

## SIXTY SEVENTH LEGISLATURE - REGULAR SESSION

## FIFTY FIRST DAY

House Chamber, Olympia, Tuesday, March 1, 2022

The House was called to order at 9:00 a.m. by the Speaker (Representative Orwall presiding). The Clerk called the roll and a quorum was present.

The Speaker (Representative Orwall presiding) led the Chamber in the Pledge of Allegiance. The prayer was offered by House Counsel Ohad Lowy.

Reading of the Journal of the previous day was dispensed with and it was ordered to stand approved.

There being no objection, the House advanced to the third order of business.

**MESSAGE FROM THE SENATE**

March 1, 2022

Mme. SPEAKER:

The President has signed:

SUBSTITUTE SENATE BILL NO. 5252,  
SUBSTITUTE SENATE BILL NO. 5546,  
SUBSTITUTE SENATE BILL NO. 5564,

and the same are herewith transmitted.

Sarah Bannister, Secretary

The Speaker assumed the chair.

**SIGNED BY THE SPEAKER**

The Speaker signed the following bills:

SUBSTITUTE HOUSE BILL NO. 1286  
HOUSE BILL NO. 1719  
SUBSTITUTE HOUSE BILL NO. 1735  
HOUSE BILL NO. 1798  
SUBSTITUTE HOUSE BILL NO. 1878  
HOUSE BILL NO. 1899  
SUBSTITUTE SENATE BILL NO. 5252  
SUBSTITUTE SENATE BILL NO. 5546  
SUBSTITUTE SENATE BILL NO. 5564

The Speaker called upon Representative Orwall to preside.

There being no objection, the House advanced to the fourth order of business.

**INTRODUCTION & FIRST READING**HB 2133 by Representatives Johnson, J. and Stonier

AN ACT Relating to providing relief from taxes, penalties, interest, and fees for eligible restaurants that ceased engaging in business during the COVID-19 pandemic; adding a new section to chapter 82.32 RCW; creating a new section; and providing an expiration date.

Referred to Committee on Finance.

HB 2134 by Representatives Young and Rule

AN ACT Relating to prohibiting the sale of spirits products that are marketed, labeled, classified, or typed as vodka if the spirits products were produced in or imported or sourced from Russia or contain any ingredient, input, or material from Russia; and adding a new section to chapter 66.28 RCW.

Referred to Committee on Commerce &amp; Gaming.

There being no objection, the bills listed on the day's introduction sheet under the fourth order of business were referred to the committees so designated.

There being no objection, the House advanced to the sixth order of business.

**SECOND READING****SENATE BILL NO. 5489, by Senators Pedersen, Padden, Dhingra and Mullet****Concerning business entities.**

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Hansen and Walsh spoke in favor of the passage of the bill.

**MOTIONS**

On motion of Representative Riccelli, Representatives Sullivan and J. Johnson were excused.

On motion of Representative Griffey, Representative Kretz was excused.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Senate Bill No. 5489.

### ROLL CALL

The Clerk called the roll on the final passage of Senate Bill No. 5489, and the bill passed the House by the following vote: Yeas, 94; Nays, 1; Absent, 0; Excused, 3.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Donaghy, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, Kirby, Klicker, Klippert, Kloba, Leavitt, Lekanoff, MacEwen, Macri, Maycumber, McCaslin, McEntire, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Voting nay: Representative Kraft.

Excused: Representatives J. Johnson, Kretz and Sullivan.

SENATE BILL NO. 5489, having received the necessary constitutional majority, was declared passed.

**SENATE BILL NO. 5763, by Senators Randall, Sheldon, Lovelett, Nguyen, Nobles, Saldaña, Wellman and Wilson, C.**

**Eliminating subprevailing wage certificates for individuals with disabilities.**

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Sells and Hoff spoke in favor of the passage of the bill.

Representative McCaslin spoke against the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Senate Bill No. 5763.

### ROLL CALL

The Clerk called the roll on the final passage of Senate Bill No. 5763, and the bill passed the House by the following vote: Yeas, 86; Nays, 9; Absent, 0; Excused, 3.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Donaghy, Duerr, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen,

Harris, Harris-Talley, Hoff, Jacobsen, Kirby, Klicker, Klippert, Kloba, Leavitt, Lekanoff, MacEwen, Macri, Maycumber, Morgan, Mosbrucker, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Voting nay: Representatives Caldier, Dufault, Kraft, McCaslin, McEntire, Orcutt, Robertson, Sutherland and Walsh.

Excused: Representatives J. Johnson, Kretz and Sullivan.

SENATE BILL NO. 5763, having received the necessary constitutional majority, was declared passed.

**SENATE BILL NO. 5582, by Senators Hunt and Kuderer**

**Concerning the deadline for a port commission to send new district boundaries to the county auditor when expanding from three commissioners to five.**

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Duerr and Goehner spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Senate Bill No. 5582.

### ROLL CALL

The Clerk called the roll on the final passage of Senate Bill No. 5582, and the bill passed the House by the following vote: Yeas, 95; Nays, 0; Absent, 0; Excused, 3.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Donaghy, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, Kirby, Klicker, Klippert, Kloba, Kraft, Leavitt, Lekanoff, MacEwen, Macri, Maycumber, McCaslin, McEntire, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Excused: Representatives J. Johnson, Kretz and Sullivan.

SENATE BILL NO. 5582, having received the necessary constitutional majority, was declared passed.

**SENATE BILL NO. 5583, by Senators Trudeau, Hunt, Das, Dhingra, Hasegawa, Keiser, Kuderer, Lovelett, Mullet, Nguyen, Nobles, Randall, Rivers, Saldaña, Stanford, Wellman and Wilson, C.**

**Requiring the adjustment of census data for local redistricting to reflect the last known place of residence for incarcerated persons.**

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Valdez and Volz spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Senate Bill No. 5583.

#### ROLL CALL

The Clerk called the roll on the final passage of Senate Bill No. 5583, and the bill passed the House by the following vote: Yeas, 88; Nays, 7; Absent, 0; Excused, 3.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Donaghy, Duerr, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, Kirby, Klicker, Klippert, Kloba, Leavitt, Lekanoff, Macri, Maycumber, McEntire, Morgan, Mosbrucker, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Voting nay: Representatives Dufault, Dye, Kraft, MacEwen, McCaslin, Orcutt and Schmick.

Excused: Representatives J. Johnson, Kretz and Sullivan.

SENATE BILL NO. 5583, having received the necessary constitutional majority, was declared passed.

**ENGROSSED SUBSTITUTE SENATE BILL NO. 5245, by Senate Committee on Human Services, Reentry & Rehabilitation (originally sponsored by Brown, Wilson, L., Rolfes and Wagoner)**

**Concerning the safety of crime victims.**

The bill was read the second time.

There being no objection, the committee striking amendment by the Committee on Public Safety was adopted.

(For Committee amendment, see Journal, Day 46, February 24, 2022).

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House, was placed on final passage.

Representatives Mosbrucker, Goodman and Simmons spoke in favor of the passage of the bill.

Representative Kraft spoke against the passage of the bill.

#### MOTION

On motion of Representative Riccelli, Representative Chopp was excused.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 5245, as amended by the House.

#### ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 5245, as amended by the House, and the bill passed the House by the following vote: Yeas, 93; Nays, 1; Absent, 0; Excused, 4.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Cody, Corry, Davis, Dent, Dolan, Donaghy, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, Kirby, Klicker, Klippert, Kloba, Leavitt, Lekanoff, MacEwen, Macri, Maycumber, McCaslin, McEntire, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Voting nay: Representative Kraft.

Excused: Representatives Chopp, J. Johnson, Kretz and Sullivan.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5245, as amended by the House, having received the necessary constitutional majority, was declared passed.

**SENATE BILL NO. 5694, by Senators Stanford, Robinson and Wilson, C.**

**Recognizing Indian tribes as among the governmental entities with which the department of corrections may enter into agreements on matters to include the housing of inmates convicted in tribal court.**

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Lekanoff and Mosbrucker spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Senate Bill No. 5694.

#### ROLL CALL

The Clerk called the roll on the final passage of Senate Bill No. 5694, and the bill passed the House by the following vote: Yeas, 95; Nays, 0; Absent, 0; Excused, 3.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Cody, Corry, Davis, Dent, Dolan, Donaghy, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, Kirby, Klicker, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, MacEwen, Macri, Maycumber, McCaslin, McEntire, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Excused: Representatives Chopp, J. Johnson and Sullivan.

SENATE BILL NO. 5694, having received the necessary constitutional majority, was declared passed.

**SUBSTITUTE SENATE BILL NO. 5701, by Senate Committee on Ways & Means (originally sponsored by Nguyen, Frockt, Hasegawa, Nobles and Wilson, C.)**

**Determining monthly wages for workers' compensation.**

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representative Berry spoke in favor of the passage of the bill.

Representative Hoff spoke against the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 5701.

#### ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 5701, and the bill passed the House by the following vote: Yeas, 61; Nays, 34; Absent, 0; Excused, 3.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chapman, Cody, Davis, Dolan, Donaghy, Duerr, Entenman, Eslick, Fey, Fitzgibbon, Frame, Goodman, Graham, Gregerson, Hackney, Hansen, Harris, Harris-Talley, Kirby, Kloba, Leavitt, Lekanoff, Macri, Maycumber, McEntire, Morgan, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rule, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, Wylie and Mme. Speaker.

Voting nay: Representatives Boehnke, Caldier, Chambers, Chandler, Chase, Corry, Dent, Dufault, Dye, Gilday, Goehner, Griffey, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, MacEwen, McCaslin, Mosbrucker, Orcutt, Robertson, Rude, Schmick, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra and Young.

Excused: Representatives Chopp, J. Johnson and Sullivan.

SUBSTITUTE SENATE BILL NO. 5701, having received the necessary constitutional majority, was declared passed.

**SUBSTITUTE SENATE BILL NO. 5821, by Senate Committee on Ways & Means (originally sponsored by Rivers, Billig, Conway, Dhingra, Nobles, Stanford, Van De Wege, Wilson, C. and Wilson, L.)**

**Evaluating the state's cardiac and stroke emergency response system.**

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Schmick and Bateman spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 5821.

#### ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 5821, and the bill passed the House by the following vote: Yeas, 95; Nays, 0; Absent, 0; Excused, 3.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Cody, Corry, Davis, Dent, Dolan, Donaghy, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, Kirby, Klicker, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, MacEwen, Macri,

Maycumber, McCaslin, McEntire, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Excused: Representatives Chopp, J. Johnson and Sullivan.

SUBSTITUTE SENATE BILL NO. 5821, having received the necessary constitutional majority, was declared passed.

**ENGROSSED SUBSTITUTE SENATE BILL NO. 5873, by Senate Committee on Ways & Means (originally sponsored by Keiser, Billig, Conway, Das, Dhingra, King, Kuderer, Liias, Lovick, Mullet, Nguyen, Nobles, Randall, Robinson, Rolfes, Stanford and Wilson, C.)**

**Concerning unemployment insurance, family leave, and medical leave premiums. Revised for 1st Substitute: Concerning unemployment insurance. (REVISED FOR ENGROSSED: Concerning the social cost factor in unemployment insurance premiums.)**

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Berg and Hoff spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 5873.

#### ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 5873, and the bill passed the House by the following vote: Yeas, 95; Nays, 0; Absent, 0; Excused, 3.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Cody, Corry, Davis, Dent, Dolan, Donaghy, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, Kirby, Klicker, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, MacEwen, Macri, Maycumber, McCaslin, McEntire, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Excused: Representatives Chopp, J. Johnson and Sullivan.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5873, having received the necessary constitutional majority, was declared passed.

**SUBSTITUTE SENATE BILL NO. 5496, by Senate Committee on Health & Long Term Care (originally sponsored by Muzzall and Cleveland)**

**Concerning health professional monitoring programs.**

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Schmick and Bateman spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 5496.

#### ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 5496, and the bill passed the House by the following vote: Yeas, 94; Nays, 1; Absent, 0; Excused, 3.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Cody, Corry, Davis, Dent, Dolan, Donaghy, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, Kirby, Klicker, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, MacEwen, Macri, Maycumber, McCaslin, McEntire, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra and Mme. Speaker.

Voting nay: Representative Young.

Excused: Representatives Chopp, J. Johnson and Sullivan.

SUBSTITUTE SENATE BILL NO. 5496, having received the necessary constitutional majority, was declared passed.

There being no objection, the House reverted to the third order of business.

#### MESSAGE FROM THE SENATE

March 1, 2022

Mme. SPEAKER:

The Senate has passed:

HOUSE BILL NO. 1122,  
 ENGROSSED HOUSE BILL NO. 1165,  
 HOUSE BILL NO. 1612,  
 SUBSTITUTE HOUSE BILL NO. 1794,  
 HOUSE BILL NO. 1834,

and the same are herewith transmitted.

Sarah Bannister, Secretary

There being no objection, the House advanced to the sixth order of business.

## SECOND READING

**SUBSTITUTE SENATE BILL NO. 5497, by Senate Committee on Early Learning & K-12 Education (originally sponsored by Wilson, C., Nobles, Conway, Das, Hunt, Lovelett, Lovick, Nguyen, Saldaña and Wellman)**

**Extending voting authority to student members on the state board of education.**

The bill was read the second time.

With the consent of the House, amendments (1248), (1249) and (1250) were withdrawn.

Representative Rude moved the adoption of amendment (1251):

On page 2, line 34, after "members" strike "~~((except the student members))~~" and insert "except the student members who are in grade 11 or an earlier grade,"

Representatives Rude and McCaslin spoke in favor of the adoption of the amendment.

Representative Santos spoke against the adoption of the amendment.

Amendment (1251) was not adopted.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Berg, Santos and Stonier spoke in favor of the passage of the bill.

Representatives Ybarra, Walsh, McEntire, Orcutt, Walsh (again) and Young spoke against the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 5497.

## ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 5497 and the bill passed the House by the following vote: Yeas, 60; Nays, 38; Absent, 0; Excused, 0.

Voting yea: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chapman, Chopp, Cody, Davis, Dolan, Donaghy, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, J. Johnson, Kirby, Kloba, Kretz, Leavitt, Lekanoff, Macri, Maycumber, McCaslin, Morgan, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rule, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, Wylie and Mme. Speaker.

Voting nay: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chandler, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, MacEwen, McEntire, Mosbrucker, Orcutt, Robertson, Rude, Schmick, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra and Young.

SUBSTITUTE SENATE BILL NO. 5497, as amended by the House, having received the necessary constitutional majority, was declared passed.

**SUBSTITUTE SENATE BILL NO. 5753, by Senate Committee on Health & Long Term Care (originally sponsored by Robinson and Lovick)**

**Increasing board and commission capacities.**

The bill was read the second time.

There being no objection, the committee striking amendment by the Committee on Health Care & Wellness was adopted. (For Committee amendment, see Journal, Day 46, February 24, 2022).

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House, was placed on final passage.

Representative Cody spoke in favor of the passage of the bill.

Representative Schmick spoke against the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 5753, as amended by the House.

## ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 5753, as amended by the House, and the bill passed the House by the following vote: Yeas, 57; Nays, 41; Absent, 0; Excused, 0.

Voting yea: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chapman, Chopp, Cody, Davis, Dolan, Donaghy, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, J. Johnson, Kirby, Kloba, Leavitt, Lekanoff, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rule, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, Wylie and Mme. Speaker.

Voting nay: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chandler, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, MacEwen, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Robertson, Rude, Schmick, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra and Young.

SUBSTITUTE SENATE BILL NO. 5753, as amended by the House, having received the necessary constitutional majority, was declared passed.

**ENGROSSED SUBSTITUTE SENATE BILL NO. 5490, by Senate Committee on Law & Justice (originally sponsored by Pedersen, Padden, Dhingra, Mullet and Nobles)**

**Creating the interbranch advisory committee.**

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representative Lekanoff spoke in favor of the passage of the bill.

Representatives Volz and Young spoke against the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 5490.

**ROLL CALL**

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 5490, and the bill passed the House by the following vote: Yeas, 58; Nays, 40; Absent, 0; Excused, 0.

Voting yea: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chapman, Chopp, Cody, Davis, Dolan, Donaghy, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, J. Johnson, Kirby, Kloba, Leavitt, Lekanoff, Macri, McCaslin, Morgan, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rule, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, Wylie and Mme. Speaker.

Voting nay: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chandler, Chase, Corry, Dent, Dufault,

Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, MacEwen, Maycumber, McEntire, Mosbrucker, Orcutt, Robertson, Rude, Schmick, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra and Young.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5490, having received the necessary constitutional majority, was declared passed.

**SUBSTITUTE SENATE BILL NO. 5860, by Senate Committee on Agriculture, Water, Natural Resources & Parks (originally sponsored by Warnick, Dozier and Schoesler)**

**Concerning water policy in regions with regulated reductions in aquifer levels.**

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Shewmake, Chandler and Dent spoke in favor of the passage of the bill.

**MOTION**

On motion of Representative Riccelli, Representative Ramos was excused.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 5860.

**ROLL CALL**

The Clerk called the roll on the final passage of Substitute Senate Bill No. 5860, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Donaghy, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, MacEwen, Macri, Maycumber, McCaslin, McEntire, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Excused: Representative Ramos.

SUBSTITUTE SENATE BILL NO. 5860, having received the necessary constitutional majority, was declared passed.

**SENATE BILL NO. 5747, by Senators Stanford, Muzzall, Frockt, Nobles and Wilson, C.**

**Concerning the statewide master oil and hazardous substance spill prevention and contingency plan.**

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Fitzgibbon and Dye spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Senate Bill No. 5747.

#### ROLL CALL

The Clerk called the roll on the final passage of Senate Bill No. 5747, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Donaghy, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, MacEwen, Macri, Maycumber, McCaslin, McEntire, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Excused: Representative Ramos.

SENATE BILL NO. 5747, having received the necessary constitutional majority, was declared passed.

**HOUSE BILL NO. 2124, by Representatives Riccelli, Sullivan, Frame, Ramel, Chapman, Ryu, Paul, Simmons, Stonier, Bergquist, Wicks, Valdez, Gregerson, Santos, Ramos, Johnson, J., Walen, Tharinger, Bateman, Callan, Thai, Taylor, Leavitt, Senn, Wylie, Macri, Ormsby, Pollet, Morgan, Bronoske, Kloba, Davis, Slatter, Berg, Lekanoff, Entenman, Ortiz-Self, Duerr, Peterson, Harris-Talley, Cody, Hackney, Chopp, Orwall and Rule**

**Concerning extending collective bargaining to legislative employees.**

The bill was read the second time.

There being no objection, Substitute House Bill No. 2124 was substituted for House Bill No. 2124 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2124 was read the second time.

With the consent of the House, amendment (1255) was withdrawn.

Representative Riccelli moved the adoption of amendment (1267):

On page 4, line 8, after "(3)" insert "Employee organization" means any organization, union, or association in which employees participate and that exists for the purpose, in whole or in part, of collective bargaining with employers.

(4) "Exclusive bargaining representative" means any employee organization that has been certified under this chapter as the representative of the employees in an appropriate bargaining unit.

(5) "

Renumber the remaining subsection consecutively and correct any internal references accordingly.

On page 4, line 20, after "5." insert "(1) "

On page 4, after line 26, insert the following:

"(2) Except as may be specifically limited by this chapter, the commission shall determine all questions pertaining to ascertaining exclusive bargaining representatives for legislative employees and collectively bargaining under this chapter."

On page 5, line 2, after "employer" insert "in the legislative branch of state government"

On page 5, line 17, after "the" insert "exclusive bargaining"

Representative Riccelli spoke in favor of the adoption of the amendment.

Representative Hoff spoke against the adoption of the amendment.

Amendment (1267) was adopted.

The bill was ordered engrossed.



There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Riccelli, Harris-Talley and Riccelli (again) spoke in favor of the passage of the bill.

Representatives Rude, Kraft, Hoff and McCaslin spoke against the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 2124.

### ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2124, and the bill passed the House by the following vote: Yeas, 56; Nays, 41; Absent, 0; Excused, 1.

Voting yea: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chapman, Chopp, Cody, Davis, Dolan, Donaghy, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, J. Johnson, Kirby, Kloba, Leavitt, Lekanoff, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Riccelli, Rule, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, Wylie and Mme. Speaker.

Voting nay: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chandler, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, MacEwen, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Robertson, Rude, Schmick, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra and Young.

Excused: Representative Ramos.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2124, having received the necessary constitutional majority, was declared passed.

**ENGROSSED SUBSTITUTE SENATE BILL NO. 5761, by Senate Committee on Labor, Commerce & Tribal Affairs (originally sponsored by Randall, Keiser, Nguyen, Nobles, Saldaña, Stanford, Wellman and Wilson, C.)**

**Concerning employer requirements for providing wage and salary information to applicants for employment.**

The bill was read the second time.

Representative Mosbrucker moved the adoption of amendment (1233):

On page 1, line 13, after "applicant." insert "The wage scale or salary range required to be disclosed for a specific available position must

reflect what the employer is intending to offer and does not need to reflect any bonuses, compensatory incentives, or merit-based salary increases the employer has provided or plans to provide to its existing employees in similar positions. Nothing in this section requires an employer to change the wage scale or salary range in a posting for a position based on the employer providing a merit-based increase, bonus, or other compensatory incentive to an existing employee in a similar position."

Representative Mosbrucker spoke in favor of the adoption of the amendment.

Representative Berry spoke against the adoption of the amendment.

Amendment (1233) was not adopted.

Representative Hoff moved the adoption of amendment (1228):

On page 2, line 5, after "~~(fifteen)~~" strike "15" and insert "50"

Representative Hoff spoke in favor of the adoption of the amendment.

Representative Berry spoke against the adoption of the amendment.

Amendment (1228) was not adopted.

Representative Hoff moved the adoption of amendment (1229):

On page 2, after line 10, insert the following:

"NEW SECTION. Sec. 2. This act takes effect January 1, 2023."

Correct the title.

Representatives Hoff and Berry spoke in favor of the adoption of the amendment.

Amendment (1229) was adopted.

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House, was placed on final passage.

Representatives Berry, Sells and Frame spoke in favor of the passage of the bill.

Representatives Hoff, Chambers, McCaslin, Walsh and Kraft spoke against the passage of the bill.

**SECOND READING**

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 5761, as amended by the House.

**ROLL CALL**

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 5761, as amended by the House, and the bill passed the House by the following vote: Yeas, 51; Nays, 46; Absent, 0; Excused, 1.

Voting yea: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chopp, Cody, Davis, Dolan, Donaghy, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, J. Johnson, Kirby, Kloba, Lekanoff, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Riccelli, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Wicks, Wylie and Mme. Speaker.

Voting nay: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chandler, Chapman, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, Leavitt, MacEwen, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Robertson, Rude, Rule, Schmick, Springer, Steele, Stokesbary, Sutherland, Vick, Volz, Walen, Walsh, Wilcox, Ybarra and Young.

Excused: Representative Ramos.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5761, as amended by the House, having received the necessary constitutional majority, was declared passed.

The Speaker (Representative Orwall presiding) called upon Representative Bronoske to preside.

There being no objection, the House reverted to the third order of business.

**MESSAGE FROM THE SENATE**

March 1, 2022

Mme. SPEAKER:

The President has signed:

SUBSTITUTE HOUSE BILL NO. 1286,  
HOUSE BILL NO. 1719,  
SUBSTITUTE HOUSE BILL NO. 1735,  
HOUSE BILL NO. 1798,  
SUBSTITUTE HOUSE BILL NO. 1878,  
HOUSE BILL NO. 1899,

and the same are herewith transmitted.

Sarah Bannister, Secretary

There being no objection, the House advanced to the sixth order of business.

**ENGROSSED SUBSTITUTE SENATE BILL NO. 5974, by Senate Committee on Transportation (originally sponsored by Liias, Saldaña, Carlyle, Cleveland, Das, Dhingra, Hunt, Kuderer, Lovelett, Lovick, Mullet, Nguyen, Nobles, Salomon, Trudeau, Wellman and Wilson, C.)**

**Addressing transportation resources.**

The bill was read the second time.

With the consent of the House, amendment (1214) was withdrawn.

Representative Fey moved the adoption of striking amendment (1215):

Strike everything after the enacting clause and insert the following:

**"Part I****Climate Commitment Act Allocations**

**Sec. 101.** RCW 70A.65.240 and 2021 c 316 s 27 are each amended to read as follows:

(1) The carbon emissions reduction account is created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account are intended to affect reductions in transportation sector carbon emissions through a variety of carbon reducing investments. These can include, but are not limited to: Transportation alternatives to single occupancy passenger vehicles; reductions in single occupancy passenger vehicle miles traveled; reductions in per mile emissions in vehicles, including through the funding of alternative fuel infrastructure and incentive programs; and emission reduction programs for freight transportation, including motor vehicles and rail, as well as for ferries and other maritime and port activities. Expenditures from the account may only be made for transportation carbon emission reducing purposes and may not be made for highway purposes authorized under the 18th Amendment of the Washington state Constitution, other than specified in this section, and shall be made in accordance with subsection (2) of this section. It is the legislature's intent that expenditures from the account used to reduce carbon emissions be made with the goal of achieving equity for communities that historically have been

omitted or adversely impacted by past transportation policies and practices.

(2) Appropriations in an omnibus transportation appropriations act from the carbon emissions reduction account shall be made exclusively to fund the following activities:

- (a) Active transportation;
- (b) Transit programs and projects;
- (c) Alternative fuel and electrification;
- (d) Ferries; and
- (e) Rail.

NEW SECTION. Sec. 102. The legislature intends to program funding from the carbon emissions reduction account, the climate active transportation account, and the climate transit programs account for the activities identified in LEAP Transportation Document 2022-A as developed February 8, 2022.

NEW SECTION. Sec. 103. A new section is added to chapter 46.68 RCW to read as follows:

(1) The climate active transportation account is hereby created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for the following active transportation grant programs: Safe routes to schools, school-based bike program, bicycle and pedestrian grant program, complete streets grants program, and connecting communities grant program, as well as pedestrian and bicycle or other active transportation projects identified in an omnibus transportation appropriations act as move ahead WA projects.

(2) Beginning July 1, 2022, the state treasurer shall annually transfer 24 percent of the revenues accruing annually to the carbon emissions reduction account created in RCW 70A.65.240 to the climate active transportation account.

NEW SECTION. Sec. 104. A new section is added to chapter 46.68 RCW to read as follows:

(1) The climate transit programs account is hereby created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for the following transit grant

programs: Transit support grant program, tribal transit mobility grants, transit coordination grants, special needs transit grants, bus and bus facility grant program, green transit grants, and transportation demand management grants, as well as transit projects identified in an omnibus transportation appropriations act as move ahead WA projects.

(2) Beginning July 1, 2022, the state treasurer shall annually transfer 56 percent of the revenues accruing annually to the carbon emissions reduction account created in RCW 70A.65.240 to the climate transit programs account.

Sec. 105. RCW 70A.65.030 and 2021 c 316 s 4 are each amended to read as follows:

(1) Each year or biennium, as appropriate, when allocating funds from the carbon emissions reduction account created in RCW 70A.65.240, the climate investment account created in RCW 70A.65.250, ~~((or))~~ the air quality and health disparities improvement account created in RCW 70A.65.280, the climate transit programs account created in section 104 of this act, or the climate active transportation account created in section 103 of this act, or administering grants or programs funded by the accounts, agencies shall conduct an environmental justice assessment consistent with the requirements of RCW 70A.02.060 and establish a minimum of not less than 35 percent and a goal of 40 percent of total investments that provide direct and meaningful benefits to vulnerable populations within the boundaries of overburdened communities through: (a) The direct reduction of environmental burdens in overburdened communities; (b) the reduction of disproportionate, cumulative risk from environmental burdens, including those associated with climate change; (c) the support of community led project development, planning, and participation costs; or (d) meeting a community need identified by the community that is consistent with the intent of this chapter or RCW 70A.02.010.

(2) The allocation of funding under subsection (1) of this section must adhere to the following principles, additional to the requirements of RCW 70A.02.080: (a) Benefits and programs should be directed to areas and targeted to vulnerable populations and overburdened communities to reduce statewide disparities; (b) investments

and benefits should be made roughly proportional to the health disparities that a specific community experiences, with a goal of eliminating the disparities; (c) investments and programs should focus on creating environmental benefits, including eliminating health burdens, creating community and population resilience, and raising the quality of life of those in the community; and (d) efforts should be made to balance investments and benefits across the state and within counties, local jurisdictions, and unincorporated areas as appropriate to reduce disparities by location and to ensure efforts contribute to a reduction in disparities that exist based on race or ethnicity, socioeconomic status, or other factors.

(3) State agencies allocating funds or administering grants or programs from the carbon emissions reduction account created in RCW 70A.65.240, the climate investment account created in RCW 70A.65.250, ~~((or))~~ the air quality and health disparities improvement account created in RCW 70A.65.280, the climate transit programs account created in section 104 of this act, or the climate active transportation account created in section 103 of this act, must:

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

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

(c)(i) If the agency is not a covered agency subject to the requirements of chapter 314, Laws of 2021, create and adopt a community engagement plan to describe how it will engage with overburdened communities and vulnerable populations in allocating funds or administering grants or programs from the climate investment account.

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

**Sec. 106.** RCW 70A.65.040 and 2021 c 316 s 5 are each amended to read as follows:

(1) The environmental justice council created in RCW 70A.02.110 must provide recommendations to the legislature, agencies, and the governor in the

development and implementation of the program established in RCW 70A.65.060 through 70A.65.210, and the programs funded from the carbon emissions reduction account created in RCW 70A.65.240 ~~((and from))~~, the climate investment account created in RCW 70A.65.250, the climate transit programs account created in section 104 of this act, and the climate active transportation account created in section 103 of this act.

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

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

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

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

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

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

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

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

(f) Recommend environmental justice and environmental health goals for programs, activities, and projects funded from the climate investment

account, and review agency annual reports on outcomes and progress toward meeting these goals;

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

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

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

## Part II

### Exported Fuel Tax, Aircraft Fuel Tax, Stolen Vehicle Check, Dealer

### Temporary Permit, Enhanced Driver's License and Identocard, Driver's

### Abstract, License Plate, Documentary Service, and Other

### Driver and Vehicle Fees

NEW SECTION. **Sec. 201.** FINDINGS AND INTENT. (1) The legislature finds that a portion of the state's greenhouse gas emissions are directly related to petroleum fuel products produced by the state's five refineries that are exported to other states and jurisdictions. These carbon emissions have a real impact on the citizens of the state of Washington and these impacts are not adequately compensated for under the existing taxing structures.

(2) The legislature further finds that carbon emissions directly attributable to just the refining process associated with petroleum fuel products that are subsequently exported has been estimated at 3,300,000 metric tons per year.

(3) The legislature further finds that the costs associated with carbon emissions are global in nature and the impacts associated with carbon emissions are not simply felt by those within a state's geographic boundary. However, applying a standard societal costs of carbon method results in estimated annual impacts over \$250,000,000 associated with the current amount of exported petroleum fuel products.

(4) Therefore, the legislature intends to modify state fuel tax law in a manner that compensates the state for a portion

of the societal costs of carbon attributable to the refining process associated with petroleum fuel products that are subsequently exported, but also ensures that the current favorable tax treatment for petroleum fuel products that are exported continues.

**Sec. 202.** RCW 82.38.020 and 2013 c 225 s 102 are each amended to read as follows:

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

(1) "Biofuel" means fuel derived from biomass that has at least 40 percent lower greenhouse gas emissions based on a full life-cycle analysis when compared to petroleum fuel for which biofuel is capable of serving as a substitute.

(2) "Blended fuel" means a mixture of fuel and another liquid, other than a de minimis amount of the liquid.

~~((2))~~ (3) "Blender" means a person who produces blended fuel outside the bulk transfer-terminal system.

~~((3))~~ (4) "Bond" means a bond duly executed with a corporate surety qualified under chapter 48.28 RCW payable to the state of Washington conditioned upon faithful performance of all requirements of this chapter.

~~((4))~~ (5) "Bulk transfer-terminal system" means the fuel distribution system consisting of refineries, pipelines, vessels, and terminals. Fuel in a refinery, pipeline, vessel, or terminal is in the bulk transfer-terminal system.

~~((5))~~ (6) "Bulk transfer" means a transfer of fuel by pipeline or vessel.

~~((6))~~ (7) "Bulk storage" means the placing of fuel into a receptacle other than the fuel supply tank of a motor vehicle.

~~((7))~~ (8) "Department" means the department of licensing.

~~((8))~~ (9) "Distributor" means a person who acquires fuel outside the bulk transfer-terminal system for importation into Washington, from a terminal or refinery rack located within Washington for distribution within Washington, or for immediate export outside the state of Washington.

~~((9))~~ (10) "Dyed special fuel user" means a person authorized by the internal

revenue code to operate a motor vehicle on the highway using dyed special fuel, in which the use is not exempt from the fuel tax.

~~((10))~~ (11) "Evasion" or "evade" means to diminish or avoid the computation, assessment, or payment of authorized taxes or fees through:

(a) A knowing: False statement; omission; misrepresentation of fact; or other act of deception;

(b) An intentional: Failure to file a return or report; or other act of deception; or

(c) The unlawful use of dyed special fuel.

~~((11))~~ (12) "Exempt sale" means the sale of fuel to a person whose use of fuel is exempt from the fuel tax.

~~((12))~~ (13) "Export" means to obtain fuel in this state for sales or distribution outside the state. Fuel distributed to a federally recognized Indian tribal reservation located within the state of Washington is not considered exported outside this state.

~~((13))~~ (14) "Exporter" means a person who purchases fuel physically located in this state at the time of purchase and directly exports the fuel by a means other than the bulk transfer-terminal system to a destination outside of the state. If the exporter of record is acting as an agent, the person for whom the agent is acting is the exporter. If there is no exporter of record, the owner of the fuel at the time of exportation is the exporter.

~~((14))~~ (15) "Fuel" means motor vehicle fuel or special fuel.

~~((15))~~ (16) "Fuel user" means a person engaged in uses of fuel that are not specifically exempted from the fuel tax imposed under this chapter.

