

HB 2711 -- Redline

Substitute to Bill -- Concerning transportation resources.

Deletions ~~struck~~ · Insertions underlined

~~ENGROSSED~~H-3243.1 ~~SUBSTITUTE~~ HOUSE BILL 2711 State of Washington 69th Legislature 2026 Regular Session
By ~~House Transportation (originally sponsored by Representative Fey)~~Fey ~~READ~~Read ~~FIRST~~first ~~TIME~~time
~~02/25/26~~02/02/26.

Referred to Committee on Transportation.

amending RCW 82.38.030, 82.08.817, 82.12.818, 82.08.9999, ~~70A.205.405, 82.48A.010, 47.66.130, 82.48A.020,~~
and ~~46.63.160;~~70A.205.405;

reenacting and amending RCW 46.68.090, 82.08.020, ~~82.12.020, 43.155.050, 43.84.092, 43.84.092,~~
~~43.84.092, 43.84.092, 43.84.092,~~ and ~~43.84.092;~~82.12.020;

~~adding a new section chapter 82.32 RCW;~~

~~adding a new section to chapter 46.68 RCW;~~

~~adding a new section to chapter 46.20 RCW;~~

~~repealing RCW 82.48A.010, 82.48A.020, 82.48A.030, and 82.48A.040;~~

~~repealing 2025 c 417 ss 501 and 502;~~

~~providing a contingent effective date;~~

~~providing expiration dates;~~

~~providing contingent expiration dates;~~

This p-subsection (2) expires when the bonds issued for transportation 2003 projects are retired.

~~1 ESHB 2711 subsection (2) expires when the bonds issued for transportation 2003 projects are retired.~~

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

1 HB 2711 (5) Beginning July 1, 2007, an additional and cumulative tax rate of two cents per gallon of fuel is imposed on fuel licensees.

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

~~2 ESHB 2711 ((13)) Beginning an July additional 1, and 2028, cumulative ((the fuel tax rate imposed per undergallon subsections (10) and (11) of this special section fuel must is be imposed increased on annually by two percent and the resulting fuel tax licensees. rate must be rounded to the nearest one-thousandth of \$1.~~

~~((13))) an additional and cumulative tax rate per gallon of special fuel is imposed on fuel licensees.~~

and (ii) The fuel tax rates ~~imposed, imposed for the prior 12 months,~~ under both subsection (12) of this section and this subsection ~~((13));~~ for the prior 12 months;

~~p-(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;~~

~~3 ESHB 2711 (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;~~

~~(f)p. Blended fuel is removed or sold in this state by the blender of the fuel.~~

3 HB 2711 (f) Blended fuel is removed or sold in this state by the blender of the fuel.

~~p-(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.~~

~~4 ESHB 2711 (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.~~

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

4 HB 2711 (ii) The following criteria, listed in order of priority, must be used in determining which special category C projects have the highest priority:

~~p-(i) For distribution to the county arterial preservation account, hereby created in the motor vehicle fund an amount equal to 1.9565 percent.~~

~~5 These ESHB funds 2711 must (i) be For distributed distribution by the county road administration board to counties in proportions corresponding to the county number arterial of preservation paved account, arterial hereby lane created miles in the motor unincorporated vehicle area fund of an each amount county equal and must be used for improvements to 1.9565 sustain percent the p.~~

~~These5 fundsHB must2711 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.

~~p.~~ (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.

~~6 ESHB 2711 (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.~~

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

6 HB 2711 (b) Two and one-half percent must be distributed to counties of the state in accordance with RCW 46.68.120;

~~RECREATIONAL MOTOR VESSEL, VEHICLE PEER-TO-PEER, SALES AND LUXURY VEHICLE SALES TAXES Recreational Vessel and Peer-to-Peer Sales Taxes Sec.~~

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

~~7 ESHB 2711 (i) Eleven and nine-tenths percent of the selling price from January 1, 2026, through December 31, 2026;~~

(B) The revenue collected under ~~((a)(a) of))~~ of this subsection ~~(2)(a)~~ must be deposited in the multimodal transportation account created in RCW 47.66.070.

(b)(i) Beginning January 1, 2027, there is levied and collected an additional tax on peer-to-peer car sharing transactions equal to the selling price multiplied by the rate of tax imposed under (a) of ~~this p. subsection.~~

7 HB 2711 this subsection.

(ii) ~~A~~ For peer-to-peer purposes car sharing program may not allow a vehicle to be placed on a digital network or software application of the ~~this peer-to-peer subsection car(2)(b), sharing "peer-to-peer" program for the purpose of making the vehicle available for sharing through the peer-to-peer car sharing sharing" program has unless the peer-to-peer same car meaning sharing program receives an electronic certification from the shared vehicle owner as to in whether the shared vehicle owner obtained the shared vehicle as a vehicle for resale using a reseller permit or an approved exemption certificate under RCW 82.04.470, 46.74A.010.~~

The "Peer-to-peer peer-to-peer car sharing sharing" program ~~does must not maintain mean:~~ a record of such certification for a period of no less than five years.

~~((iii)(A) A "Retail peer-to-peer car sharing rental" program as may defined rely in good faith on the shared vehicle owner's certification as to whether the shared vehicle owner obtained the shared vehicle as a vehicle for resale using a reseller permit or an approved exemption certificate under RCW 82.04.470, 82.08.011;~~

Such or good (B) faith "Rental reliance car" on as the defined shared in vehicle RCW owner's 46.04.465 certification does not subject the peer-to-peer car sharing program to any tax liability, or penalties 48.115.005, or interest, that may be imposed on the shared vehicle owner.

(3) ~~For There purposes is of levied this and ((subsection collected (2)(b))) an section, additional "peer-to-tax peer of car five- sharing" tenths has of one percent of the same selling meaning price as on each retail sale of a motor vehicle in RCW this 46.74A.010, state, other than retail car rentals taxed under subsection (2) of this section.~~

"Peer-to-peer car sharing" does not mean:

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

~~or p.~~

~~8 ESHB 2711 ((B)) (b) "Rental car" as defined in RCW 46.04.465 or 48.115.005.~~

~~((3)) (4) There is levied and collected an additional tax of five tenths of one percent of the selling price on each retail sale of a motor vehicle in this state, other than retail car rentals and peer-to-peer car sharing transactions taxed under subsection (2) of this section.~~

~~((4)) (4)(a) (5)(a) Beginning ((Beginning July 1, 2026, in addition to taxes required under this chapter and chapters 82.12 and 82.49 RCW, there)) there There is levied and collected an additional tax of five-tenths of one percent on the selling price, plus trade-in property of like kind, ((for for purchased recreational vessels.~~

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

~~((d)) (d) on For each purposes retail sale of a this recreational subsection ((, vessel "recreational)) in (4), the state, following definitions apply:~~

The (i) revenue "Fair collected market under value" this has subsection the must same be meaning deposited as in "value of the multimodal article transportation used" account created in RCW 47.66.070, 82.12.010.

