

1 **SHB 1553 - H AMD 1026 WITHDRAWN**

2 By Representative Murray

3 On page 1, line 5 after the enacting clause, strike all material
4 and insert the following:

5 "NEW SECTION. **Sec. 1.** The legislature recognizes that cities and
6 towns throughout the state face a crisis in their ability to meet
7 growing local transportation needs, due in part to a 1995 decision of
8 the state supreme court that invalidated residential street utility
9 charges imposed under the authority of section 2, chapter 141, Laws of
10 1991. The legislature recognizes the need to assist cities and towns
11 to replace the local funding that would have been available to them had
12 RCW 82.80.050 been upheld. The legislature hereby intends to provide
13 cities and towns the local option, with voter approval, to authorize a
14 city street district levy, similar to the existing county road district
15 levy in RCW 36.82.040, to be levied for cities under three hundred
16 thousand in population by the county legislative authority and by
17 larger cities for themselves, as is the case with other regular
18 property taxes; and increase the local sales and use tax.
19 Additionally, cities and towns are provided the local option, subject
20 to voter referendum, to impose a vehicle license fee if that fee has
21 not been imposed by the county in which the city or town is located.
22 A city or town may use any combination of the these options.

23 NEW SECTION. **Sec. 2.** For the purpose of efficient administration
24 of the streets and for other transportation purposes of each city or
25 town, the legislative authority may establish in its respective city or
26 town a city street district, if authorized to do so by a majority of
27 its voters voting at a general or special election on a proposition for
28 that purpose, and shall cause its action in so doing to be entered upon
29 its records.

30 The city street district must be coterminous with the city or
31 town. Territory later annexed into the city or town automatically
32 becomes part of the city street district, and territory ceasing to be
33 part of the city or town automatically ceases to be part of the city
34 street district.

1 A city street district may be disestablished, effective at the
2 start of a new calendar year, by action of the city or town legislative
3 authority.

4 NEW SECTION. **Sec. 3.** There is created in each city or town that
5 has established a city street district an account to be known as the
6 city street district account. Any funds accruing to and to be
7 deposited in the city street district account arising from a levy in a
8 city street district must be expended for proper city street and other
9 transportation purposes, in accordance with RCW 82.80.070.

10 NEW SECTION. **Sec. 4.** For the purpose of raising revenue for
11 establishing, laying out, constructing, altering, repairing, improving,
12 and maintaining city streets and bridges, and for other proper city
13 transportation purposes in accordance with RCW 82.80.070, the county
14 legislative authority, or the city legislative authority in a city
15 having a population of three hundred thousand or more, shall annually
16 at the time of making the property tax levy for general purposes make
17 a uniform tax levy throughout each city street district of an amount
18 not to exceed fifty cents per thousand dollars of assessed value of the
19 last assessed valuation of the taxable property in the city street
20 district, unless other laws of the state require a lower maximum levy,
21 in which event the lower maximum levy controls. All funds accruing
22 from the levy must be credited to and deposited in the city street
23 district account. Revenues derived from the levy shall not supplant
24 any existing transportation funding.

25 NEW SECTION. **Sec. 5.** Sections 2 through 4 of this act constitute
26 a new chapter in Title 35 RCW.

27 NEW SECTION. **Sec. 6.** A new section is added to chapter 82.14 RCW
28 to read as follows:

29 The legislative authority of any city or town may, if authorized
30 to do so by a majority of its voters voting at a general or special
31 election on a proposition for that purpose, fix and impose a sales and
32 use tax in accordance with the terms of this chapter. The referendum
33 procedure provided in RCW 82.14.036 shall not apply to any city or town

1 sales and use tax ordinance or resolution approved by the voters as
2 provided in this section.

3 The tax authorized in this section shall be in addition to any
4 other taxes authorized by law and shall be collected from those persons
5 who are taxable by the state pursuant to chapters 82.08 and 82.12 RCW
6 upon the occurrence of any taxable event within such city or town. The
7 rate of tax shall equal one-tenth of one percent of the selling price,
8 in the case of a sales tax, or value of the article used, in the case
9 of a use tax.

10 The state treasurer shall distribute the moneys collected under
11 this section monthly to the city or town levying the tax, after making
12 the deductions authorized in RCW 82.14.050.

13 Moneys received from any tax imposed under this section shall be
14 expended exclusively for transportation purposes in accordance with RCW
15 82.80.070. Moneys received from any tax imposed under this section
16 shall not supplant any existing transportation funding.

17 **Sec. 7.** RCW 82.80.020 and 1996 c 139 s 4 are each amended to read
18 as follows:

19 (1)(a) Subject to (b) of this subsection, the legislative
20 authority of a county may fix and impose an additional fee, not to
21 exceed fifteen dollars per vehicle, for each vehicle that is subject to
22 license fees under RCW 46.16.060 and for each vehicle that is subject
23 to RCW 46.16.070 with an unladen weight of six thousand pounds or less
24 and is determined by the department of licensing to be registered
25 within the boundaries of the county.