~~((16))~~ (17) "Highway" means every way or place open to the use of the public, as a matter of right, for the purpose of vehicular travel.

~~((17))~~ (18) "Import" means to bring fuel into this state by a means of conveyance other than the fuel supply tank of a motor vehicle.

~~((18))~~ (19) "Importer" means a person who imports fuel into the state by a means other than the bulk transfer-terminal system. If the importer of

record is acting as an agent, the person for whom the agent is acting is the importer. If there is no importer of record, the owner of the fuel at the time of importation is the importer.

~~((19))~~ (20) "International fuel tax agreement licensee" means a fuel user operating qualified motor vehicles in interstate commerce and licensed by the department under the international fuel tax agreement.

~~((20))~~ (21) "Licensee" means a person holding a license issued under this chapter.

~~((21))~~ (22) "Motor vehicle" means a self-propelled vehicle utilizing fuel as a means of propulsion.

~~((22))~~ (23) "Motor vehicle fuel" means gasoline and any other inflammable gas or liquid, by whatsoever name the gasoline, gas, or liquid may be known or sold the chief use of which is as a fuel for the propulsion of motor vehicles or vessels.

~~((23))~~ (24) "Natural gas" means naturally occurring mixtures of hydrocarbon gases and vapors consisting principally of methane, whether in gaseous or liquid form.

~~((24))~~ (25) "Person" means any individual, partnership, association, public or private corporation, limited liability company, or any other type of legal or commercial entity, including their members, managers, partners, directors, or officers.

~~((25))~~ (26) "Position holder" means a person who holds the inventory position in fuel, as reflected by the records of the terminal operator. A person holds the inventory position if the person has a contractual agreement with the terminal for the use of storage facilities and terminating services. "Position holder" includes a terminal operator that owns fuel in their terminal.

~~((26))~~ (27) "Rack" means a mechanism for delivering fuel from a refinery or terminal into a truck, trailer, railcar, or other means of nonbulk transfer.

~~((27))~~ (28) "Refiner" means a person who owns, operates, or otherwise controls a refinery.

~~((28))~~ (29) "Removal" means a physical transfer of fuel other than by evaporation, loss, or destruction.

~~((29))~~ (30) "Special fuel" means diesel fuel, propane, natural gas, kerosene, biodiesel, and any other combustible liquid or gas by whatever name the liquid or gas may be known or sold for the generation of power to propel a motor vehicle on the highways, except it does not include motor vehicle fuel.

~~((30))~~ (31) "Supplier" means a person who holds a federal certificate of registry issued under the internal revenue code and authorizes the person to engage in tax-free transactions of fuel in the bulk transfer-terminal system.

~~((31))~~ (32) "Terminal" means a fuel storage and distribution facility that has been assigned a terminal control number by the internal revenue service.

~~((32))~~ (33) "Terminal operator" means a person who owns, operates, or otherwise controls a terminal.

~~((33))~~ (34) "Two-party exchange" or "buy-sell agreement" means a transaction in which taxable fuel is transferred from one licensed supplier to another licensed supplier whereby the supplier that is the position holder agrees to deliver taxable fuel to the other supplier or the other supplier's customer at the terminal at which the delivering supplier is the position holder.

(35) "United States" means a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or a territory or insular possession subject to the jurisdiction of the United States. "United States" also includes all federally recognized tribal reservations and federal trust lands within the geographic boundaries of the United States as they exist now or in the future.

**Sec. 203.** RCW 82.38.030 and 2015 3rd sp.s. c 44 s 103 are each amended to read as follows:

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

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

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

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

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

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

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

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

(9) ~~((Taxes))~~ Except as provided in subsection (10) of this section, taxes are imposed when:

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

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

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

(ii) The removal is at the refinery rack or by bulk transfer unless the removal is to a licensed supplier or distributor for direct delivery to a destination outside of the ((state)) United States, or the removal is to a licensed supplier for direct delivery to an international fuel tax agreement licensee under RCW 82.38.320;

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

82.38.320, if either of the following applies:

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

(ii) The entry is not by bulk transfer;

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

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

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

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

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

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

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

(10) Taxes are not imposed under subsection (9) of this section when the fuel is a biofuel and the removal is for export.

**Sec. 204.** RCW 82.38.035 and 2013 c 225 s 105 are each amended to read as follows:

(1) A licensed supplier is liable for and must pay tax on fuel as provided in RCW 82.38.030(~~(+7+)~~) (9) (a) and (i). On a two-party exchange, or buy-sell agreement between two licensed suppliers, the receiving exchange partner or buyer shall be liable for and pay the tax.

(2) A refiner is liable for and must pay tax on fuel removed from a refinery

as provided in RCW 82.38.030(~~(+7+)~~) (9) (b).

(3) A licensed distributor is liable for and must pay tax on fuel as provided in RCW 82.38.030(~~(+7+)~~) (9) (c).

(4) A licensed blender is liable for and must pay tax on fuel as provided in RCW 82.38.030(~~(+7+)~~) (9) (f).

(5) A licensed dyed special fuel user is liable for and must pay tax on fuel as provided in RCW 82.38.030(~~(+7+)~~) (9) (g).

(6) A terminal operator is jointly and severally liable for and must pay tax on fuel if, at the time of removal:

(a) The position holder of the fuel is a person other than the terminal operator and is not a licensee;

(b) The terminal operator is not a licensee;

(c) The position holder has an expired internal revenue notification certificate;

(d) The terminal operator has reason to believe that information on the internal revenue notification certificate is false.

(7) A terminal operator is jointly and severally liable for and must pay tax on special fuel if the special fuel is removed and is not dyed or marked in accordance with internal revenue service requirements, and the terminal operator provides a person with a bill of lading, shipping paper, or similar document indicating the special fuel is dyed or marked in accordance with internal revenue service requirements.

(8) International fuel tax agreement licensees, or persons operating motor vehicles under other reciprocity agreements entered into with the state of Washington, are liable for and must pay tax on fuel used to operate motor vehicles on state highways.

(9) Dyed special fuel users are liable for and must pay tax on dyed special fuel used on state highways unless the use of the fuel is exempt from the tax.

(10) The department shall adopt rules under RCW 82.38.260 to ensure compliance with this chapter with respect to fuel exported from the state, including necessary audits and data reporting requirements.



NEW SECTION. **Sec. 205.** A new section is added to chapter 82.38 RCW to read as follows:

(1) In computing the tax imposed under this chapter, a credit is allowed for fuel exported from the state. Except as provided in subsection (2) of this section, the credit is equal to the number of gallons of fuel exported multiplied by the total rate of tax imposed under this chapter, less six cents per gallon. Fuel distributed to a federally recognized Indian tribal reservation located within the state of Washington is not considered exported from this state.

(2) If the total rate of a comparable fuel tax imposed by the importing state exceeds the total rate of tax imposed under this chapter less six cents per gallon, the credit is equal to the number of gallons of fuel exported multiplied by the total rate of tax imposed by the importing state.

(3) The amount of credit earned under this section may not exceed the tax otherwise due under this chapter with respect to the fuel exported.

(4) The department may adopt rules under chapter 34.05 RCW regarding the administration of the credit under this section.

**Sec. 206.** RCW 82.38.180 and 2013 c 225 s 119 are each amended to read as follows:

(1) Any person who has purchased fuel on which tax has been paid may file a claim with the department for a refund of the tax for:

(a) Fuel used for purposes other than for the propulsion of motor vehicles upon the public highways in this state. However, a refund may not be made under this subsection (1)(a) for motor vehicle fuel consumed by a motor vehicle required to be registered under chapter 46.16A RCW or under a comparable motor vehicle registration requirement in an importing state.

(b) Fuel exported for use outside of ~~((this state))~~ the United States. Fuel carried from this state outside of the United States in the fuel tank of a motor vehicle is deemed to be exported from this state under this subsection (1)(b). Fuel distributed to a federally recognized Indian tribal reservation located within the state of Washington is

not considered exported outside ~~((this state))~~ of the United States.

(c) Tax, penalty, or interest erroneously or illegally collected or paid.

(d) Fuel which is lost or destroyed, while the licensee is the owner thereof, through fire, lightning, flood, windstorm, or explosion.

(e) Fuel of ~~((five hundred))~~ 500 gallons or more which is lost or destroyed while the licensee is the owner thereof, through leakage or other casualty except evaporation, shrinkage, or unknown causes.

(f) Fuel used in power pumping units or other power take-off equipment of any motor vehicle which is accurately measured by metering devices that have been specifically approved by the department or by a formula determined by the department.

(2) Any person who has purchased special fuel on which tax has been paid may file a claim with the department for a refund of tax for:

(a) Special fuel used for the operation of a motor vehicle as a part of or incidental to logging operations upon a highway under federal jurisdiction within the boundaries of a federal area if the federal government requires a fee for the privilege of operating the motor vehicle upon the highway, the proceeds of which are reserved for constructing or maintaining roads in the federal area, or requires maintenance or construction work to be performed on the highway for the privilege of operating the motor vehicle on the highway;

(b) Special fuel used by special mobile equipment as defined in RCW 46.04.552;

(c) Special fuel used in a motor vehicle for movement between two pieces of private property wherein the movement is incidental to the primary use of the vehicle; and

(d) Special fuel inadvertently mixed with dyed special fuel.

(3) Any person who has purchased motor vehicle fuel on which tax has been paid may file a claim with the department for a refund of tax for:

(a) Motor vehicle fuel used by a private, nonprofit transportation provider regulated under chapter 81.66

RCW or under a comparable regulation in an importing state to provide transportation services for persons with special transportation needs; and

(b) Motor vehicle fuel used by an urban passenger transportation system. For purposes of this subsection "urban passenger transportation system" means every transportation system, publicly or privately owned, having as its principal source of revenue the income from transporting persons for compensation by means of motor vehicles or trackless trolleys, each having a seating capacity of over ~~((fifteen))~~ 15 persons, over prescribed routes in such a manner that the routes of such motor vehicles or trackless trolleys, either alone or in conjunction with routes of other such motor vehicles or trackless trolleys subject to the routing by the same transportation system, do not extend for a distance exceeding ~~((fifteen))~~ 15 road miles beyond the corporate limits of the city in which the original starting points of such motor vehicles or trackless trolleys are located. No refunds are authorized for fuel used on any trip where any portion of the trip is more than ~~((fifteen))~~ 15 road miles beyond the corporate limits of the city in which the trip originated.

(4) Recovery for such loss or destruction under subsections (1)(d) or (e) or (2)(d) of this section must be susceptible to positive proof thereby enabling the department to conduct such investigation and require such information as it may deem necessary. In the event that the department is not satisfied that the fuel was lost, destroyed, or contaminated as claimed because information or proof as required hereunder is not sufficient to substantiate the accuracy of the claim, it may deem such as sufficient cause to deny all right relating to the refund or credit for the excise tax paid on fuel alleged to be lost or destroyed.

(5) No refund or claim for credit may be approved by the department unless the gallons of fuel claimed as nontaxable satisfy the conditions specifically set forth in this section and the nontaxable event or use occurred during the period covered by the refund claim. Refunds or claims for credit are not ~~((be))~~ allowed for anticipated nontaxable use or events.

(6) The department shall establish, by rule, minimum acceptable requirements

and conditions on refunds subject to the authority in this section.

**Sec. 207.** RCW 46.68.090 and 2015 3rd sp.s. c 44 s 105 are each amended to read as follows:

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

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

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

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

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

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

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

(A) Accident experience;

(B) Fatal accident experience;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(8) Revenues generated from the fuel tax imposed on fuel exported from the state under chapter 82.38 RCW must be deposited into the move ahead WA account created in section 401 of this act.

(9) Nothing in this section or in RCW 46.68.130 may be construed so as to violate any terms or conditions contained in any highway construction bond issues now or hereafter authorized by statute

and whose payment is by such statute pledged to be paid from any excise taxes on fuel.

**Sec. 208.** RCW 82.42.020 and 2013 c 225 s 302 are each amended to read as follows:

There is levied upon every distributor of aircraft fuel, an excise tax at the rate of ~~((eleven))~~ 18 cents on each gallon of aircraft fuel sold, delivered, or used in this state. There must be collected from every user of aircraft fuel either the use tax imposed by RCW 82.12.020 or the retail sales tax imposed by RCW 82.08.020. The taxes imposed by this chapter must be collected and paid to the state but once in respect to any aircraft fuel.

**Sec. 209.** RCW 46.17.200 and 2014 c 80 s 4 are each amended to read as follows:

(1) In addition to all other fees and taxes required by law, the department, county auditor or other agent, or subagent appointed by the director shall charge:

(a) The following license plate fees for each license plate, unless the owner or type of vehicle is exempt from payment or qualifies for a reduced original license plate fee as provided in (e) of this subsection:

FEE TYPE	FEE	DISTRIBUTION
Original issue	( <del>10.00</del> ) (\$ 0)	RCW 46.68.070
	<u>\$50.00</u>	
Reflectivity	\$ 2.00	RCW 46.68.070
Replacement	( <del>10.00</del> ) (\$ 0)	RCW 46.68.070
	<u>\$30.00</u>	
Original issue, motorcycle	( <del>4.00</del> ) (\$ )	RCW 46.68.070
	<u>\$20.00</u>	
Replacement, motorcycle	( <del>4.00</del> ) (\$ )	RCW 46.68.070
	<u>\$12.00</u>	
Original issue, moped	\$ 1.50	RCW 46.68.070

(b) A license plate retention fee, as required under RCW 46.16A.200(9)(a), of ~~((twenty dollars))~~ \$20 if the owner wishes to retain the current license plate number upon license plate replacement, unless the owner or type of vehicle is exempt from payment. The ~~((twenty dollar))~~ \$20 fee must be deposited in the multimodal transportation account created in RCW 47.66.070.

(c) A ~~((ten dollar))~~ \$10 license plate transfer fee, as required under RCW 46.16A.200(8)(a), when transferring standard issue license plates from one vehicle to another, unless the owner or type of vehicle is exempt from payment. The ~~((ten dollar))~~ \$10 license plate transfer fee must be deposited in the motor vehicle fund created in RCW 46.68.070.

(d) Former prisoner of war license plates, as described in RCW 46.18.235, may be transferred to a replacement vehicle upon payment of a ~~((five dollar))~~ \$5 license plate fee, in addition to any other fee required by law.

(e) An original issue license plate fee of \$40 for each plate if the vehicle is a used car as defined in RCW 46.04.660.

(2) The department may, upon request, provide license plates that have been used and returned to the department to individuals for nonvehicular use. The department may charge a fee of up to ~~((five dollars))~~ \$5 per license plate to cover costs or recovery for postage and handling. The department may waive the fee for license plates used in educational projects and may, by rule, provide standards for the fee waiver and restrictions on the number of license plates provided to any one person. The fee must be deposited in the motor vehicle fund created in RCW 46.68.070.

(3) \$40 of the original issue license plate fee imposed under subsection (1)(a) of this section, \$30 of the original issue license plate fee imposed under subsection (1)(e) of this section, and \$16 of the original issue motorcycle license plate fee imposed under subsection (1)(a) of this section must be deposited in the move ahead WA account created in section 401 of this act.

(4) \$20 of the replacement license plate fee imposed under subsection (1)(a) of this section and \$8 of the replacement motorcycle license plate fee imposed

under subsection (1)(a) of this section must be deposited in the move ahead WA account created in section 401 of this act.

**Sec. 210.** RCW 46.17.120 and 2020 c 239 s 1 are each amended to read as follows:

(1) Before accepting an application for a certificate of title for a vehicle previously registered in any other state or country, the department, county auditor or other agent, or subagent appointed by the director shall require the applicant to pay a fee of (~~fifteen dollars~~) \$50. (~~The fifteen dollar fee~~)

(a) \$15 of the fee required by this section must be distributed under RCW 46.68.020.

(b) \$35 of the fee required by this section must be deposited in the move ahead WA account created in section 401 of this act.

(2) An applicant is exempt from the (~~fifteen dollar~~) \$50 fee if the applicant previously registered the vehicle in Washington state and maintained ownership of the vehicle while registered in another state or country.

**Sec. 211.** RCW 46.17.400 and 2011 c 171 s 62 are each amended to read as follows:

(1) Before accepting an application for one of the following permits, the department, county auditor or other agent, or subagent appointed by the director shall require the applicant to pay the following permit fee by permit type in addition to any other fee or tax required by law:

PERM IT TYPE	FEE	AUTHORITY	DISTRIBUTION
(a) Dealer temporary	( <del>15.00</del> ) <u>\$40.00</u>	RCW 46.16A.300	RCW 46.68.030
(b) Department temporary	\$ .50	RCW 46.16A.305	RCW 46.68.450
(c) Farm vehicle trip	\$ 6.25	RCW 46.16A.330	RCW 46.68.035
(d) Nonresident military	\$ 10.00	RCW 46.16A.340	RCW 46.68.070

PERM IT TYPE	FEE	AUTHORITY	DISTRIBUTION
(e) Nonresident temporary snowmobile	\$ 5.00	RCW 46.10.450	RCW 46.68.350
(f) Special fuel trip	\$ 30.00	RCW 82.38.100	RCW 46.68.460
(g) Temporary ORV use	\$ 7.00	RCW 46.09.430	RCW 46.68.045
(h) Vehicle trip	\$ 25.00	RCW 46.16A.320	RCW 46.68.455

(2) Permit fees as provided in subsection (1) of this section are in addition to the filing fee required under RCW 46.17.005, except an additional filing fee may not be charged for:

- (a) Dealer temporary permits;
- (b) Special fuel trip permits; and
- (c) Vehicle trip permits.

(3) (~~Five dollars~~) \$5 of the (~~fifteen dollar~~) \$40 dealer temporary permit fee provided in subsection (1)(a) of this section must be credited to the payment of vehicle license fees at the time application for registration is made. \$25 of the \$40 dealer temporary permit fee provided in subsection (1)(a) of this section must be deposited in the move ahead WA account created in section 401 of this act. The remainder must be deposited to the state patrol highway account created in RCW 46.68.030.

**Sec. 212.** RCW 46.20.202 and 2021 c 317 s 21 and 2021 c 158 s 9 are each reenacted and amended to read as follows:

(1) The department may enter into a memorandum of understanding with any federal agency for the purposes of facilitating the crossing of the border between the state of Washington and the Canadian province of British Columbia.

(2) The department may enter into an agreement with the Canadian province of British Columbia for the purposes of implementing a border-crossing initiative.

(3)(a) The department may issue an enhanced driver's license or identocard for the purposes of crossing the border between the state of Washington and the Canadian province of British Columbia to

an applicant who provides the department with proof of: United States citizenship, identity, and state residency. The department shall continue to offer a standard driver's license and identicard. If the department chooses to issue an enhanced driver's license, the department must allow each applicant to choose between a standard driver's license or identicard, or an enhanced driver's license or identicard.

(b) The department shall implement a one-to-many biometric matching system for the enhanced driver's license or identicard. An applicant for an enhanced driver's license or identicard shall submit a biometric identifier as designated by the department. The biometric identifier must be used solely for the purpose of verifying the identity of the holders and for any purpose set out in RCW 46.20.037. Applicants are required to sign a declaration acknowledging their understanding of the one-to-many biometric match.

(c) The enhanced driver's license or identicard must include reasonable security measures to protect the privacy of Washington state residents, including reasonable safeguards to protect against unauthorized disclosure of data about Washington state residents. If the enhanced driver's license or identicard includes a radio frequency identification chip, or similar technology, the department shall ensure that the technology is encrypted or otherwise secure from unauthorized data access.

(d) The requirements of this subsection are in addition to the requirements otherwise imposed on applicants for a driver's license or identicard. The department shall adopt such rules as necessary to meet the requirements of this subsection. From time to time the department shall review technological innovations related to the security of identity cards and amend the rules related to enhanced driver's licenses and identicards as the director deems consistent with this section and appropriate to protect the privacy of Washington state residents.

(e) Notwithstanding RCW 46.20.118, the department may make images associated with enhanced drivers' licenses or identicards from the negative file available to United States customs and border agents for the purposes of verifying identity.

(4) Beginning ~~((on July 23, 2017))~~ October 1, 2022, the fee for an enhanced driver's license or enhanced identicard is ~~((thirty-two dollars))~~ \$56, which is in addition to the fees for any regular driver's license or identicard. If the enhanced driver's license or enhanced identicard is issued, renewed, or extended for a period other than eight years, the fee for each class is ~~((four dollars))~~ \$7 for each year that the enhanced driver's license or enhanced identicard is issued, renewed, or extended.

(5)(a) The first \$4 per year of issuance, to a maximum of \$32 of the enhanced driver's license and enhanced identicard fee under this section must be deposited into the highway safety fund unless prior to July 1, 2023, the actions described in (a)(i) or ((b)) (ii) of this subsection occur, in which case the portion of the revenue that is the result of the fee increased in section 209, chapter 44, Laws of 2015 3rd sp. sess. must be distributed to the connecting Washington account created under RCW 46.68.395.

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

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

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

(b) \$24 of the enhanced driver's license and enhanced identicard fee under this section must be deposited into the move ahead WA flexible account created in section 402 of this act. If the enhanced driver's license or enhanced identicard

is issued, renewed, or extended for a period other than eight years, the amount deposited into the move ahead WA flexible account created in section 402 of this act is \$3 for each year that the enhanced driver's license or enhanced identicard is issued, renewed, or extended.

**Sec. 213.** RCW 46.52.130 and 2021 c 93 s 8 are each amended to read as follows:

Upon a proper request, the department may only furnish information contained in an abstract of a person's driving record as permitted under this section.

(1) **Contents of abstract of driving record.** An abstract of a person's driving record, whenever possible, must include:

(a) An enumeration of motor vehicle accidents in which the person was driving, including:

(i) The total number of vehicles involved;

(ii) Whether the vehicles were legally parked or moving;

(iii) Whether the vehicles were occupied at the time of the accident; and

(iv) Whether the accident resulted in a fatality;

(b) Any reported convictions, forfeitures of bail, or findings that an infraction was committed based upon a violation of any motor vehicle law;

(c) The status of the person's driving privilege in this state; and

(d) Any reports of failure to appear in response to a traffic citation or failure to respond to a notice of infraction served upon the named individual by an arresting officer.

(2) **Release of abstract of driving record.** Unless otherwise required in this section, the release of an abstract does not require a signed statement by the subject of the abstract. An abstract of a person's driving record may be furnished to the following persons or entities:

(a) **Named individuals.** (i) An abstract of the full driving record maintained by the department may be furnished to the individual named in the abstract.

(ii) Nothing in this section prevents a court from providing a copy of the driver's abstract to the individual named in the abstract or that named individual's attorney, provided that the

named individual has a pending or open infraction or criminal case in that court. A pending case includes criminal cases that have not reached a disposition by plea, stipulation, trial, or amended charge. An open infraction or criminal case includes cases on probation, payment agreement or subject to, or in collections. Courts may charge a reasonable fee for the production and copying of the abstract for the individual.

(b) **Employers or prospective employers.** (i) An abstract of the full driving record maintained by the department may be furnished to an employer or prospective employer or agents acting on behalf of an employer or prospective employer of the named individual for purposes related to driving by the individual as a condition of employment or otherwise at the direction of the employer.

(ii) The department may provide employers or their agents a three-year insurance carrier driving record of existing employees only for the purposes of sharing the driving record with its insurance carrier for underwriting. Employers may not provide the employees' full driving records to its insurance carrier.

(iii) An abstract of the full driving record maintained by the department may be furnished to an employer or prospective employer or the agent(s) acting on behalf of an employer or prospective employer of the named individual for purposes unrelated to driving by the individual when a driving record is required by federal or state law, or the employee or prospective employee will be handling heavy equipment or machinery.

(iv) Release of an abstract of the driving record of an employee or prospective employee requires a statement signed by: (A) The employee or prospective employee that authorizes the release of the record; and (B) the employer attesting that the information is necessary for employment purposes related to driving by the individual as a condition of employment or otherwise at the direction of the employer. If the employer or prospective employer authorizes agents to obtain this information on their behalf, this must be noted in the statement. The statement must also note that any information contained in the abstract related to an

adjudication that is subject to a court order sealing the juvenile record of an employee or prospective employee may not be used by the employer or prospective employer, or an agent authorized to obtain this information on their behalf, unless required by federal regulation or law. The employer or prospective employer must afford the employee or prospective employee an opportunity to demonstrate that an adjudication contained in the abstract is subject to a court order sealing the juvenile record.

(v) Upon request of the person named in the abstract provided under this subsection, and upon that same person furnishing copies of court records ruling that the person was not at fault in a motor vehicle accident, the department must indicate on any abstract provided under this subsection that the person was not at fault in the motor vehicle accident.

(vi) No employer or prospective employer, nor any agents of an employer or prospective employer, may use information contained in the abstract related to an adjudication that is subject to a court order sealing the juvenile record of an employee or prospective employee for any purpose unless required by federal regulation or law. The employer or prospective employer must furnish a copy of the court order sealing the juvenile record to the employer or prospective employer, or the agents of the employer or prospective employer, as may be required to ensure the application of this subsection.

(c) **Volunteer organizations.** (i) An abstract of the full driving record maintained by the department may be furnished to a volunteer organization or an agent for a volunteer organization for which the named individual has submitted an application for a position that would require driving by the individual at the direction of the volunteer organization.

(ii) Release of an abstract of the driving record of a prospective volunteer requires a statement signed by: (A) The prospective volunteer that authorizes the release of the record; and (B) the volunteer organization attesting that the information is necessary for purposes related to driving by the individual at the direction of the volunteer organization. If the volunteer organization authorizes an agent to obtain this information on their behalf, this must be noted in the statement.

(d) **Transit authorities.** An abstract of the full driving record maintained by the department may be furnished to an employee or agents of a transit authority checking prospective or existing volunteer vanpool drivers for insurance and risk management needs.

(e) **Insurance carriers.** (i) An abstract of the driving record maintained by the department covering the period of not more than the last three years may be furnished to an insurance company or its agents:

(A) That has motor vehicle or life insurance in effect covering the named individual;

(B) To which the named individual has applied; or

(C) That has insurance in effect covering the employer or a prospective employer of the named individual.

(ii) The abstract provided to the insurance company must:

(A) Not contain any information related to actions committed by law enforcement officers or firefighters, as both terms are defined in RCW 41.26.030, or by Washington state patrol officers, while driving official vehicles in the performance of their occupational duty, or by registered tow truck operators as defined in RCW 46.55.010 in the performance of their occupational duties while at the scene of a roadside impound or recovery so long as they are not issued a citation. This does not apply to any situation where the vehicle was used in the commission of a misdemeanor or felony;

(B) Include convictions under RCW 46.61.5249 and 46.61.525, except that the abstract must report the convictions only as negligent driving without reference to whether they are for first or second degree negligent driving; and

(C) Exclude any deferred prosecution under RCW 10.05.060, except that if a person is removed from a deferred prosecution under RCW 10.05.090, the abstract must show the deferred prosecution as well as the removal.

(iii) Any policy of insurance may not be canceled, nonrenewed, denied, or have the rate increased on the basis of information regarding an accident included in the abstract of a driving record, unless the policyholder was determined to be at fault.



(iv) Any insurance company or its agents, for underwriting purposes relating to the operation of commercial motor vehicles, may not use any information contained in the abstract relative to any person's operation of motor vehicles while not engaged in such employment. Any insurance company or its agents, for underwriting purposes relating to the operation of noncommercial motor vehicles, may not use any information contained in the abstract relative to any person's operation of commercial motor vehicles. For the purposes of this subsection, "commercial motor vehicle" has the same meaning as in RCW 46.25.010(6).

(f) **Alcohol/drug assessment or treatment agencies.** An abstract of the driving record maintained by the department covering the period of not more than the last five years may be furnished to an alcohol/drug assessment or treatment agency approved by the department of health to which the named individual has applied or been assigned for evaluation or treatment, for purposes of assisting employees in making a determination as to what level of treatment, if any, is appropriate, except that the abstract must:

(i) Also include records of alcohol-related offenses, as defined in RCW 46.01.260(2), covering a period of not more than the last ten years; and

(ii) Indicate whether an alcohol-related offense was originally charged as a violation of either RCW 46.61.502 or 46.61.504.

(g) **Attorneys—City attorneys, county prosecuting attorneys, and named individual's attorney of record.** An abstract of the full driving record maintained by the department, including whether a recorded violation is an alcohol-related offense, as defined in RCW 46.01.260(2), that was originally charged as a violation of either RCW 46.61.502 or 46.61.504, may be furnished to city attorneys, county prosecuting attorneys, or the named individual's attorney of record. City attorneys, county prosecuting attorneys, or the named individual's attorney of record may provide the driving record to alcohol/drug assessment or treatment agencies approved by the department of social and health services to which the named individual has applied or been assigned for evaluation or treatment.

(h) **State colleges, universities, or agencies, or units of local government.** An abstract of the full driving record maintained by the department may be furnished to (i) state colleges, universities, or agencies for employment and risk management purposes or (ii) units of local government authorized to self-insure under RCW 48.62.031, or their agents, for employment and risk management purposes. "Unit of local government" includes an insurance pool established under RCW 48.62.031.

(i) **Superintendent of public instruction.** (i) An abstract of the full driving record maintained by the department may be furnished to the superintendent of public instruction for review of public school bus driver records. The superintendent or superintendent's designee may discuss information on the driving record with an authorized representative of the employing school district for employment and risk management purposes.

(ii) The superintendent of public instruction is exempt from paying the fees related to the reviewing of records and the fee required in subsection (5) of this section.

(j) **State and federal agencies.** An abstract of the driving record maintained by the department may be furnished to state and federal agencies, or their agents, in carrying out its functions.

(k) **Transportation network companies.** An abstract of the full driving record maintained by the department may be furnished to a transportation network company or its agents acting on its behalf of the named individual for purposes related to driving by the individual as a condition of being a contracted driver.

(l) **Research.** (i) The department may furnish driving record data to state agencies and bona fide scientific research organizations. The department may require review and approval by an institutional review board. For the purposes of this subsection, "research" means a planned and systematic sociological, psychological, epidemiological, biomedical, or other scientific investigation carried out by a state agency, or by a scientific research professional associated with a bona fide scientific research organization with an objective to contribute to scientific knowledge, the

solution of social and health problems, or the evaluation of public benefit and service programs. This definition excludes methods of record analysis and data collection that are subjective, do not permit replication, and are not designed to yield reliable and valid results.

(ii) The state agency, or a scientific research professional associated with a bona fide scientific research organization, are exempt from paying the fees related to the reviewing of records and the fee required in subsection (5) of this section. However, the department may charge a cost-recovery fee for the actual cost of providing the data.

(3) **Reviewing of driving records.** (a) In addition to the methods described herein, the director may enter into a contractual agreement for the purpose of reviewing the driving records of existing employees for changes to the record during specified periods of time. The department shall establish a fee for this service, which must be deposited in the highway safety fund. The fee for this service must be set at a level that does not result in a net revenue loss to the state. Any information provided under this subsection must be treated in the same manner and is subject to the same restrictions as driving record abstracts.

(b) The department may provide reviewing services to the following entities:

(i) Employers for existing employees, or their agents;

(ii) Transit authorities for current vanpool drivers, or their agents;

(iii) Insurance carriers for current policyholders, or their agents;

(iv) State colleges, universities, or agencies, or units of local government, or their agents;

(v) The office of the superintendent of public instruction for school bus drivers statewide; and

(vi) Transportation network companies, or their agents.

(4) **Release to third parties prohibited.** (a) Any person or entity receiving an abstract of a person's driving record under subsection (2)(b) through (1) of this section shall use the abstract exclusively for his, her, or its

own purposes or as otherwise expressly permitted under this section, and shall not divulge any information contained in the abstract to a third party.

(b) The following release of records to third parties are hereby authorized:

(i) Employers may divulge driving records to regulatory bodies, as defined by the department by rule, such as the United States department of transportation and the federal motor carrier safety administration.

(ii) Employers may divulge a three-year driving record to their insurance carrier for underwriting purposes.

(iii) Employers may divulge driving records to contracted motor carrier consultants for the purposes of ensuring driver compliance and risk management.

(5) ~~((Fee-))~~ **Fees.** (a) The director shall collect a ~~((thirteen dollar))~~ \$15 fee for each abstract of a person's driving record furnished by the department. After depositing \$2 of the driver's abstract fee in the move ahead WA flexible account created in section 402 of this act, the remainder shall be distributed as follows:

(i) Fifty percent ~~((of the fee))~~ must be deposited in the highway safety fund~~((7))~~; and ~~((fifty))~~

(ii) Fifty percent ~~((of the fee))~~ must be deposited according to RCW 46.68.038.

(b) Beginning July 1, 2029, the director shall collect an additional \$2 fee for each abstract of a person's driving record furnished by the department. The \$2 additional driver's abstract fee must be deposited in the move ahead WA flexible account created in section 402 of this act.

(c) City attorneys and county prosecuting attorneys are exempt from paying the fees specified in (a) and (b) of this subsection for an abstract of a person's driving record furnished by the department for use in criminal proceedings.

(6) **Violation.** (a) Any negligent violation of this section is a gross misdemeanor.

(b) Any intentional violation of this section is a class C felony.

(7) Effective July 1, 2019, the contents of a driving abstract pursuant to this section shall not include any

information related to sealed juvenile records unless that information is required by federal law or regulation.

**Sec. 214.** RCW 46.17.015 and 2010 c 161 s 502 are each amended to read as follows:

(1) A person who applies for a vehicle registration or for any other right to operate a vehicle on the highways of this state shall pay a (~~twenty five~~) 25 cent license plate technology fee in addition to any other fees and taxes required by law. The license plate technology fee must be distributed under RCW 46.68.370.

(2) A vehicle registered under RCW 46.16A.455 or 46.17.330 is not subject to the license plate technology fee, except for a vehicle registered under RCW 46.16A.455(3).

(3) The revenue from the license plate technology fee imposed on vehicles registered under RCW 46.16A.455(3) must be deposited in the move ahead WA account created in section 401 of this act.