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

~~((5)) (iii) (6) "Value For purposes of subsection the ((3)) recreational (4) vessel" of means this the section, fair "motor market vehicle" value has of the meaning recreational provided vessel in plus RCW the 46.04.320, value but of do trade-in not property include: of like kind.~~

~~(a) (5) Farm For tractors purposes or of farm subsection vehicles (3) as of defined this in section, RCW "motor 46.04.180 vehicle" and has 46.04.181, unless the farm meaning tractor provided or in farm RCW vehicle 46.04.320, is but for does use not in include: the production of cannabis;~~

~~p.~~

8 HB 2711 (a) Farm tractors or farm vehicles as defined in RCW 46.04.180 and 46.04.181, unless the farm tractor or farm vehicle is for use in the production of cannabis;

~~((6)) (6) (7) 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.~~

~~p. (7) Beginning July 1, 2027, the portion of taxes collected by the state under subsection (1) of this section equal to 0.1 percent of the selling price on each retail sale in this state must be deposited in the multimodal transportation account created in RCW 47.66.070.~~

~~9 ESHB 2711 ((7)) (8) Beginning The July 1, 2027, the portion of taxes collected imposed by the state under subsection (1) of this section chapter equal apply to 0.1 successive percent of the selling price on each retail sales sales in of this state must be deposited in the multimodal same transportation property. account created in RCW 47.66.070.~~

~~((8)) (9) The taxes rates imposed provided under in this chapter section apply to successive taxes retail imposed sales under of chapter the 82.12 same RCW property as provided in RCW 82.12.020.~~

~~((9)) (10) The rates provided in this section apply to taxes imposed under chapter 82.12 RCW as provided in RCW 82.12.020.~~

~~or (e) (i) p. 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.~~

9 HB 2711 (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.

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

~~10 ESHB 2711 (C) Sales in which the purchaser is not obligated to make continued payment as a condition of the sale;~~

~~(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 p. RCW or this chapter and the tax has been paid by the present user or by his or her bailor or donor;~~

10 HB 2711 82.08 RCW or this chapter and the tax has been paid by the present user or by his or her bailor or donor;

~~or p. (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.~~

~~11 (4) (a) ESHB Except 2711 as (iv) provided To in the (b) use of digital this goods subsection or (4) digital and automated in services, subsection which (7) (a) were of obtained this through section, the use tax of is levied digital and code, must if be the collected sale in of an the amount digital equal code to to, or the use value of the digital article code used, by, value the of present user or the present digital user's good bailor or donordigital has code already used, been value subjected of to the tax extended under warranty chapter used, 82.08 RCW or this value chapter of and the tax service has used been by paid the taxpayer, multiplied by the present applicable user rates or in by effect for the present retail user's sales bailor tax or under donor. RCW 82.08.020.~~

~~(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.~~

~~((7)) (a) p. Beginning July 1, 2026, the tax imposed in this section at the rate provided in RCW 82.08.020 (4) applies to the use of a recreational vessel at the time that it is first used in this state by the consumer.~~

11 HB 2711 (7) (a) Beginning July 1, 2026, the tax imposed in this section at the rate provided in RCW 82.08.020 (4) applies to the use of a recreational vessel at the time that it is first used in this state by the consumer.

The tax must be collected in an amount equal to the sum of the selling price and the value of trade-in property of like kind, multiplied by the applicable rate in effect for the retail sales tax under RCW

82.08.020(4).

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

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

~~12 ESHB 2711 (1)(a) Except as provided in subsection (3) of this section, in addition to the taxes imposed under RCW 82.08.020, there is levied and collected an additional tax of eight percent on the sale of a motor vehicle if:~~

or (ii) In the case of a lease requiring periodic payments, is the ((fair market)) value of the motor vehicle in excess of the ~~deduction~~ amount specified in subsection (2) of this ~~((subsection))subsection, section,~~ at the inception of the lease, multiplied by eight ~~percent, percent.~~ and may be remitted in equal periodic payments over the term of the lease.

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

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

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

~~or 12 (iii)HB Through 2711 December (b) 31, A 2026, motor vehicle that has a gross vehicle weight rating of greater than 10,000 pounds other than motor home, homes, as defined in RCW 46.04.305.~~

~~(b) The exemptions available for the sale of motor vehicles under RCW 82.08.0317 and 82.08.0264 also apply to the tax under this section.~~

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

~~13 ESHB 2711 (a) "Fair market value" has the same meaning as "value of the article used" in RCW 82.12.010.~~

(b) In the case of a seller required to collect use tax under this section from the purchaser, the tax must be collected in an amount equal to ((the amount of the purchase price that exceeds)) eight percent of the remainder that results when the amount specified in (c) of this subsection((, multiplied by eight percent)) is ~~deductedp. from the sum of the selling price and the value of trade-in property of like kind.~~

~~13 HB 2711 deducted from the sum of the selling price and the value of trade-in property of like kind.~~

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

~~14 ESHB 2711 (3) The taxes imposed under this section do not apply to the use of:~~

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

~~or (c) Through December 31, 2026, a motor home, as defined in RCW 46.04.305.~~

~~NEW SECTION.~~

~~A new section is added to chapter 82.32 RCW to read as follows:~~

~~(1) Except as otherwise provided in subsections (2) through (4) of this section, the department shall waive penalties and interest otherwise due under this chapter if all of the following conditions are met:~~

~~(a)(i) The penalties and interest are imposed with respect to additional motor vehicle taxes imposed under RCW 82.12.818 and 82.08.817;~~

~~and (ii) the tax liability is directly attributable to a failure to collect additional motor vehicle taxes as provided in sections 203 and 204, chapter 417, Laws of 2025 for tax reporting periods through June 30, 2026;~~

~~(b) The taxpayer files with the department any amended or outstanding returns covering tax liabilities with respect to which a penalty and interest waiver under this section is requested;~~

~~(c) The taxpayer remits full payment to the department of the balance due on all tax liabilities for which a penalty and interest waiver under this section is requested or enters into a payment agreement with the department as provided in RCW 82.32.080 for such liabilities;~~

~~(d) The taxpayer has timely filed returns and remitted payment on all taxes due for a period of 24 months immediately preceding the period covered by the return for which the waiver is being requested;~~

~~and (e) The taxpayer must never have had an evasion penalty assessed against the taxpayer by the department under RCW 82.32.090 or a p-~~

~~15 ESHB 2711 penalty assessed against the taxpayer by the department under RCW 82.32.291 for misusing a reseller permit or resale certificate.~~

~~(2)(a) The taxpayer must submit a completed application for a penalty and interest waiver under this section in a form and manner prescribed by the department.~~

~~(b) Applications for a penalty and interest waiver under this section must be submitted to the~~

~~department on or before September 30, 2027.~~

~~(3) All tax liability reported and paid as required in subsection (1) of this section is subject to verification by the department as provided in RCW 82.32.050.~~

~~This section does not preclude the assessment of taxes, penalties, and interest with respect to any amounts determined by the department to have been underpaid for any tax period for which the taxpayer previously received penalty relief under this section.~~

~~(4) This section does not apply to tax liabilities associated with additional motor vehicle taxes imposed under RCW 82.12.818 and 82.08.817 for tax reporting periods beginning on or after July 1, 2026.~~

~~(5) This section expires January 1, 2029.~~

~~Alternative Fuel Vehicle Tax Exemption Reporting Sec.
206.~~

or ~~p~~ (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 \$30,000;

~~16 ESHB 2711 (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 \$30,000;~~

~~(I) p. 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 \$45,000;~~

14 HB 2711 (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 \$45,000;

and the ~~p~~ total amount qualifying for the incentive claimed for each vehicle, in addition to the future monthly amount to be claimed for each leased vehicle.

