to study the deployment of video monitoring cameras within the department to make recommendations regarding statewide standards for the positioning and use of video monitoring cameras in total confinement correctional facilities and report findings and recommendations to the governor and appropriate committees of the legislature by November 1, 2011. At a minimum, the report shall include:

- (a) Recommendations for the use of video monitoring cameras by security level;
- (b) Recommendations for specific locations within a total confinement correctional facility which would benefit from the use of video monitoring cameras;
- (c) The information technological and infrastructure requirements needed for effective use of video monitoring cameras;
- (d) Recommendations for how video monitoring cameras would best be deployed in current total confinement correctional facilities:
- (e) Recommendations about how video monitoring cameras should be incorporated into future prison construction to insure consistency in camera use system-wide;
- (f) The estimated cost of the video monitoring cameras, supporting infrastructure needed, and staffing required by the total confinement correctional facility.
- (2) The consultant shall seek the input of both the statewide and local security advisory committees in preparing his or her report.

<u>NEW SECTION.</u> **Sec. 7.** (1) The department shall develop a comprehensive plan for the use of oleoresin capsicum aerosol products, commonly referred to as pepper spray, as a security measure available for staff at total confinement correctional facilities.

- (2) The department may initiate a pilot project, within available funds, to expand the deployment of oleoresin capsicum aerosol products within total confinement correctional facilities.
- (3) The department's plan for the deployment of oleoresin capsicum aerosol products to staff shall include findings, if any, from the pilot project, recommendations regarding which facility's use should be limited to, what the training requirements should be, the estimated costs, and an implementation schedule.
- (4) The department shall seek the input of both the statewide and local security advisory committees in developing its plan.
- (5) The department shall report its plan, including costs, to the governor and appropriate committees of the legislature by November 1, 2011.

<u>NEW SECTION.</u> **Sec. 8.** Sections 2 through 7 of this act are each added to chapter 72.09 RCW."

Senators Kohl-Welles, Holmquist Newbry and Conway spoke in favor of adoption of the striking amendment.

The President declared the question before the Senate to be the adoption of the striking amendment by Senators Kohl-Welles and Holmquist Newbry to Senate Bill No. 5907.

The motion by Senator Kohl-Welles carried and the striking amendment was adopted by voice vote.

MOTION

There being no objection, the following title amendment was adopted:

On page 1, line 3 of the title, after "safety;" strike the remainder of the title and insert "adding new sections to chapter 72.09 RCW; and creating a new section."

MOTION

On motion of Senator Kohl-Welles, the rules were suspended, Engrossed Senate Bill No. 5907 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Kohl-Welles, Holmquist Newbry, Carrell and Stevens spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Senate Bill No. 5907.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Senate Bill No. 5907 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

ENGROSSED SENATE BILL NO. 5907, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MOTION

On motion of Senator Eide, the Senate advanced to the seventh order of business.

On motion of Senator Eide the Senate immediately considered Engrossed Substitute Senate Bill No. 5844.

THIRD READING

ENGROSSED SUBSTITUTE SENATE BILL NO. 5844, by Senate Committee on Ways & Means (originally sponsored by Senators Kilmer, Parlette, Murray, Kastama, Fraser, Hobbs, Hatfield, Regala, Sheldon and Hewitt).

Concerning financing local government infrastructure. Revised for 1st Substitute: Financing local government infrastructure.

The bill was read on Third Reading.

Senators Kilmer and Parlette spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 5844.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 5844 and the bill passed the Senate by the following vote: Yeas, 41; Nays, 8; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Becker, Brown, Chase, Conway, Delvin, Eide, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray,

BRAD OWEN, President of the Senate

Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Rockefeller, Sheldon, Shin, Swecker, Tom, White and Zarelli

Voting nay: Senators Baxter, Benton, Carrell, Holmquist Newbry, Honeyford, Roach, Schoesler and Stevens

ENGROSSED SUBSTITUTE SENATE BILL NO. 5844, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MOTION

At 1:39 p.m., on motion of Senator Eide, the Senate adjourned until 10:00 a.m. Monday, April 11, 2011.

THOMAS HOEMANN, Secretary of the Senate

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