**Sec. 215.** RCW 46.17.025 and 2010 c 161 s 503 are each amended to read as follows:

(1) A person who applies for a vehicle registration or for any other right to operate a vehicle on the highways of this state shall pay a (~~fifty~~) 50 cent license service fee in addition to any other fees and taxes required by law. The license service fee must be distributed under RCW 46.68.220.

(2) A vehicle registered under RCW 46.16A.455 or 46.17.330 is not subject to the license service fee, except for a vehicle registered under RCW 46.16A.455(3).

(3) The revenue from the license service fee imposed on vehicles registered under RCW 46.16A.455(3) must be deposited in the move ahead WA account created in section 401 of this act.

**Sec. 216.** RCW 46.20.200 and 2012 c 80 s 10 are each amended to read as follows:

(1) If an instruction permit, identicard, or a driver's license is lost or destroyed, the person to whom it was issued may obtain a duplicate of it upon furnishing proof of such fact satisfactory to the department and payment of a fee of (~~twenty dollars~~) \$20 to the department.

(2) A replacement permit, identicard, or driver's license may be obtained to

change or correct material information upon payment of a fee of (~~ten dollars~~) \$20 and surrender of the permit, identicard, or driver's license being replaced.

**Sec. 217.** RCW 46.68.041 and 2020 c 330 s 18 are each amended to read as follows:

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

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

(3) Fifty percent of the revenue from the fees imposed under RCW 46.20.200(2) must be deposited in the move ahead WA flexible account created in section 402 of this act.

**Sec. 218.** RCW 46.70.180 and 2017 c 41 s 1 are each amended to read as follows:

Each of the following acts or practices is unlawful:

(1) To cause or permit to be advertised, printed, displayed, published, distributed, broadcasted, televised, or disseminated in any manner whatsoever, any statement or representation with regard to the sale, lease, or financing of a vehicle which is false, deceptive, or misleading, including but not limited to the following:

(a) That no down payment is required in connection with the sale of a vehicle when a down payment is in fact required, or that a vehicle may be purchased for a smaller down payment than is actually required;

(b) That a certain percentage of the sale price of a vehicle may be financed when such financing is not offered in a single document evidencing the entire security transaction;

(c) That a certain percentage is the amount of the service charge to be charged for financing, without stating whether this percentage charge is a

monthly amount or an amount to be charged per year;

(d) That a new vehicle will be sold for a certain amount above or below cost without computing cost as the exact amount of the factory invoice on the specific vehicle to be sold;

(e) That a vehicle will be sold upon a monthly payment of a certain amount, without including in the statement the number of payments of that same amount which are required to liquidate the unpaid purchase price.

(2)(a)(i) To incorporate within the terms of any purchase and sale or lease agreement any statement or representation with regard to the sale, lease, or financing of a vehicle which is false, deceptive, or misleading, including but not limited to terms that include as an added cost to the selling price or capitalized cost of a vehicle an amount for licensing or transfer of title of that vehicle which is not actually due to the state, unless such amount has in fact been paid by the dealer prior to such sale.

(ii) However, an amount not to exceed ~~((one hundred fifty dollars))~~ \$200 per vehicle sale or lease may be charged by a dealer to recover administrative costs for collecting motor vehicle excise taxes, licensing and registration fees and other agency fees, verifying and clearing titles, transferring titles, perfecting, releasing, or satisfying liens or other security interests, and other administrative and documentary services rendered by a dealer in connection with the sale or lease of a vehicle and in carrying out the requirements of this chapter or any other provisions of state law.

(b) A dealer may charge the documentary service fee in (a) of this subsection under the following conditions:

(i) The documentary service fee is disclosed in writing to a prospective purchaser or lessee before the execution of a purchase and sale or lease agreement;

(ii) The dealer discloses to the purchaser or lessee in writing that the documentary service fee is a negotiable fee. The disclosure must be written in a typeface that is at least as large as the typeface used in the standard text of the document that contains the disclosure and

that is bold faced, capitalized, underlined, or otherwise set out from the surrounding material so as to be conspicuous. The dealer shall not represent to the purchaser or lessee that the fee or charge is required by the state to be paid by either the dealer or prospective purchaser or lessee;

(iii) The documentary service fee is separately designated from the selling price or capitalized cost of the vehicle and from any other taxes, fees, or charges; and

(iv) Dealers disclose in any advertisement that a documentary service fee in an amount up to ~~((one hundred fifty dollars))~~ \$200 may be added to the sale price or the capitalized cost.

For the purposes of this subsection (2), the term "documentary service fee" means the optional amount charged by a dealer to provide the services specified in (a) of this subsection.

(3) To set up, promote, or aid in the promotion of a plan by which vehicles are to be sold or leased to a person for a consideration and upon further consideration that the purchaser or lessee agrees to secure one or more persons to participate in the plan by respectively making a similar purchase and in turn agreeing to secure one or more persons likewise to join in said plan, each purchaser or lessee being given the right to secure money, credits, goods, or something of value, depending upon the number of persons joining the plan.

(4) To commit, allow, or ratify any act of "bushing" which is defined as follows: Entering into a written contract, written purchase order or agreement, retail installment sales agreement, note and security agreement, or written lease agreement, hereinafter collectively referred to as contract or lease, signed by the prospective buyer or lessee of a vehicle, which:

(a) Is subject to any conditions or the dealer's or his or her authorized representative's future acceptance, and the dealer fails or refuses within the "bushing" period, which is four calendar days, exclusive of Saturday, Sunday, or legal holiday, and prior to any further negotiations with said buyer or lessee to inform the buyer or lessee either: (i) That the dealer unconditionally accepts the contract or lease, having satisfied, removed, or waived all conditions to

acceptance or performance, including, but not limited to, financing, assignment, or lease approval; or (ii) that the dealer rejects the contract or lease, thereby automatically voiding the contract or lease, as long as such voiding does not negate commercially reasonable contract or lease provisions pertaining to the return of the subject vehicle and any physical damage, excessive mileage after the demand for return of the vehicle, and attorneys' fees authorized by law, and tenders the refund of any initial payment or security made or given by the buyer or lessee, including, but not limited to, any down payment, and tenders return of the trade-in vehicle, key, other trade-in, or certificate of title to a trade-in. Tender may be conditioned on return of the subject vehicle if previously delivered to the buyer or lessee.

The provisions of this subsection (4)(a) do not impair, prejudice, or abrogate the rights of a dealer to assert a claim against the buyer or lessee for misrepresentation or breach of contract and to exercise all remedies available at law or in equity, including those under chapter 62A.9A RCW, if the dealer, bank, or other lender or leasing company discovers that approval of the contract or financing or approval of the lease was based upon material misrepresentations made by the buyer or lessee, including, but not limited to, misrepresentations regarding income, employment, or debt of the buyer or lessee, as long as the dealer, or his or her staff, has not, with knowledge of the material misrepresentation, aided, assisted, encouraged, or participated, directly or indirectly, in the misrepresentation. A dealer shall not be in violation of this subsection (4)(a) if the buyer or lessee made a material misrepresentation to the dealer, as long as the dealer, or his or her staff, has not, with knowledge of the material misrepresentation, aided, assisted, encouraged, or participated, directly or indirectly, in the misrepresentation.

A dealer may inform a buyer or lessee under this subsection (4)(a) regarding the unconditional acceptance or rejection of the contract, lease, or financing by sending an email message to the buyer's or lessee's supplied email address, by phone call, by leaving a voice message or sending a text message to a phone number provided by the buyer or lessee, by in-person oral

communication, by mailing a letter by first-class mail if the buyer or lessee expresses a preference for a letter or declines to provide an email address and a phone number capable of receiving a free text message, or by another means agreed to by the buyer or lessee or approved by the department, effective upon the execution, mailing, or sending of the communication and before expiration of the "bushing" period;

(b) Permits the dealer to renegotiate a dollar amount specified as trade-in allowance on a vehicle delivered or to be delivered by the buyer or lessee as part of the purchase price or lease, for any reason except:

(i) Failure to disclose that the vehicle's certificate of title has been branded for any reason, including, but not limited to, status as a rebuilt vehicle as provided in RCW 46.12.540 and 46.12.560; or

(ii) Substantial physical damage or latent mechanical defect occurring before the dealer took possession of the vehicle and which could not have been reasonably discoverable at the time of the taking of the order, offer, or contract; or

(iii) Excessive additional miles or a discrepancy in the mileage. "Excessive additional miles" means the addition of ~~((five hundred))~~ 500 miles or more, as reflected on the vehicle's odometer, between the time the vehicle was first valued by the dealer for purposes of determining its trade-in value and the time of actual delivery of the vehicle to the dealer. "A discrepancy in the mileage" means (A) a discrepancy between the mileage reflected on the vehicle's odometer and the stated mileage on the signed odometer statement; or (B) a discrepancy between the mileage stated on the signed odometer statement and the actual mileage on the vehicle; or

(c) Fails to comply with the obligation of any written warranty or guarantee given by the dealer requiring the furnishing of services or repairs within a reasonable time.

(5) To commit any offense relating to odometers, as such offenses are defined in RCW 46.37.540, 46.37.550, 46.37.560, and 46.37.570. A violation of this subsection is a class C felony punishable under chapter 9A.20 RCW.

(6) For any vehicle dealer or vehicle salesperson to refuse to furnish, upon request of a prospective purchaser or lessee, for vehicles previously registered to a business or governmental entity, the name and address of the business or governmental entity.

(7) To commit any other offense under RCW 46.37.423, 46.37.424, or 46.37.425.

(8) To commit any offense relating to a dealer's temporary license permit, including but not limited to failure to properly complete each such permit, or the issuance of more than one such permit on any one vehicle. However, a dealer may issue a second temporary permit on a vehicle if the following conditions are met:

(a) The lienholder fails to deliver the vehicle title to the dealer within the required time period;

(b) The dealer has satisfied the lien; and

(c) The dealer has proof that payment of the lien was made within two calendar days, exclusive of Saturday, Sunday, or a legal holiday, after the sales contract has been executed by all parties and all conditions and contingencies in the sales contract have been met or otherwise satisfied.

(9) For a dealer, salesperson, or mobile home manufacturer, having taken an instrument or cash "on deposit" from a purchaser or lessee prior to the delivery of the bargained-for vehicle, to commingle the "on deposit" funds with assets of the dealer, salesperson, or mobile home manufacturer instead of holding the "on deposit" funds as trustee in a separate trust account until the purchaser or lessee has taken delivery of the bargained-for vehicle. Delivery of a manufactured home shall be deemed to occur in accordance with RCW 46.70.135(5). Failure, immediately upon receipt, to endorse "on deposit" instruments to such a trust account, or to set aside "on deposit" cash for deposit in such trust account, and failure to deposit such instruments or cash in such trust account by the close of banking hours on the day following receipt thereof, shall be evidence of intent to commit this unlawful practice: PROVIDED, HOWEVER, That a motor vehicle dealer may keep a separate trust account which equals his or her customary total customer deposits for vehicles for future delivery. For purposes of this section,

"on deposit" funds received from a purchaser of a manufactured home means those funds that a seller requires a purchaser to advance before ordering the manufactured home, but does not include any loan proceeds or moneys that might have been paid on an installment contract.

(10) For a dealer or manufacturer to fail to comply with the obligations of any written warranty or guarantee given by the dealer or manufacturer requiring the furnishing of goods and services or repairs within a reasonable period of time, or to fail to furnish to a purchaser or lessee, all parts which attach to the manufactured unit including but not limited to the undercarriage, and all items specified in the terms of a sales or lease agreement signed by the seller and buyer or lessee.

(11) For a vehicle dealer to pay to or receive from any person, firm, partnership, association, or corporation acting, either directly or through a subsidiary, as a buyer's agent for consumers, any compensation, fee, purchase moneys or funds that have been deposited into or withdrawn out of any account controlled or used by any buyer's agent, gratuity, or reward in connection with the purchase, sale, or lease of a new motor vehicle.

(12) For a buyer's agent, acting directly or through a subsidiary, to pay to or to receive from any motor vehicle dealer any compensation, fee, gratuity, or reward in connection with the purchase, sale, or lease of a new motor vehicle. In addition, it is unlawful for any buyer's agent to engage in any of the following acts on behalf of or in the name of the consumer:

(a) Receiving or paying any purchase moneys or funds into or out of any account controlled or used by any buyer's agent;

(b) Signing any vehicle purchase orders, sales contracts, leases, odometer statements, or title documents, or having the name of the buyer's agent appear on the vehicle purchase order, sales contract, lease, or title; or

(c) Signing any other documentation relating to the purchase, sale, lease, or transfer of any new motor vehicle.

It is unlawful for a buyer's agent to use a power of attorney obtained from the consumer to accomplish or effect the

purchase, sale, lease, or transfer of ownership documents of any new motor vehicle by any means which would otherwise be prohibited under (a) through (c) of this subsection. However, the buyer's agent may use a power of attorney for physical delivery of motor vehicle license plates to the consumer.

Further, it is unlawful for a buyer's agent to engage in any false, deceptive, or misleading advertising, disseminated in any manner whatsoever, including but not limited to making any claim or statement that the buyer's agent offers, obtains, or guarantees the lowest price on any motor vehicle or words to similar effect.

(13) For a buyer's agent to arrange for or to negotiate the purchase, or both, of a new motor vehicle through an out-of-state dealer without disclosing in writing to the customer that the new vehicle would not be subject to chapter 19.118 RCW. This subsection also applies to leased vehicles. In addition, it is unlawful for any buyer's agent to fail to have a written agreement with the customer that: (a) Sets forth the terms of the parties' agreement; (b) discloses to the customer the total amount of any fees or other compensation being paid by the customer to the buyer's agent for the agent's services; and (c) further discloses whether the fee or any portion of the fee is refundable.

(14) Being a manufacturer, other than a motorcycle manufacturer governed by chapter 46.93 RCW, to:

(a) Coerce or attempt to coerce any vehicle dealer to order or accept delivery of any vehicle or vehicles, parts or accessories, or any other commodities which have not been voluntarily ordered by the vehicle dealer: PROVIDED, That recommendation, endorsement, exposition, persuasion, urging, or argument are not deemed to constitute coercion;

(b) Cancel or fail to renew the franchise or selling agreement of any vehicle dealer doing business in this state without fairly compensating the dealer at a fair going business value for his or her capital investment which shall include but not be limited to tools, equipment, and parts inventory possessed by the dealer on the day he or she is notified of such cancellation or termination and which are still within the dealer's possession on the day the

cancellation or termination is effective, if: (i) The capital investment has been entered into with reasonable and prudent business judgment for the purpose of fulfilling the franchise; and (ii) the cancellation or nonrenewal was not done in good faith. Good faith is defined as the duty of each party to any franchise to act in a fair and equitable manner towards each other, so as to guarantee one party freedom from coercion, intimidation, or threats of coercion or intimidation from the other party: PROVIDED, That recommendation, endorsement, exposition, persuasion, urging, or argument are not deemed to constitute a lack of good faith;

(c) Encourage, aid, abet, or teach a vehicle dealer to sell or lease vehicles through any false, deceptive, or misleading sales or financing practices including but not limited to those practices declared unlawful in this section;

(d) Coerce or attempt to coerce a vehicle dealer to engage in any practice forbidden in this section by either threats of actual cancellation or failure to renew the dealer's franchise agreement;

(e) Refuse to deliver any vehicle publicly advertised for immediate delivery to any duly licensed vehicle dealer having a franchise or contractual agreement for the retail sale or lease of new and unused vehicles sold or distributed by such manufacturer within sixty days after such dealer's order has been received in writing unless caused by inability to deliver because of shortage or curtailment of material, labor, transportation, or utility services, or by any labor or production difficulty, or by any cause beyond the reasonable control of the manufacturer;

(f) To provide under the terms of any warranty that a purchaser or lessee of any new or unused vehicle that has been sold or leased, distributed for sale or lease, or transferred into this state for resale or lease by the vehicle manufacturer may only make any warranty claim on any item included as an integral part of the vehicle against the manufacturer of that item.

Nothing in this section may be construed to impair the obligations of a contract or to prevent a manufacturer, distributor, representative, or any other person, whether or not licensed

under this chapter, from requiring performance of a written contract entered into with any licensee hereunder, nor does the requirement of such performance constitute a violation of any of the provisions of this section if any such contract or the terms thereof requiring performance, have been freely entered into and executed between the contracting parties. This paragraph and subsection (14)(b) of this section do not apply to new motor vehicle manufacturers governed by chapter 46.96 RCW.

(15) Unlawful transfer of an ownership interest in a motor vehicle as defined in RCW 19.116.050.

(16) To knowingly and intentionally engage in collusion with a registered owner of a vehicle to repossess and return or resell the vehicle to the registered owner in an attempt to avoid a suspended license impound under chapter 46.55 RCW. However, compliance with chapter 62A.9A RCW in repossessing, selling, leasing, or otherwise disposing of the vehicle, including providing redemption rights to the debtor, is not a violation of this section.

(17)(a) For a dealer to enter into a new motor vehicle sales contract without disclosing in writing to a buyer of the new motor vehicle, or to a dealer in the case of an unregistered motor vehicle, any known damage and repair to the new motor vehicle if the damage exceeds five percent of the manufacturer's suggested retail price as calculated at the dealer's authorized warranty rate for labor and parts, or ~~((one thousand dollars))~~ \$1,000, whichever amount is greater. A manufacturer or new motor vehicle dealer is not required to disclose to a dealer or buyer that glass, tires, bumpers, or cosmetic parts of a new motor vehicle were damaged at any time if the damaged item has been replaced with original or comparable equipment. A replaced part is not part of the cumulative damage required to be disclosed under this subsection.

(b) A manufacturer is required to provide the same disclosure to a dealer of any known damage or repair as required in (a) of this subsection.

(c) If disclosure of any known damage or repair is not required under this section, a buyer may not revoke or rescind a sales contract due to the fact that the new motor vehicle was damaged

and repaired before completion of the sale.

(d) As used in this section:

(i) "Cosmetic parts" means parts that are attached by and can be replaced in total through the use of screws, bolts, or other fasteners without the use of welding or thermal cutting, and includes windshields, bumpers, hoods, or trim panels.

(ii) "Manufacturer's suggested retail price" means the retail price of the new motor vehicle suggested by the manufacturer, and includes the retail delivered price suggested by the manufacturer for each accessory or item of optional equipment physically attached to the new motor vehicle at the time of delivery to the new motor vehicle dealer that is not included within the retail price suggested by the manufacturer for the new motor vehicle.

### Part III

#### General Fund and Other Related Support

**Sec. 301.** RCW 82.32.385 and 2020 c 219 s 703 are each amended to read as follows:

(1) Beginning September 2019 and ending December 2019, by the last day of September and December, the state treasurer must transfer from the general fund to the connecting Washington account created in RCW 46.68.395 (~~(thirteen million six hundred eighty thousand dollars))~~ \$13,680,000.

(2) Beginning March 2020 and ending June 2021, by the last day of September, December, March, and June of each year, the state treasurer must transfer from the general fund to the multimodal transportation account created in RCW 47.66.070 (~~(thirteen million six hundred eighty thousand dollars))~~ \$13,680,000.

(3) Beginning September 2021 and ending June 2023, by the last day of September, December, March, and June of each year, the state treasurer must transfer from the general fund to the connecting Washington account created in RCW 46.68.395 (~~(thirteen million eight hundred five thousand dollars))~~ \$13,805,000.

(4) Beginning September 2023 and ending June 2025, by the last day of September, December, March, and June of each year, the state treasurer must transfer from the general fund to the



connecting Washington account created in RCW 46.68.395 (~~thirteen million nine hundred eighty seven thousand dollars~~) \$13,987,000.

(5) Beginning September 2025 and ending June 2027, by the last day of September, December, March, and June of each year, the state treasurer must transfer from the general fund to the connecting Washington account created in RCW 46.68.395 (~~eleven million six hundred fifty eight thousand dollars~~) \$11,658,000.

(6) Beginning September 2027 and ending June 2029, by the last day of September, December, March, and June of each year, the state treasurer must transfer from the general fund to the connecting Washington account created in RCW 46.68.395 (~~seven million five hundred sixty four thousand dollars~~) \$7,564,000.

(7) Beginning September 2029 and ending June 2031, by the last day of September, December, March, and June of each year, the state treasurer must transfer from the general fund to the connecting Washington account created in RCW 46.68.395 (~~four million fifty six thousand dollars~~) \$4,056,000.

(8) For fiscal year 2026 through fiscal year 2038, the state treasurer must transfer from the general fund to the move ahead WA flexible account created in section 402 of this act \$31,000,000 each fiscal year in four equal quarterly transfers. This amount represents the estimated state sales and use tax generated from new transportation projects and activities funded as a result of this act.

**Sec. 302.** RCW 82.08.993 and 2021 c 171 s 2 are each amended to read as follows:

(1)(a) Subject to the limitations in this subsection, beginning July 1, 2022, with sales made or lease agreements signed on or after this date until the expiration of this section, (~~fifty~~) 50 percent of the tax levied by RCW 82.08.020 does not apply to sales or leases of new electric passenger cars, light duty trucks, and medium duty passenger vehicles, that are powered by a fuel cell.

(b)(i) By the end of the fifth working day of each month, until the expiration of the exemption as described in (c) of this subsection, the department must

determine the cumulative number of vehicles that have claimed the exemption as described in (a) of this subsection.

(ii) The department of licensing must collect and provide, upon request, information in a form or manner as required by the department to determine the number of exemptions that have been claimed.

(c) The exemption under this section expires after the last day of the calendar month immediately following the month the department determines that the total number of vehicles exempt under (a) of this subsection reaches 650. All leased vehicles that qualified for the exemption before the expiration of the exemption must continue to receive the exemption as described under (a) of this subsection on lease payments due through the remainder of the lease.

(d) The department must provide notification on its website monthly on the amount of exemptions that have been applied for, the amount issued, and the amount remaining before the limit described in (c) of this subsection has been reached, and, once that limit has been reached, the date the exemption expires pursuant to (c) of this subsection.

(e) A person may not claim the exemption under this subsection if the person claims the exemption under RCW 82.08.9999 or 82.12.9999.

(f) The per vehicle exemption must be based on the sales price for purchased vehicles and fair market value at the inception of the lease for leased vehicles.

(2)(a) Subject to the limitations in this subsection (2), beginning July 1, 2022, with sales made or lease agreements signed on or after this date until the expiration of this section, the entire tax levied by RCW 82.08.020 does not apply to the sale or lease of used electric passenger cars, light duty trucks, and medium duty passenger vehicles, that are powered by a fuel cell.

(b) The per vehicle exemption must be based on the sales price for purchased vehicles and fair market value at the inception of the lease for leased vehicles. However, the maximum value amount eligible for the exemption under (a) of this subsection is the lesser of either (~~sixteen thousand dollars~~)

\$16,000 or the fair market value of the vehicle.

(c) A person may not claim the exemption under this subsection (2) if the person claims the exemption under RCW 82.08.9999 or 82.12.9999.

(3) (a) For qualifying vehicles sold by a person licensed to do business in the state of Washington, the seller must keep records necessary for the department to verify eligibility under this section. The seller reporting the exemption must also submit itemized information to the department for all vehicles for which an exemption is claimed that must include the following: Vehicle make; vehicle model; model year; whether the vehicle has been sold or leased; date of sale or start date of lease; length of lease; sales price for purchased vehicles and fair market value at the inception of the lease for leased vehicles; and the total amount qualifying for the incentive claimed for each vehicle, in addition to the future monthly amount to be claimed for each leased vehicle. This information must be provided in a form and manner prescribed by the department.

(b) For vehicles purchased from (i) a seller that is not licensed to do business in the state of Washington, or (ii) a private party, the buyer must keep records necessary for the department to verify eligibility under this section. The buyer claiming the exemption must also submit itemized information to the department for all vehicles for which an exemption is claimed that must include the following: Vehicle make; vehicle model; model year; date of sale; sales price; and the total amount qualifying for the incentive claimed for each vehicle. This information must be provided in a form and manner prescribed by the department.

(4) (a) The department of licensing must maintain and publish a list of all vehicle models qualifying for the tax exemptions under this section and RCW 82.12.817 until the expiration of this section, and is authorized to issue final rulings on vehicle model qualification for these criteria.

(b) The department of revenue retains responsibility for determining whether a vehicle meets the applicable qualifying criterion under subsections (1) and (2) of this section.

(5) ~~((On the last day of July, October, January, and April of each year, the~~

~~state treasurer, based upon information provided by the department, must transfer from the electric vehicle account to the general fund a sum equal to the dollar amount that would otherwise have been deposited into the general fund during the prior fiscal quarter but for the exemptions provided in this section. Information provided by the department to the state treasurer must be based on the best available data, except that the department may provide estimates of taxes exempted under this section until such time as retailers are able to report such exempted amounts on their tax returns.~~

~~(6))~~ By the last day of August 2023, and annually thereafter until this section expires, based on the best available data, the department must report the following information to the transportation committees of the legislature: The cumulative number of fuel cell electric vehicles that qualified for the exemptions under this section and RCW 82.12.817 by month of purchase or lease start and vehicle make and model; the dollar amount of all state retail sales and use taxes exempted on or after the qualification period start date, under this section and RCW 82.12.817; and estimates of the future costs of leased vehicles that qualified for the exemptions under this section and RCW 82.12.817.

~~((7))~~ (6) (a) Sales of vehicles delivered to the buyer after the expiration of this section, or leased vehicles for which the lease agreement was signed after the expiration of this section, do not qualify for the exemptions under this section.

(b) All leased vehicles that qualified for the exemption under this section before the expiration of this section must continue to receive the exemption on any lease payments due through the remainder of the lease.

~~((8))~~ (7) For the purposes of this section:

(a) "Fair market value" has the same meaning as "value of the article used" in RCW 82.12.010.

(b) "Fuel cell" means a technology that uses an electrochemical reaction to generate electric energy by combining atoms of hydrogen and oxygen in the presence of a catalyst.

(c) "New vehicle" has the same meaning as "new motor vehicle" in RCW 46.04.358.

(d) "Selling price" and "sales price" have the same meaning as in RCW 82.08.010.

(e) "Used vehicle" has the same meaning as in RCW 46.04.660.

~~((4))~~ (8) This section expires June 30, 2029.

**Sec. 303.** RCW 82.12.817 and 2021 c 171 s 3 are each amended to read as follows:

(1) Subject to the limitations in this subsection and RCW 82.08.993(1)(c), beginning July 1, 2022, with sales made or lease agreements signed on or after this date until the expiration of this section, ~~((fifty))~~ 50 percent of the tax levied by RCW 82.12.020 does not apply to sales or leases of new electric passenger cars, light duty trucks, and medium duty passenger vehicles, that are powered by a fuel cell.

(2)(a) Subject to the limitations in this subsection (2), beginning July 1, 2022, with sales made or lease agreements signed on or after this date until the expiration of this section, the entire tax levied by RCW 82.12.020 does not apply to the sale or lease of used electric passenger cars, light duty trucks, and medium duty passenger vehicles, that are powered by a fuel cell.

(b) The per vehicle exemption must be based on the sales price for purchased vehicles and fair market value at the inception of the lease for leased vehicles. However, the maximum value amount eligible for the exemption under (a) of this subsection is the lesser of either ~~((sixteen thousand dollars))~~ \$16,000 or the fair market value of the vehicle.

(c) A person may not claim the exemption under this subsection (2) if the person claims the exemption under RCW 82.08.9999 or 82.12.9999.

(3) The buyer must keep records necessary for the department to verify eligibility under this section. The buyer claiming the exemption must also submit itemized information to the department for all vehicles for which an exemption is claimed that must include the following: Vehicle make; vehicle model; model year; whether the vehicle has been sold or leased; date of sale or start date of lease; length of lease; sales price for purchased vehicles and fair

market value at the inception of the lease for leased vehicles; and the total amount qualifying for the incentive claimed for each vehicle, in addition to the future monthly amount to be claimed for each leased vehicle. This information must be provided in a form and manner prescribed by the department.

~~(4) ((On the last day of July, October, January, and April of each year, the state treasurer, based upon information provided by the department, must transfer from the electric vehicle account to the general fund a sum equal to the dollar amount that would otherwise have been deposited into the general fund during the prior fiscal quarter but for the exemptions provided in this section. Information provided by the department to the state treasurer must be based on the best available data.~~

~~(5))~~ (a) Sales of vehicles delivered to the buyer after the expiration of this section, or leased vehicles for which the lease agreement was signed after the expiration of this section, do not qualify for the exemptions under this section.

(b) All leased vehicles that qualified for the exemption under this section before the expiration of this section must continue to receive the exemption on any lease payments due through the remainder of the lease.

~~((46))~~ (5) The definitions in RCW 82.08.993 apply to this section.

~~((47))~~ (6) This section expires June 30, 2029.

**Sec. 304.** RCW 82.08.9999 and 2021 c 145 s 13 are each amended to read as follows:

(1) Beginning August 1, 2019, with sales made or lease agreements signed on or after the qualification period start date:

(a) The tax levied by RCW 82.08.020 does not apply as provided in (b) of this subsection to sales or leases of new or used passenger cars, light duty trucks, and medium duty passenger vehicles that:

(i) Are exclusively powered by a clean alternative fuel; or

(ii) Use at least one method of propulsion that is capable of being reenergized by an external source of electricity and are capable of traveling

at least (~~(thirty)~~) 30 miles using only battery power; and

(iii) (A) Have a vehicle selling price plus trade-in property of like kind for purchased vehicles that:

(I) For a vehicle that is a new vehicle at the time of the purchase date or the date the lease agreement was signed, does not exceed (~~(forty-five thousand dollars)~~) \$45,000; or

(II) For a vehicle that is a used vehicle at the time of the purchase date or the date the lease agreement was signed, does not exceed (~~(thirty thousand dollars)~~) \$30,000; or

(B) Have a fair market value at the inception of the lease for leased vehicles that:

(I) For a vehicle that is a new vehicle at the time of the purchase date or the date the lease agreement was signed, does not exceed (~~(forty-five thousand dollars)~~) \$45,000; or

(II) For a vehicle that is a used vehicle at the time of the purchase date or the date the lease agreement was signed, does not exceed (~~(thirty thousand dollars)~~) \$30,000;

(b) (i) The exemption in this section is applicable for up to the amounts specified in (b) (ii) or (iii) of this subsection of:

(A) The total amount of the vehicle's selling price, for sales made; or

(B) The total lease payments made plus any additional selling price of the leased vehicle if the original lessee purchases the leased vehicle before the qualification period end date, for lease agreements signed.

(ii) Based on the purchase date or the date the lease agreement was signed of the vehicle if the vehicle is a new vehicle at the time of the purchase date or the date the lease agreement was signed:

(A) From the qualification period start date until July 31, 2021, the maximum amount eligible under (b) (i) of this subsection is (~~(twenty-five thousand dollars)~~) \$25,000;

(B) From August 1, 2021, until July 31, 2023, the maximum amount eligible under (b) (i) of this subsection is (~~(twenty thousand dollars)~~) \$20,000;

(C) From August 1, 2023, until July 31, 2025, the maximum amount eligible under (b) (i) of this subsection is (~~(fifteen thousand dollars)~~) \$15,000.

(iii) If the vehicle is a used vehicle at the time of the purchase date or the date the lease agreement was signed, the maximum amount eligible under (b) (i) of this subsection is (~~(sixteen thousand dollars)~~) \$16,000.

(2) The seller must keep records necessary for the department to verify eligibility under this section. A person claiming the exemption must also submit itemized information to the department for all vehicles for which an exemption is claimed that must include the following: Vehicle make; vehicle model; model year; whether the vehicle has been sold or leased; date of sale or start date of lease; length of lease; sales price for purchased vehicles and fair market value at the inception of the lease for leased vehicles; and the total amount qualifying for the incentive claimed for each vehicle, in addition to the future monthly amount to be claimed for each leased vehicle. This information must be provided in a form and manner prescribed by the department.

(3) (a) The department of licensing must maintain and publish a list of all vehicle models qualifying for the tax exemptions under this section or RCW 82.12.9999 until the expiration date of this section, and is authorized to issue final rulings on vehicle model qualification for these criteria. A seller is not responsible for repayment of the tax exemption under this section and RCW 82.12.9999 for a vehicle if the department of licensing's published list of qualifying vehicle models on the purchase date or the date the lease agreement was signed includes the vehicle model and the department of licensing subsequently removes the vehicle model from the published list, and, if applicable, the vehicle meets the qualifying criterion under subsection (1) (a) (iii) (B) of this section and RCW 82.12.9999 (1) (a) (iii) (B).

(b) The department of revenue retains responsibility for determining whether a vehicle meets the applicable qualifying criterion under subsection (1) (a) (iii) (B) of this section and RCW 82.12.9999 (1) (a) (iii) (B).

(4) (~~On the last day of January, April, July, and October of each year,~~

~~the state treasurer, based upon information provided by the department, must transfer from the electric vehicle account to the general fund a sum equal to the dollar amount that would otherwise have been deposited into the general fund during the prior calendar quarter but for the exemption provided in this section. Information provided by the department to the state treasurer must be based on the best available data, except that the department may provide estimates of taxes exempted under this section until such time as retailers are able to report such exempted amounts on their tax returns.~~

~~(5))~~ By the last day of October 2019, and every six months thereafter until this section expires, based on the best available data, the department must report the following information to the transportation committees of the legislature: The cumulative number of vehicles that qualified for the exemption under this section and RCW 82.12.9999 by month of purchase or lease start and vehicle make and model; the dollar amount of all state retail sales and use taxes exempted on or after the qualification period start date, under this section and RCW 82.12.9999; and estimates of the future costs of leased vehicles that qualified for the exemption under this section and RCW 82.12.9999.

~~((6))~~ (5) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Clean alternative fuel" means natural gas, propane, hydrogen, or electricity, when used as a fuel in a motor vehicle that meets the California motor vehicle emission standards in Title 13 of the California Code of Regulations, effective January 1, 2019, and the rules of the Washington state department of ecology.

(b) "Fair market value" has the same meaning as "value of the article used" in RCW 82.12.010.

(c) "New vehicle" has the same meaning as "new motor vehicle" in RCW 46.04.358.

(d) "Qualification period end date" means August 1, 2025.

(e) "Qualification period start date" means August 1, 2019.