~~17 ESHB 2711 total amount qualifying for the incentive claimed for each vehicle, in addition to the future monthly amount to be claimed for each leased vehicle.~~

~~(3)(a) p. 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.~~

15 HB 2711 (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.

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

~~18 ESHB 2711 (b) "Fair market value" has the same meaning as "value of the article used" in RCW 82.12.010.~~

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

16 HB 2711 (e) "Qualification period start date" means August 1, 2019.

~~MISCELLANEOUS LUXURY Tow TAXES Truck ON Impounds AIRCRAFT Sec.~~

RCW 82.48A.010 and 2025 c 417 s 207 are each amended to read as follows:

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

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

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

(b) The additional tax imposed in this subsection only applies to the portion of the sum of the selling price plus trade-in property of like kind in excess of \$500,000, or in the case of a lease requiring periodic payments, the ((fair market)) value of the noncommercial aircraft in excess of \$500,000 at the inception of the lease.

(2) For purposes of this section, (("noncommercial")) the following definitions apply:

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

(b) "Noncommercial aircraft" means any aircraft as defined in RCW 82.48.010, but does not include:

p.

17 HB 2711 (((a))) (i) Aircraft exempt from taxes under RCW 82.48.100;

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

(c) "Retail sale" and "selling price" have the same meaning as in RCW 82.08.010.

(d) "Value of the noncommercial aircraft" means the fair market value of the noncommercial aircraft plus the value of trade-in property of like kind.

Sec.

302.

RCW 82.48A.020 and 2025 c 417 s 208 are each amended to read as follows:

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

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

(2) The tax imposed in this section does not apply if the sale to, or the use by, the present user or his or her bailor or donor has already been subjected to the tax under this section or RCW 82.48A.010 and the tax has been paid by the present user or by his or her bailor or donor.

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

(4) For the purposes of this section, ("value")) the following definitions apply:

(a) "Consumer" has the same meaning as in RCW 82.08.010.

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

(c) "Noncommercial aircraft" has the same meaning as in RCW 82.48A.010.

(d) "Use" and "using" have the same meaning as in RCW 82.12.010.

(e) "Value of the noncommercial aircraft" means the fair market value of the noncommercial aircraft((. In the case of a leased noncommercial aircraft in which the consumer is required to make periodic lease payments, "value" of the aircraft means the fair p.

18 HB 2711 market value of the aircraft at the inception of the lease)) plus the value of trade-in property of like kind.

PART IV:

MISCELLANEOUS Tow Truck Impounds Sec.

401.

~~302, 402.~~

p.(2) The department of revenue shall incorporate into the agency's regular audit cycle a reconciliation of the number of tires sold and the amount of revenue collected by the businesses selling new replacement vehicle tires at retail.

~~10 ESHB 2711 (2) The department of revenue shall incorporate into the agency's regular audit cycle a reconciliation of the number of tires sold and the amount of revenue collected by the businesses selling new replacement vehicle tires at retail.~~

~~AccountPART TransferV: Timing Sec.~~

~~303, EFFECTIVE DATES AND OTHER MISCELLANEOUS PROVISIONS p.~~

~~RCW19 43.155.050HB and2711 2025NEW cSECTION. 424 s 056 and 2025 c 419 s 2 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 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 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 p. 20 ESHB 2711 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 and 2023-2025 fiscal biennia, the legislature may appropriate moneys from the account for activities related to the community 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. 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. During the 2021-2023 biennium, the legislature may appropriate moneys from the account for projects identified in section 1033, chapter 296, Laws of 2022.~~

~~During the 2023-2025 fiscal biennium, the legislature may appropriate moneys from the public works assistance account for an evaluation of the costs of relocating public utilities related to fish barrier removal projects.~~

~~During the 2023-2025 fiscal biennium, the legislature may appropriate moneys from the account for activities related to developing a data dashboard to map investments made by the public works board, the department of commerce, the department of health, the department of ecology, the department of transportation, the transportation improvement board, and by board partners to the system improvement team created in RCW 43.155.150.~~

~~(2)(a) For fiscal year 2024(,,) and fiscal year 2025(,, and fiscal year 2028 through fiscal year 2038)), the state treasurer must transfer from the public works assistance account to the move ahead WA account created in RCW 46.68.510 \$57,000,000 each fiscal year in four equal quarterly transfers.~~

~~(b) For fiscal year 2026 and fiscal year 2027, the state treasurer must transfer from the public works assistance account to the general fund \$57,000,000 each fiscal year in four equal quarterly transfers.~~

~~(c) For fiscal year 2028 through fiscal year 2038, the state treasurer must transfer from the public works assistance account to p.~~

~~21 ESHB 2711 the move ahead WA account created in RCW 46.68.510 \$57,000,000 each fiscal year.~~

~~(3) During the 2025-2027 fiscal biennium, the legislature may direct the state treasurer to transfer money from the public works assistance account to the state general fund.~~

~~Preserve Washington Account NEW SECTION.~~

~~304.501.~~

~~ASection new401 sectionof this act is addednecessary tofor chapterthe 46.68immediate RCWpreservation toof readthe aspublic follows:peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.~~

~~The preserve Washington account is created in the motor vehicle fund.~~

~~Moneys in the account may be spent only after appropriation.~~

~~Expenditures from the account may be used only for the purposes specified in RCW 46.68.070 that are also highway preservation and maintenance purposes.~~

~~Sec.~~

~~305.~~

~~RCW 43.84.002 and 2025 c 417 s 802, 2025 c 309 s 15, 2025 c 359 s 12, and 2025 c 299 s 21 are each reenacted and amended to read as follows:~~

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

~~(2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990.~~

~~The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act.~~

~~Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation.~~

~~The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act.~~

~~The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection.~~

~~Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.~~

~~(3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking p.~~

~~22 ESHB 2711 services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies.~~

~~The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions.~~

~~Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.~~

~~(4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account.~~

~~The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:~~

~~(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period:~~

~~The abandoned recreational vehicle disposal account, the aeronautics account, the Alaskan Way viaduct replacement project account, the ambulance transport fund, the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the Chehalis basin account, the Chehalis basin taxable account, the clean fuels credit account, the clean fuels transportation investment account, the cleanup settlement account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the common school construction fund, the community forest trust account, the connecting Washington account, the county arterial preservation account, the county criminal justice assistance account, the covenant homeownership account, the deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of retirement systems expense account, the developmental disabilities community services account, the diesel idle reduction account, the opioid abatement settlement account, the drinking water assistance account, the administrative subaccount of the drinking water assistance account, the driver education safety improvement account, the early learning facilities development account, the early learning facilities revolving account, the Eastern Washington University capital projects account, the education legacy trust account, the election account, the electric vehicle account, the p-~~

