HOUSE BILL REPORT

3SSB 5918

As Passed House - Amended
March 3, 1994

Title: An act relating to ride-sharing vehicles.

Brief Description: Allowing ride-sharing incentives to include cars.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Drew, Sellar, Vognild, Bluechel and Winsley).

Brief History:
Reported by House Committee on:
Transportation, February 23, 1994, DPA.
Passed House, March 3, 1994, 96-0.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass as amended. Signed by 25 members: Representatives R. Fisher, Chair; Brown, Vice Chair; Jones, Vice Chair; Schmidt, Ranking Minority Member; Mielke, Assistant Ranking Minority Member; Backlund; Brough; Brumsickle; Cothern; Eide; Finkbeiner; Forner; Fuhrman; Hansen; Heavey; Horn; Johanson; J. Kohl; Orr; Patterson; Quall; Romero; Shin; Wood and Zellinsky.

Staff: Brian McMorrow (786-7304).

Background: Major employers (100 or more employees) in the state's eight largest counties must implement commute trip reduction programs to reduce the number of their employees traveling by single-occupant vehicles to their work sites. Large and small businesses argue that particular tax incentives will make it easier for them to meet the Commute Trip Reduction Law requirements.

Summary of Bill: Major employers as defined by the Commute Trip Reduction Law that provide financial incentives to their employees for ridesharing in carpools with four or more persons are allowed a credit on their business and occupation tax or their public utility tax. The credit would be 50 percent of the amount paid to the employee, up to $60 per employee each year. Ultimately, the tax credit will be paid from the air pollution control account. No employer may take a credit for more than $200,000 per year, and no more than $2 million of tax credits may be granted per year.

An administrative process is outlined for the tax credit and for transferring money from the air pollution control account to the general fund.

The Commute Trip Reduction Task Force, which was created to implement the Commute Trip Reduction Law, will report to the Legislative Transportation Committee by December 1, 1996, providing an assessment of the credit’s effectiveness.

The bill makes it a gross misdemeanor to file a false application for the credit.

The program will last for 24 months and expire on December 1, 1996.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Major employers implementing transportation demand management programs need financial incentives to help them meet the goals of the Commute Trip Reduction Law. This bill sends a message to the business community that the state wants to be a partner in dealing with air pollution, traffic congestion and reducing dependency on foreign oil--all laudable goals of the act.

Testimony Against: None.

Witnesses: Bill Roach, King County METRO; Jane Gray, Sverdrup Civil, Inc.; Sherri Shaftic, Key Bank of Washington; Jeffrey Mitchell, Laboratory of Pathology; and Bruce Wishart, Sierra Club.