(f) "Used vehicle" has the same meaning as in RCW 46.04.660.

~~((7))~~ (6) (a) Sales of vehicles delivered to the buyer or leased vehicles for which the lease agreement was signed after the qualification period end date do not qualify for the exemption under this section.

(b) All leased vehicles that qualified for the exemption under this section before the qualification period end date must continue to receive the exemption as described under subsection (1) (b) of this section on any lease payments due through the remainder of the lease before August 1, 2028.

~~((8))~~ (7) This section expires August 1, 2028.

~~((9))~~ (8) This section is supported by the revenues generated in RCW 46.17.324, and therefore takes effect only if RCW 46.17.324 is enacted by June 30, 2019.

**Sec. 305.** RCW 82.12.9999 and 2019 c 287 s 10 are each amended to read as follows:

(1) Beginning August 1, 2019, beginning with sales made or lease agreements signed on or after the qualification period start date:

(a) The provisions of this chapter do not apply as provided in (b) of this subsection in respect to the use of new or used passenger cars, light duty trucks, and medium duty passenger vehicles that:

(i) Are exclusively powered by a clean alternative fuel; or

(ii) Use at least one method of propulsion that is capable of being reenergized by an external source of electricity and are capable of traveling at least ~~((thirty))~~ 30 miles using only battery power; and

(iii) (A) Have a fair market value at the time use tax is imposed for purchased vehicles that:

(I) For a vehicle that is a new vehicle at the time of the purchase date or the date the lease agreement was signed, does not exceed ~~((forty-five thousand dollars))~~ \$45,000; or

(II) For a vehicle that is a used vehicle at the time of the purchase date or the date the lease agreement was signed, does not exceed ~~((thirty thousand dollars))~~ \$30,000; or

(B) Have a fair market value at the inception of the lease for leased vehicles that:

(I) For a vehicle that is a new vehicle at the time of the purchase date or the date the lease agreement was signed, does not exceed (~~forty-five thousand dollars~~) \$45,000; or

(II) For a vehicle that is a used vehicle at the time of the purchase date or the date the lease agreement was signed, does not exceed (~~thirty thousand dollars~~) \$30,000;

(b)(i) The exemption in this section is only applicable for up to the amounts specified in (b)(ii) or (iii) of this subsection of:

(A) The total amount of the vehicle's purchase price, for sales made; or

(B) The total lease payments made plus any additional purchase price of the leased vehicle if the original lessee purchases the leased vehicle before the qualification period end date, for lease agreements signed.

(ii) Based on the purchase date or the date the lease agreement was signed of the vehicle if the vehicle is a new vehicle at the time of the purchase date or the date the lease agreement was signed:

(A) From the qualification period start date until July 31, 2021, the maximum amount eligible under (b)(i) of this subsection is (~~twenty five thousand dollars~~) \$25,000;

(B) From August 1, 2021, until July 31, 2023, the maximum amount eligible under (b)(i) of this subsection is (~~twenty thousand dollars~~) \$20,000;

(C) From August 1, 2023, until July 31, 2025, the maximum amount eligible under (b)(i) of this subsection is (~~fifteen thousand dollars~~) \$15,000.

(iii) If the vehicle is a used vehicle at the time of the purchase date or the date the lease agreement was signed, the maximum amount eligible under (b)(i) of this subsection is (~~sixteen thousand dollars~~) \$16,000.

(2)(a) The seller must keep records necessary for the department to verify eligibility under this section, except as provided in (b) of this subsection. A person claiming the exemption must also submit itemized information to the department for all vehicles for which an

exemption is claimed that must include the following: Vehicle make; vehicle model; model year; whether the vehicle has been sold or leased; date of sale or start date of lease; length of lease; fair market value of the vehicle; and the total amount qualifying for the incentive claimed for each vehicle, in addition to the future monthly amount to be claimed for each leased vehicle. This information must be provided in a form and manner prescribed by the department.

(b) (a) of this subsection applies only if the seller or person claiming the exemption is a vehicle dealer, as defined under RCW 46.70.011. When the seller is not a vehicle dealer, the department of licensing must establish a process for granting the tax exemption under this section for use tax otherwise collected at the time the ownership of a vehicle is transferred when the vehicle qualifies for the use tax exemption under subsection (1)(a) of this section, and must provide any information required under (a) of this subsection that it obtains as part of the vehicle titling and registration process for these vehicles to the department on at least a quarterly basis.

(3) (~~On the last day of January, April, July, and October of each year, the state treasurer, based upon information provided by the department, must transfer from the electric vehicle account to the general fund a sum equal to the dollar amount that would otherwise have been deposited into the general fund during the prior calendar quarter but for the exemption provided in this section. Information provided by the department to the state treasurer must be based on the best available data.~~

~~(4)~~ (a) Vehicles purchased or leased vehicles for which the lease agreement was signed after the qualification period end date do not qualify for the exemption under this section.

(b) All leased vehicles that qualified for the exemption under this section before the qualification period end date must continue to receive the exemption as described under subsection (1)(b) of this section on any lease payments due through the remainder of the lease before August 1, 2028.

~~(5)~~ (4) The definitions in RCW 82.08.9999 apply to this section.

~~(6)~~ (5) This section is supported by the revenues generated in RCW

46.17.324, and therefore takes effect only if RCW 46.17.324 is enacted by June 30, 2019.

~~((47))~~ (6) This section expires August 1, 2028.

**Sec. 306.** RCW 82.04.4496 and 2019 c 287 s 8 are each amended to read as follows:

(1)(a)(i) A person who is taxable under this chapter is allowed a credit against the tax imposed in this chapter according to the gross vehicle weight rating of the vehicle and the incremental cost of the vehicle purchased above the purchase price of a comparable conventionally fueled vehicle. The credit is limited, as set forth in the table below, to the lesser of the incremental cost amount or the maximum credit amount per vehicle purchased, and subject to a maximum annual credit amount per vehicle class.

Gross Vehicle Weight	Incremental Cost Amount	Maximum Credit Amount Per Vehicle	Maximum Annual Credit Per Vehicle Class
Up to 14,000 pounds	75% of incremental cost	\$25,000	\$2,000,000
14,001 to 26,500 pounds	75% of incremental cost	\$50,000	\$2,000,000
Above 26,500 pounds	75% of incremental cost	\$100,000	\$2,000,000

(ii) A person who is taxable under this chapter is allowed a credit against the tax imposed in this chapter for up to ~~((fifty))~~ 50 percent of the cost to purchase alternative fuel vehicle infrastructure, tangible personal property that will become a component of alternative fuel vehicle infrastructure, and installation and construction of alternative fuel vehicle infrastructure, but excluding the cost of property acquisition and site improvement related to the installation of alternative fuel vehicle infrastructure. The credit is

subject to a maximum annual credit amount of ~~((two million dollars))~~ \$2,000,000.

(b) On September 1st of each year, any unused credits from any category identified in (a) of this subsection must be made available to applicants applying for credits under any other category identified in (a) of this subsection, subject to the maximum annual and total credit amounts identified in this subsection. The credit established in this section and RCW 82.16.0496 is subject to a maximum annual credit amount of ~~((six million dollars))~~ \$6,000,000, and a maximum total credit amount of ~~((thirty two and one half million dollars))~~ \$32,500,000 since the credit became available on July 15, 2015.

(c) The credit provided in (a)(i) of this subsection is available for the lease of a vehicle. The credit amount for a leased vehicle is equal to the credit in (a)(i) of this subsection multiplied by the lease reduction factor. The person claiming the credit for a leased vehicle must be the lessee as identified in the lease contract.

(2) A person who is taxable under this chapter is allowed, subject to the maximum annual credit per category in subsection (1)(a) of this section, a credit against the tax imposed in this chapter for the lesser of ~~((twenty five thousand dollars))~~ \$25,000 or ~~((fifty))~~ 50 percent of the costs of converting a commercial vehicle to be principally powered by a clean alternative fuel with a United States environmental protection agency certified conversion.

(3) The total credits under subsection (1)(a)(i) of this section may not exceed the lesser of ~~((two hundred fifty thousand dollars))~~ \$250,000 or ~~((twenty five))~~ 25 vehicles per person per calendar year.

(4) A person may not receive credit under this section for amounts claimed as credits under chapter 82.16 RCW.

(5) Credits are available on a first-in-time basis.

(a) The department must disallow any credits, or portion thereof, that would cause the total amount of credits claimed under this section, and RCW 82.16.0496, during any calendar year to exceed ~~((six million dollars))~~ \$6,000,000. The department must provide notification on its website monthly on the amount of credits that have been applied for, the

amount issued, and the amount remaining before the statewide annual limit is reached. In addition, the department must provide written notice to any person who has applied to claim tax credits in excess of the limitation in this subsection.

(b) The department must disallow any credits, or portion thereof, that would cause the total amount of credits claimed beginning July 15, 2015, under this section and RCW 82.16.0496 to exceed ~~((thirty-two and one-half million dollars))~~ \$32,500,000. The department must provide notification on its website monthly on the total amount of credits that have been applied for, the amount issued, and the amount remaining before the statewide limit is reached. In addition, the department must provide written notice to any person who has applied to claim tax credits in excess of the limitation in this subsection.

(6) For the purposes of the limits provided in this section, a credit must be counted against such limits for the calendar year in which the credit is earned.

(7) To claim a credit under this section a person must electronically file with the department all returns, forms, and any other information required by the department, in an electronic format as provided or approved by the department. No refunds may be granted for credits under this section.

(8) To claim a credit under this section, the person applying must:

(a) Complete an application for the credit which must include:

(i) The name, business address, and tax identification number of the applicant;

(ii) A quote or unexecuted copy of the purchase requisition or order for the vehicle, infrastructure, infrastructure components, infrastructure construction, or infrastructure installation;

(iii) The type of alternative fuel to be used by the vehicle or supported by the infrastructure;

(iv) The incremental cost of the alternative fuel system for vehicle credits;

(v) The anticipated delivery date of the vehicle, the anticipated delivery date of the infrastructure or

infrastructure components, the anticipated construction completion date of the infrastructure, or the anticipated installation completion date of the infrastructure;

(vi) The estimated annual fuel use of the vehicle in the anticipated duties or the estimated annual fuel to be supplied by the infrastructure;

(vii) The gross weight of each vehicle for vehicle credits;

(viii) For leased vehicles, a copy of the lease contract that includes the gross capitalized cost, residual value, and name of the lessee; and

(ix) Any other information deemed necessary by the department to support administration or reporting of the program.

(b) Within ~~((fifteen))~~ 15 days of notice of credit availability from the department, provide notice of intent to claim the credit including:

(i) A copy of the order for the vehicle or infrastructure-related item, including the total cost for the vehicle or infrastructure-related item;

(ii) The anticipated delivery date of the vehicle or infrastructure or infrastructure component, which must be within one year of acceptance of the credit;

(iii) The anticipated construction or installation completion date of the infrastructure, which must be within two years of acceptance of the credit; and

(iv) Any other information deemed necessary by the department to support administration or reporting of the program.

(c) Provide final documentation within ~~((thirty))~~ 30 days of receipt of the vehicle or infrastructure or infrastructure components or of completion of construction or installation of the infrastructure, including:

(i) A copy of the final invoice for the vehicle or infrastructure-related items;

(ii) A copy of the factory build sheet or equivalent documentation;

(iii) The vehicle identification number of each vehicle;



(iv) The incremental cost of the alternative fuel system for vehicle credits;

(v) Attestations signed by both the seller and purchaser of each vehicle attesting that the incremental cost of the alternative fuel system includes only the costs necessary for the vehicle to run on alternative fuel and no other vehicle options, equipment, or costs; and

(vi) Any other information deemed necessary by the department to support administration or reporting of the program.

(9) A person applying for credit under subsection (8) of this section may apply for multiple vehicles on the same application, but the application must include the required information for each vehicle included in the application. A separate application is required for infrastructure-related items, but all infrastructure-related items at a single location may be included in a single application provided the required information for each infrastructure-related item is included in the application.

(10) To administer the credits, the department must, at a minimum:

(a) Provide notification on its website monthly of the amount of credits that have been applied for, claimed, and the amount remaining before the statewide annual limit and total limit are reached;

(b) Within ~~((fifteen))~~ 15 days of receipt of the application, notify persons applying of the availability of tax credits in the year in which the vehicles or infrastructure applied for are anticipated to be delivered, constructed, or installed;

(c) Within ~~((fifteen))~~ 15 days of receipt of the notice of intent to claim the tax credit, notify the applicant of the approval, denial, or missing information in their notice; and

(d) Within ~~((fifteen))~~ 15 days of receipt of final documentation, review the documentation and notify the person applying of the acceptance of their final documentation.

(11) If a person fails to supply the information as required in subsection (8) of this section, the department must deny the application.

(12)(a) Taxpayers are only eligible for a credit under this section based on:

(i) Sales or leases of new commercial vehicles and qualifying used commercial vehicles with propulsion units that are principally powered by a clean alternative fuel;

(ii) Costs to modify a commercial vehicle, including sales of tangible personal property incorporated into the vehicle and labor or service expenses incurred in modifying the vehicle, to be principally powered by a clean alternative fuel; or

(iii) Sales of alternative fuel vehicle infrastructure or infrastructure components, or the cost of construction or installation of alternative fuel vehicle infrastructure.

(b) A credit is earned when the purchaser or the lessee takes receipt of the qualifying commercial vehicle or infrastructure-related item, the vehicle conversion is complete, or the construction or installation of the infrastructure is complete.

(13) A credit earned during one calendar year may be carried over to be credited against taxes incurred in the subsequent calendar year, but may not be carried over a second year.

~~(14) ((a) Beginning November 25, 2015, and on the 25th of February, May, August, and November of each year thereafter, the department must notify the state treasurer of the amount of credits taken under this section as reported on returns filed with the department during the preceding calendar quarter ending on the last day of December, March, June, and September, respectively.~~

~~(b) On the last day of March, June, September, and December of each year, the state treasurer, based upon information provided by the department, must transfer a sum equal to the dollar amount of the credit provided under this section from the multimodal transportation account to the general fund.~~

~~(15))~~ The department must conduct outreach to interested parties to obtain input on how best to streamline the application process required for the credit made available in this section and RCW 82.16.0496 to further adoption of alternative fuel technologies in commercial vehicle fleets, and must incorporate the findings resulting from

this outreach effort into the rules and practices it adopts to implement and administer this section and RCW 82.16.0496 to the extent permitted under law.

~~((16))~~ (15) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Alternative fuel vehicle infrastructure" means structures, machinery, and equipment necessary and integral to support a clean alternative fuel vehicle.

(b) "Auto transportation company" means any corporation or person owning, controlling, operating, or managing any motor propelled vehicle, used in the business of transporting persons for compensation over public highways within the state of Washington, between fixed points or over a regular route. For the purposes of this section, "auto transportation company" also includes the following categories of providers irrespective of whether they provide service between fixed points or over a regular route: "Private, nonprofit transportation provider" as defined in RCW 81.66.010, "charter party carrier" as defined in RCW 81.70.020, and paratransit service providers who primarily provide special needs transportation to individuals with disabilities and the elderly.

(c) "Clean alternative fuel" means electricity, dimethyl ether, hydrogen, methane, natural gas, liquefied natural gas, compressed natural gas, or propane.

(d) "Commercial vehicle" means any commercial vehicle that is purchased by a private business and that is used exclusively in the provision of commercial services or the transportation of commodities, merchandise, produce, refuse, freight, animals, or passengers, and that is displaying a Washington state license plate. All commercial vehicles that provide transportation to passengers must be operated by an auto transportation company.

(e) "Gross capitalized cost" means the agreed upon value of the commercial vehicle and including any other items a person pays over the lease term that are included in such cost.

(f) "Lease reduction factor" means the vehicle gross capitalized cost less the

residual value, divided by the gross capitalized cost.

(g) "Qualifying used commercial vehicle" means vehicles that:

(i) Have an odometer reading of less than ~~((four hundred fifty thousand))~~ 450,000 miles;

(ii) Are less than ~~((ten))~~ 10 years past their original date of manufacture;

(iii) Were modified after the initial purchase with a United States environmental protection agency certified conversion that would allow the propulsion units to be principally powered by a clean alternative fuel; and

(iv) Are being sold for the first time after modification.

(h) "Residual value" means the lease-end value of the vehicle as determined by the lessor, at the end of the lease term included in the lease contract.

~~((17))~~ (16) Credits may be earned under this section from January 1, 2016, until the maximum total credit amount in subsection (1)(b) of this section is reached, except for credits for leased vehicles, which may be earned from July 1, 2016, until the maximum total credit amount in subsection (1)(b) of this section is reached.

**Sec. 307.** RCW 82.16.0496 and 2019 c 287 s 13 are each amended to read as follows:

(1)(a)(i) A person who is taxable under this chapter is allowed a credit against the tax imposed in this chapter according to the gross vehicle weight rating of the vehicle and the incremental cost of the vehicle purchased above the purchase price of a comparable conventionally fueled vehicle. The credit is limited, as set forth in the table below, to the lesser of the incremental cost amount or the maximum credit amount per vehicle purchased, and subject to a maximum annual credit amount per vehicle class.

Gross Vehicle Weight	Incremental Cost Amount	Maximum Credit Amount Per Vehicle	Maximum Annual Credit Per Vehicle Class
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Up to 14,000 pounds	75% of incremental cost	\$25,000	\$2,000,000
14,001 to 26,500 pounds	75% of incremental cost	\$50,000	\$2,000,000
Above 26,500 pounds	75% of incremental cost	\$100,000	\$2,000,000

(ii) A person who is taxable under this chapter is allowed a credit against the tax imposed in this chapter for up to ~~((fifty))~~ 50 percent of the cost to purchase alternative fuel vehicle infrastructure, tangible personal property that will become a component of alternative fuel vehicle infrastructure, and installation and construction of alternative fuel vehicle infrastructure, but excluding the cost of property acquisition and site improvement related to the installation of alternative fuel vehicle infrastructure. The credit is subject to a maximum annual credit amount of ~~((two million dollars))~~ \$2,000,000.

(b) On September 1st of each year, any unused credits from any category identified in (a) of this subsection must be made available to applicants applying for credits under any other category identified in (a) of this subsection, subject to the maximum annual and total credit amounts identified in this subsection. The credit established in this section and RCW 82.04.4496 is subject to a maximum annual credit amount of ~~((six million dollars))~~ \$6,000,000, and a maximum total credit amount of ~~((thirty two and one half million dollars))~~ \$32,500,000 beginning July 15, 2015.

(c) The credit provided in (a)(i) of this subsection is available for the lease of a vehicle. The credit amount for a leased vehicle is equal to the credit in (a)(i) of this subsection multiplied by the lease reduction factor. The person claiming the credit for a leased vehicle must be the lessee as identified in the lease contract.

(2) A person who is taxable under this chapter is allowed, subject to the maximum annual credit per category in subsection (1)(a) of this section, a

credit against the tax imposed in this chapter for the lesser of ~~((twenty five thousand dollars))~~ \$25,000 or ~~((fifty))~~ 50 percent of the costs of converting a commercial vehicle to be principally powered by a clean alternative fuel with a United States environmental protection agency certified conversion.

(3) The total credits under subsection (1)(a)(i) of this section may not exceed the lesser of ~~((two hundred fifty thousand dollars))~~ \$250,000 or ~~((twenty five))~~ 25 vehicles per person per calendar year.

(4) A person may not receive credit under this section for amounts claimed as credits under chapter 82.04 RCW.

(5) Credits are available on a first-in-time basis.

(a) The department must disallow any credits, or portion thereof, that would cause the total amount of credits claimed under this section, and RCW 82.04.4496, during any calendar year to exceed ~~((six million dollars))~~ \$6,000,000. The department must provide notification on its website monthly on the amount of credits that have been applied for, the amount issued, and the amount remaining before the statewide annual limit is reached. In addition, the department must provide written notice to any person who has applied to claim tax credits in excess of the limitation in this subsection.

(b) The department must disallow any credits, or portion thereof, that would cause the total amount of credits claimed beginning July 15, 2015, under this section and RCW 82.04.4496 to exceed ~~((thirty two and one half million dollars))~~ \$32,500,000. The department must provide notification on its website monthly on the total amount of credits that have been applied for, the amount issued, and the amount remaining before the statewide limit is reached. In addition, the department must provide written notice to any person who has applied to claim tax credits in excess of the limitation in this subsection.

(6) For the purposes of the limits provided in this section, a credit must be counted against such limits for the calendar year in which the credit is earned.

(7) To claim a credit under this section a person must electronically file with the department all returns, forms,

and any other information required by the department, in an electronic format as provided or approved by the department. No refunds may be granted for credits under this section.

(8) To claim a credit under this section, the person applying must:

(a) Complete an application for the credit which must include:

(i) The name, business address, and tax identification number of the applicant;

(ii) A quote or unexecuted copy of the purchase requisition or order for the vehicle, infrastructure, infrastructure components, infrastructure construction, or infrastructure installation;

(iii) The type of alternative fuel to be used by the vehicle or supported by the infrastructure;

(iv) The incremental cost of the alternative fuel system for vehicle credits;

(v) The anticipated delivery date of the vehicle, the anticipated delivery date of the infrastructure or infrastructure components, the anticipated construction completion date of the infrastructure, or the anticipated installation completion date of the infrastructure;

(vi) The estimated annual fuel use of the vehicle in the anticipated duties or the estimated annual fuel to be supplied by the infrastructure;

(vii) The gross weight of each vehicle for vehicle credits;

(viii) For leased vehicles, a copy of the lease contract that includes the gross capitalized cost, residual value, and name of the lessee; and

(ix) Any other information deemed necessary by the department to support administration or reporting of the program.

(b) Within (~~fifteen~~) 15 days of notice of credit availability from the department, provide notice of intent to claim the credit including:

(i) A copy of the order for the vehicle or infrastructure-related item, including the total cost for the vehicle or infrastructure-related item;

(ii) The anticipated delivery date of the vehicle or infrastructure or

infrastructure component, which must be within one year of acceptance of the credit;

(iii) The anticipated construction or installation completion date of the infrastructure, which must be within two years of acceptance of the credit; and

(iv) Any other information deemed necessary by the department to support administration or reporting of the program.

(c) Provide final documentation within (~~thirty~~) 30 days of receipt of the vehicle or infrastructure or infrastructure components or of completion of construction or installation of the infrastructure, including:

(i) A copy of the final invoice for the vehicle or infrastructure-related items;

(ii) A copy of the factory build sheet or equivalent documentation;

(iii) The vehicle identification number of each vehicle;

(iv) The incremental cost of the alternative fuel system for vehicle credits;

(v) Attestations signed by both the seller and purchaser of the vehicle attesting that the incremental cost of the alternative fuel system includes only the costs necessary for the vehicle to run on alternative fuel and no other vehicle options, equipment, or costs; and

(vi) Any other information deemed necessary by the department to support administration or reporting of the program.

(9) A person applying for credit under subsection (8) of this section may apply for multiple vehicles on the same application, but the application must include the required information for each vehicle included in the application. A separate application is required for infrastructure-related items, but all infrastructure-related items at a single location may be included in a single application provided the required information for each infrastructure-related item is included in the application.

(10) To administer the credits, the department must, at a minimum:

(a) Provide notification on its website monthly of the amount of credits that have been applied for, claimed, and the amount remaining before the statewide annual limit and total limit are reached;

(b) Within ~~((fifteen))~~ 15 days of receipt of the application, notify persons applying of the availability of tax credits in the year in which the vehicles or infrastructure applied for are anticipated to be delivered, constructed, or installed;

(c) Within ~~((fifteen))~~ 15 days of receipt of the notice of intent to claim the tax credit, notify the applicant of the approval, denial, or missing information in their notice; and

(d) Within ~~((fifteen))~~ 15 days of receipt of final documentation, review the documentation and notify the person applying of the acceptance of their final documentation.

(11) If a person fails to supply the information as required in subsection (8) of this section, the department must deny the application.

(12)(a) Taxpayers are only eligible for a credit under this section based on:

(i) Sales or leases of new commercial vehicles and qualifying used commercial vehicles with propulsion units that are principally powered by a clean alternative fuel;

(ii) Costs to modify a commercial vehicle, including sales of tangible personal property incorporated into the vehicle and labor or service expenses incurred in modifying the vehicle, to be principally powered by a clean alternative fuel; or

(iii) Sales of alternative fuel vehicle infrastructure or infrastructure components, or the cost of construction or installation of alternative fuel vehicle infrastructure.

(b) A credit is earned when the purchaser or the lessee takes receipt of the qualifying commercial vehicle or infrastructure-related item, the vehicle conversion is complete, or the construction or installation of the infrastructure is complete.

(13) The definitions in RCW 82.04.4496 apply to this section.

(14) A credit earned during one calendar year may be carried over to be credited against taxes incurred in the

subsequent calendar year, but may not be carried over a second year.

~~(15) ((a) Beginning November 25, 2015, and on the 25th of February, May, August, and November of each year thereafter, the department must notify the state treasurer of the amount of credits taken under this section as reported on returns filed with the department during the preceding calendar quarter ending on the last day of December, March, June, and September, respectively.~~

~~(b) On the last day of March, June, September, and December of each year, the state treasurer, based upon information provided by the department, must transfer a sum equal to the dollar amount of the credit provided under this section from the multimodal transportation account to the general fund.~~

~~(16))~~ Credits may be earned under this section from January 1, 2016, until the maximum total credit amount in subsection (1)(b) of this section is reached, except for credits for leased vehicles, which may be earned from July 1, 2016, until the maximum total credit amount in subsection (1)(b) of this section is reached.

**Sec. 308.** RCW 82.08.816 and 2019 c 287 s 11 are each amended to read as follows:

(1) The tax imposed by RCW 82.08.020 does not apply to:

(a) The sale of batteries or fuel cells for electric vehicles, including batteries or fuel cells sold as a component of an electric bus at the time of the vehicle's sale;

(b) The sale of or charge made for labor and services rendered in respect to installing, repairing, altering, or improving electric vehicle batteries or fuel cells;

(c) The sale of or charge made for labor and services rendered in respect to installing, constructing, repairing, or improving battery or fuel cell electric vehicle infrastructure, including hydrogen fueling stations;

(d) The sale of tangible personal property that will become a component of battery or fuel cell electric vehicle infrastructure during the course of installing, constructing, repairing, or improving battery or fuel cell electric vehicle infrastructure; and

(e) The sale of zero emissions buses.

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

~~(3) ((On the last day of January, April, July, and October of each year, the state treasurer, based upon information provided by the department, must transfer from the multimodal transportation account to the general fund a sum equal to the dollar amount that would otherwise have been deposited into the general fund during the prior calendar quarter but for the exemption provided in this section. Information provided by the department to the state treasurer must be based on the best available data, except that the department may provide estimates of taxes exempted under this section until such time as retailers are able to report such exempted amounts on their tax returns.~~

~~(4))~~ The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Battery charging station" means an electrical component assembly or cluster of component assemblies designed specifically to charge batteries within electric vehicles, which meet or exceed any standards, codes, and regulations set forth by chapter 19.28 RCW and consistent with rules adopted under RCW 19.27.540.

(b) "Battery exchange station" means a fully automated facility that will enable an electric vehicle with a swappable battery to enter a drive lane and exchange the depleted battery with a fully charged battery through a fully automated process, which meets or exceeds any standards, codes, and regulations set forth by chapter 19.28 RCW and consistent with rules adopted under RCW 19.27.540.

(c) "Electric vehicle infrastructure" means structures, machinery, and equipment necessary and integral to support a battery or fuel cell electric vehicle, including battery charging stations, rapid charging stations, battery exchange stations, fueling stations that provide hydrogen for fuel cell electric vehicles, and renewable hydrogen production facilities.

(d) "Rapid charging station" means an industrial grade electrical outlet that allows for faster recharging of electric vehicle batteries through higher power levels, which meets or exceeds any standards, codes, and regulations set forth by chapter 19.28 RCW and consistent with rules adopted under RCW 19.27.540.

(e) "Renewable hydrogen" means hydrogen produced using renewable resources both as the source for hydrogen and the source for the energy input into the production process.

(f) "Renewable resource" means (i) water; (ii) wind; (iii) solar energy; (iv) geothermal energy; (v) renewable natural gas; (vi) renewable hydrogen; (vii) wave, ocean, or tidal power; (viii) biodiesel fuel that is not derived from crops raised on land cleared from old growth or first growth forests; or (ix) biomass energy.

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

~~((+5))~~ (4) This section expires July 1, 2025.

**Sec. 309.** RCW 82.12.816 and 2019 c 287 s 12 are each amended to read as follows:

(1) The tax imposed by RCW 82.12.020 does not apply to the use of:

(a) Electric vehicle batteries or fuel cells, including batteries or fuel cells sold as a component of an electric bus at the time of the vehicle's sale;

(b) Labor and services rendered in respect to installing, repairing, altering, or improving electric vehicle batteries or fuel cells;

(c) Tangible personal property that will become a component of battery or fuel cell electric vehicle infrastructure during the course of installing, constructing, repairing, or improving battery or fuel cell electric vehicle infrastructure; and

(d) Zero emissions buses.

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

(a) "Battery charging station" means an electrical component assembly or cluster of component assemblies designed specifically to charge batteries within

electric vehicles, which meet or exceed any standards, codes, and regulations set forth by chapter 19.28 RCW and consistent with rules adopted under RCW 19.27.540.

(b) "Battery exchange station" means a fully automated facility that will enable an electric vehicle with a swappable battery to enter a drive lane and exchange the depleted battery with a fully charged battery through a fully automated process, which meets or exceeds any standards, codes, and regulations set forth by chapter 19.28 RCW and consistent with rules adopted under RCW 19.27.540.

(c) "Electric vehicle infrastructure" means structures, machinery, and equipment necessary and integral to support a battery or fuel cell electric vehicle, including battery charging stations, rapid charging stations, battery exchange stations, fueling stations that provide hydrogen for fuel cell electric vehicles, and renewable hydrogen production facilities.

(d) "Rapid charging station" means an industrial grade electrical outlet that allows for faster recharging of electric vehicle batteries through higher power levels, which meets or exceeds any standards, codes, and regulations set forth by chapter 19.28 RCW and consistent with rules adopted under RCW 19.27.540.

(e) "Renewable hydrogen" means hydrogen produced using renewable resources both as the source for hydrogen and the source for the energy input into the production process.

(f) "Renewable resource" means (i) water; (ii) wind; (iii) solar energy; (iv) geothermal energy; (v) renewable natural gas; (vi) renewable hydrogen; (vii) wave, ocean, or tidal power; (viii) biodiesel fuel that is not derived from crops raised on land cleared from old growth or first growth forests; or (ix) biomass energy.

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

(3) ~~((On the last day of January, April, July, and October of each year, the state treasurer, based upon information provided by the department, must transfer from the multimodal transportation account to the general fund a sum equal to the dollar amount that would otherwise have been deposited into the general fund during the prior~~

~~calendar quarter but for the exemption provided in this section. Information provided by the department to the state treasurer must be based on the best available data, except that the department may provide estimates of taxes exempted under this section until such time as retailers are able to report such exempted amounts on their tax returns.~~

~~(4))~~ This section expires July 1, 2025.

**Sec. 310.** RCW 82.70.040 and 2016 c 32 s 3 are each amended to read as follows:

(1)(a) The department must keep a running total of all credits allowed under RCW 82.70.020 during each fiscal year. The department may not allow any credits that would cause the total amount allowed to exceed ~~((two million seven hundred fifty thousand dollars))~~ \$2,750,000 in any fiscal year.

(b) If the total amount of credit applied for by all applicants in any year exceeds the limit in this subsection, the department must ratably reduce the amount of credit allowed for all applicants so that the limit in this subsection is not exceeded. If a credit is reduced under this subsection, the amount of the reduction may not be carried forward and claimed in subsequent fiscal years.

(2)(a) Tax credits under RCW 82.70.020 may not be claimed in excess of the amount of tax otherwise due under chapter 82.04 or 82.16 RCW.

(b) Through June 30, 2005, a person with taxes equal to or in excess of the credit under RCW 82.70.020, and therefore not subject to the limitation in (a) of this subsection, may elect to defer tax credits for a period of not more than three years after the year in which the credits accrue. For credits approved by the department through June 30, 2015, the approved credit may be carried forward and used for tax reporting periods through December 31, 2016. Credits approved after June 30, 2015, must be used for tax reporting periods within the calendar year for which they are approved by the department and may not be carried forward to subsequent tax reporting periods. Credits carried forward as authorized by this subsection are subject to the limitation in subsection (1)(a) of this section for the fiscal year for which the credits were originally approved.

(3) No person may be approved for tax credits under RCW 82.70.020 in excess of ~~((one hundred thousand dollars))~~ \$100,000 in any fiscal year. This limitation does not apply to credits carried forward from prior years under subsection (2) (b) of this section.

(4) No person may claim tax credits after June 30, 2024.

~~((5) No person is eligible for tax credits under RCW 82.70.020 if the additional revenues for the multimodal transportation account created by chapter 361, Laws of 2003 are terminated.))~~

**Sec. 311.** RCW 82.70.050 and 2015 3rd sp.s. c 44 s 415 are each amended to read as follows:

~~((1))~~ The director must on the 25th of February, May, August, and November of each year advise the state treasurer of the amount of credit taken under RCW 82.70.020 during the preceding calendar quarter ending on the last day of December, March, June, and September, respectively.

~~((2) On the last day of March, June, September, and December of each year, the state treasurer, based upon information provided by the department, must deposit to the general fund a sum equal to the dollar amount of the credit provided under RCW 82.70.020 from the multimodal transportation account.~~

~~((3) This section expires January 1, 2025.))~~

**Sec. 312.** RCW 82.21.030 and 2021 c 333 s 705 are each amended to read as follows:

(1)(a) A tax is imposed on the privilege of possession of hazardous substances in this state. Except as provided in (b) of this subsection, the rate of the tax is seven-tenths of one percent multiplied by the wholesale value of the substance. Moneys collected under this subsection (1)(a) must be deposited in the model toxics control capital account.