~~23 ESHB 2711 energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the fair start for kids account, the family medicine workforce development account, the ferry bond retirement fund, the fish, wildlife, and conservation account, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the higher education retirement plan supplemental benefit fund, the Washington student loan account, the highway bond retirement fund, the highway infrastructure account, the highway safety fund, the hospital safety net assessment fund, the Interstate 5 bridge replacement project account, the Interstate 5 bridge replacement project toll facility bond retirement account, the Interstate 405 and state route number 167 express toll lanes account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the limited fish and wildlife account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources stewardship trust account, the medical aid account, the money-purchase retirement savings administrative account, the money-purchase retirement savings principal account, the motor vehicle fund, the motorcycle safety education account, the move ahead WA account, the move ahead WA flexible account, the multimodal transportation account, the multiuse roadway safety account, the municipal criminal justice assistance account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the pilotage account, the pollution liability insurance agency underground storage tank revolving account, the medicaid access program account, the preserve Washington account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account, the public health supplemental account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the Puget Sound Gateway facility account, the Puget Sound taxpayer accountability account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the reserve officers' relief and pension principal fund, the resource management cost account, the rural arterial trust account, the rural mobility grant program account, the p-~~

~~24 ESHB 2711 rural Washington loan fund, the Sandy Williams connecting communities program account, the second injury fund, the sexual assault prevention and response account, the site closure account, the skilled nursing facility safety net trust fund, the small city pavement and sidewalk account, the special category C account, the special wildlife account, the state hazard mitigation revolving loan account, the state investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state reclamation revolving account, the state route number 520 civil penalties account, the state route number 520 corridor account, the statewide broadband account, the statewide tourism marketing account, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the toll facility bond retirement account, the transportation 2003 account (nickel account), the transportation equipment fund, the JUDY transportation future funding program account, the transportation improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the transportation partnership account, the traumatic brain injury account, the tribal opioid prevention and treatment account, the University of Washington bond retirement fund, the University of Washington building account, the voluntary cleanup account, the~~

~~volunteer firefighters' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the vulnerable roadway user education account, the Washington judicial retirement system account, the Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law enforcement officers' and firefighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving administration account, the water pollution control revolving fund, the Western Washington University capital projects account, the Yakima integrated plan implementation account, the Yakima integrated plan implementation revenue recovery account, and the Yakima integrated p-~~

~~25 ESHB 2711 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.~~

~~306.~~

~~RCW 43.84.002 and 2025 c 417 s 802, 2025 c 399 s 15, and 2025 c 299 s 21 are each reenacted and amended to read as follows:~~

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

~~(2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990.~~

~~The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act.~~

~~Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.190 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, p. 26 ESHB 2711 depository, safekeeping, and disbursement functions for the state treasury and affected state agencies.~~

~~The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions.~~

~~Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.~~

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

~~(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period:~~

~~The abandoned recreational vehicle disposal account, the aeronautics account, the Alaskan Way viaduct replacement project account, the ambulance transport fund, the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the Chehalis basin account, the Chehalis basin taxable account, the clean fuels credit account, the clean fuels transportation investment account, the cleanup settlement account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the common school construction fund, the community forest trust account, the connecting Washington account, the county arterial preservation~~

~~account, the county criminal justice assistance account, the covenant homeownership account, the deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of retirement systems expense account, the developmental disabilities community services account, the diesel idle reduction account, the opioid abatement settlement account, the drinking water assistance account, the administrative subaccount of the drinking water assistance account, the driver education safety improvement account, the early learning facilities development account, the early learning facilities revolving account, the Eastern Washington University capital projects account, the education legacy trust account, the election account, the electric vehicle account, the energy freedom account, the energy recovery act account, the p.~~

~~27 ESHB 2711 essential rail assistance account, The Evergreen State College capital projects account, the fair start for kids account, the family medicine workforce development account, the ferry bond retirement fund, the fish, wildlife, and conservation account, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the higher education retirement plan supplemental benefit fund, the Washington student loan account, the highway bond retirement fund, the highway infrastructure account, the highway safety fund, the hospital safety net assessment fund, the Interstate 5 bridge replacement project account, the Interstate 5 bridge replacement project toll facility bond retirement account, the Interstate 405 and state route number 167 express toll lanes account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the limited fish and wildlife account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources stewardship trust account, the medical aid account, the money purchase retirement savings administrative account, the money purchase retirement savings principal account, the motor vehicle fund, the motorcycle safety education account, the move ahead WA account, the move ahead WA flexible account, the multimodal transportation account, the multiuse roadway safety account, the municipal criminal justice assistance account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the pilotage account, the pollution liability insurance agency underground storage tank revolving account, the preserve Washington account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account, the public health supplemental account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the Puget Sound Gateway facility account, the Puget Sound taxpayer accountability account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the reserve officers' relief and pension principal fund, the resource management cost account, the rural arterial trust account, the rural mobility grant program account, the rural Washington loan fund, the Sandy Williams connecting communities program account, the second p.~~

~~28 ESHB 2711 injury fund, the sexual assault prevention and response account, the site closure account, the skilled nursing facility safety net trust fund, the small city pavement and sidewalk account, the special category C account, the special wildlife account, the state hazard mitigation revolving loan account, the state investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state reclamation revolving account, the state route number 520 civil penalties account, the state route number 520 corridor account, the statewide broadband account, the statewide tourism marketing account, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the toll facility bond retirement account, the transportation 2003 account (nickel account), the transportation equipment fund, the JUDY transportation future funding program account, the transportation improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the transportation partnership account, the traumatic brain injury account, the tribal opioid prevention and treatment account, the University of Washington bond retirement fund, the University of Washington building account, the voluntary cleanup account, the volunteer firefighters' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the vulnerable roadway user education account, the Washington judicial retirement system account, the Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law enforcement officers' and firefighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving administration account, the water pollution control revolving fund, the Western Washington University capital projects account, the Yakima integrated plan implementation account, the Yakima integrated plan implementation revenue recovery account, and the Yakima integrated plan implementation taxable bond account.~~

~~Earnings derived from investing balances of the agricultural p.~~

~~20 ESHB 2711 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.~~

~~307.~~

~~RCW 43.84.002 and 2025 c 417 s 803, 2025 c 399 s 16, 2025 c 350 s 13, and 2025 c 299 s 22 are each reenacted and amended to read as follows:~~

