

HOUSE BILL REPORT

HB 1928

*As Reported By House Committee on:
Local Government*

Title: An act relating to fees based on gross receipts imposed by port districts.

Brief Description: Defining the authority of port districts to charge fees.

Sponsor(s): Representatives G. Fisher, Zellinsky, Brough, Haugen, Ferguson, Hine and Horn.

Brief History:

Reported by House Committee on:
Local Government, March 6, 1991, DP.

**HOUSE COMMITTEE ON
LOCAL GOVERNMENT**

Majority Report: *Do pass.* Signed by 11 members: Representatives Haugen, Chair; Cooper, Vice Chair; Ferguson, Ranking Minority Member; Mitchell, Assistant Ranking Minority Member; Bray; Franklin; Horn; Nealey; Wood; Wynne; and Zellinsky.

Minority Report: *Do not pass.* Signed by 4 members: Representatives Edmondson; Nelson; Rayburn; and Roland.

Staff: Steve Lundin (786-7127).

Background: Port districts are authorized to provide a wide variety of transportation related facilities, such as airports and maritime facilities, and to impose charges for the use of such facilities.

The Port of Seattle imposes lease fees on automobile rental companies leasing space at the SeaTac Airport that include both a monthly dollar amount and a percentage of the gross receipts of the rental company.

The Port of Seattle imposes access fees on hotel shuttle vans and off-site automobile rental company shuttle vans on a per trip basis. The Port of Seattle recently began imposing additional fees on off-site automobile rental companies that are based upon a percentage of the gross receipts of the rental companies.

Summary of Bill: Port districts may not impose a charge or fee based upon the gross receipts of a business that derives some of its income from port-related activity if that business is located on property not owned by the port district. This prohibition does not apply to charges for access to or periodic use of port property. The restriction applies to airport and other facilities of port districts.

An emergency clause is included.

Fiscal Note: Not requested.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Testimony For: These charges are B&O taxes. Why aren't they imposing the charges on other off-site businesses, like hotels, parking facilities, etc. These taxes will compete with the potential tax base of SeaTac City. This is interfering with small business.

Testimony Against: These fees are imposed around the country. Why not equalize fees charged to on-site rental companies with the off-site companies. These fees allow the port to keep landing fees down that are charged on airlines. We use no tax moneys to subsidize airport operations.

Witnesses: (Testified in support): Joe Daniels, CAPET; Doris Cassan, Dollar Rent-a-Car; Chuck Schubaum, All-Star Rent-a-car; Rick Lucas, Thrifty; Jim Metcalf, city of SeaTac; Brad Parrish, AMPCO Parking/Washington State Parking Association; Terry Treischel, Pacific Car Rental; Stan Finkelstein, Association of Washington Cities; Dick Hemstad, Alamo Rent-a-Car; and Ken Anderson, MasterPark. (Testified against): Bill Lawder and Judy Runstad, The Hertz Corporation; Lynn Carlton, Spokane International Airport; Gary Grant, Port of Seattle; and Cliff Argue, Alaska Airlines/Air Transport Association.