(b) Beginning July 1, 2019, the rate of the tax on petroleum products is one dollar and nine cents per barrel. The tax collected under this subsection (1)(b) on petroleum products must be deposited as follows, after first depositing the tax as provided in (c) of this subsection, except that during the 2021-2023 biennium the deposit as provided in (c) of this

subsection may be prorated equally across each month of the biennium:

(i) Sixty percent to the model toxics control operating account created under RCW 70A.305.180;

(ii) Twenty-five percent to the model toxics control capital account created under RCW 70A.305.190; and

(iii) Fifteen percent to the model toxics control stormwater account created under RCW 70A.305.200.

(c) Until the beginning of the ensuing biennium after the enactment of an additive transportation funding act, ~~((fifty million dollars))~~ \$50,000,000 per biennium to the motor vehicle fund to be used exclusively for transportation stormwater activities and projects. For purposes of this subsection, "additive transportation funding act" means an act enacted after June 30, 2023, in which the combined total of new revenues deposited into the motor vehicle fund and the multimodal transportation account exceed ~~((two billion dollars))~~ \$2,000,000,000 per biennium attributable solely to an increase in revenue from the enactment of the act.

(d) The department must compile a list of petroleum products that are not easily measured on a per barrel basis. Petroleum products identified on the list are subject to the rate under (a) of this subsection in lieu of the volumetric rate under (b) of this subsection. The list will be made in a form and manner prescribed by the department and must be made available on the department's internet website. In compiling the list, the department may accept technical assistance from persons that sell, market, or distribute petroleum products and consider any other resource the department finds useful in compiling the list.

(2) Chapter 82.32 RCW applies to the tax imposed in this chapter. The tax due dates, reporting periods, and return requirements applicable to chapter 82.04 RCW apply equally to the tax imposed in this chapter.

(3) Beginning July 1, 2020, and every July 1st thereafter, the rate specified in subsection (1)(b) of this section must be adjusted to reflect the percentage change in the implicit price deflator for nonresidential structures as published by the United States department of commerce, bureau of economic analysis for



the most recent (~~twelve-month~~) 12-month period ending December 31st of the prior year.

#### Part IV

#### Account Creation, Local Options, and Other Provisions

NEW SECTION. Sec. 401. A new section is added to chapter 46.68 RCW to read as follows:

The move ahead WA account is created in the motor vehicle fund. Moneys in the account may be spent only after appropriation. Expenditures from the account must be used only for projects or improvements identified as move ahead WA projects or improvements in an omnibus transportation appropriations act, including any principal and interest on bonds authorized for the projects or improvements.

NEW SECTION. Sec. 402. A new section is added to chapter 46.68 RCW to read as follows:

The move ahead WA flexible account is created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for transportation projects, programs, or activities identified as move ahead WA flexible projects, programs, or activities in an omnibus transportation appropriations act.

Sec. 403. RCW 43.84.092 and 2021 c 199 s 504 are each amended to read as follows:

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

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

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

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

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

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

Washington account, the county arterial preservation account, the county criminal justice assistance account, the deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of retirement systems expense account, the developmental disabilities community services account, the diesel idle reduction account, the drinking water assistance account, the administrative subaccount of the drinking water assistance account, the early learning facilities development account, the early learning facilities revolving account, the Eastern Washington University capital projects account, the education construction fund, the education legacy trust account, the election account, the electric vehicle account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the fair start for kids account, the ferry bond retirement fund, the fish, wildlife, and conservation account, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the public health services account, the state higher education construction account, the higher education construction account, the higher education retirement plan supplemental benefit fund, the highway bond retirement fund, the highway infrastructure account, the highway safety fund, the hospital safety net assessment fund, the Interstate 405 and state route number 167 express toll lanes account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the limited fish and wildlife account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources stewardship trust account, the medical aid account, the money-purchase retirement savings administrative account, the money-purchase retirement savings principal account, the motor vehicle fund, the motorcycle safety education account, the move ahead WA account, the move ahead WA flexible account, the multimodal transportation account, the multiuse roadway safety account, the municipal criminal justice assistance account, the oyster reserve land account, the pension funding stabilization account, the

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

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

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

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

**Sec. 404.** RCW 43.84.092 and 2021 c 199 s 505 are each amended to read as follows:

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

(2) The treasury income account shall be utilized to pay or receive funds

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

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

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

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The abandoned recreational vehicle disposal account, the aeronautics account, the Alaskan Way viaduct replacement project account, the brownfield redevelopment trust fund account, the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Central Washington University capital projects account, the charitable, educational,

penal and reformatory institutions account, the Chehalis basin account, the Chehalis basin taxable account, the cleanup settlement account, the climate active transportation account, the climate transit programs account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the common school construction fund, the community forest trust account, the connecting Washington account, the county arterial preservation account, the county criminal justice assistance account, the deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of retirement systems expense account, the developmental disabilities community services account, the diesel idle reduction account, the drinking water assistance account, the administrative subaccount of the drinking water assistance account, the early learning facilities development account, the early learning facilities revolving account, the Eastern Washington University capital projects account, the education construction fund, the education legacy trust account, the election account, the electric vehicle account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the fair start for kids account, the ferry bond retirement fund, the fish, wildlife, and conservation account, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the public health services account, the state higher education construction account, the higher education construction account, the higher education retirement plan supplemental benefit fund, the highway bond retirement fund, the highway infrastructure account, the highway safety fund, the hospital safety net assessment fund, the Interstate 405 and state route number 167 express toll lanes account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the limited fish and wildlife account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources

stewardship trust account, the medical aid account, the money-purchase retirement savings administrative account, the money-purchase retirement savings principal account, the motor vehicle fund, the motorcycle safety education account, the move ahead WA account, the move ahead WA flexible account, the multimodal transportation account, the multiuse roadway safety account, the municipal criminal justice assistance account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the pilotage account, the pollution liability insurance agency underground storage tank revolving account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account, the public health supplemental account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the Puget Sound Gateway facility account, the Puget Sound taxpayer accountability account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the resource management cost account, the rural arterial trust account, the rural mobility grant program account, the rural Washington loan fund, the sexual assault prevention and response account, the site closure account, the skilled nursing facility safety net trust fund, the small city pavement and sidewalk account, the special category C account, the special wildlife account, the state investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state reclamation revolving account, the state route number 520 civil penalties account, the state route number 520 corridor account, the statewide broadband account, the statewide tourism marketing account, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the toll facility bond retirement account, the transportation 2003 account (nickel account), the transportation equipment fund, the transportation future funding

program account, the transportation improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the transportation partnership account, the traumatic brain injury account, the University of Washington bond retirement fund, the University of Washington building account, the voluntary cleanup account, the volunteer firefighters' and reserve officers' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the vulnerable roadway user education account, the Washington judicial retirement system account, the Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law enforcement officers' and firefighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving administration account, the water pollution control revolving fund, the Western Washington University capital projects account, the Yakima integrated plan implementation account, the Yakima integrated plan implementation revenue recovery account, and the Yakima integrated plan implementation taxable bond account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state university permanent fund shall be allocated to their respective beneficiary accounts.

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

(5) In conformance with Article II, section 37 of the state Constitution, no treasury accounts or funds shall be

allocated earnings without the specific affirmative directive of this section.

**Sec. 405.** RCW 82.47.020 and 1991 c 173 s 1 are each amended to read as follows:

(1) The legislative authority of a border area jurisdiction may, by resolution for the purposes authorized in this chapter and by approval of a majority of the registered voters of the jurisdiction voting on the proposition at a general or special election, fix and impose an excise tax on the retail sale of motor vehicle fuel and special fuel within the jurisdiction. An election held under this section must be held not more than ~~((twelve))~~ 12 months before the date on which the proposed tax is to be levied. The ballot setting forth the proposition ~~((shall))~~ must state the tax rate that is proposed. The rate of such tax ~~((shall be in increments of one tenth of a cent per gallon and shall))~~ may not exceed ~~((one cent))~~ two cents per gallon for ballot propositions submitted in calendar year 2022. For ballot propositions submitted after calendar year 2022, this two cents per gallon maximum tax rate may be adjusted to reflect the percentage change in the implicit price deflator for personal consumption expenditures for the United States as published by the bureau of economic analysis of the federal department of commerce, for the period of time between calendar year 2022 and when the tax is placed on the ballot for voter approval.

(2) The tax imposed in this section shall be collected and paid to the jurisdiction but once in respect to any motor vehicle fuel or special fuel. This tax shall be in addition to any other tax authorized or imposed by law.

(3) For purposes of this chapter, the term "border area jurisdictions" means all cities and towns within ~~((ten))~~ 10 miles of an international border crossing and any transportation benefit district established under RCW 36.73.020 which has within its boundaries an international border crossing.

**Sec. 406.** RCW 36.73.065 and 2015 3rd sp.s. c 44 s 309 are each amended to read as follows:

(1) Except as provided in subsection (4) of this section, taxes, fees, charges, and tolls may not be imposed by a district without approval of a majority of the voters in the district voting on

a proposition at a general or special election. The proposition must include a specific description of: (a) The transportation improvement or improvements proposed by the district; (b) any rebate program proposed to be established under RCW 36.73.067; and (c) the proposed taxes, fees, charges, and the range of tolls imposed by the district to raise revenue to fund the improvement or improvements or rebate program, as applicable.

(2) Voter approval under this section must be accorded substantial weight regarding the validity of a transportation improvement as defined in RCW 36.73.015.

(3) A district may not increase any taxes, fees, charges, or range of tolls imposed or change a rebate program under this chapter once the taxes, fees, charges, tolls, or rebate program takes effect, except:

(a) If authorized by the district voters pursuant to RCW 36.73.160;

(b) With respect to a change in a rebate program, a material change policy adopted pursuant to RCW 36.73.160 is followed and the change does not reduce the percentage level or rebate amount;

(c) For up to ~~((forty dollars))~~ \$40 of the vehicle fee authorized in RCW 82.80.140 by the governing board of the district if a vehicle fee of ~~((twenty dollars))~~ \$20 has been imposed for at least ~~((twenty four))~~ 24 months; ~~((or))~~

(d) For up to ~~((fifty dollars))~~ \$50 of the vehicle fee authorized in RCW 82.80.140 by the governing board of the district if a vehicle fee of ~~((forty dollars))~~ \$40 has been imposed for at least ~~((twenty four))~~ 24 months and a district has met the requirements of subsection (6) of this section; or

(e) For up to three-tenths of one percent of the selling price, in the case of a sales tax, or value of the article used, in the case of a use tax, pursuant to the sales and use tax authorized in RCW 82.14.0455.

(4)(a) A district that includes all the territory within the boundaries of the jurisdiction, or jurisdictions, establishing the district may impose by a majority vote of the governing board of the district the following fees, taxes, and charges:

(i) Up to ~~((twenty dollars))~~ \$20 of the vehicle fee authorized in RCW 82.80.140;

(ii) Up to ~~((forty dollars))~~ \$40 of the vehicle fee authorized in RCW 82.80.140 if a vehicle fee of ~~((twenty dollars))~~ \$20 has been imposed for at least ~~((twenty four))~~ 24 months;

(iii) Up to ~~((fifty dollars))~~ \$50 of the vehicle fee authorized in RCW 82.80.140 if a vehicle fee of forty dollars has been imposed for at least ~~((twenty four))~~ 24 months and a district has met the requirements of subsection (6) of this section; ~~((or))~~

(iv) A fee or charge in accordance with RCW 36.73.120; or

(v) Up to one-tenth of one percent of the sales and use tax in accordance with RCW 82.14.0455.

(b) The vehicle fee authorized in (a) of this subsection may only be imposed for a passenger-only ferry transportation improvement if the vehicle fee is first approved by a majority of the voters within the jurisdiction of the district.

(c)(i) A district solely comprised of a city or cities may not impose the fees or charges identified in (a) of this subsection within ~~((one hundred eighty))~~ 180 days after July 22, 2007, unless the county in which the city or cities reside, by resolution, declares that it will not impose the fees or charges identified in (a) of this subsection within the ~~((one hundred eighty day))~~ 180-day period; or

(ii) A district solely comprised of a city or cities identified in RCW 36.73.020(6)(b) may not impose the fees or charges until after May 22, 2008, unless the county in which the city or cities reside, by resolution, declares that it will not impose the fees or charges identified in (a) of this subsection through May 22, 2008.

(5) If the interlocal agreement in RCW 82.80.140(2)(a) cannot be reached, a district that includes only the unincorporated territory of a county may impose by a majority vote of the governing body of the district up to: (a) ~~((Twenty dollars))~~ \$20 of the vehicle fee authorized in RCW 82.80.140, (b) ~~((forty dollars))~~ \$40 of the vehicle fee authorized in RCW 82.80.140 if a fee of ~~((twenty dollars))~~ \$20 has been imposed

for at least (~~twenty-four~~) 24 months, or (c) (~~fifty dollars~~) \$50 of the vehicle fee authorized in RCW 82.80.140 if a vehicle fee of (~~forty dollars~~) \$40 has been imposed for at least (~~twenty-four~~) 24 months and a district has met the requirements of subsection (6) of this section.

(6) If a district intends to impose a vehicle fee of more than (~~forty dollars~~) \$40 by a majority vote of the governing body of the district, the governing body must publish notice of this intention, in one or more newspapers of general circulation within the district, by April 1st of the year in which the vehicle fee is to be imposed. If within (~~ninety~~) 90 days of the date of publication a petition is filed with the county auditor containing the signatures of eight percent of the number of voters registered and voting in the district for the office of the governor at the last preceding gubernatorial election, the county auditor must canvass the signatures in the same manner as prescribed in RCW 29A.72.230 and certify their sufficiency to the governing body within two weeks. The proposition to impose the vehicle fee must then be submitted to the voters of the district at a special election, called for this purpose, no later than the date on which a primary election would be held under RCW 29A.04.311. The vehicle fee may then be imposed only if approved by a majority of the voters of the district voting on the proposition.

**Sec. 407.** RCW 82.14.0455 and 2010 c 105 s 3 are each amended to read as follows:

(1) Subject to the provisions in RCW 36.73.065, a transportation benefit district under chapter 36.73 RCW may fix and impose a sales and use tax in accordance with the terms of this chapter. The tax authorized in this section is in addition to any other taxes authorized by law and shall be collected from those persons who are taxable by the state under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within the boundaries of the district. The rate of tax shall not exceed (~~two-tenths~~) three-tenths of one percent of the selling price in the case of a sales tax, or value of the article used, in the case of a use tax. Except as provided in subsection (2) of this section, the tax may not be imposed for a period exceeding (~~ten~~) 10 years. This tax, if not

imposed under the conditions of subsection (2) of this section, may be extended for a period not exceeding (~~ten~~) 10 years with an affirmative vote of the voters voting at the election or a majority vote of the governing board of the district. The governing board of the district may only fix, impose, or extend a sales and use tax of up to one-tenth of one percent of the selling price in the case of a sales tax, or value of the article used, in the case of a use tax.

(2) The voter-approved sales tax initially imposed under this section after July 1, 2010, may be imposed for a period exceeding (~~ten~~) 10 years if the moneys received under this section are dedicated for the repayment of indebtedness incurred in accordance with the requirements of chapter 36.73 RCW.

(3) Money received from the tax imposed under this section must be spent in accordance with the requirements of chapter 36.73 RCW.

**NEW SECTION. Sec. 408.** A new section is added to chapter 70A.535 RCW to read as follows:

(1) The department shall adopt rules that establish standards that reduce carbon intensity in transportation fuels used in Washington. The standards established by the rules must be based on the carbon intensity of gasoline and gasoline substitutes and the carbon intensity of diesel and diesel substitutes. The standards:

(a) Must reduce the overall, aggregate carbon intensity of transportation fuels used in Washington;

(b) May only require carbon intensity reductions at the aggregate level of all transportation fuels and may not require a reduction in carbon intensity to be achieved by any individual type of transportation fuel;

(c) Must assign a compliance obligation to fuels whose carbon intensity exceeds the standards adopted by the department, consistent with the requirements of RCW 70A.535.030; and

(d) Must assign credits that can be used to satisfy or offset compliance obligations to fuels whose carbon intensity is below the standards adopted by the department and that elect to participate in the program, consistent with the requirements of RCW 70A.535.030.

(2) The clean fuels program adopted by the department must be designed such that:

(a) Regulated parties generate deficits and may reconcile the deficits, and thus comply with the clean fuels program standards for a compliance period, by obtaining and retiring credits;

(b) Regulated parties and credit generators may generate credits for fuels used as substitutes or alternatives for gasoline or diesel;

(c) Regulated parties, credit generators, and credit aggregators shall have opportunities to trade credits; and

(d) Regulated parties shall be allowed to carry over to the next compliance period a small deficit without penalty.

(3) The department shall, throughout a compliance period, regularly monitor the availability of fuels needed for compliance with the clean fuels program.

(4)(a) Under the clean fuels program, the department shall monthly calculate the volume-weighted average price of credits and, no later than the last day of the month immediately following the month for which the calculation is completed, post the formula and the nonaggregated data the department used for the calculation and the results of the calculation on the department's website.

(b) In completing the calculation required by this subsection, the department may exclude from the data set credit transfers without a price or other credit transfers made for a price that falls two standard deviations outside of the mean credit price for the month. Data posted on the department's website under this section may not include any individually identifiable information or information that would constitute a trade secret.

(5)(a) Except as provided in this section, the rules adopted under this section must reduce the greenhouse gas emissions attributable to each unit of the fuels to 20 percent below 2017 levels by 2038 based on the following schedule:

(i) No more than 0.5 percent each year in 2023 and 2024;

(ii) No more than an additional one percent each year beginning in 2025 through 2027;

(iii) No more than an additional 1.5 percent each year beginning in 2028 through 2031; and

(iv) No change in 2032 and 2033.

(b) The rules must establish a start date for the clean fuels program of no later than January 1, 2023.

(6) Beginning with the program year beginning in calendar year 2028, the department may not increase the carbon intensity reductions required by the applicable clean fuels program standard adopted by the department under subsection (5) of this section beyond a 10 percent reduction in carbon intensity until the department demonstrates that the following have occurred:

(a) At least a 15 percent net increase in the volume of in-state liquid biofuel production and the use of feedstocks grown or produced within the state relative to the start of the program; and

(b) At least one new or expanded biofuel production facility representing an increase in production capacity or producing, in total, in excess of 60,000,000 gallons of biofuels per year has or have received after July 1, 2021, all necessary siting, operating, and environmental permits post all timely and applicable appeals. As part of the threshold of 60,000,000 gallons of biofuel under this subsection, at least one new facility producing at least 10,000,000 gallons per year must have received all necessary siting, operating, and environmental permits. Timely and applicable appeals must be determined by the attorney general's office.

(7) Beginning with the program year beginning in calendar year 2031, the department may not increase the carbon intensity reductions required by the applicable clean fuels program standard adopted by the department under subsection (5) of this section beyond a 10 percent reduction in carbon intensity until the:

(a) Joint legislative audit and review committee report required in RCW 70A.535.140 has been completed; and

(b) 2033 regular legislative session has adjourned, in order to allow an opportunity for the legislature to amend the requirements of this chapter in light of the report required in (a) of this subsection.



(8) Transportation fuels exported from Washington are not subject to the greenhouse gas emissions reduction requirements in this section.

(9) To the extent the requirements of this chapter conflict with the requirements of chapter 19.112 RCW, the requirements of this chapter prevail.

**Sec. 409.** RCW 70A.535.010 and 2021 c 317 s 2 are each amended to read as follows:

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

(1) "Carbon dioxide equivalents" has the same meaning as defined in RCW 70A.45.010.

(2) "Carbon intensity" means the quantity of life-cycle greenhouse gas emissions, per unit of fuel energy, expressed in grams of carbon dioxide equivalent per megajoule (gCO<sub>2</sub>e/MJ).

(3) "Clean fuels program" means the requirements established under this chapter.

(4) "Cost" means an expense connected to the manufacture, distribution, or other aspects of the provision of a transportation fuel product.

(5) "Credit" means a unit of measure generated when a transportation fuel with a carbon intensity that is less than the applicable standard adopted by the department under ~~((RCW 70A.535.020))~~ section 408 of this act is produced, imported, or dispensed for use in Washington, such that one credit is equal to one metric ton of carbon dioxide equivalents. A credit may also be generated through other activities consistent with this chapter.

(6) "Deficit" means a unit of measure generated when a transportation fuel with a carbon intensity that is greater than the applicable standard adopted by the department under ~~((RCW 70A.535.020))~~ section 408 of this act is produced, imported, or dispensed for use in Washington, such that one deficit is equal to one metric ton of carbon dioxide equivalents.

(7) "Department" means the department of ecology.

(8) "Electric utility" means a consumer-owned utility or investor-owned utility, as those terms are defined in RCW 19.29A.010.

(9) "Greenhouse gas" has the same meaning as defined in RCW 70A.45.010.

(10) "Military tactical vehicle" means a motor vehicle owned by the United States department of defense or the United States military services and that is used in combat, combat support, combat service support, tactical or relief operations, or training for such operations.

(11) "Motor vehicle" has the same meaning as defined in RCW 46.04.320.

(12) "Price" means the amount of payment or compensation provided as consideration for a specified quantity of transportation fuel by a consumer or end user of the transportation fuel.

(13) "Regulated party" means a producer or importer of any amount of a transportation fuel that is ineligible to generate credits under this chapter.

(14)(a) "Tactical support equipment" means equipment using a portable engine, including turbines, that meets military specifications, owned by the United States military services or its allies, and that is used in combat, combat support, combat service support, tactical or relief operations, or training for such operations.

(b) "Tactical support equipment" includes, but is not limited to, engines associated with portable generators, aircraft start carts, heaters, and lighting carts.

(15) "Transportation fuel" means electricity and any liquid or gaseous fuel sold, supplied, offered for sale, or used for the propulsion of a motor vehicle or that is intended for use for transportation purposes.

**Sec. 410.** RCW 70A.535.030 and 2021 c 317 s 4 are each amended to read as follows:

The rules adopted by the department to achieve the greenhouse gas emissions reductions per unit of fuel energy specified in ~~((RCW 70A.535.020))~~ section 408 of this act must include, but are not limited to, the following:

(1) Standards for greenhouse gas emissions attributable to the transportation fuels throughout their life cycles, including but not limited to emissions from the production, storage, transportation, and combustion of transportation fuels and from changes in

land use associated with transportation fuels and any permanent greenhouse gas sequestration activities.

(a) The rules adopted by the department under this subsection (1) may:

(i) Include provisions to address the efficiency of a fuel as used in a powertrain as compared to a reference fuel;

(ii) Consider carbon intensity calculations for transportation fuels developed by national laboratories or used by similar programs in other states; and

(iii) Consider changes in land use and any permanent greenhouse gas sequestration activities associated with the production of any type of transportation fuel.

(b) The rules adopted by the department under this subsection (1) must:

(i) Neutrally consider the life-cycle emissions associated with transportation fuels with respect to the political jurisdiction in which the fuels originated and may not discriminate against fuels on the basis of having originated in another state or jurisdiction. Nothing in this subsection may be construed to prohibit inclusion or assessment of emissions related to fuel production, storage, transportation, or combustion or associated changes in land use in determining the carbon intensity of a fuel;

(ii) Measure greenhouse gas emissions associated with electricity and hydrogen based on a mix of generation resources specific to each electric utility participating in the clean fuels program. The department may apply an asset-controlling supplier emission factor certified or approved by a similar program to reduce the greenhouse gas emissions associated with transportation fuels in another state;

(iii) Include mechanisms for certifying electricity that has a carbon intensity of zero. This electricity must include, at minimum, electricity:

(A) For which a renewable energy credit or other environmental attribute has been retired or used; and

(B) Produced using a zero emission resource including, but not limited to, solar, wind, geothermal, or the

industrial combustion of biomass consistent with RCW 70A.45.020(3), that is directly supplied as a transportation fuel by the generator of the electricity to a metered customer for electric vehicle charging or refueling;

(iv) Allow the generation of credits associated with electricity with a carbon intensity lower than that of standard adopted by the department. The department may not require electricity to have a carbon intensity of zero in order to be eligible to generate credits from use as a transportation fuel; and

(v) Include procedures for setting and adjusting the amounts of greenhouse gas emissions per unit of fuel energy that is assigned to transportation fuels under this subsection.

(c) If the department determines that it is necessary for purposes of accurately measuring greenhouse gas emissions associated with transportation fuels, the department may require transportation fuel suppliers to submit data or information to be used for purposes of calculating greenhouse gas emissions that is different from or additional to the greenhouse gas emissions data reported under RCW 70A.15.2200(5)(a)(iii).

(d) If the department determines that it is necessary for purposes of accurately measuring greenhouse gas emissions associated with electricity supplied to retail customers or hydrogen production facilities by an electric utility, the department may require electric utilities participating in the clean fuels program to submit data or information to be used for purposes of calculating greenhouse gas emissions that is different from or additional to the fuel mix disclosure information submitted under chapter 19.29A RCW. To the extent practicable, rules adopted by the department may allow data requested of utilities to be submitted in a form and manner consistent with other required state or federal data submissions;

(2) Provisions allowing for the achievement of limits on the greenhouse gas emissions intensity of transportation fuels in (~~RCW 70A.535.020~~) section 408 of this act to be achieved by any combination of credit generating activities capable of meeting such standards. Where such provisions would not produce results counter to the emission reduction goals of the program

or prove administratively burdensome for the department, the rules should provide each participant in the clean fuels program with the opportunity to demonstrate appropriate carbon intensity values taking into account both emissions from production facilities and elsewhere in the production cycle, including changes in land use and permanent greenhouse gas sequestration activities;

(3) (a) Methods for assigning compliance obligations and methods for tracking tradable credits. The department may assign the generation of a credit when a fuel with associated life-cycle greenhouse gas emissions that are lower than the applicable per-unit standard adopted by the department under (~~RCW 70A.535.020~~) section 408 of this act is produced, imported, or dispensed for use in Washington, or when specified activities are undertaken that support the reduction of greenhouse gas emissions associated with transportation in Washington;

(b) Mechanisms that allow credits to be traded and to be banked for future compliance periods; and

(c) Procedures for verifying the validity of credits and deficits generated under the clean fuels program;

(4) Mechanisms to elect to participate in the clean fuels program for persons associated with the supply chains of transportation fuels that are eligible to generate credits consistent with subsection (3) of this section, including producers, importers, distributors, users, or retailers of such fuels, and electric vehicle manufacturers;

(5) Mechanisms for persons associated with the supply chains of transportation fuels that are used for purposes that are exempt from the clean fuels program compliance obligations including, but not limited to, fuels used by aircraft, vessels, railroad locomotives, and other exempt fuels specified in RCW 70A.535.040, to elect to participate in the clean fuels program by earning credits for the production, import, distribution, use, or retail of exempt fuels with associated life-cycle greenhouse gas emissions lower than the per-unit standard established in (~~RCW 70A.535.020~~) section 408 of this act;

(6) Mechanisms that allow for the assignment of credits to an electric utility for electricity used within its utility service area, at minimum, for

residential electric vehicle charging or fueling;

(7) Cost containment mechanisms.

(a) Cost containment mechanisms must include the credit clearance market specified in subsection (8) of this section and may also include, but are not limited to:

(i) Procedures similar to the credit clearance market required in subsection (8) of this section that provide a means of compliance with the clean fuels program requirements in the event that a regulated person has not been able to acquire sufficient volumes of credits at the end of a compliance period; or

(ii) Similar procedures that ensure that credit prices do not significantly exceed credit prices in other jurisdictions that have adopted similar programs to reduce the carbon intensity of transportation fuels.

(b) Any cost containment mechanisms must be designed to provide financial disincentive for regulated persons to rely on the cost containment mechanism for purposes of program compliance instead of seeking to generate or acquire sufficient credits under the program.

(c) The department shall harmonize the program's cost containment mechanisms with the cost containment rules in the states specified in RCW 70A.535.060(1).

(d) The department shall consider mechanisms such as the establishment of a credit price cap or other alternative cost containment measures if deemed necessary to harmonize market credit costs with those in the states specified in RCW 70A.535.060(1);

(8) (a) (i) A credit clearance market for any compliance period in which at least one regulated party reports that the regulated party has a net deficit balance at the end of the compliance period, after retirement of all credits held by the regulated party, that is greater than a small deficit. A regulated party described by this subsection is required to participate in the credit clearance market.

(ii) If a regulated party has a small deficit at the end of a compliance period, the regulated party shall notify the department that it will achieve compliance with the clean fuels program during the compliance period by either:  
(A) Participating in a credit clearance

market; or (B) carrying forward the small deficit.

(b) For the purposes of administering a credit clearance market required by this section, the department shall:

(i) Allow any regulated party, credit generator, or credit aggregator that holds excess credits at the end of the compliance period to voluntarily participate in the credit clearance market as a seller by pledging a specified number of credits for sale in the market;

(ii) Require each regulated party participating in the credit clearance market as purchaser of credits to:

(A) Have retired all credits in the regulated party's possession prior to participating in the credit clearance market; and

(B) Purchase the specified number of the total pledged credits that the department has determined are that regulated party's pro rata share of the pledged credits;

(iii) Require all sellers to:

(A) Agree to sell pledged credits at a price no higher than a maximum price for credits;

(B) Accept all offers to purchase pledged credits at the maximum price for credits; and

(C) Agree to withhold any pledged credits from sale in any transaction outside of the credit clearance market until the end of the credit clearance market, or if no credit clearance market is held in a given year, then until the date on which the department announces it will not be held.

(c)(i) The department shall set a maximum price for credits in a credit clearance market, consistent with states that have adopted similar clean fuels programs, not to exceed \$200 in 2018 dollars for 2023.

(ii) For 2024 and subsequent years, the maximum price may exceed \$200 in 2018 dollars, but only to the extent that a greater maximum price for credits is necessary to annually adjust for inflation, beginning on January 1, 2024, pursuant to the increase, if any, from the preceding calendar year in the consumer price index for all urban consumers, west region (all items), as published by the bureau of labor

statistics of the United States department of labor.

(d) A regulated party that has a net deficit balance after the close of a credit clearance market:

(i) Must carry over the remaining deficits into the next compliance period; and

(ii) May not be subject to interest greater than five percent, penalties, or assertions of noncompliance that accrue based on the carryover of deficits under this subsection.

(e) If a regulated party has been required under (a) of this subsection to participate as a purchaser in two consecutive credit clearance markets and continues to have a net deficit balance after the close of the second consecutive credit clearance market, the department shall complete, no later than two months after the close of the second credit clearance market, an analysis of the root cause of an inability of the regulated party to retire the remaining deficits. The department may recommend and implement any remedy that the department determines is necessary to address the root cause identified in the analysis including, but not limited to, issuing a deferral, provided that the remedy implemented does not:

(i) Require a regulated party to purchase credits for an amount that exceeds the maximum price for credits in the most recent credit clearance market; or

(ii) Compel a person to sell credits.

(f) If credits sold in a credit clearance market are subsequently invalidated as a result of fraud or any other form of noncompliance on the part of the generator of the credit, the department may not pursue civil penalties against, or require credit replacement by, the regulated party that purchased the credits unless the regulated party was a party to the fraud or other form of noncompliance.

(g) The department may not disclose the deficit balances or pro rata share purchase requirements of a regulated party that participates in the credit clearance market;

(9) Authority for the department to designate an entity to aggregate and use unclaimed credits associated with persons that elect not to participate in

the clean fuels program under subsection (4) of this section.

**Sec. 411.** RCW 70A.535.040 and 2021 c 317 s 5 are each amended to read as follows:

(1) The rules adopted under RCW ((70A.535.020 and)) 70A.535.030 and section 408 of this act must include exemptions for, at minimum, the following transportation fuels:

(a) Fuels used in volumes below thresholds adopted by the department;

(b) Fuels used for the propulsion of all aircraft, vessels, and railroad locomotives; and

(c) Fuels used for the operation of military tactical vehicles and tactical support equipment.

(2)(a) The rules adopted under RCW ((70A.535.020 and)) 70A.535.030 and section 408 of this act must exempt the following transportation fuels from greenhouse gas emissions intensity reduction requirements until January 1, 2028:

(i) Special fuel used off-road in vehicles used primarily to transport logs;

(ii) Dyed special fuel used in vehicles that are not designed primarily to transport persons or property, that are not designed to be primarily operated on highways, and that are used primarily for construction work including, but not limited to, mining and timber harvest operations; and

(iii) Dyed special fuel used for agricultural purposes exempt from chapter 82.38 RCW.

(b) Prior to January 1, 2028, fuels identified in this subsection (2) are eligible to generate credits, consistent with subsection (5) of this section. Beginning January 1, 2028, the fuels identified in this subsection (2) are subject to the greenhouse gas emissions intensity reduction requirements applicable to transportation fuels specified in ((RCW 70A.535.020)) section 408 of this act.

(3) The department may adopt rules to specify the standards for persons to qualify for the exemptions provided in this section. The department may implement the exemptions under subsection (2) of this section to align with the implementation of exemptions for

similar fuels exempt from chapter 82.38 RCW.

(4) The rules adopted under RCW ((70A.535.020 and)) 70A.535.030 and section 408 of this act may include exemptions in addition to those described in subsections (1) and (2) of this section, but only if such exemptions are necessary, with respect to the relationship between the program and similar greenhouse gas emissions requirements or low carbon fuel standards, in order to avoid:

(a) Mismatched incentives across programs;

(b) Fuel shifting between markets; or

(c) Other results that are counter to the intent of this chapter.

(5) Nothing in this chapter precludes the department from adopting rules under RCW ((70A.535.020 and)) 70A.535.030 and section 408 of this act that allow the generation of credits associated with electric or alternative transportation infrastructure that existed prior to July 25, 2021, or to the start date of program requirements. The department must apply the same baseline years to credits associated with electric or alternative transportation infrastructure that apply to gasoline and diesel liquid fuels in any market-based program enacted by the legislature that establishes a cap on greenhouse gas emissions.