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

~~(2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990.~~

~~The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act.~~

~~Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation.~~

~~The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act.~~

~~The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection.~~

~~Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.~~

~~(3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state p.~~

~~30 ESHB 2711 treasury and affected state agencies.~~

~~The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions.~~

~~Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.~~

~~(4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account.~~

~~The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:~~

~~(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period:~~

~~The abandoned recreational vehicle disposal account, the aeronautics account, the Alaskan Way viaduct replacement project account, the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the Chehalis basin account, the Chehalis basin taxable account, the clean fuels credit account, the clean fuels transportation investment account, the cleanup settlement account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the common school construction fund, the community forest trust account, the connecting Washington account, the county arterial preservation account, the county criminal justice assistance account, the covenant homeownership account, the deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of retirement systems expense account, the developmental disabilities community services account, the diesel idle reduction account, the opioid abatement settlement account, the drinking water assistance account, the administrative subaccount of the drinking water assistance account, the driver education safety improvement account, the early learning facilities development account, the early learning facilities revolving account, the Eastern Washington University capital projects account, 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 p.~~

~~31 ESHB 2711 kids account, the family medicine workforce development account, the ferry bond retirement fund, the fish, wildlife, and conservation account, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the higher education retirement plan supplemental benefit fund, the Washington student loan account, the highway bond retirement fund, the~~

~~highway infrastructure account, the highway safety fund, the hospital safety net assessment fund, the Interstate 5 bridge replacement project account, the Interstate 5 bridge replacement project toll facility bond retirement account, the Interstate 405 and state route number 167 express toll lanes account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the limited fish and wildlife account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources stewardship trust account, the medical aid account, the money-purchase retirement savings administrative account, the money-purchase retirement savings principal account, the motor vehicle fund, the motorcycle safety education account, the move ahead WA account, the move ahead WA flexible account, the multimodal transportation account, the multiuse roadway safety account, the municipal criminal justice assistance account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the pilotage account, the pollution liability insurance agency underground storage tank revolving account, the medicaid access program account, the preserve Washington account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account, the public health supplemental account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the Puget Sound Gateway facility account, the Puget Sound taxpayer accountability account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the reserve officers' relief and pension principal fund, the resource management cost account, the rural arterial trust account, the rural mobility grant program account, the rural Washington loan fund, the Sandy Williams connecting communities program account, the second injury fund, the sexual assault prevention and response account, the p-~~

~~32 ESHB 2711 site closure account, the skilled nursing facility safety net trust fund, the small city pavement and sidewalk account, the special category C account, the special wildlife account, the state hazard mitigation revolving loan account, the state investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state reclamation revolving account, the state route number 520 civil penalties account, the state route number 520 corridor account, the statewide broadband account, the statewide tourism marketing account, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the toll facility bond retirement account, the transportation 2003 account (nickel account), the transportation equipment fund, the JUDY transportation future funding program account, the transportation improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the transportation partnership account, the traumatic brain injury account, the tribal opioid prevention and treatment account, the University of Washington bond retirement fund, the University of Washington building account, the voluntary cleanup account, the volunteer firefighters' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the vulnerable roadway user education account, the Washington judicial retirement system account, the Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law enforcement officers' and firefighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving administration account, the water pollution control revolving fund, the Western Washington University capital projects account, the Yakima integrated plan implementation account, the Yakima integrated plan implementation revenue recovery account, and the Yakima integrated plan implementation taxable bond account-~~

~~Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent p-~~

~~33 ESHB 2711 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-~~

~~308-~~

~~RCW 43.84.002 and 2025 c 417 s 803, 2025 c 399 s 16, and 2025 c 299 s 22 are each reenacted and amended to read as follows:-~~

~~(1) All earnings of investments of surplus balances in the state treasury shall be deposited to the~~

~~treasury income account, which account is hereby established in the state treasury.~~

~~(2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990.~~

~~The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act.~~

~~Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation.~~

~~The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act.~~

~~The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection.~~

~~Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.~~

~~(3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is p.~~

~~34 ESHB 2711 subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions.~~

~~Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.~~

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

~~(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period:~~

~~The abandoned recreational vehicle disposal account, the aeronautics account, the Alaskan Way viaduct replacement project account, the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the Chehalis basin account, the Chehalis basin taxable account, the clean fuels credit account, the clean fuels transportation investment account, the cleanup settlement account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the common school construction fund, the community forest trust account, the connecting Washington account, the county arterial preservation account, the county criminal justice assistance account, the covenant homeownership account, the deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of retirement systems expense account, the developmental disabilities community services account, the diesel idle reduction account, the opioid abatement settlement account, the drinking water assistance account, the administrative subaccount of the drinking water assistance account, the driver education safety improvement account, the early learning facilities development account, the early learning facilities revolving account, the Eastern Washington University capital projects account, the education legacy trust account, the election account, the electric vehicle account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the fair start for kids account, the family medicine workforce development account, the p.~~

~~35 ESHB 2711 ferry bond retirement fund, the fish, wildlife, and conservation account, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the higher education retirement plan supplemental benefit fund, the Washington student loan account, the highway bond retirement fund, the highway infrastructure account, the highway safety fund, the hospital safety net assessment fund, the Interstate 5 bridge replacement project account, the Interstate 5 bridge replacement project toll facility bond retirement account, the Interstate 405 and state route number 167 express toll lanes account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the limited fish and wildlife account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources stewardship trust account, the medical aid account, the money-purchase retirement savings administrative account, the money-purchase retirement savings principal account, the motor vehicle fund, the motorcycle safety education account, the move ahead WA account, the move ahead WA flexible account, the multimodal transportation account, the multiuse roadway safety account, the municipal criminal justice assistance account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the pilotage account, the pollution liability insurance agency underground storage tank revolving account, the preserve Washington account, the public employees' retirement system plan 1 account, the public employees' retirement system~~

~~combined plan 2 and plan 3 account, the public facilities construction loan revolving account, the public health supplemental account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the Puget Sound Gateway facility account, the Puget Sound taxpayer accountability account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the reserve officers' relief and pension principal fund, the resource management cost account, the rural arterial trust account, the rural mobility grant program account, the rural Washington loan fund, the Sandy Williams connecting communities program account, the second injury fund, the sexual assault prevention and response account, the site closure account, the skilled nursing facility safety net trust fund, the small city p-~~

~~36 ESHB 2711 pavement and sidewalk account, the special category C account, the special wildlife account, the state hazard mitigation revolving loan account, the state investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state reclamation revolving account, the state route number 520 civil penalties account, the state route number 520 corridor account, the statewide broadband account, the statewide tourism marketing account, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the toll facility bond retirement account, the transportation 2003 account (nickel account), the transportation equipment fund, the JUDY transportation future funding program account, the transportation improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the transportation partnership account, the traumatic brain injury account, the tribal opioid prevention and treatment account, the University of Washington bond retirement fund, the University of Washington building account, the voluntary cleanup account, the volunteer firefighters' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the vulnerable roadway user education account, the Washington judicial retirement system account, the Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law enforcement officers' and firefighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving administration account, the water pollution control revolving fund, the Western Washington University capital projects account, the Yakima integrated plan implementation account, the Yakima integrated plan implementation revenue recovery account, and the Yakima integrated plan implementation taxable bond account.~~

~~Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the p-~~

~~37 ESHB 2711 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.~~

~~309.~~

~~RCW 43.84.002 and 2025 c 417 s 803, 2025 c 309 s 16, 2025 c 350 s 13, 2025 c 200 s 22, and 2025 c 228 s 15 are each reenacted and amended to read as follows:~~