**Sec. 412.** RCW 70A.535.050 and 2021 c 317 s 6 are each amended to read as follows:

(1) The rules adopted under RCW ((70A.535.020 and)) 70A.535.030 and section 408 of this act may allow the generation of credits from activities that support the reduction of greenhouse gas emissions associated with transportation in Washington, including but not limited to:

(a) Carbon capture and sequestration projects, including but not limited to:

(i) Innovative crude oil production projects that include carbon capture and sequestration;

(ii) Project-based refinery greenhouse gas mitigation including, but not limited to, process improvements, renewable hydrogen use, and carbon capture and sequestration; or

(iii) Direct air capture projects;

(b) Investments and activities that support deployment of machinery and equipment used to produce gaseous and liquid fuels from nonfossil feedstocks, and derivatives thereof;

(c) The fueling of battery or fuel cell electric vehicles by a commercial, nonprofit, or public entity that is not an electric utility, which may include, but is not limited to, the fueling of vehicles using electricity certified by the department to have a carbon intensity of zero; and

(d) The use of smart vehicle charging technology that results in the fueling of an electric vehicle during times when the carbon intensity of grid electricity is comparatively low.

(2)(a) The rules adopted under RCW ~~((70A.535.020 and))~~ 70A.535.030 and section 408 of this act must allow the generation of credits based on capacity for zero emission vehicle refueling infrastructure, including DC fast charging infrastructure and hydrogen refueling infrastructure.

(b) The rules adopted under RCW ~~((70A.535.020 and))~~ 70A.535.030 and section 408 of this act may allow the generation of credits from the provision of low carbon fuel infrastructure not specified in (a) of this subsection.

(3) The rules adopted under RCW ~~((70A.535.020 and))~~ 70A.535.030 and section 408 of this act must allow the generation of credits from state transportation investments funded in an omnibus transportation appropriations act for activities and projects that reduce greenhouse gas emissions and decarbonize the transportation sector. These include, but are not limited to: (a) Electrical grid and hydrogen fueling infrastructure investments; (b) ferry operating and capital investments; (c) electrification of the state ferry fleet; (d) alternative fuel vehicle rebate programs; (e) transit grants; (f) infrastructure and other costs associated with the adoption of alternative fuel use by transit agencies; (g) bike and pedestrian grant programs and other activities; (h) complete streets and safe walking grants and allocations; (i) rail funding; and (j) multimodal investments.

(4) The rules adopted by the department may establish limits for the number of credits that may be earned each year by persons participating in the

program for some or all of the activities specified in subsections (1) and (2) of this section. The department must limit the number of credits that may be earned each year under subsection (3) of this section to 10 percent of the total program credits. Any limits established under this subsection must take into consideration the return on investment required in order for an activity specified in subsection (2) of this section to be financially viable.

**Sec. 413.** RCW 70A.535.120 and 2021 c 317 s 13 are each amended to read as follows:

(1) The director of the department may issue an order declaring an emergency deferral of compliance with the carbon intensity standard established under ~~((RCW 70A.535.020))~~ section 408 of this act no later than 15 calendar days after the date the department determines, in consultation with the governor's office and the department of commerce, that:

(a) Extreme and unusual circumstances exist that prevent the distribution of an adequate supply of renewable fuels needed for regulated parties to comply with the clean fuels program taking into consideration all available methods of obtaining sufficient credits to comply with the standard;

(b) The extreme and unusual circumstances are the result of a natural disaster, an act of God, a significant supply chain disruption or production facility equipment failure, or another event that could not reasonably have been foreseen or prevented and not the lack of prudent planning on the part of the suppliers of the fuels to the state; and

(c) It is in the public interest to grant the deferral such as when a deferral is necessary to meet projected temporary shortfalls in the supply of the renewable fuel in the state and that other methods of obtaining compliance credits are unavailable to compensate for the shortage of renewable fuel supply.

(2) If the director of the department makes the determination required under subsection (1) of this section, such a temporary extreme and unusual deferral is permitted only if:

(a) The deferral applies only for the shortest time necessary to address the extreme and unusual circumstances;

(b) The deferral is effective for the shortest practicable time period the director of the department determines necessary to permit the correction of the extreme and unusual circumstances; and

(c) The director has given public notice of a proposed deferral.

(3) An order declaring an emergency deferral under this section must set forth:

(a) The duration of the emergency deferral;

(b) The types of fuel to which the emergency deferral applies;

(c) Which of the following methods the department has selected for deferring compliance with the clean fuels program during the emergency deferral:

(i) Temporarily adjusting the scheduled applicable carbon intensity standard to a standard identified in the order that better reflects the availability of credits during the emergency deferral and requiring regulated parties to comply with the temporary standard;

(ii) Allowing for the carryover of deficits accrued during the emergency deferral into the next compliance period without penalty; or

(iii) Suspending deficit accrual during the emergency deferral period.

(4) An emergency deferral may be terminated prior to the expiration date of the emergency deferral if new information becomes available indicating that the shortage that provided the basis for the emergency deferral has ended. The director of the department shall consult with the department of commerce and the governor's office in making an early termination decision. Termination of an emergency deferral is effective 15 calendar days after the date that the order declaring the termination is adopted.

(5)(a) In addition to the emergency deferral specified in subsection (1) of this section, the department may issue a full or partial deferral for one calendar quarter of a person's obligation to furnish credits for compliance under RCW 70A.535.030 if it finds that the person is unable to comply with the requirements of this chapter due to reasons beyond the person's reasonable control. The department may initiate a deferral under

this subsection at its own discretion or at the request of a person regulated under this chapter. The department may renew issued deferrals. In evaluating whether to issue a deferral under this subsection, the department may consider the results of the fuel supply forecast in RCW 70A.535.100, but is not bound in its decision-making discretion by the results of the forecast.

(b) If the department issues a deferral pursuant to this subsection, the department may:

(i) Direct the person subject to the deferral to file a progress report on achieving full compliance with the requirements of this chapter within an amount of time determined to be reasonable by the department; and

(ii) Direct the person to take specific actions to achieve full compliance with the requirements of this chapter.

(c) The issuance of a deferral under this subsection does not permanently relieve the deferral recipient of the obligation to comply with the requirements of this chapter.

**NEW SECTION. Sec. 414.** RCW 70A.535.020 (Carbon intensity of transportation fuels—Standards to reduce carbon intensity—Adoption of rules) and 2021 c 317 s 3 are each repealed.

**NEW SECTION. Sec. 415.** (1) A target is established for the state that all publicly owned and privately owned passenger and light duty vehicles of model year 2030 or later that are sold, purchased, or registered in Washington state be electric vehicles.

(2) On or before December 31, 2023, the interagency electric vehicle coordinating council created in section 428 of this act shall complete a scoping plan for achieving the 2030 target.

**NEW SECTION. Sec. 416.** A new section is added to chapter 47.66 RCW to read as follows:

(1) The department shall establish a bus and bus facilities grant program. The purpose of this competitive grant program is to provide grants to any transit authority for the replacement, expansion, rehabilitation, and purchase of transit rolling stock; construction, modification, or rehabilitation of transit facilities; and funding to adapt to technological change or innovation

through the retrofitting of transit rolling stock and facilities.

(2) (a) The department must incorporate environmental justice principles into the grant selection process, with the goal of increasing the distribution of funding to communities based on addressing environmental harms and provide environmental benefits for overburdened communities, as defined in RCW 70A.02.010, and vulnerable populations.

(b) The department must incorporate geographic diversity into the grant selection process.

(c) No grantee may receive more than 35 percent of the amount appropriated for the grant program in a particular biennium.

(d) Fuel type may not be a factor in the grant selection process.

(3) The department must establish an advisory committee to carry out the mandates of this section, including assisting with the establishment of grant criteria.

(4) The department must report annually to the transportation committees of the legislature on the status of any grant projects funded by the program created under this section.

(5) For the purposes of this section:

(a) "Transit authority" means a city transit system under RCW 35.58.2721 or chapter 35.95A RCW, a county public transportation authority under chapter 36.57 RCW, a metropolitan municipal corporation transit system under chapter 36.56 RCW, a public transportation benefit area under chapter 36.57A RCW, an unincorporated transportation benefit area under RCW 36.57.100, or any special purpose district formed to operate a public transportation system.

(b) "Transit rolling stock" means transit vehicles including, but not limited to, buses, ferries, and vans.

**NEW SECTION. Sec. 417.** A new section is added to chapter 47.04 RCW to read as follows:

(1) The legislature finds that many communities across Washington state have not equitably benefited from investments in the active transportation network. The legislature also finds that legacy state transportation facilities designed primarily for vehicle use caused

disconnections in safe routes for people who walk, bike, and roll to work and to carry out other daily activities.

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

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

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

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

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

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

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

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

(c) Whether the project will serve:

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

(ii) Vulnerable populations as defined in RCW 70A.02.010 to mean population groups that are more likely to be at higher risk for poor health outcomes in response to environmental harms, due to adverse socioeconomic factors, such as unemployment, high housing, and transportation costs relative to income, limited access to nutritious food and



adequate health care, linguistic isolation, and other factors that negatively affect health outcomes and increase vulnerability to the effects of environmental harms; and sensitivity factors, such as low birth weight and higher rates of hospitalization. Vulnerable populations include, but are not limited to: Racial or ethnic minorities, low-income populations, populations disproportionately impacted by environmental harms, and populations of workers experiencing environmental harms;

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

(iv) People with disabilities;

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

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

(f) Crash experience involving pedestrians and bicyclists; and

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

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

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

(6) This section expires July 1, 2027.

**NEW SECTION. Sec. 418.** A new section is added to chapter 47.24 RCW to read as follows:

(1) In order to improve the safety, mobility, and accessibility of state highways, it is the intent of the legislature that the department must incorporate the principles of complete streets with facilities that provide street access with all users in mind,

including pedestrians, bicyclists, and public transportation users, notwithstanding the provisions of RCW 47.24.020 concerning responsibility beyond the curb of state rights-of-way. As such, state transportation projects starting design on or after July 1, 2022, and that are \$500,000 or more, must:

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

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

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

(d) Plan, design, and construct facilities providing context-sensitive solutions that contribute to network connectivity and safety for pedestrians, bicyclists, and people accessing public transportation and other modal

connections, such facilities to include Americans with disabilities act accessible sidewalks or shared-use paths, bicyclist facilities, and crossings as needed to integrate the state route into the local network.

(2) Projects undertaken for emergent work required to reopen a state highway in the event of a natural disaster or other emergency repair are not required to comply with the provisions of this section.

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

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

**NEW SECTION. Sec. 419.** A new section is added to chapter 47.04 RCW to read as follows:

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

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

(b) Selected school districts shall receive and maintain a fleet of bicycles for the youth in the program. Youth and families participating in the school-base bicycle education grant program shall have an opportunity to receive a

bike, lock, helmet, and lights free of cost.

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

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

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

(b) People of color;

(c) People of Hispanic heritage;

(d) People with disabilities;

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

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

(g) Geographic location throughout the state;

(h) Crash experience involving pedestrians and bicyclists;

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

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

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

**NEW SECTION. Sec. 420.** A new section is added to chapter 47.04 RCW to read as follows:

For the purposes of submitting a request by October 1, 2022, to Amtrak to adopt a fare policy change, the department shall negotiate with the Oregon department of transportation to determine ridership, revenue, and policy impacts relating to elimination of fares for Amtrak Cascades passengers 18 years of age and younger. It is the intent of the legislature that fares for passengers 18 years of age and younger for service on the Amtrak Cascades corridor be eliminated. The department shall report back to the transportation committees of the legislature with results of negotiations with the Oregon department of transportation and the status of fare policy requests submitted to Amtrak by December 1, 2022.

**NEW SECTION. Sec. 421.** A new section is added to chapter 47.60 RCW to read as follows:

Consistent with RCW 47.60.315(1)(b), the commission shall adopt an annual fare policy for Washington state ferries to allow all riders 18 years of age and younger to ride free of charge on all system routes. This fare change must apply to both walk-on passengers and passengers in vehicles. The commission is directed to make the initial fare policy change effective no later than October 1, 2022.

**NEW SECTION. Sec. 422.** A new section is added to chapter 47.66 RCW to read as follows:

(1) The department shall establish a transit support grant program for the purpose of providing financial support to transit agencies for operating and capital expenses only. Public transit agencies must maintain or increase their local sales tax authority on or after

January 1, 2022, in order to qualify for the grants.

(a) Grants for transit agencies must be prorated based on the amount expended for operations in the most recently published report of "Summary of Public Transportation" published by the department.

(b) No transit agency may receive more than 35 percent of these distributions.

(c) Fuel type may not be a factor in the grant selection process.

(2) To be eligible to receive a grant, the transit agency must have adopted, at a minimum, a zero-fare policy that allows passengers 18 years of age and younger to ride free of charge on all modes provided by the agency.

(3) The department shall, for the purposes of the "Summary of Public Transportation" report, require grantees to report the number of trips that were taken under this program.

(4) For the purposes of this section, "transit agency" or "agency" means a city transit system under RCW 35.58.2721 or chapter 35.95A RCW, a county public transportation authority under chapter 36.57 RCW, a metropolitan municipal corporation transit system under chapter 36.56 RCW, a public transportation benefit area under chapter 36.57A RCW, an unincorporated transportation benefit area under RCW 36.57.100, or any special purpose district formed to operate a public transportation system.

**Sec. 423.** RCW 46.63.170 and 2020 c 224 s 1 are each amended to read as follows:

(1) The use of automated traffic safety cameras for issuance of notices of infraction is subject to the following requirements:

(a) Except for proposed locations used solely for the pilot program purposes permitted under subsection (6) of this section, the appropriate local legislative authority must prepare an analysis of the locations within the jurisdiction where automated traffic safety cameras are proposed to be located: (i) Before enacting an ordinance allowing for the initial use of automated traffic safety cameras; and (ii) before adding additional cameras or relocating any existing camera to a new location within the jurisdiction. Automated traffic safety cameras may be used to

detect one or more of the following: Stoplight, railroad crossing, ~~((~~ex~~))~~ school speed zone violations~~((~~+~~))~~, speed violations on any roadway identified in a school walk area as defined in RCW 28A.160.160, speed violations in public park speed zones, hospital speed zones, speed violations subject to (c) or (d) of this subsection~~((~~+~~))~~, or violations included in subsection (6) of this section for the duration of the pilot program authorized under subsection (6) of this section. At a minimum, the local ordinance must contain the restrictions described in this section and provisions for public notice and signage. Cities and counties using automated traffic safety cameras before July 24, 2005, are subject to the restrictions described in this section, but are not required to enact an authorizing ordinance. Beginning one year after June 7, 2012, cities and counties using automated traffic safety cameras must post an annual report of the number of traffic accidents that occurred at each location where an automated traffic safety camera is located as well as the number of notices of infraction issued for each camera and any other relevant information about the automated traffic safety cameras that the city or county deems appropriate on the city's or county's website.

(b)(i) Except as provided in (c) and (d) of this subsection and subsection (6) of this section, use of automated traffic safety cameras is restricted to the following locations only: ~~((~~ii~~))~~ (A) Intersections of two or more arterials with traffic control signals that have yellow change interval durations in accordance with RCW 47.36.022, which interval durations may not be reduced after placement of the camera; ~~((~~iii~~))~~ (B) railroad crossings; ~~((and (iii)))~~ (C) school speed zones; (D) roadways identified in a school walk area as defined in RCW 28A.160.160; (E) public park speed zones, as defined in (b)(ii) of this subsection; and (F) hospital speed zones, as defined in (b)(ii) of this subsection.

(ii) For the purposes of this section:

(A) "Public park speed zone" means the marked area within public park property and extending 300 feet from the border of public park property (I) consistent with active park use; and (II) where signs are posted to indicate the location is within a public park speed zone.

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

(c) ~~((Any))~~ In addition to the automated traffic safety cameras authorized under (d) of this subsection, any city west of the Cascade mountains with a population of more than ~~((one hundred ninety-five thousand))~~ 195,000 located in a county with a population of fewer than ~~((one million five hundred thousand))~~ 1,500,000 may operate an automated traffic safety camera to detect speed violations subject to the following limitations:

(i) A city may only operate one such automated traffic safety camera within its respective jurisdiction; and

(ii) The use and location of the automated traffic safety camera must have first been authorized by the Washington state legislature as a pilot project for at least one full year.

(d)(i) Cities may operate at least one automated traffic safety camera under this subsection to detect speed violations, subject to the requirements of (d)(ii) of this subsection. Cities may operate one additional automated traffic safety camera to detect speed violations for every 10,000 residents included in the city's population. Cameras must be placed in locations that comply with one of the following:

(A) The location has been identified as a priority location in a local road safety plan that a city has submitted to the Washington state department of transportation and where other speed reduction measures are not feasible or have not been sufficiently effective at reducing travel speed;

(B) The location has a significantly higher rate of collisions than the city average in a period of at least three years prior to installation and other speed reduction measures are not feasible or have not been sufficiently effective at reducing travel speed; or

(C) The location is in an area within the city limits designated by local ordinance as a zone subject to specified restrictions and penalties on racing and race attendance.

(ii) A city locating an automated traffic safety camera under this subsection (1) (d) must complete an equity analysis that evaluates livability, accessibility, economics, education, and environmental health, and shall consider the outcome of that analysis when identifying where to locate an automated traffic safety camera.

(e) All locations where an automated traffic safety camera is used to detect speed violations on roadways identified in a school walk area, speed violations in public park speed zones, speed violations in hospital speed zones, or speed violations under (d) of this subsection must be clearly marked by placing signs in locations that clearly indicate to a driver either: (i) That the driver is within a school walk area, public park speed zone, or hospital speed zone; or (ii) that the driver is entering an area where speed violations are enforced by an automated traffic safety camera. Signs placed in automated traffic safety camera locations after June 7, 2012, must follow the specifications and guidelines under the manual of uniform traffic control devices for streets and highways as adopted by the department of transportation under chapter 47.36 RCW.

(f) Automated traffic safety cameras may only take pictures of the vehicle and vehicle license plate and only while an infraction is occurring. The picture must not reveal the face of the driver or of passengers in the vehicle. The primary purpose of camera placement is to take pictures of the vehicle and vehicle license plate when an infraction is occurring. Cities and counties shall consider installing cameras in a manner that minimizes the impact of camera flash on drivers.

~~((e))~~ (g) A notice of infraction must be mailed to the registered owner of the vehicle within ~~((fourteen))~~ 14 days of the violation, or to the renter of a vehicle within ~~((fourteen))~~ 14 days of establishing the renter's name and address under subsection (3) (a) of this section. The law enforcement officer issuing the notice of infraction shall include with it a certificate or facsimile thereof, based upon inspection of photographs, microphotographs, or electronic images produced by an automated traffic safety camera, stating the facts supporting the notice of infraction. This certificate or facsimile is prima facie evidence of the

facts contained in it and is admissible in a proceeding charging a violation under this chapter. The photographs, microphotographs, or electronic images evidencing the violation must be available for inspection and admission into evidence in a proceeding to adjudicate the liability for the infraction. A person receiving a notice of infraction based on evidence detected by an automated traffic safety camera may respond to the notice by mail.

~~((f))~~ (h) The registered owner of a vehicle is responsible for an infraction under RCW 46.63.030(1)(d) unless the registered owner overcomes the presumption in RCW 46.63.075, or, in the case of a rental car business, satisfies the conditions under subsection (3) of this section. If appropriate under the circumstances, a renter identified under subsection (3) (a) of this section is responsible for an infraction.

~~((g))~~ (i) Notwithstanding any other provision of law, all photographs, microphotographs, or electronic images, or any other personally identifying data prepared under this section are for the exclusive use of law enforcement in the discharge of duties under this section and are not open to the public and may not be used in a court in a pending action or proceeding unless the action or proceeding relates to a violation under this section. No photograph, microphotograph, or electronic image, or any other personally identifying data may be used for any purpose other than enforcement of violations under this section nor retained longer than necessary to enforce this section.

~~((h))~~ (j) All locations where an automated traffic safety camera is used must be clearly marked at least ~~((thirty))~~ 30 days prior to activation of the camera by placing signs in locations that clearly indicate to a driver that he or she is entering a zone where traffic laws are enforced by an automated traffic safety camera. Signs placed in automated traffic safety camera locations after June 7, 2012, must follow the specifications and guidelines under the manual of uniform traffic control devices for streets and highways as adopted by the department of transportation under chapter 47.36 RCW.

~~((i))~~ (k) If a county or city has established an authorized automated traffic safety camera program under this section, the compensation paid to the

manufacturer or vendor of the equipment used must be based only upon the value of the equipment and services provided or rendered in support of the system, and may not be based upon a portion of the fine or civil penalty imposed or the revenue generated by the equipment.

(1) If a city is operating an automated traffic safety camera to detect speed violations on roadways identified in a school walk area, speed violations in public park speed zones, speed violations in hospital speed zones, or speed violations under (d) of this subsection, the city shall remit monthly to the state 50 percent of the noninterest money received for infractions issued by those cameras excess of the cost to administer, install, operate, and maintain the automated traffic safety cameras, including the cost of processing infractions. Money remitted under this subsection to the state treasurer shall be deposited in the Cooper Jones active transportation safety account created in RCW 46.68.480. This subsection (1)(1) does not apply to automated traffic safety cameras authorized for stoplight, railroad crossing, or school speed zone violations.

(2) Infractions detected through the use of automated traffic safety cameras are not part of the registered owner's driving record under RCW 46.52.101 and 46.52.120. Additionally, infractions generated by the use of automated traffic safety cameras under this section shall be processed in the same manner as parking infractions, including for the purposes of RCW 3.50.100, 35.20.220, 46.16A.120, and 46.20.270(2). Except as provided otherwise in subsection (6) of this section, the amount of the fine issued for an infraction generated through the use of an automated traffic safety camera shall not exceed the amount of a fine issued for other parking infractions within the jurisdiction. However, the amount of the fine issued for a traffic control signal violation detected through the use of an automated traffic safety camera shall not exceed the monetary penalty for a violation of RCW 46.61.050 as provided under RCW 46.63.110, including all applicable statutory assessments.

(3) If the registered owner of the vehicle is a rental car business, the law enforcement agency shall, before a notice of infraction being issued under this section, provide a written notice to the

rental car business that a notice of infraction may be issued to the rental car business if the rental car business does not, within (~~eighteen~~) 18 days of receiving the written notice, provide to the issuing agency by return mail:

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

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

(c) In lieu of identifying the vehicle operator, the rental car business may pay the applicable penalty.

Timely mailing of this statement to the issuing law enforcement agency relieves a rental car business of any liability under this chapter for the notice of infraction.

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

(5) (a) For the purposes of this section, "automated traffic safety camera" means a device that uses a vehicle sensor installed to work in conjunction with an intersection traffic control system, a railroad grade crossing control system, or a speed measuring device, and a camera synchronized to automatically record one or more sequenced photographs, microphotographs, or electronic images of the rear of a motor vehicle at the time the vehicle fails to stop when facing a steady red traffic control signal or an activated railroad grade crossing control signal, or exceeds a speed limit as detected by a speed measuring device.

(b) For the purposes of the pilot program authorized under subsection (6) of this section, "automated traffic safety camera" also includes a device used to detect stopping at intersection or crosswalk violations; stopping when traffic obstructed violations; public transportation only lane violations; and stopping or traveling in restricted lane

violations. The device, including all technology defined under "automated traffic safety camera," must not reveal the face of the driver or the passengers in vehicles, and must not use any facial recognition technology in real time or after capturing any information. If the face of any individual in a crosswalk or otherwise within the frame is incidentally captured, it may not be made available to the public nor used for any purpose including, but not limited to, any law enforcement action, except in a pending action or proceeding related to a violation under this section.

(6)(a)(i) A city with a population greater than (~~five hundred thousand~~) 500,000 may adopt an ordinance creating a pilot program authorizing automated traffic safety cameras to be used to detect one or more of the following violations: Stopping when traffic obstructed violations; stopping at intersection or crosswalk violations; public transportation only lane violations; and stopping or traveling in restricted lane violations. Under the pilot program, stopping at intersection or crosswalk violations may only be enforced at the (~~twenty~~) 20 intersections where the city would most like to address safety concerns related to stopping at intersection or crosswalk violations. At a minimum, the local ordinance must contain the restrictions described in this section and provisions for public notice and signage.

(ii) Except where specifically exempted, all of the rules and restrictions applicable to the use of automated traffic safety cameras in this section apply to the use of automated traffic safety cameras in the pilot program established in this subsection (6).

(iii) As used in this subsection (6), "public transportation vehicle" means any motor vehicle, streetcar, train, trolley vehicle, ferry boat, or any other device, vessel, or vehicle that is owned or operated by a transit authority or an entity providing service on behalf of a transit authority that is used for the purpose of carrying passengers and that operates on established routes. "Transit authority" has the meaning provided in RCW 9.91.025.

(b) Use of automated traffic safety cameras as authorized in this subsection (6) is restricted to the following locations only: Locations authorized in

subsection (1)(b) of this section; and midblock on arterials. Additionally, the use of automated traffic safety cameras as authorized in this subsection (6) is further limited to the following:

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

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

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

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

(c) However, automated traffic safety cameras may not be used on an on-ramp to an interstate.

(d) From June 11, 2020, through December 31, 2020, a warning notice with no penalty must be issued to the registered owner of the vehicle for a violation generated through the use of an automated traffic safety camera authorized in this subsection (6). Beginning January 1, 2021, a notice of infraction must be issued, in a manner consistent with subsections (1)(~~e~~) (g) and (3) of this section, for a violation generated through the use of an automated traffic safety camera authorized in this subsection (6). However, the penalty for the violation may not exceed (~~seventy-five dollars~~) \$75.

(e) For infractions issued as authorized in this subsection (6), a city with a pilot program shall remit monthly to the state (~~fifty~~) 50 percent of the noninterest money received under this subsection (6) in excess of the cost to install, operate, and maintain the

automated traffic safety cameras for use in the pilot program. Money remitted under this subsection to the state treasurer shall be deposited in the Cooper Jones active transportation safety account created in RCW 46.68.480. The remaining ~~((fifty))~~ 50 percent retained by the city must be used only for improvements to transportation that support equitable access and mobility for persons with disabilities.

(f) A transit authority may not take disciplinary action, regarding a warning or infraction issued pursuant to this subsection (6), against an employee who was operating a public transportation vehicle at the time the violation that was the basis of the warning or infraction was detected.

(g) A city that implements a pilot program under this subsection (6) must provide a preliminary report to the transportation committees of the legislature by June 30, ~~((2022))~~ 2024, and a final report by January 1, ~~((2023))~~ 2025, on the pilot program that includes the locations chosen for the automated traffic safety cameras used in the pilot program, the number of warnings and traffic infractions issued under the pilot program, the number of traffic infractions issued with respect to vehicles registered outside of the county in which the city is located, the infrastructure improvements made using the penalty moneys as required under (e) of this subsection, an equity analysis that includes any disproportionate impacts, safety, and on-time performance statistics related to the impact on driver behavior of the use of automated traffic safety cameras in the pilot program, and any recommendations on the use of automated traffic safety cameras to enforce the violations that these cameras were authorized to detect under the pilot program.

**Sec. 424.** RCW 46.63.170 and 2015 3rd sp.s. c 44 s 406 are each amended to read as follows:

(1) The use of automated traffic safety cameras for issuance of notices of infraction is subject to the following requirements:

(a) The appropriate local legislative authority must prepare an analysis of the locations within the jurisdiction where automated traffic safety cameras are proposed to be located: (i) Before enacting an ordinance allowing for the

initial use of automated traffic safety cameras; and (ii) before adding additional cameras or relocating any existing camera to a new location within the jurisdiction. Automated traffic safety cameras may be used to detect one or more of the following: Stoplight, railroad crossing, ~~((=))~~ school speed zone violations~~((+))~~, speed violations on any roadway identified in a school walk area as defined in RCW 28A.160.160, speed violations in public park speed zones, hospital speed zones, or speed violations subject to (c) or (d) of this subsection. At a minimum, the local ordinance must contain the restrictions described in this section and provisions for public notice and signage. Cities and counties using automated traffic safety cameras before July 24, 2005, are subject to the restrictions described in this section, but are not required to enact an authorizing ordinance. Beginning one year after June 7, 2012, cities and counties using automated traffic safety cameras must post an annual report of the number of traffic accidents that occurred at each location where an automated traffic safety camera is located as well as the number of notices of infraction issued for each camera and any other relevant information about the automated traffic safety cameras that the city or county deems appropriate on the city's or county's website.

(b)(i) Except as provided in (c) and (d) of this subsection, use of automated traffic safety cameras is restricted to the following locations only: ~~((+))~~ (A) Intersections of two arterials with traffic control signals that have yellow change interval durations in accordance with RCW 47.36.022, which interval durations may not be reduced after placement of the camera; ~~((+))~~ (B) railroad crossings; ~~((and +))~~ (C) school speed zones; (D) roadways identified in a school walk area as defined in RCW 28A.160.160; (E) public park speed zones, as defined in (b)(ii) of this subsection; and (F) hospital speed zones, as defined in (b)(ii) of this subsection.

(ii) For the purposes of this section:

(A) "Public park speed zone" means the marked area within public park property and extending 300 feet from the border of public park property (I) consistent with active park use; and (II) where signs are posted to indicate the location is within a public park speed zone.



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

(c) (~~Any~~) In addition to the automated traffic safety cameras authorized under (d) of this subsection, any city west of the Cascade mountains with a population of more than (~~one hundred ninety-five thousand~~) 195,000 located in a county with a population of fewer than (~~one million five hundred thousand~~) 1,500,000 may operate an automated traffic safety camera to detect speed violations subject to the following limitations:

(i) A city may only operate one such automated traffic safety camera within its respective jurisdiction; and

(ii) The use and location of the automated traffic safety camera must have first been authorized by the Washington state legislature as a pilot project for at least one full year.

(d) (i) Cities may operate at least one automated traffic safety camera under this subsection to detect speed violations, subject to the requirements of (d) (ii) of this subsection. Cities may operate one additional automated traffic safety camera to detect speed violations for every 10,000 residents included in the city's population. Cameras must be placed in locations that comply with one of the following:

(A) The location has been identified as a priority location in a local road safety plan that a city has submitted to the Washington state department of transportation and where other speed reduction measures are not feasible or have not been sufficiently effective at reducing travel speed;

(B) The location has a significantly higher rate of collisions than the city average in a period of at least three years prior to installation and other speed reduction measures are not feasible or have not been sufficiently effective at reducing travel speed; or

(C) The location is in an area within the city limits designated by local ordinance as a zone subject to specified restrictions and penalties on racing and race attendance.

(ii) A city locating an automated traffic safety camera under this subsection (1) (d) must complete an equity analysis that evaluates livability, accessibility, economics, education, and environmental health, and shall consider the outcome of that analysis when identifying where to locate an automated traffic safety camera.

(e) All locations where an automated traffic safety camera is used to detect speed violations on roadways identified in a school walk area, speed violations in public park speed zones, speed violations in hospital speed zones, or speed violations under (d) of this subsection must be clearly marked by placing signs in locations that clearly indicate to a driver either: (i) That the driver is within a school walk area, public park speed zone, or hospital speed zone; or (ii) that the driver is entering an area where speed violations are enforced by an automated traffic safety camera. Signs placed in automated traffic safety camera locations after June 7, 2012, must follow the specifications and guidelines under the manual of uniform traffic control devices for streets and highways as adopted by the department of transportation under chapter 47.36 RCW.

(f) Automated traffic safety cameras may only take pictures of the vehicle and vehicle license plate and only while an infraction is occurring. The picture must not reveal the face of the driver or of passengers in the vehicle. The primary purpose of camera placement is to take pictures of the vehicle and vehicle license plate when an infraction is occurring. Cities and counties shall consider installing cameras in a manner that minimizes the impact of camera flash on drivers.

(~~(e)~~) (g) A notice of infraction must be mailed to the registered owner of the vehicle within (~~fourteen~~) 14 days of the violation, or to the renter of a vehicle within (~~fourteen~~) 14 days of establishing the renter's name and address under subsection (3) (a) of this section. The law enforcement officer issuing the notice of infraction shall include with it a certificate or facsimile thereof, based upon inspection of photographs, microphotographs, or electronic images produced by an automated traffic safety camera, stating the facts supporting the notice of infraction. This certificate or facsimile is prima facie evidence of the

facts contained in it and is admissible in a proceeding charging a violation under this chapter. The photographs, microphotographs, or electronic images evidencing the violation must be available for inspection and admission into evidence in a proceeding to adjudicate the liability for the infraction. A person receiving a notice of infraction based on evidence detected by an automated traffic safety camera may respond to the notice by mail.

~~((f))~~ (h) The registered owner of a vehicle is responsible for an infraction under RCW 46.63.030(1)(d) unless the registered owner overcomes the presumption in RCW 46.63.075, or, in the case of a rental car business, satisfies the conditions under subsection (3) of this section. If appropriate under the circumstances, a renter identified under subsection (3)(a) of this section is responsible for an infraction.

~~((g))~~ (i) Notwithstanding any other provision of law, all photographs, microphotographs, or electronic images prepared under this section are for the exclusive use of law enforcement in the discharge of duties under this section and are not open to the public and may not be used in a court in a pending action or proceeding unless the action or proceeding relates to a violation under this section. No photograph, microphotograph, or electronic image may be used for any purpose other than enforcement of violations under this section nor retained longer than necessary to enforce this section.

~~((h))~~ (j) All locations where an automated traffic safety camera is used must be clearly marked at least ~~((thirty))~~ 30 days prior to activation of the camera by placing signs in locations that clearly indicate to a driver that he or she is entering a zone where traffic laws are enforced by an automated traffic safety camera. Signs placed in automated traffic safety camera locations after June 7, 2012, must follow the specifications and guidelines under the manual of uniform traffic control devices for streets and highways as adopted by the department of transportation under chapter 47.36 RCW.

~~((i))~~ (k) If a county or city has established an authorized automated traffic safety camera program under this section, the compensation paid to the manufacturer or vendor of the equipment used must be based only upon the value of

the equipment and services provided or rendered in support of the system, and may not be based upon a portion of the fine or civil penalty imposed or the revenue generated by the equipment.

(1) If a city is operating an automated traffic safety camera to detect speed violations on roadways identified in a school walk area, speed violations in public park speed zones, speed violations in hospital speed zones, or speed violations under (d) of this subsection, the city shall remit monthly to the state 50 percent of the noninterest money received for infractions issued by those cameras excess of the cost to administer, install, operate, and maintain the automated traffic safety cameras, including the cost of processing infractions. Money remitted under this subsection to the state treasurer shall be deposited in the Cooper Jones active transportation safety account created in RCW 46.68.480. This subsection (1)(1) does not apply to automated traffic safety cameras authorized for stoplight, railroad crossing, or school speed zone violations.

(2) Infractions detected through the use of automated traffic safety cameras are not part of the registered owner's driving record under RCW 46.52.101 and 46.52.120. Additionally, infractions generated by the use of automated traffic safety cameras under this section shall be processed in the same manner as parking infractions, including for the purposes of RCW 3.50.100, 35.20.220, 46.16A.120, and 46.20.270(2). The amount of the fine issued for an infraction generated through the use of an automated traffic safety camera shall not exceed the amount of a fine issued for other parking infractions within the jurisdiction. However, the amount of the fine issued for a traffic control signal violation detected through the use of an automated traffic safety camera shall not exceed the monetary penalty for a violation of RCW 46.61.050 as provided under RCW 46.63.110, including all applicable statutory assessments.

(3) If the registered owner of the vehicle is a rental car business, the law enforcement agency shall, before a notice of infraction being issued under this section, provide a written notice to the rental car business that a notice of infraction may be issued to the rental car business if the rental car business does not, within ~~((eighteen))~~ 18 days of

receiving the written notice, provide to the issuing agency by return mail:

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

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

(c) In lieu of identifying the vehicle operator, the rental car business may pay the applicable penalty.

Timely mailing of this statement to the issuing law enforcement agency relieves a rental car business of any liability under this chapter for the notice of infraction.

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

(5) For the purposes of this section, "automated traffic safety camera" means a device that uses a vehicle sensor installed to work in conjunction with an intersection traffic control system, a railroad grade crossing control system, or a speed measuring device, and a camera synchronized to automatically record one or more sequenced photographs, microphotographs, or electronic images of the rear of a motor vehicle at the time the vehicle fails to stop when facing a steady red traffic control signal or an activated railroad grade crossing control signal, or exceeds a speed limit as detected by a speed measuring device.

(6) During the 2011-2013 and 2013-2015 fiscal biennia, this section does not apply to automated traffic safety cameras for the purposes of section 216(5), chapter 367, Laws of 2011 and section 216(6), chapter 306, Laws of 2013.

**NEW SECTION. Sec. 425.** A new section is added to chapter 47.56 RCW to read as follows:

The legislature recognizes the need to reduce congestion and improve mobility on the Interstate 405 and state route number

167 corridors, and finds that performance on the corridors has not met the goal that average vehicle speeds in the express toll lanes remain above 45 miles per hour at least 90 percent of the time during peak hours. Therefore, the legislature intends that the commission reevaluate options at least every two years to improve performance on the Interstate 405 and state route number 167 corridors, pursuant to RCW 47.56.880 and 47.56.850.

**Sec. 426.** RCW 70A.65.230 and 2021 c 316 s 26 are each amended to read as follows:

(1) It is the intent of the legislature that each year the total investments made through the carbon emissions reduction account created in RCW 70A.65.240, the climate commitment account created in RCW 70A.65.260, the natural climate solutions account created in RCW 70A.65.270, ~~((and))~~ the air quality and health disparities improvement account created in RCW 70A.65.280, the climate transit programs account created in section 104 of this act, and the climate active transportation account created in section 103 of this act, achieve the following:

(a) A minimum of not less than 35 percent and a goal of 40 percent of total investments that provide direct and meaningful benefits to vulnerable populations within the boundaries of overburdened communities identified under chapter 314, Laws of 2021; and

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

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

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

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

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

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

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

~~((5) No expenditures may be made from the carbon emissions reduction account created in RCW 70A.65.240, the climate investment account created in RCW 70A.65.250, or the air quality and health disparities improvement account created in RCW 70A.65.280 if, by April 1, 2023, the legislature has not considered and enacted request legislation brought forth by the department under RCW 70A.65.060 that outlines a compliance pathway specific to emissions-intensive, trade-exposed businesses for achieving their proportionate share of the state's emissions reduction limits through 2050.))~~

**NEW SECTION. Sec. 427.** The legislature finds that in order to meet the statewide greenhouse gas emissions limits in RCW 70A.45.020 and 70A.45.050, the state must drastically reduce vehicle greenhouse gas emissions. A critical strategy to meet those goals is transitioning to zero emissions vehicles and this transition requires ongoing purposeful interagency coordination and cooperation. As such, it is the intent of the legislature to create a formal interagency council responsible for coordinating the state's transportation electrification efforts to ensure the state is leveraging state and federal resources to the best extent possible and to ensure zero emissions incentives, infrastructure, and opportunities are available and accessible to all Washingtonians.

The legislature further finds that in order to meet the statewide greenhouse gas emissions limits in the transportation sector of the economy, more resources must be directed toward achieving zero emissions transportation and transit, while continuing to relieve energy burdens that exist in overburdened communities.

**NEW SECTION. Sec. 428.** (1) There is hereby created an interagency electric vehicle coordinating council jointly led by the Washington state department of commerce and the Washington state department of transportation with participation from the following agencies:

- (a) The office of financial management;
- (b) The department of ecology;
- (c) The department of enterprise services;
- (d) The state efficiency and environmental performance office;
- (e) The department of agriculture;
- (f) The department of health;
- (g) The utilities and transportation commission;
- (h) A representative from the office of the superintendent of public instruction knowledgeable on issues pertaining to student transportation; and
- (i) Other agencies with key roles in electrifying the transportation sector.

(2) The Washington state department of commerce and Washington state department of transportation shall assign staff in each agency to lead the council's coordination work and provide ongoing reports to the governor and legislature including, but not limited to, the transportation, energy, economic development, and other appropriate legislative committees.

**NEW SECTION. Sec. 429.** (1) Interagency electric vehicle coordinating council responsibilities include, but are not limited to:

- (a) Development of a statewide transportation electrification strategy to ensure market and infrastructure readiness for all new vehicle sales;
- (b) Identification of all electric vehicle infrastructure grant-related

funding to include existing and future opportunities, including state, federal, and other funds;

(c) Coordination of grant funding criteria across agency grant programs to most efficiently distribute state and federal electric vehicle-related funding in a manner that is most beneficial to the state, advances best practices, and recommends additional criteria that could be useful in advancing transportation electrification;

(d) Development of a robust public and private outreach plan that includes engaging with:

(i) Community organizers and the environmental justice council to develop community-driven programs to address zero emissions transportation needs and priorities in overburdened communities; and

(ii) Local governments to explore procurement opportunities and work with local government and community programs to support electrification;

(e) Creation of an industry electric vehicle advisory committee; and

(f) Ensuring the statewide transportation electrification strategy, grant distribution, programs, and activities associated with advancing transportation electrification benefit vulnerable and overburdened communities.

(2) The council shall provide an annual report to the appropriate committees of the legislature summarizing electric vehicle implementation progress, gaps, and resource needs.

**Sec. 430.** RCW 46.68.480 and 2020 c 224 s 2 are each amended to read as follows:

The Cooper Jones active transportation safety account is created in the state treasury. All receipts from penalties collected under RCW 46.63.170(~~(6)(e)~~) shall be deposited into the account. Expenditures from the account may be used only to fund grant projects or programs for bicycle, pedestrian, and nonmotorist safety improvement (~~(administered by the Washington traffic safety commission)~~). The account is subject to allotment procedures under chapter 43.88 RCW. Moneys in the account may be spent only after appropriation.

**NEW SECTION. Sec. 431.** A new section is added to chapter 47.60 RCW to read as follows:

It is the intent of the legislature to fully fund the vessel and terminal electrification program in accordance with the Washington state ferries 2040 long range plan. The legislature finds that to attain the 2040 target fleet size of 26 vessels, a biennial replacement schedule is necessary to ensure the level of ferry service and reliability expected by the public. Therefore, by June 30, 2025, the legislature will secure funding options, including but not limited to a vessel surcharge, to devote the resources necessary to fulfill the vessel and terminal needs outlined in the 2040 long range plan.

**NEW SECTION. Sec. 432.** Washington state's target zero program envisions Washington having policies that will lead to zero deaths of people using the transportation system. For almost two decades more than 200 people have lost their lives annually in circumstances where a vehicle unintentionally left its lane of travel. Such fatalities made up 48 percent of all traffic-related fatalities in 2019. There are multiple ways to make improvements on the highway system that have been proven in other locations to help reduce lane departures and fatalities. Sections 433 and 434 of this act are intended to direct resources towards deploying such improvements by requiring the Washington state department of transportation to create a program that is focused on addressing this specific safety concern.

**NEW SECTION. Sec. 433.** A new section is added to chapter 47.04 RCW to read as follows:

(1)(a) When an appropriation is made for this purpose, the department shall establish a reducing rural roadway departures program to provide funding for safety improvements specific to preventing lane departures in areas where the departure is likely to cause serious injuries or death. Funding under this program may be used to:

(i) Widen roadway shoulders or modify roadway design to improve visibility or reduce lane departure risks;

(ii) Improve markings and paint on roadways, including making markings on roads more visible for vehicles with lane departure technology;

(iii) Apply high friction surface treatments;

(iv) Install rumble strips, signage, lighting, raised barriers, medians, guardrails, cable barriers, or other safety equipment, including deployment of innovative technology and connected infrastructure devices;

(v) Remove or relocate fixed objects from rights-of-way that pose a significant risk of serious injury or death if a vehicle were to collide with the object due to a lane departure;

(vi) Repair or replace existing barriers that are damaged or nonfunctional; or

(vii) Take other reasonable actions that are deemed likely to address or prevent vehicle lane departures in specific areas of concern.

(b) The department must create a program whereby it can distribute funding or install safety improvements listed in (a) of this subsection on state, county, small city, or town roads in rural areas that have a high risk of having or actually have incidents of serious injuries or fatalities due to vehicle lane departures. Any installation of safety measures that are not under the jurisdiction of the department must be done with permission from the entity that is responsible for operation and maintenance of the roadway.

(c) The department's program must create a form and application process whereby towns, small cities, counties, and transportation benefit districts may apply for program funding for high risk areas in their jurisdictions in need of safety improvements.

(d) Subject to the availability of amounts appropriated for this specific purpose, the department must issue program funding for purposes defined in (a) and (b) of this subsection in a geographically diverse manner throughout the state. Criteria used to assess a location can include the communities inability or lack of resources to make the corrections themselves and to make corrections where there has been historic disparate impacts.

(e) By December 31st of each year when there is funding distributed in accordance with this program, the department must provide the transportation committees of the

legislature and the traffic safety commission with a list of locations that received funding and a description of the safety improvements installed there.

(2) During the first five years of the program, the department must track incidence of lane departures at the locations where the new infrastructure is installed and evaluate the effectiveness of the safety improvements.

**Sec. 434.** RCW 46.68.060 and 2021 c 333 s 706 are each amended to read as follows:

There is hereby created in the state treasury a fund to be known as the highway safety fund to the credit of which must be deposited all moneys directed by law to be deposited therein. This fund must be used for carrying out the provisions of law relating to driver licensing, driver improvement, financial responsibility, cost of furnishing abstracts of driving records and maintaining such case records, and to carry out the purposes set forth in RCW 43.59.010, ~~((and))~~ chapters 46.72 and 46.72A RCW, and section 433 of this act. During the 2013-2015 and 2015-2017 fiscal biennia, the legislature may transfer from the highway safety fund to the Puget Sound ferry operations account, the motor vehicle fund, and the multimodal transportation account such amounts as reflect the excess fund balance of the highway safety fund. During the 2017-2019, 2019-2021, and 2021-2023 fiscal biennia, the legislature may direct the state treasurer to make transfers of moneys in the highway safety fund to the multimodal transportation account and the state patrol highway account.

#### **Part V**

#### **Miscellaneous**

NEW SECTION. **Sec. 501.** Sections 415 and 427 through 429 of this act constitute a new chapter in Title 43 RCW.

NEW SECTION. **Sec. 502.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. **Sec. 503.** Sections 310 and 403 of this act expire July 1, 2024.

NEW SECTION. **Sec. 504.** Section 404 of this act takes effect July 1, 2024.

**Sec. 505.** 2020 c 224 s 3 (uncodified) is amended to read as follows:

Section 1 of this act expires June 30, ((2023)) 2025.

NEW SECTION. **Sec. 506.** Section 423 of this act expires June 30, 2025.

NEW SECTION. **Sec. 507.** Section 424 of this act takes effect June 30, 2025.

NEW SECTION. **Sec. 508.** Sections 312, 408 through 414, and 421 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect immediately.

NEW SECTION. **Sec. 509.** Sections 212, 213, 216, and 217 of this act take effect October 1, 2022.

NEW SECTION. **Sec. 510.** Sections 214 and 215 of this act take effect January 1, 2023, and apply to registrations that become due on or after that date.

NEW SECTION. **Sec. 511.** Sections 201 through 206 of this act take effect July 1, 2023.

NEW SECTION. **Sec. 512.** Sections 101 through 106, 208 through 211, 218, 301 through 311, 401 through 403, 405 through 407, 415 through 420, 422, 423, 425 through 430, and 505 of this act take effect July 1, 2022."

Correct the title.

Representative Barkis moved the adoption of amendment (1266) to striking amendment (1215):

On page 1, after line 2, insert the following:

"NEW SECTION. **Sec. 1.** 2022 c ... (ESSB 5693) s 710 (uncodified) is repealed.

**Sec. 2.** RCW 82.08.020 and 2014 c 140 s 12 are each amended to read as follows:

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

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

(b) Digital goods, digital codes, and digital automated services, if the sale

is included within the RCW 82.04.050 definition of retail sale;

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

(d) Extended warranties to consumers; and

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

(2) There is levied and collected an additional tax on each retail car rental, regardless of whether the vehicle is licensed in this state, equal to five and nine-tenths percent of the selling price. The revenue collected under this subsection must be deposited in the multimodal transportation account created in RCW 47.66.070.

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

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

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

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

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

(iv) Snowmobiles as defined in RCW 46.04.546.

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

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

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

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

~~(d) Snowmobiles as defined in RCW 46.04.546.)~~ (a) Beginning July 1, 2022, and every year thereafter, 50 percent of all revenue collected under subsection (1) of this section on each new and used retail sale of a vehicle in this state, including private party sales, but excluding retail car rentals taxed under subsection (2) of this section, must be deposited into the motor vehicle fund.

(b) For purposes of this subsection (4), "vehicle" has the meaning provided in RCW 46.04.670 including, but not limited to, passenger vehicles, light trucks, commercial vehicles, travel trailers, recreational vehicles, intermittent use trailers, motorcycles, and campers, but "vehicle" does not include:

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

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

(iii) Nonhighway vehicles as defined in RCW 46.09.310;

(iv) Bicycles as defined in RCW 46.04.071; and

(v) Snowmobiles as defined in RCW 46.04.546.

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

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

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

**Sec. 3.** RCW 82.12.020 and 2017 c 323 s 520 are each amended to read as follows:

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

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

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

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

(d) Extended warranty; or

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

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

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

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

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

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

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



is obligated to make continued payment as a condition of use.

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

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

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

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

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

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

(iv) To the use of digital goods or digital automated services, which were obtained through the use of a digital code, if the sale of the digital code to, or the use of the digital code by, the present user or the present user's bailor

or donor has already been subjected to the tax under chapter 82.08 RCW or this chapter and the tax has been paid by the present user or by the present user's bailor or donor.

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

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

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

(6) Beginning July 1, 2022, and every year thereafter, 50 percent of all use tax revenue collected under subsection (1) of this section on the use of each new and used vehicle in this state, but excluding retail car rentals taxed under RCW 82.08.020, must be deposited into the motor vehicle fund."

Correct the title.

On page 126, line 1, after "Sections" insert "1 through 3,"

FISCAL IMPACT: Reduces Multimodal Transportation Account—State over 16 years by \$2 billion. Increases Motor Vehicle Account—State over 16 years by \$10.8 billion.

Representative Barkis spoke in favor of the adoption of the amendment to the striking amendment.

Representative Fey spoke against the adoption of the amendment to the striking amendment.

#### MOTION

On motion of Representative Griffey, Representatives Chandler and Sutherland were excused.

An electronic roll call was requested.

#### ROLL CALL

The Clerk called the roll on the adoption of amendment (1266) to striking amendment (1215) and the amendment was not adopted by the following vote: Yeas: 39; Nays: 57; Absent: 0; Excused: 2

Voting yea: Representatives Abbarno, Barkis, Boehnke, Calder, Chambers, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, MacEwen, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Robertson, Rude, Schmick, Steele, Stokesbary, Vick, Volz, Walsh, Wilcox, Ybarra, and Young

Voting nay: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chapman, Chopp, Cody, Davis, Dolan, Donaghy, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, Jinkins, Johnson, J., Kirby, Kloba, Leavitt, Lekanoff, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rule, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, and Wylie

Excused: Representatives Chandler and Sutherland

Representative Volz moved the adoption of amendment (1245) to striking amendment (1215):

0) On page 2, line 3 of the striking amendment, after "Ferries," strike "and"

On page 2, line 4 of the striking amendment, after "Rail" insert "; and

(f) Preservation and improvements for roads that electric and hybrid vehicles and electric buses can travel upon, including funding for TIB, CRAB, and FMSIB"

On page 2, line 5 of the striking amendment, after "**Sec. 102.**" insert "(1)"

On page 2, after line 9 of the striking amendment, insert the following:

"(2) \$960,000,000 of the funding identified for transit support grants in LEAP Transportation Document 2022-A, as developed February 8, 2022, is redesignated and provided for the county road administration board, the transportation improvement board, and the freight mobility strategic investment board, which must each receive \$20,000,000 in funding per year for 16 years to be used for preservation and improvements for roads that electric and hybrid vehicles and electric buses can travel upon."

Representative Volz and Volz (again) spoke in favor of the adoption of the amendment to the striking amendment.

Representative Wicks spoke against the adoption of the amendment to the striking amendment.

Amendment (1245) to striking amendment (1215) was not adopted.

Representative Eslick moved the adoption of amendment (1258) to striking amendment (1215):

0) On page 5, line 19 of the striking amendment, after "workers" insert ", "

On page 5, at the beginning of line 35 of the striking amendment, strike "**Exported Fuel Tax,**"

On page 6, beginning on line 1 of the striking amendment, strike all of sections 201 through 207

Re-number the remaining sections consecutively and correct any internal references accordingly.

On page 41, after line 21 of the striking amendment, insert the following:

"**NEW SECTION. Sec. 301.** A new section is added to chapter 43.79 RCW to read as follows:

Beginning July 1, 2025, and continuing until \$2,053,000,000 in total has been cumulatively expended from the state general fund over several biennia, appropriations for projects that correct barriers for fish to swim upstream on public lands must be paid out of the state general fund."

Re-number the remaining sections consecutively and correct any internal references accordingly.

Representatives Eslick, Walsh and Barkis spoke in favor of the adoption of the amendment to the striking amendment.

Representatives Sullivan and Fey spoke against the adoption of the amendment to the striking amendment.

Amendment (1258) to striking amendment (1215) was not adopted.

Representative Fey moved the adoption of amendment (1231) to striking amendment (1215):

On page 5, at the beginning of line 35, strike "**Exported Fuel Tax,**"

On page 6, beginning on line 1, strike all of sections 201 through 207

Re-number the remaining sections consecutively and correct any internal references accordingly.

On page 42, after line 27, insert the following:

"**Sec. 302.** RCW 43.155.050 and 2021 c 334 s 979 and 2021 c 332 s 7031 are each reenacted and amended to read as follows:

(1) The public works assistance account is hereby established in the state treasury. Money may be placed in the public works assistance account from the proceeds of bonds when authorized by the legislature or from any other lawful source. Money in the public works assistance account shall be used to make loans and grants and to give financial guarantees to local governments for public works projects. Moneys in the account may also be appropriated or transferred to the water pollution control revolving fund and the drinking water assistance account to provide for state match requirements under federal law. Moneys in the account may be transferred to the move ahead WA account to provide support of public works projects funded in the move ahead WA program. Not more than (~~twenty~~) 20 percent of the biennial capital budget appropriation to the public works board from this account may be expended or obligated for preconstruction loans and grants, emergency loans and grants, or loans and grants for capital facility planning under this chapter. Not more than (~~ten~~) 10 percent of the biennial capital budget appropriation to the public works board from this account may be expended or obligated as grants for preconstruction, emergency, capital facility planning, and construction projects. During the 2017-2019 and 2019-2021 fiscal biennia, the legislature may appropriate moneys from the account for activities related to rural economic development, the growth management act, the aviation revitalization loan program, the community economic revitalization board broadband program, and the voluntary stewardship program. During the 2021-2023 biennium, the legislature may appropriate moneys from the account for activities related to the aviation revitalization board. During the 2019-2021 fiscal biennia, the legislature may direct the state treasurer to make transfers of moneys in the public works assistance account to the education legacy trust account. During the 2019-2021 and 2021-2023 fiscal biennia, the legislature may direct the state treasurer to make transfers of moneys in the public works assistance account to the statewide broadband account. During the 2021-2023 fiscal biennium, the legislature may

appropriate moneys from the public works assistance account for activities related to the voluntary stewardship program, rural economic development, and the growth management act.

(2) For fiscal year 2024 through fiscal year 2038, the state treasurer must transfer from the public works assistance account to the move ahead WA account created in section 401 of this act \$100,000,000 each fiscal year in four equal quarterly transfers."

Renumber the remaining section consecutively and correct any internal references accordingly.

On page 125, beginning on line 28, strike all of section 511.

Renumber the remaining section consecutively and correct any internal references accordingly.

Correct the title.

FISCAL IMPACT: (1) Reduces revenues by \$2.053 billion over 15 years to the Move Ahead WA Account.

(2) Shifts \$1.5 billion in revenues from the Public Works Assistance Account to the Move Ahead WA Account over 15 years.

Representatives Fey and Wylie spoke in favor of the adoption of the amendment to the striking amendment.

Representatives Steele, Barkis, Schmick, Orcutt, Corry, Abbarno, MacEwen, Stokesbary and Walsh spoke against the adoption of the amendment to the striking amendment.

An electronic roll call was requested.

#### ROLL CALL

The Clerk called the roll on the adoption of amendment (1231) to striking amendment (1215) and the amendment was adopted by the following vote: Yeas: 52; Nays: 45; Absent: 0; Excused: 1

Voting yea: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chapman, Chopp, Cody, Davis, Dolan, Donaghy, Duerr, Entenman, Fey, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, Jinkins, Kloba, Kraft, Leavitt, Lekanoff, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Peterson, Ramel, Ramos, Riccelli, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, and Wylie

Voting nay: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chandler, Chase, Corry, Dent, Dufault, Dye, Eslick, Fitzgibbon, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Johnson, J., Kirby, Klicker, Klippert, Kretz, MacEwen, Maycumber, McCaslin,

McEntire, Mosbrucker, Orcutt, Paul, Pollet, Robertson, Rude, Rule, Schmick, Steele, Stokesbary, Vick, Volz, Walsh, Wilcox, Ybarra, and Young

Excused: Representative Sutherland

### STATEMENTS FOR THE JOURNAL

I intended to vote YEA on amendment (1231) to striking amendment (1215) to Engrossed Substitute Senate Bill No. 5974.

Representative Fitzgibbon, 34th District

I intended to vote YEA on amendment (1231) to striking amendment (1215) to Engrossed Substitute Senate Bill No. 5974.

Representative Rule, 42nd District

Representative Dent moved the adoption of amendment (1222) to striking amendment (1215):

On page 5, on line 35 of the striking amendment after "**Exported Fuel Tax,**" strike "**Aircraft Fuel Tax**" and add "**Taxes on Aircraft Fuel**"

On page 18, beginning on line 9 of the striking amendment, strike all of section 208 and insert the following:

"**Sec. 208.** RCW 82.42.090 and 2017 3rd sp.s. c 25 s 42 are each amended to read as follows:

(1) All moneys collected by the director from the aircraft fuel excise tax as provided in RCW 82.42.020 (~~shall~~) must be transmitted to the state treasurer and (~~shall~~) must be credited to the aeronautics account hereby created in the state treasury.

(2) Moneys collected from the consumer or user of aircraft fuel from either the use tax imposed by RCW 82.12.020 or the retail sales tax imposed by RCW 82.08.020 (~~shall~~) must be transmitted to the state treasurer and distributed as follows:

(a) An amount equivalent to imposing a one percent tax must be credited to the aeronautics account; and

(b) An amount equivalent to imposing a five and five-tenths percent tax must be credited to the state general fund."

Representative Dent spoke in favor of the adoption of the amendment to the striking amendment.

Representative Sullivan spoke against the adoption of the amendment to the striking amendment.

Amendment (1222) to striking amendment (1215) was not adopted.

Representative Klicker moved the adoption of amendment (1246) to striking amendment (1215):

On page 18, line 29, strike "\$50.00" and insert "\$20.00"

On page 18, line 32, strike "\$30.00" and insert "\$15.00"

On page 18, line 34, strike "\$20.00" and insert "\$10.00"

On page 18, line 36, strike "\$12.00" and insert "\$8.00"

On page 19, line 19, after "of" strike "\$40" and insert "\$10"

On page 19, line 30, after "(3)" strike "\$40" and insert "\$10"

On page 19, beginning on line 31, after "section" strike all material through "section," on line 32

On page 19, line 32, after "and" strike "\$16" and insert "\$6"

On page 19, line 36, after "(4)" strike "\$20" and insert "\$5"

On page 19, line 37, after "and" strike "\$8" and insert "\$4"

**FISCAL IMPACT:** Reduces Move Ahead WA Account revenue by \$1.041 billion over 16 years.

Representatives Klicker, Barkis and Orcutt spoke in favor of the adoption of the amendment to the striking amendment.

Representative Fey spoke against the adoption of the amendment to the striking amendment.

Amendment (1246) to striking amendment (1215) was not adopted.

Representative Barkis moved the adoption of amendment (1247) to striking amendment (1215):

On page 41, after line 21 of the striking amendment, insert the following:

**"NEW SECTION. Sec. 301.** The legislature finds that many transportation facilities provide a public good where user fares and fees are insufficient to pay for the capital, maintenance, and operating expenses of the facility, activity, service, or program. The majority of revenue

appropriated through the omnibus transportation appropriations act for transportation facilities comes from fees or taxes related to driving a vehicle. This is an unsustainable model of funding in light of the trend to adopt laws that are meant to reduce vehicle miles traveled, reduce the quantity of emissions of greenhouse gases per distance traveled in the transportation sector, and reduce the sale of fossil fuels on which many taxes are imposed. In order to provide the caliber of transportation facilities and social services that are being demanded by society, use of general fund resources is the most equitable funding option. It is unfair and unsustainable to make one mode of travel pay for all other modes. The general fund, even during a pandemic, is experiencing substantial revenue growth while the funds associated with the transportation budget are stagnant or below revenue expectations and actual programmatic needs. Sections 301 through 306 of the act designate programs and activities that in the future will receive funding from the general fund.

**NEW SECTION. Sec. 302.** A new section is added to chapter 43.79 RCW to read as follows:

(1)(a) The legislature has created several transportation programs in the omnibus transportation appropriations act over the course of time that continue to this day. These include many transportation grant programs that the legislature intends to continue funding in the future. The connecting Washington transportation plan enacted in 2015 provided intent to fund a number of grants and projects as identified in LEAP Transportation Documents 2015 NL-1 and NL-2 that will continue to be funded, unless there was a specific legal change in a subsequently adopted act.

(b) The legislature has also created several transportation-related tax incentives, including tax incentives related to the commute trip reduction program and the purchase of electric vehicles. It is the intent of the legislature that beginning with the 2025-2027 fiscal biennium, these tax incentives will be funded by the omnibus appropriations act from accounts and sources of funds other than those appropriated in the omnibus transportation appropriations act.

(c) The legislature has also created several multimodal transportation

programs on a pilot basis that have expired or will expire prior to the effective date of this section. Examples include the student ORCA card pilot program first created in section 220(10), chapter 313, Laws of 2017; the transit coordination grant program created in section 4, chapter 11, Laws of 2015 3rd sp. sess.; and the green transportation capital grant program in RCW 47.66.120. It is the intent of the legislature that, if the legislature acts to reprise or recreate any of these programs, beginning with the 2025-2027 fiscal biennium, the reprised or recreated program be funded by the omnibus appropriations act from accounts and sources of funds other than those appropriated in the omnibus transportation appropriations act.

(2) Beginning July 1, 2025, appropriations for the following programs shall be paid out of the general fund:

(a) Projects that correct barriers for fish to swim upstream on public lands;

(b) Americans with disabilities act upgrades to transportation facilities;

(c) New buildings primarily where state transportation employees work;

(d) Mobility and public transit-related grants, social services, and programs, such as, but not limited to, regional mobility grants, rural mobility grants, vanpool grants, and any pilot or expired grants that are to be continued;

(e) Programs related to transitioning transportation programs, systems, facilities, or vehicles designated as green or clean fuel programs authorized in law, such as, but not limited to, green transportation capital grants, the clean alternative fuel vehicle charging and refueling infrastructure program, and the clean alternative fuel car sharing program for underserved and low-income communities;

(f) Programs that provide tax incentives for the purchase or lease of vehicles with lithium-ion batteries or alternative fuel vehicles, as well as for other equipment that supports vehicle conversions to alternative fuels;

(g) Safe routes to schools grants;

(h) Bicycle and pedestrian pathways that are not an integrated part of a highway project or are administered by any government agency other than the department of transportation;

(i) Capital and operation costs for intercity passenger rail service;

(j) Assistance funding for freight rail programs;

(k) Stormwater facility upgrades and maintenance of such facilities near highways with high-density traffic near salmon-bearing streams where untreated runoff containing 6 CPPD and 6 CPPD quinone are killing significant amounts of salmon; and

(l) Any other programs as directed by law.

(3) Projects agreed to as part of the nickel, transportation partnership, and connecting Washington transportation package will remain funded within the transportation appropriations act. However, in situations where revenues appropriated through the transportation appropriations act are insufficient to pay for the obligations associated with those projects, general funds may be provided to ensure the completion of the projects.

**NEW SECTION. Sec. 303.** (1) (a) The chairs of the transportation committees of the house of representatives and senate shall convene an internal legislative work group to be known as the budgets transition work group to implement the transition in section 102 of this act. At the end of the process, the budgets transition work group members and staff should have identified the provisions that need to be modified in future budgets to successfully shift funding in accordance with this act. The members of the work group include:

(i) The chairs and ranking members of the committees on transportation, or a designated alternative member of each caucus;

(ii) The chairs and ranking member of the house of representatives' appropriations committee, or a designated alternative member of each caucus; and

(iii) The chair and ranking member of the senate ways and means committee, or a designated alternative member of each caucus.

(b) The director of the office of financial management, or a designated employee of the agency with knowledge of the legislative appropriations acts, may be invited to serve in an advisory capacity.

(2) Staff support for the budgets transition work group shall be provided by senate committee services and the house of representatives office of program research. The employees of the office of financial management shall cooperate with the work group to obtain information from state agencies as necessary to effectuate the transition.

(3) Legislative members of the budgets transition work group shall be reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members, except those representing an employer or organization, are entitled to be reimbursed for travel expenses in accordance with RCW 43.03.050 and 43.03.060.

(4) The expenses of the budgets transition work group shall be paid jointly by the senate and the house of representatives.

**Sec. 304.** RCW 46.68.135 and 2006 c 337 s 4 are each amended to read as follows:

By July 1, 2006, and each year thereafter, the state treasurer shall transfer two and one-half million dollars from the (~~multimodal account~~) state general fund to the transportation infrastructure account created under RCW 82.44.190. The funds must be distributed for rail capital improvements only.

**Sec. 305.** RCW 46.68.320 and 2010 c 247 s 702 are each amended to read as follows:

(1) The regional mobility grant program account is hereby created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for the grants provided under RCW 47.66.030.

(2) Beginning with September 2007, by the last day of September, December, March, and June of each year, the state treasurer shall transfer from the (~~multimodal transportation account~~) state general fund to the regional mobility grant program account five million dollars.

(3) Beginning with September 2015, by the last day of September, December, March, and June of each year, the state treasurer shall transfer from the (~~multimodal transportation account~~) state general fund to the regional mobility grant program account six million dollars.

million two hundred fifty thousand dollars.

~~((4) During the 2009-2011 fiscal biennium, the legislature may transfer from the regional mobility grant program account to the multimodal transportation account such amounts as reflect the excess fund balance of the regional mobility grant program account.))~~

**Sec. 306.** RCW 46.68.325 and 2021 c 333 s 708 are each amended to read as follows:

(1) The rural mobility grant program account is created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for the grants provided under RCW 47.66.100.

(2) Beginning September 2011, by the last day of September, December, March, and June of each year, the state treasurer shall transfer from the ~~((multimodal transportation account))~~ state general fund to the rural mobility grant program account two million five hundred thousand dollars.

(3) ~~((During the 2015-2017 fiscal biennium, the legislature may transfer from the rural mobility grant program account to the multimodal transportation account such amounts as reflect the excess fund balance of the rural mobility grant program account.))~~

~~(4))~~ During the ~~((2017-2019, 2019-2021, and))~~ 2021-2023 fiscal ~~((biennia))~~ biennium, the legislature may direct the state treasurer to make transfers of moneys in the rural mobility grant program account to the multimodal transportation account."

Renumber the remaining sections consecutively and correct any internal references accordingly. Correct the title.

Representatives Barkis, Stokesbary and Barkis (again) spoke in favor of the adoption of the amendment to the striking amendment.

Representatives Sullivan and Fey spoke against the adoption of the amendment to the striking amendment.

Amendment (1247) to striking amendment (1215) was not adopted.

Representative Barkis moved the adoption of amendment (1240) to striking amendment (1215):

On page 70, after line 14, insert the following:

**"NEW SECTION. Sec. 313. FOR THE STATE TREASURER—ADMINISTRATIVE TRANSFERS**

Multimodal Transportation Account—  
State Appropriation: For transfer to the  
Motor Vehicle Account—State  
\$2,000,000,000"

On page 126, line 2, after "311," insert "313,"

Correct the title.