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

~~(2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990.~~

~~The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act.~~

~~Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation.~~

~~The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act.~~

~~The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection.~~

~~Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of~~

~~this section.~~

~~(3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is p. 38 ESHB 2711 required for payments to financial institutions.~~

~~Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.~~

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

~~(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period:~~

~~The abandoned recreational vehicle disposal account, the aeronautics account, the Alaskan Way viaduct replacement project account, the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the Chehalis basin account, the Chehalis basin taxable account, the clean fuels credit account, the clean fuels transportation investment account, the cleanup settlement account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the common school construction fund, the community forest trust account, the connecting Washington account, the county arterial preservation account, the county criminal justice assistance account, the covenant homeownership account, the deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of retirement systems expense account, the developmental disabilities community services account, the diesel idle reduction account, the opioid abatement settlement account, the drinking water assistance account, the administrative subaccount of the drinking water assistance account, the driver education safety improvement account, the early learning facilities development account, the early learning facilities revolving account, the Eastern Washington University capital projects account, the education legacy trust account, the election account, the electric vehicle account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the fair start for kids account, the family medicine workforce development account, the ferry bond retirement fund, the fish, wildlife, and conservation p. 39 ESHB 2711 account, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the higher education retirement plan supplemental benefit fund, the Washington student loan account, the highway bond retirement fund, the highway infrastructure account, the highway safety fund, the hospital safety net assessment fund, the intelligent speed assistance device revolving account, the Interstate 5 bridge replacement project account, the Interstate 5 bridge replacement project toll facility bond retirement account, the Interstate 405 and state route number 167 express toll lanes account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the limited fish and wildlife account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources stewardship trust account, the medical aid account, the money purchase retirement savings administrative account, the money purchase retirement savings principal account, the motor vehicle fund, the motorcycle safety education account, the move ahead WA account, the move ahead WA flexible account, the multimodal transportation account, the multiuse roadway safety account, the municipal criminal justice assistance account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the pilotage account, the pollution liability insurance agency underground storage tank revolving account, the medicaid access program account, the preserve Washington account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account, the public health supplemental account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the Puget Sound Gateway facility account, the Puget Sound taxpayer accountability account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the reserve officers' relief and pension principal fund, the resource management cost account, the rural arterial trust account, the rural mobility grant program account, the rural Washington loan fund, the Sandy Williams connecting communities program account, the second injury fund, the sexual assault prevention and response account, the site closure account, the skilled nursing facility safety net trust p.~~

~~40 ESHB 2711 fund, the small city pavement and sidewalk account, the special category C account, the special wildlife account, the state hazard mitigation revolving loan account, the state investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state reclamation revolving account, the state route number 520 civil penalties account,~~

~~the state route number 520 corridor account, the statewide broadband account, the statewide tourism marketing account, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the toll facility bond retirement account, the transportation 2003 account (nickel account), the transportation equipment fund, the JUDY transportation future funding program account, the transportation improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the transportation partnership account, the traumatic brain injury account, the tribal opioid prevention and treatment account, the University of Washington bond retirement fund, the University of Washington building account, the voluntary cleanup account, the volunteer firefighters' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the vulnerable roadway user education account, the Washington judicial retirement system account, the Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law enforcement officers' and firefighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving administration account, the water pollution control revolving fund, the Western Washington University capital projects account, the Yakima integrated plan implementation account, the Yakima integrated plan implementation revenue recovery account, and the Yakima integrated plan implementation taxable bond account.~~

~~Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state p-~~

~~41 ESHB 2711 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.~~

~~310.~~

~~RCW 43.84.002 and 2025 c 417 s 803, 2025 c 399 s 16, 2025 c 200 s 22, and 2025 c 228 s 15 are each reenacted and amended to read as follows:~~

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

~~(2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990.~~

~~The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act.~~

~~Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation.~~

~~The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act.~~

~~The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection.~~

~~Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.~~

~~(3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies.~~

~~The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is p- 42 ESHB 2711 required for payments to financial institutions.~~

~~Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.~~

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

~~(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period:~~

~~The abandoned recreational vehicle disposal account, the aeronautics account, the Alaskan Way viaduct~~

~~replacement project account, the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the Chehalis basin account, the Chehalis basin taxable account, the clean fuels credit account, the clean fuels transportation investment account, the cleanup settlement account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the common school construction fund, the community forest trust account, the connecting Washington account, the county arterial preservation account, the county criminal justice assistance account, the covenant homeownership account, the deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of retirement systems expense account, the developmental disabilities community services account, the diesel idle reduction account, the opioid abatement settlement account, the drinking water assistance account, the administrative subaccount of the drinking water assistance account, the driver education safety improvement account, the early learning facilities development account, the early learning facilities revolving account, the Eastern Washington University capital projects account, the education legacy trust account, the election account, the electric vehicle account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the fair start for kids account, the family medicine workforce development account, the ferry bond retirement fund, the fish, wildlife, and conservation p-43 ESHB 2711 account, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the higher education retirement plan supplemental benefit fund, the Washington student loan account, the highway bond retirement fund, the highway infrastructure account, the highway safety fund, the hospital safety net assessment fund, the intelligent speed assistance device revolving account, the Interstate 5 bridge replacement project account, the Interstate 5 bridge replacement project toll facility bond retirement account, the Interstate 405 and state route number 167 express toll lanes account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the limited fish and wildlife account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources stewardship trust account, the medical aid account, the money purchase retirement savings administrative account, the money purchase retirement savings principal account, the motor vehicle fund, the motorcycle safety education account, the move ahead WA account, the move ahead WA flexible account, the multimodal transportation account, the multiuse roadway safety account, the municipal criminal justice assistance account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the pilotage account, the pollution liability insurance agency underground storage tank revolving account, the preserve Washington account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account, the public health supplemental account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the Puget Sound Gateway facility account, the Puget Sound taxpayer accountability account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the reserve officers' relief and pension principal fund, the resource management cost account, the rural arterial trust account, the rural mobility grant program account, the rural Washington loan fund, the Sandy Williams connecting communities program account, the second injury fund, the sexual assault prevention and response account, the site closure account, the skilled nursing facility safety net trust fund, the small city p-~~

~~44 ESHB 2711 pavement and sidewalk account, the special category C account, the special wildlife account, the state hazard mitigation revolving loan account, the state investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state reclamation revolving account, the state route number 520 civil penalties account, the state route number 520 corridor account, the statewide broadband account, the statewide tourism marketing account, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the toll facility bond retirement account, the transportation 2003 account (nickel account), the transportation equipment fund, the JUDY transportation future funding program account, the transportation improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the transportation partnership account, the traumatic brain injury account, the tribal opioid prevention and treatment account, the University of Washington bond retirement fund, the University of Washington building account, the voluntary cleanup account, the volunteer firefighters' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the vulnerable roadway user education account, the Washington judicial retirement system account, the Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law enforcement officers' and firefighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3~~

~~account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving administration account, the water pollution control revolving fund, the Western Washington University capital projects account, the Yakima integrated plan implementation account, the Yakima integrated plan implementation revenue recovery account, and the Yakima integrated plan implementation taxable bond account.~~

~~Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the p.~~

~~45 ESHB 2711 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.~~

~~Bus and Bus Facilities Grant Program Sec.~~

~~311.~~

~~RCW 47.66.130 and 2022 c 182 s 416 are each amended 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; safety or security enhancements for transit rolling stock or 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.~~

~~(e) Grant funds may not be used for any expenses relating to armed security.~~

~~P-~~

~~46 ESHB 2711 (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.~~

~~Identicards and Older Drivers NEW SECTION.~~

~~Sec.~~

~~312.~~

~~A new section is added to chapter 46.20 RCW to read as follows:~~

~~(1) By January 1, 2028, the department, after consulting with the appropriate organizations, shall create and implement an older driver reduced fee identicard program.~~

~~(2) The fee for the identicard is \$5 regardless of issuance time period.~~

~~(3) Older drivers eligible for the program are currently licensed drivers aged 70 years or older who agree to voluntarily replace their driver's license with an identicard, provided the individual:~~

~~(a) Meets the department criteria under RCW 46.20.117;~~

~~(b) Meets the department criteria under RCW 46.20.202, if the eligible older driver wishes to obtain an~~

~~enhanced identicard;~~

~~and (c) Is expected to reside in a location within Washington state.~~

~~(4) The department is authorized to adopt rules necessary to implement the older driver reduced fee identicard program under this section.~~

~~Toll Collection Communication p.~~

~~47 ESHB 2711 Sec.~~

~~313.~~

~~RCW 46.63.160 and 2015 c 202 s 1 are each amended to read as follows:~~

~~(1) This section applies only to civil penalties for nonpayment of tolls detected through use of photo toll systems.~~

~~(2) 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).~~

~~(3) A notice of civil penalty may be issued by the department of transportation when a toll is assessed through use of a photo toll system and the toll is not paid by the toll payment due date, which is ((eighty)) 80 days from the date the vehicle uses the toll facility and incurs the toll charge.~~

~~(4) Any registered owner or renter of a vehicle traveling upon a toll facility operated under chapter 47.56 or 47.46 RCW is subject to a civil penalty governed by the administrative procedures set forth in this section when the vehicle incurs a toll charge and the toll is not paid by the toll payment due date, which is ((eighty)) 80 days from the date the vehicle uses the toll facility and incurs the toll charge.~~

~~(5)(a) The department shall develop rules to allow an individual who has been issued a notice of civil penalty to present evidence of mitigating circumstances as to why a toll bill was not timely paid. If an individual is able to present verifiable evidence to the department that a civil penalty was incurred due to hospitalization, military deployment, eviction, homelessness, death of the alleged violator or of an alleged violator's immediate family member, failure to receive the toll bill due to an incorrect email or physical address that has since been corrected, a prepaid electronic toll account error that has since been corrected, an error made by the department or an agent of the department, or other mitigating circumstances as determined by the department, the department may dismiss or reduce the civil penalty and associated fees.~~

~~(b)(i) Consistent with chapter 34.05 RCW, the department of transportation shall develop an administrative adjudication process to review appeals of civil penalties issued by the department of transportation for toll nonpayment detected through the use of a photo toll system under this section. The department of transportation shall submit to the transportation committees of the legislature an annual report on the number of times adjudicators p.~~

~~48 ESHB 2711 reduce or dismiss the civil penalty as provided in (b)(ii) of this subsection and the total amount of the civil penalties dismissed.~~

~~The report must be submitted by December 1st of each year.~~

~~(ii) During the adjudication process, the alleged violator must have an opportunity to explain mitigating circumstances as to why the toll bill was not timely paid.~~

~~Hospitalization, a divorce decree or legal separation agreement resulting in a transfer of the vehicle, an active duty member of the military or national guard covered by the federal service members civil relief act, 50 U.S.C.~~

~~Sec.~~

~~501 et seq., or state service members' civil relief act, chapter 38.42 RCW, eviction, homelessness, the death of the alleged violator or of an immediate family member, being switched to a different method of toll payment, if the alleged violator did not receive a toll charge bill or notice of civil penalty, or other mitigating circumstances as determined by the adjudicator are deemed valid mitigating circumstances.~~

~~All of the reasons that constitute mitigating circumstances must have occurred within a reasonable time of the alleged toll violation.~~

~~In response to these circumstances, the adjudicator may reduce or dismiss the civil penalty and associated administrative fees.~~

~~(6) The use of a photo toll system is subject to the following requirements:~~

~~(a) Photo toll systems may take photographs, digital photographs, microphotographs, videotapes, or other recorded images of the vehicle and vehicle license plate only.~~

~~(b) A notice of civil penalty must include with it a certificate or facsimile thereof, based upon inspection of photographs, microphotographs, videotape, or other recorded images produced by a photo toll system, stating the facts supporting the notice of civil penalty.~~

~~This certificate or facsimile is prima facie evidence of the facts contained in it and is admissible in~~

~~a proceeding established under subsection (5) of this section.~~

~~The photographs, digital photographs, microphotographs, videotape, or other recorded images evidencing the toll nonpayment civil penalty must be available for inspection and admission into evidence in a proceeding to adjudicate the liability for the civil penalty.~~

~~(c)(i) By June 30, 2016, prior to issuing a notice of civil penalty to a registered owner of a vehicle listed on an active prepaid electronic toll account, the department of transportation must:~~

~~p-~~

~~49 ESHB 2711 (A) Send an ((electronic mail)) email notice to the email address provided in the prepaid electronic toll account of unpaid pay-by-mail toll bills at least ((ten)) 10 days prior to a notice of civil penalty being issued for the associated pay-by-mail toll.~~

~~The notice must be separate from any regular notice sent by the department;~~

~~and (B) Call the phone numbers provided in the account to provide notice of unpaid pay-by-mail toll bills at least ((ten)) 10 days prior to a notice of civil penalty being issued for the associated pay-by-mail toll.~~

~~(ii) The department is relieved of its obligation to provide notice as required by this section if the customer has declined to receive communications from the department through such methods.~~

~~(d) Notwithstanding any other provision of law, all photographs, digital photographs, microphotographs, videotape, other recorded images, or other records identifying a specific instance of travel prepared under this section are for the exclusive use of the tolling agency for toll collection and enforcement purposes 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 civil penalty under this section.~~

~~No photograph, digital photograph, microphotograph, videotape, other recorded image, or other record identifying a specific instance of travel may be used for any purpose other than toll collection or enforcement of civil penalties under this section.~~

~~Records identifying a specific instance of travel by a specific person or vehicle must be retained only as required to ensure payment and enforcement of tolls and to comply with state records retention policies.~~

~~(e) All locations where a photo toll system is used must be clearly marked by placing signs in locations that clearly indicate to a driver that he or she is entering a zone where tolls are assessed and enforced by a photo toll system.~~