**FISCAL IMPACT:** Transfers \$2 billion from the Multimodal Transportation Account—State to the Motor Vehicle Account—State.

Representatives Barkis, Dye, Walsh and Dent spoke in favor of the adoption of the amendment to the striking amendment.

Representatives Ramos and Fey spoke against the adoption of the amendment to the striking amendment.

Amendment (1240) to striking amendment (1215) was not adopted.

Representative Klicker moved the adoption of amendment (1244) to striking amendment (1215):

On page 80, line 24, after "section;" strike "~~(or)~~" and insert "or"

On page 80, beginning on line 25, after "RCW 36.73.120" strike all material through "RCW 82.14.0455" on line 27

Correct any internal references accordingly.

On page 82, beginning on line 9, after "election" strike all material through "use tax" on line 13

**FISCAL IMPACT:** Changes local optional authority.

Representatives Klicker and Orcutt spoke in favor of the adoption of the amendment to the striking amendment.

Representative Wylie spoke against the adoption of the amendment to the striking amendment.

Amendment (1244) to striking amendment (1215) was not adopted.

Representative Chambers moved the adoption of amendment (1257) to striking amendment (1215):

On page 97, after line 17 of the striking amendment, insert the following:

"(3) Nothing in this section authorizes any state agency to restrict the purchase, sale, or registration of vehicles that are not electric vehicles by military personnel, their spouses, or any other family members of military personnel."

Representatives Chambers and Barkis spoke in favor of the adoption of the amendment to the striking amendment.

Representative Macri spoke against the adoption of the amendment to the striking amendment.

Amendment (1257) to striking amendment (1215) was not adopted.

Representative Goehner moved the adoption of amendment (1262) to striking amendment (1215):

On page 97, after line 17 of the striking amendment, insert the following:

"**NEW SECTION. Sec. 416.** A new section is added to chapter 47.04 RCW to read as follows:

The department must preserve state highways with a posted speed limit of 40 miles per hour or less to the same standard as state highways with a posted speed limit exceeding 40 miles per hour."

Renumber the remaining sections consecutively and correct any internal references accordingly.

Representatives Goehner, McCaslin and Barkis spoke in favor of the adoption of the amendment to the striking amendment.

Representative Wylie spoke against the adoption of the amendment to the striking amendment.

An electronic roll call was requested.

### ROLL CALL

The Clerk called the roll on the adoption of amendment (1262) to striking amendment (1215) and the amendment was not adopted by the following vote: Yeas: 44; Nays: 53; Absent: 0; Excused: 1

Voting yea: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chandler, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, Leavitt, MacEwen, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Paul, Riccelli, Robertson, Rude, Rule,

Schmick, Steele, Stokesbary, Vick, Volz, Walsh, Wilcox, Ybarra, and Young

Voting nay: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chapman, Chopp, Cody, Davis, Dolan, Donaghy, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, Jinkins, Johnson, J., Kirby, Kloba, Lekanoff, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Peterson, Pollet, Ramel, Ramos, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, and Wylie

Excused: Representative Sutherland

Representative Goehner moved the adoption of amendment (1234) to striking amendment (1215):

On page 124, after line 37, insert the following:

"**NEW SECTION. Sec. 435.** A new section is added to chapter 82.38 RCW to read as follows:

(1) The department of agriculture shall produce a fuel tax sticker for display on each motor fuel pump from which fuel is sold at retail that displays and provides notice of the federal and state fuel tax rates. The sticker must display the rate of each tax, in cents per gallon, for each type of fuel.

(2) The department of agriculture shall provide notice of federal and state fuel tax rates, in the form of a fuel tax sticker, to be displayed on motor fuel pumps.

(3) The department of agriculture shall distribute fuel tax stickers to all individuals who conduct fuel pump inspections, including department employees and local government employees. Government employees who conduct fuel pump inspections shall display a fuel tax sticker on each motor fuel pump or shall verify that such a sticker is being displayed at the time of inspection as required under this subsection. Fuel tax stickers must:

(a) Be displayed on each face of the motor fuel pump on which the price of the fuel sold from the pump is displayed; and

(b) Be displayed in a clear, conspicuous, and prominent manner.

(4) The department of agriculture shall provide fuel tax stickers by mail to fuel pump owners who request them for the face of each motor fuel pump for which a sticker is requested.



(5) The department of agriculture shall produce updated fuel tax stickers on an annual basis when one or more fuel tax rates have changed. Fuel tax stickers must be replaced at the time of motor fuel pump inspection if the sticker has been updated with any new fuel tax rates."

Renumber the remaining sections consecutively and correct any internal references accordingly.

Correct the title.

Representatives Goehner and Ramos spoke in favor of the adoption of the amendment to the striking amendment.

Amendment (1234) to striking amendment (1215) was adopted.

Representative Corry moved the adoption of amendment (1259) to striking amendment (1215):

On page 124, after line 37, insert the following:

**"NEW SECTION. Sec. 435.** A new section is added to chapter 47.06A RCW to read as follows:

The freight mobility strategic investment board shall establish a railroad crossing grant program. The board shall develop a prioritization process to make awards to cities and counties with projects that eliminate at grade highway-rail crossings. Application to federal grant programs to secure matching funds must be one factor to be considered as part of the prioritization process, but the primary criteria must center on improving safety and expediting the movement of vehicles by eliminating highway-rail crossing at grade with a grade separation."

On page 126, line 3, after "430," insert "435,"

Correct the title.

**FISCAL IMPACT:** The amount of the grant awards each year is indeterminate.

Representatives Corry and Walsh spoke in favor of the adoption of the amendment to the striking amendment.

Representative Hackney spoke against the adoption of the amendment to the striking amendment.

Amendment (1259) to striking amendment (1215) was not adopted.

Representative Robertson moved the adoption of amendment (1263) to striking amendment (1215):

Beginning on page 78, line 36, after "2022" strike all material through "approval" on page 79, line 3

**FISCAL IMPACT:** Reduces local optional authority.

Representatives Robertson and Ramel spoke in favor of the adoption of the amendment to the striking amendment.

Amendment (1263) to striking amendment (1215) was adopted.

Representative Dent moved the adoption of amendment (1239) to striking amendment (1215):

Beginning on page 31, line 31, strike all of sections 216 and 217

Renumber the remaining sections consecutively and correct any internal references accordingly.

On page 125, line 23, after "Sections" strike all material through "217" and insert "212 and 213"

Correct the title.

**FISCAL IMPACT:** Reduces \$33 million in move ahead WA flexible account revenues over the 16 years.

Representatives Dent, Klippert, Stokesbary and Vick spoke in favor of the adoption of the amendment to the striking amendment.

Representative Wicks spoke against the adoption of the amendment to the striking amendment.

Amendment (1239) to striking amendment (1215) was not adopted.

Representative Griffey moved the adoption of amendment (1238) to striking amendment (1215):

On page 97, beginning on line 11 of the striking amendment, strike all of section 415

Renumber the remaining sections consecutively and correct any internal references accordingly.

Representatives Griffey, Orcutt, Stokesbary, Dent, Walsh, Dye, Klippert, Barkis and McCaslin spoke in favor of the adoption of the amendment to the striking amendment.

Representatives Macri and Fey spoke against the adoption of the amendment to the striking amendment.

### MOTION

On motion of Representative Riccelli, Representative Wylie was excused

An electronic roll call was requested.

### ROLL CALL

The Clerk called the roll on the adoption of amendment (1238) to striking amendment (1215) and the amendment was not adopted by the following vote: Yeas: 43; Nays: 53; Absent: 0; Excused: 2

Voting yea: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chandler, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, MacEwen, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Paul, Robertson, Rude, Rule, Schmick, Shewmake, Steele, Stokesbary, Vick, Volz, Walsh, Wilcox, Ybarra, and Young

Voting nay: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chapman, Chopp, Cody, Davis, Dolan, Donaghy, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, Jinkins, Johnson, J., Kirby, Kloba, Leavitt, Lekanoff, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Peterson, Pollet, Ramel, Ramos, Riccelli, Ryu, Santos, Sells, Senn, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, and Wicks

Excused: Representatives Sutherland and Wylie

Representative Barkis moved the adoption of amendment (1241) to striking amendment (1215):

On page 103, beginning on line 12 of the striking amendment, strike all of section 420

Renumber the remaining sections consecutively and correct any internal references accordingly.

Representative Barkis spoke in favor of the adoption of the amendment to the striking amendment.

Representative Wicks spoke against the adoption of the amendment to the striking amendment.

Amendment (1241) to striking amendment (1215) was not adopted.

Representative Walsh moved the adoption of amendment (1242) to striking amendment (1215):

On page 103, beginning on line 25 of the striking amendment, strike all of section 421

Renumber the remaining sections consecutively and correct any internal references accordingly.

On page 104, beginning on line 9 of the striking amendment, after "(2)" strike all material through "(3)" on line 13

Renumber the remaining subsection consecutively and correct any internal references accordingly.

Representatives Walsh, Schmick, Dent and Maycumber spoke in favor of the adoption of the amendment to the striking amendment.

Representative Ramel spoke against the adoption of the amendment to the striking amendment.

Amendment (1242) to striking amendment (1215) was not adopted.

Amendment (1254) to striking amendment (1215) was ruled out of order.

Representative Robertson moved the adoption of amendment (1260) to striking amendment (1215):

On page 104, beginning on line 24 of the striking amendment, strike all of sections 423 and 424

Renumber the remaining sections consecutively and correct any internal references accordingly.

On page 122, beginning on line 4 of the striking amendment, strike all of section 430

Renumber the remaining sections consecutively and correct any internal references accordingly.

On page 125, beginning on line 15 of the striking amendment, strike all of sections 506 and 507

Renumber the remaining sections consecutively and correct any internal references accordingly.

Representatives Robertson, Chambers, Jacobsen and Ybarra spoke in favor of the adoption of the amendment to the striking amendment.

Representative Riccelli and Riccelli (again) spoke against the adoption of the amendment to the striking amendment.

Amendment (1260) to striking amendment (1215) was not adopted.

Representative Fey spoke in favor of the adoption of the striking amendment, as amended.

Striking amendment (1215), as amended, was adopted.

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House, was placed on final passage.

Representatives Fey, Hackney, Ramos and Riccelli spoke in favor of the passage of the bill.

Representatives Robertson, Griffey, Eslick, Dye, Schmick, Stokesbary, Vick, Dent, Harris, Orcutt, Walsh and Barkis spoke against the passage of the bill.

The Speaker (Representative Bronoske presiding) stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 5974, as amended by the House.

### ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 5974, as amended by the House, and the bill passed the House by the following vote: Yeas, 54; Nays, 43; Absent, 0; Excused, 1.

Voting yea: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chandler, Chapman, Chopp, Cody, Davis, Dolan, Donaghy, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, J. Johnson, Kirby, Kloba, Leavitt, Lekanoff, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Peterson, Pollet, Ramel, Ramos, Riccelli, Ryu, Santos, Sells, Senn, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks and Mme. Speaker.

Voting nay: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, MacEwen, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Paul, Robertson, Rude, Rule, Schmick, Shewmake, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra and Young.

Excused: Representative Wylie.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5974, as amended by the House, having received the necessary constitutional majority, was declared passed.

**SUBSTITUTE SENATE BILL NO. 5975, by Senate Committee on Transportation (originally sponsored by Lias, Randall, Carlyle, Cleveland, Das, Dhingra, Hunt, Kuderer, Lovelett, Lovick, Mullet, Nguyen, Nobles, Rolfes, Salomon, Trudeau, Wellman and Wilson, C.)**

**Concerning additive transportation funding and appropriations.**

The bill was read the second time.

Representative Fey moved the adoption of striking amendment (1224):

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** (1) An additive omnibus transportation budget of the state is hereby adopted and, subject to the provisions set forth, the several amounts specified, or as much thereof as may be necessary to accomplish the purposes designated, are hereby appropriated from the several accounts and funds named to the designated state agencies and offices for employee compensation and other expenses, for capital projects, and for other specified purposes, including the payment of any final judgments arising out of such activities, for the period ending June 30, 2023.

(2) It is the intent of the legislature that the funding levels specified in LEAP Transportation Document 2022-A as developed February 8, 2022, represents a commitment to provide climate commitment act-related appropriations to the agencies, programs, and activities at the amounts identified therein through fiscal year 2038.

(3) Unless the context clearly requires otherwise, the definitions in this subsection apply throughout this act.

(a) "Fiscal year 2022" or "FY 2022" means the fiscal year ending June 30, 2022.

(b) "Fiscal year 2023" or "FY 2023" means the fiscal year ending June 30, 2023.

(c) "FTE" means full-time equivalent.

(d) "Lapse" or "revert" means the amount shall return to an unappropriated status.

(e) "Provided solely" means the specified amount may be spent only for the specified purpose. Unless otherwise specifically authorized in this act, any portion of an amount provided solely for a specified purpose that is not expended subject to the specified conditions and limitations to fulfill the specified purpose shall lapse.

(f) "Reappropriation" means appropriation and, unless the context clearly provides otherwise, is subject to the relevant conditions and limitations applicable to appropriations.

(g) "LEAP" means the legislative evaluation and accountability program committee.

**2021-2023 FISCAL BIENNIUM**

**GENERAL GOVERNMENT AGENCIES—OPERATING**

**TRANSPORTATION AGENCIES—OPERATING**

**NEW SECTION. Sec. 201. FOR THE DEPARTMENT OF LICENSING**

Move Ahead WA Flexible Account—State Appropriation \$1,691,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$550,000 of the move ahead WA flexible account—state appropriation is provided solely for an interagency transfer to the department of children, youth, and families to provide driver's license support to a larger population of foster youth than is currently being served. Support services include reimbursement of driver's license issuance costs, fees for driver training education, and motor vehicle liability insurance costs.

(2) \$1,000,000 of the move ahead WA flexible account—state appropriation is provided solely for estimated implementation costs associated with new revenues.

(3) \$141,000 of the move ahead WA flexible account—state appropriation is provided solely for Substitute Senate Bill No. 5815 (homeless identicaid).

**NEW SECTION. Sec. 202. FOR THE TRANSPORTATION COMMISSION**

Within the parameters established by RCW 47.56.880, the commission shall review toll revenue performance on the Interstate 405 and state route number 167 corridor and adjust Interstate 405 tolls as appropriate to increase toll revenue to provide sufficient funds for payments of future debt pursuant to RCW 47.10.896 and to support improvements to the corridor. The commission may consider adjusting maximum toll rates, minimum toll rates, time-of-day rates, restricting direct access ramps to transit and HOV vehicles only, or any combination thereof, in setting tolls to increase toll revenue.

**NEW SECTION. Sec. 203. FOR THE DEPARTMENT OF COMMERCE**

Move Ahead WA Flexible Account—State Appropriation \$10,000

The appropriation in this section is subject to the following conditions and limitations: \$10,000 of the move ahead WA flexible account—state appropriation is provided solely to prepare to award funds for facilities engaged in research, development, or manufacturing of new sustainable aviation technologies. The purpose is to support adoption of zero emissions aircraft and sustainable aviation fuels, reduce harmful aviation-related emissions, and reduce the aviation industry's reliance on fossil fuels. Sustainable aviation projects may include, but are not limited to: (1) Facilities or equipment for development of batteries and electric motors for aviation; (2) facilities or equipment for development of sustainable aviation fuel; or (3) hydrogen electrolyzers and storage. The department must select projects, which may include planning, to propose to the legislature for funding. The department shall submit a report to the transportation committees of the legislature by December 1, 2022, identifying the selected sustainable aviation projects for funding by the legislature.

**NEW SECTION. Sec. 204. FOR THE DEPARTMENT OF TRANSPORTATION—AVIATION—PROGRAM F**

Aeronautics Account—State Appropriation \$1,000,000

Move Ahead WA Flexible Account—State Appropriation \$10,000

TOTAL APPROPRIATION \$1,010,000

The appropriation in this section is subject to the following conditions and limitations: \$10,000 of the move ahead WA flexible account—state appropriation is provided solely for the creation of a sustainable aviation grant program for airports. The purpose of the grant program is to support adoption of zero emissions aircraft and sustainable aviation fuels, reduce harmful aviation-related emissions, and reduce the aviation industry's reliance on fossil fuels. Sustainable aviation projects may include, but are not limited to: (1) Sustainable aviation fuel storage; (2) electrification of ground support equipment; (3) electric aircraft charging infrastructure; (4) airport clean power production; or (5) electric vehicle charging stations whose infrastructure also supports ground

support equipment and electric aircraft charging. The department must select projects, which may include planning, to propose to the legislature for funding. The department shall submit a report to the transportation committees of the legislature by December 1, 2022, identifying the selected sustainable aviation projects for funding by the legislature.

**NEW SECTION. Sec. 205. FOR THE DEPARTMENT OF TRANSPORTATION-HIGHWAY MAINTENANCE-PROGRAM M**

Move Ahead WA Account-State  
Appropriation \$47,000,000

**NEW SECTION. Sec. 206. FOR THE DEPARTMENT OF TRANSPORTATION-TRAFFIC OPERATIONS-PROGRAM Q**

Move Ahead WA Account-State  
Appropriation \$3,100,000

**NEW SECTION. Sec. 207. FOR THE DEPARTMENT OF TRANSPORTATION-TRANSPORTATION MANAGEMENT AND SUPPORT-PROGRAM S**

Move Ahead WA Flexible Account-State  
Appropriation \$2,000,000

The appropriations in this section are subject to the following conditions and limitations: The department shall allocate no less than 15 percent of the move ahead WA flexible account-state appropriation for highway maintenance by highway lane miles with fewer than 4,000,000 tons of annual freight tonnage moved.

**NEW SECTION. Sec. 208. FOR THE DEPARTMENT OF TRANSPORTATION-TRANSPORTATION PLANNING, DATA, AND RESEARCH-PROGRAM T**

Move Ahead WA Flexible Account-State  
Appropriation \$2,500,000

**NEW SECTION. Sec. 209. FOR THE DEPARTMENT OF TRANSPORTATION-CHARGES FROM OTHER AGENCIES-PROGRAM U**

Move Ahead WA Flexible Account-State  
Appropriation \$2,000,000

**NEW SECTION. Sec. 210. FOR THE DEPARTMENT OF TRANSPORTATION-PUBLIC TRANSPORTATION-PROGRAM V**

Climate Transit Programs Account-State  
Appropriation \$54,260,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$4,680,000 of the climate transit programs account-state appropriation is provided solely for the projects and activities as listed in LEAP Transportation Document 2022-NL-3 as developed February 8, 2022.

(2) \$14,120,000 of the climate transit programs account-state appropriation is provided solely for newly selected special needs grants.

(3) \$29,750,000 of the climate transit programs account-state appropriation is provided solely for transit support grants.

(4) \$4,710,000 of the climate transit programs account-state appropriation is provided solely for newly selected green transportation grants.

(5) \$1,000,000 of the climate transit programs account-state appropriation is provided solely for newly selected transit coordination grants. The department shall give priority to grant proposals that promote the formation of joint partnerships between transit agencies or merge service delivery across entities.

(6) \$5,000,000 of the climate transit programs account-state appropriation designated for the Mill Plain Bus Rapid Transit (C-TRAN) project in LEAP Transportation Document 2022-NL-3 as developed February 8, 2022, is redesignated and provided solely for Highway 99 Bus Rapid Transit (C-TRAN) project.

**NEW SECTION. Sec. 211. FOR THE DEPARTMENT OF TRANSPORTATION-MARINE-PROGRAM X**

Move Ahead WA Flexible Account-State  
Appropriation \$22,000,000

**TRANSPORTATION AGENCIES-CAPITAL**

**NEW SECTION. Sec. 301. FOR THE TRANSPORTATION IMPROVEMENT BOARD**

Climate Active Transportation Account-State

Appropriation \$3,440,000

The appropriations in this section are subject to the following conditions and limitations: The entire climate active transportation account-state appropriation is provided solely for newly selected complete streets grants.

NEW SECTION.      **Sec. 302. FOR THE**  
**DEPARTMENT OF TRANSPORTATION-**  
**IMPROVEMENTS-PROGRAM I**

Move Ahead WA Account-State  
Appropriation                      \$730,000,000

Move Ahead WA Account-Federal  
Appropriation                      \$100,000,000

TOTAL APPROPRIATION              \$830,000,000

The appropriations in this section are subject to the following conditions and limitations: The entire move ahead WA account-state appropriation and move ahead WA account-federal appropriation are provided solely for the state highway projects and activities as listed in LEAP Transportation Document 2022 NL-1 as developed February 8, 2022.

NEW SECTION.      **Sec. 303. FOR THE**  
**DEPARTMENT OF TRANSPORTATION-**  
**PRESERVATION-PROGRAM P**

Move Ahead WA Account-Federal

Appropriation                      \$101,000,000

The appropriation in this section is subject to the following conditions and limitations:

(1) The entire move ahead WA account-federal appropriation is provided solely for the state highway preservation projects and activities as listed in LEAP Transportation Document 2022 NL-1 as developed February 8, 2022.

(2) It is the intent of the legislature that appropriations for highway preservation made from the move ahead WA account-state shall be allocated no less than 15 percent of the appropriation for highway preservation by highway lane miles with fewer than 4,000,000 tons of annual freight tonnage moved.

NEW SECTION.      **Sec. 304. FOR THE**  
**DEPARTMENT OF TRANSPORTATION-WASHINGTON**  
**STATE FERRIES CONSTRUCTION-PROGRAM W**

Move Ahead WA Flexible Account-State  
Appropriation                      \$25,000,000

The appropriation in this section is subject to the following conditions and limitations:

(1) \$10,000,000 of the move ahead WA flexible account-state appropriation is provided solely for vessel and terminal preservation projects.

(2) \$15,000,000 of the move ahead WA flexible account-state appropriation is

provided solely for the sixth hybrid electric Olympic class vessel.

NEW SECTION.      **Sec. 305. FOR THE**  
**DEPARTMENT OF TRANSPORTATION-RAIL-**  
**PROGRAM Y**

Move Ahead WA Flexible Account-State  
Appropriation                      \$8,500,000

Carbon Emissions Reduction Account-State

Appropriation                      \$50,000,000

TOTAL APPROPRIATION              \$58,500,000

The appropriation in this section is subject to the following conditions and limitations:

(1) The entire move ahead WA flexible account-state appropriation in this section is provided solely for the rail projects and activities as listed in LEAP Transportation Document 2022 NL-1 as developed February 8, 2022.

(2) \$50,000,000 of the carbon emissions reduction account-state appropriation is provided solely for state match contributions to support the department's application for pending federal grant opportunities. These funds are to remain in unallotted status and are available only upon receipt of federal funds. The department must provide draft applications for federal grant opportunities to the transportation committees of the legislature for review and comment prior to submission.

NEW SECTION.      **Sec. 306. FOR THE**  
**DEPARTMENT OF TRANSPORTATION-LOCAL**  
**PROGRAMS-PROGRAM Z**

Move Ahead WA Flexible Account-State  
Appropriation                      \$127,900,000

Climate Active Transportation Account-State

Appropriation                      \$19,360,000

TOTAL APPROPRIATION              \$147,260,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The entire move ahead WA flexible account-state appropriation is provided solely for the local road projects and activities as listed in LEAP Transportation Document 2022 NL-1 as developed February 8, 2022.

(2) \$6,890,000 of the climate active transportation account-state

appropriation is provided solely for newly selected pedestrian and bicycle safety program projects as listed in LEAP Transportation Document 2022 NL-2 as developed February 8, 2022.

(3) \$6,830,000 of the climate active transportation account-state appropriation is provided solely for newly selected safe routes to school grants.

(4) \$5,640,000 of the climate active transportation account-state appropriation is provided solely for newly selected pedestrian and bicycle grants.

(5) \$14,000,000 is provided from the move ahead WA flexible account-state appropriation for the elevate Slater road project to be added to the LEAP Transportation Document 2022 NL-1 as developed February 8, 2022.

(6) A total of \$3,000,000 is provided from the climate active transportation account-state appropriation for the Bradley road safe routes pedestrian improvements project on the LEAP Transportation Document 2022 NL-2 as developed February 8, 2022.

(7) A total of \$13,500,000 is provided from the climate active transportation account-state appropriation for the Usk bridge shared-use pathway retrofit (Kalispell Tribe) project on the LEAP Transportation Document 2022 NL-2 as developed February 8, 2022.

#### **TRANSFERS AND DISTRIBUTIONS**

##### **NEW SECTION. Sec. 401. FOR THE STATE TREASURER-ADMINISTRATIVE TRANSFERS**

Move Ahead WA Account-State  
Appropriation:

For transfer to the Puget Sound Ferry  
Operations Account-State  
\$600,000

The amount transferred in this section represents an estimate of fare replacement revenue to account for the implementation of 18 and under fare-free policies.

#### **MISCELLANEOUS**

NEW SECTION. Sec. 501. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 502. 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."

Correct the title.

Representative Fey moved the adoption of amendment (1261) to striking amendment (1224):

On page 6, line 3 of the striking amendment, after "limitations:" insert the following:

"(1)"

On page 6, after line 7 of the striking amendment, insert the following:

"(2) (a) Appropriations made in LEAP Transportation Document 2022 NL-1 as developed February 8, 2022 for the Fish Passage Barrier Removal project (OBI4001) with the intent of fully complying with the federal *U.S. v. Washington* court injunction by 2030 may be used to jointly leverage state and local funds for match requirements in applying for competitive federal aid grants provided in the infrastructure investment and jobs act for removals of fish passage barriers under the national culvert removal, replacement, and restoration program. State funds used for the purpose described in this subsection must not compromise fully complying with the court injunction by 2030.

(b) The department shall coordinate with the Brian Abbott fish passage barrier removal board and local governments to use a watershed approach by replacing both state and local culverts guided by the principle of providing the greatest fish habitat gain at the earliest time. The department shall deliver high habitat value fish passage barrier corrections that it has identified, guided by the following factors: Opportunity to bundle projects, tribal priorities, ability to leverage investments by others, presence of other barriers, project readiness, culvert conditions, other transportation projects in the area, and transportation impacts."

Representatives Fey and Barkis spoke in favor of the adoption of the amendment to the striking amendment.

Amendment (1261) to striking amendment (1224) was adopted.

Representative Eslick moved the adoption of amendment (1264) to striking amendment (1224):

On page 6, line 3 of the striking amendment, after "limitations:" insert the following:

"(1)"

On page 6, after line 7 of the striking amendment, insert the following:

"(2) Unless otherwise directed by the legislature, it is the intent of the legislature that in planning for the delivery of projects, the department shall give priority to projects identified as connecting Washington projects before projects identified as move ahead WA projects."

On page 6, after line 22 of the striking amendment, insert the following:

"(3) Unless otherwise directed by the legislature, it is the intent of the legislature that in planning for the delivery of projects, the department shall give priority to projects identified as connecting Washington projects before projects identified as move ahead WA projects."

On page 7, after line 18 of the striking amendment, insert the following:

"(3) Unless otherwise directed by the legislature, it is the intent of the legislature that in planning for the delivery of projects, the department shall give priority to projects identified as connecting Washington projects before projects identified as move ahead WA projects."

On page 8, after line 15 of the striking amendment, insert the following:

"(8) Unless otherwise directed by the legislature, it is the intent of the legislature that in planning for the delivery of projects, the department shall give priority to projects identified as connecting Washington projects before projects identified as move ahead WA projects."

Representatives Eslick, Orcutt and Boehnke spoke in favor of the adoption of the amendment to the striking amendment.

Representative Duerr spoke against the adoption of the amendment to the striking amendment.

### MOTIONS

On motion of Representative Ramel, Representative Tharinger was excused.

On motion of Representative Griffey, Representative Chandler was excused.

An electronic roll call was requested.

### ROLL CALL

The Clerk called the roll on the adoption of amendment (1264) to striking amendment (1224) and the amendment was not adopted by the following vote: Yeas: 41; Nays: 54; Absent: 0; Excused: 3

Voting yea: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Jinkins, Klicker, Klippert, Kraft, Kretz, MacEwen, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Robertson, Rude, Schmick, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra, and Young

Voting nay: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chapman, Chopp, Cody, Davis, Dolan, Donaghy, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, Johnson, J., Kirby, Kloba, Leavitt, Lekanoff, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rule, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Valdez, Walen, and Wicks

Excused: Representatives Chandler, Tharinger, and Wylie

Representative Goehner moved the adoption of amendment (1243) to striking amendment (1224):

On page 6, after line 22 of the striking amendment, insert the following:

"(3) It is the intent of the legislature that main street preservation funding is intended to be a minimum investment for state highways within city limits. As part of the preservation program, the department must preserve and maintain all state highways, regardless of speed limit. Beginning December 15, 2022, the department must provide an annual report to the transportation committees of the legislature on current preservation investments. The report must include a continuous six-year plan on state highway preservation investments within city limits."



Representatives Goehner and Walsh spoke in favor of the adoption of the amendment to the striking amendment.

Representative Ramos spoke against the adoption of the amendment to the striking amendment.

Amendment (1243) to striking amendment (1224) was not adopted.

Representative Corry moved the adoption of amendment (1265) to striking amendment (1224):

On page 6, after line 22 of the striking amendment, insert the following:

**"NEW SECTION. Sec. 304. FOR THE DEPARTMENT OF TRANSPORTATION-TRAFFIC OPERATIONS-PROGRAM Q**

Motor Vehicle Account-State Appropriation . . \$20,000,000

The appropriations in this section are subject to the following conditions and limitations: \$20,000,000 of the motor vehicle account-state appropriation is provided solely for the department to establish a reducing rural roadway departures program to provide funding for safety improvements specific to preventing lane departures in areas where the departure is likely to cause serious injuries or death pursuant to section 433 of Substitute Senate Bill 5974 (transportation resources)."

Renumber the remaining sections consecutively and correct any internal references accordingly.

Representatives Corry and Chapman spoke in favor of the adoption of the amendment to the striking amendment.

An electronic roll call was requested.

**ROLL CALL**

The Clerk called the roll on the adoption of amendment (1265) to striking amendment (1224) and the amendment was adopted by the following vote: Yeas: 95; Nays: 0; Absent: 0; Excused: 3

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Donaghy, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, Jinkins, Johnson, J., Kirby, Klicker, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, MacEwen, Macri, Maycumber, McCaslin, McEntire, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn,

Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Ybarra, and Young

Excused: Representatives Chandler, Tharinger, and Wylie

Representative Barkis moved the adoption of amendment (1256) to striking amendment (1224):

On page 7, beginning on line 2 of the striking amendment, strike the entire carbon emissions reduction account-state appropriation

On page 7, line 4 of the striking amendment, correct the total.

On page 7, beginning on line 11 of the striking amendment, strike all of subsection (2) and insert the following:

"(2) The department shall refrain from conducting activities performed in anticipation of the state providing match contributions for pending federal grant opportunities for ultra high-speed rail corridor development, since the legislature does not intend to provide match funding of \$150,000,000 in climate emissions reduction account funds for this purpose."

On page 8, after line 24 of the striking amendment, insert the following:

**"NEW SECTION. Sec. 402. FOR THE STATE TREASURER-ADMINISTRATIVE TRANSFERS**

Carbon Emissions Reduction Account-State Appropriation:

For transfer to the Essential Rail Assistance  
Account-State . . . . . \$150,000,000"

Representatives Barkis, Kraft and Orcutt spoke in favor of the adoption of the amendment to the striking amendment.

Representative Hackney spoke against the adoption of the amendment to the striking amendment.

Amendment (1256) to striking amendment (1224) was not adopted.

Representative Barkis moved the adoption of amendment (1253) to striking amendment (1224):

On page 8, after line 24 of the striking amendment, insert the following:

**"NEW SECTION. Sec. 402. FOR THE STATE TREASURER--ADMINISTRATIVE TRANSFERS**

Coronavirus State Fiscal Recovery Fund--State Appropriation:

For transfer to the Motor Vehicle Account--State \$1,277,000,000

The amount transferred in this section represents the unprogrammed amounts in the account and is intended solely for the purpose of highway preservation and maintenance."

Representatives Barkis and Orcutt spoke in favor of the adoption of the amendment to the striking amendment.

Representative Sullivan spoke against the adoption of the amendment to the striking amendment.

Amendment (1253) to striking amendment (1224) was not adopted.

Representative Fey spoke in favor of the adoption of the striking amendment, as amended.

Striking amendment (1224), as amended, was adopted.

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House, was placed on final passage.

Representative Fey spoke in favor of the passage of the bill.

Representative Barkis spoke against the passage of the bill.

The Speaker (Representative Bronoske presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 5975, as amended by the House.

#### ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 5975, as amended by the House, and the bill passed the House by the following vote: Yeas, 55; Nays, 40; Absent, 0; Excused, 3.

Voting yea: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chapman, Chopp, Cody, Davis, Dolan, Donaghy, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, J. Johnson, Kirby, Kloba, Leavitt, Lekanoff, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rule, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Valdez, Walen, Wicks and Mme. Speaker.

Voting nay: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, MacEwen, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Robertson, Rude, Schmick, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra and Young.

Excused: Representatives Chandler, Tharinger and Wylie.

SUBSTITUTE SENATE BILL NO. 5975, as amended by the House, having received the necessary constitutional majority, was declared passed.

There being no objection, the House advanced to the eighth order of business.

#### MOTION

There being no objection, the Committee on Rules was relieved of the following bills and the bills were placed on the second reading calendar:

SENATE BILL NO. 5545  
 SUBSTITUTE SENATE BILL NO. 5558  
 SENATE BILL NO. 5624  
 SENATE BILL NO. 5641  
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 SECOND SUBSTITUTE SENATE BILL NO. 5720  
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 5815  
 ENGROSSED SECOND SUBSTITUTE SENATE  
 BILL NO. 5600

There being no objection, the House adjourned until 10:00 a.m., March 2, 2022, the 52nd Legislative Day of the Regular Session.

LAURIE JINKINS, Speaker

BERNARD DEAN, Chief Clerk

Draft

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