~~(f) Within existing resources, the department of transportation shall conduct education and outreach efforts at least six months prior to activating an all-electronic photo toll system.~~

~~Methods of outreach shall include a department presence at community meetings in the vicinity of a toll facility, signage, and information published in local media.~~

~~Information provided shall include notice of when all electronic photo tolling shall begin and methods of payment.~~

~~Additionally, the department shall provide quarterly reporting on p-~~

~~50 ESHB 2711 education and outreach efforts and other data related to the issuance of civil penalties.~~

~~(g) The envelope or electronic message containing a toll charge bill or related notice issued pursuant to RCW 47.46.105 or 47.56.795, or a notice of civil penalty issued under this section, must prominently indicate that the contents are time sensitive and related to a toll violation.~~

~~(7) Civil penalties for toll nonpayment detected through the use of photo toll systems must be issued to the registered owner of the vehicle identified by the photo toll system, but are not part of the registered owner's driving record under RCW 46.52.101 and 46.52.120.~~

~~(8) The civil penalty for toll nonpayment detected through the use of a photo toll system is ((forty dollars)) \$40 plus the photo toll and associated fees.~~

~~(9) Except as provided otherwise in this subsection, all civil penalties, including the photo toll and associated fees, collected under this section must be deposited into the toll facility account of the facility on which the toll was assessed.~~

~~However, through June 30, 2013, civil penalties deposited into the Tacoma Narrows toll bridge account created under RCW 47.56.165 that are in excess of amounts necessary to support the toll adjudication process applicable to toll collection on the Tacoma Narrows bridge must first be allocated toward repayment of operating loans and reserve payments provided to the account from the motor vehicle ((account [fund])) fund under section 1005(15), chapter 518, Laws of 2007.~~

~~Additionally, all civil penalties, resulting from nonpayment of tolls on the state route number 520 corridor, shall be deposited into the state route number 520 civil penalties account created under section 4, chapter 248, Laws of 2010 but only if chapter 248, Laws of 2010 is enacted by June 30, 2010.~~

~~(10) If the registered owner of the vehicle is a rental car business, the department of transportation shall, before a toll bill is issued, provide a written notice to the rental car business that a toll bill may be issued to the rental car business if the rental car business does not, within ((thirty)) 30 days of the mailing of 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 toll was assessed;~~

~~or p.~~

~~51 ESHB 2711 (b) A statement under oath that the business is unable to determine who was driving or renting the vehicle at the time the toll was assessed because the vehicle was stolen at the time the toll was assessed.~~

~~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 toll and fee.~~

~~Timely mailing of this statement to the issuing agency relieves a rental car business of any liability under this section for the payment of the toll.~~

~~(11) It is the intent of the legislature that the department provide an educational opportunity when vehicle owners incur fees and penalties associated with late payment of tolls for the first time.~~

~~As part of this educational opportunity, the department may waive penalties and fees if the issue that resulted in the toll not being timely paid has been resolved and the vehicle owner establishes an electronic toll account, if practicable.~~

~~To aid in collecting tolls in a timely manner, the department may waive or reduce the outstanding amounts of fees and penalties assessed when tolls are not timely paid.~~

~~(12)(a) By June 30, 2016, the department of transportation must update its website, and accommodate access to the website from mobile platforms, to allow toll customers to efficiently manage all their tolling accounts, regardless of method of payment.~~

~~(b)(i) By June 30, 2016, the department of transportation must make available to the public a point of access that allows a third party to develop an application for mobile technologies that (A) securely accesses a user's toll account information and (B) allows the user to manage his or her toll account to the same extent possible through the department's website.~~

~~(ii) If the department determines that it would be cost-effective and in the best interests of the citizens of Washington, it may also develop an application for mobile technologies that allows toll customers to manage all of their tolling accounts from a mobile platform.~~

~~(13) When acquiring a new photo toll system, the department of transportation must enable the new system to:~~

~~(a) Connect with the department of licensing's vehicle record system so that a prepaid electronic toll account can be updated p.~~

~~52 ESHB 2711 automatically when a toll customer's vehicle record is updated, if the customer has consented to such updates;~~

~~and (b) Document when any toll is assessed for a vehicle listed in a prepaid electronic toll account in the monthly statement that is made available to the electronic toll account holder regardless of whether the method of payment for the toll is via pay-by-mail or prepaid electronic toll account.~~

~~(14) Consistent with chapter 34.05 RCW, the department of transportation shall develop rules to implement this section.~~

~~(15) For the purposes of this section:~~

~~(a) "Photo toll system" means the system defined in RCW 47.56.010 and 47.46.020.~~

~~(b) "Prepaid electronic toll account" means a prepaid toll account linked to a pass or license plate number, including "Good to Go!".~~

~~(16) If a customer's toll charge or civil penalty is waived pursuant to this section due to an error made by the department, or an agent of the department, in reading the customer's license plate, the secretary of transportation must send a letter to the customer apologizing for the error.~~

~~PART IV:~~

~~EFFECTIVE DATES AND OTHER MISCELLANEOUS PROVISIONS NEW SECTION.~~

~~Sec.~~

~~401.~~

~~(1) Section 305 of this act expires the earlier of July 1, 2028, or when RCW 74.76.040 expires.~~

~~(2) Section 306 of this act expires July 1, 2028.~~

~~(3) Section 307 of this act expires the earlier of January 1, 2029, or when RCW 74.76.040 expires.~~

~~(4) Section 308 of this act expires January 1, 2029.~~

~~(5) Section 309 of this act expires when RCW 74.76.040 expires.~~

~~402.502.~~

~~(1) Sections Section 203, 306204, 301, and 302 of this act takesare effectnecessary whenfor RCWthe 74.76.040immediate expires. preservation of the public peace, health, or safety, or support of the state~~

government and its existing public institutions, and take effect April 1, 2026.

~~(2) Sections 307 and 308 of this act take effect July 1, 2028.~~

~~(3) Sections 309 and 310 of this act take effect January 1, 2029.~~

~~403.503.~~

~~The Sections following 101, acts 102, or 201, parts and 202 of acts this are act each take repealed: effect July 1, 2026.~~

~~(1) 2025 c 417 s 501;~~

~~and (2) 2025 c 417 s 502.~~

~~p-~~

~~53 ESHB 2711 NEW SECTION.~~

~~Sec.~~

~~404.~~

~~The following acts or parts of acts are each repealed:~~

~~(1) RCW 82.48A.010 (Luxury aircraft tax) and 2025 c 417 s 207;~~

~~(2) RCW 82.48A.020 (Use tax if value of aircraft exceeds \$500,000 -- Exception) and 2025 c 417 s 208;~~

~~(3) RCW 82.48A.030 (Deposit for revenue collected) and 2025 c 417 s 209;~~

~~and (4) RCW 82.48A.040 (Administration) and 2025 c 417 s 210.~~

~~NEW SECTION.~~

~~Sec.~~

~~405.~~

~~Sections 301, 304, and 404 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.~~

~~406.~~

~~Sections 101, 102, and 201 through 204 of this act take effect July 1, 2026.~~

~~5420 ESHB HB 2711~~