26 (b) The legislative authority of a county, upon the request of a
27 city or town, may fix and impose an additional fee within less-than-
28 county-wide boundaries adopted by the legislative authority, not to
29 exceed fifteen dollars per vehicle, for each vehicle that is subject to
30 license fees under RCW 46.16.060 and each vehicle subject to RCW
31 46.16.070 with an unladen weight of six thousand pounds or less and is
32 determined by the department of licensing to be registered within the
33 boundaries adopted under this subsection (1)(b). If a fee is imposed
34 under this subsection (1)(b), the county may also impose a fee under
35 (a) of this subsection, but may not impose the fee under (a) of this
36 subsection within the boundaries adopted under this subsection (1)(b).

1 (2) The department of licensing shall administer and collect
2 ~~((the))~~ fees adopted under this section. The department shall deduct
3 a percentage amount, as provided by contract, not to exceed two percent
4 of the taxes collected, for administration and collection expenses
5 incurred by it. The remaining proceeds shall be remitted to the
6 custody of the state treasurer for monthly distribution under RCW
7 82.80.080.

8 (3) The proceeds of ~~((this))~~ the fee imposed under subsection
9 (1)(a) of this section shall be used strictly for transportation
10 purposes in accordance with RCW 82.80.070. The proceeds of the fee
11 imposed under subsection (1)(b) of this section shall be used strictly
12 for a transportation project, properly identified by mileposts or other
13 designations that specify the exact project parameters, or for a number
14 of years, specified by the county legislative authority when the county
15 legislative authority authorizes the fee, that is for transportation
16 purposes in accordance with RCW 82.80.070. Moneys received from any
17 fee imposed under this section shall not supplant any existing
18 transportation funding.

19 (4) A county imposing ~~((this))~~ fees under this section or
20 initiating an exemption process shall delay the effective date at least
21 six months from the date the ordinance is enacted to allow the
22 department of licensing to implement administration and collection of
23 or exemption from the fee.

24 (5) The legislative authority of a county may develop and initiate
25 an exemption process of the ~~((fifteen-dollar))~~ fees adopted under this
26 section for the registered owners of vehicles residing within the
27 boundaries ~~((of the county))~~ in which the fees are imposed: (a) Who
28 are sixty-one years old or older at the time payment of the fee is due
29 and whose household income for the previous calendar year is less than
30 an amount prescribed by the county, city, or town legislative
31 authority~~((7))~~; or (b) who ~~((has))~~ have a physical disability.

32 (6) The legislative authority of a county shall develop and
33 initiate an exemption process of the ~~((fifteen-dollar))~~ fees adopted
34 under this section for vehicles registered within the boundaries ~~((of~~
35 the county)) in which the fees are imposed that are licensed under RCW
36 46.16.374.

37 (7) The fee imposed under this section shall apply only to
38 renewals of vehicle registrations.

1 **Sec. 8.** RCW 82.80.030 and 1990 c 42 s 208 are each amended to
2 read as follows:

3 (1) Subject to the conditions of this section, the legislative
4 authority of a county or city may fix and impose a parking tax on all
5 persons engaged in a commercial parking business within its respective
6 jurisdiction. The jurisdiction of a county, for purposes of this
7 section, includes only the unincorporated area of the county. The
8 jurisdiction of a city includes only the area within its incorporated
9 boundaries.

10 (2) In lieu of the tax in subsection (1) of this section, a city
11 or a county in its unincorporated area may fix and impose a tax for the
12 act or privilege of parking a motor vehicle in a facility operated by
13 a commercial parking business.

14 (3) In addition to the taxes in subsections (1) and (2) of this
15 section, a city with a population greater than 400,000 may fix and
16 impose a tax upon an employer who provides parking, whether shared or
17 separately allocated, for his or her employees or upon the employee who
18 is provided parking, regardless of whether the employer or the employee
19 pays a fee for said parking.

20 (4) The city or county may provide that:

21 (a) The tax is paid by the commercial parking business, operator
22 or owner of the motor vehicle or by the employer or employee;

23 (b) The tax applies to all parking for which a fee is paid,
24 whether paid or leased, including parking or the right to the use of
25 parking supplied with a lease of nonresidential space;

26 (c) The tax is collected by the operator of the facility or the
27 employer providing the parking privileges and remitted to the city or
28 county;

29 (d) The tax is a fee per vehicle or is measured by the value of
30 the parking ((charge));

31 (e) The tax rate varies with, or its imposition depends on, zoning
32 or location of the facility, the duration of the parking, the time of
33 entry or exit, the type or use of the vehicle, or other reasonable
34 factors; and

35 (f) Tax exempt carpools as defined by the city or county, vehicles
36 with handicapped decals, or government vehicles are exempt from the
37 tax.

1 (~~(3)~~)(5) "Commercial parking business" as used in this section,
2 means the ownership, lease, operation, or management of a commercial
3 parking lot in which fees are charged. "Commercial parking lot" means
4 a covered or uncovered area with stalls or other capacity for the
5 purpose of parking motor vehicles. "Fee" as used in this section means
6 any form of consideration, whether or not separately stated, and
7 includes the consideration of laboring for an employer or other person
8 who provides parking in return. "Person" has the meaning as defined in
9 RCW 82.04.030.

10 (~~(4)~~)(6) The rate of the tax under subsection (1) of this
11 section may be based either upon gross proceeds or the number of
12 vehicle stalls available or actually used for commercial parking use.
13 The rates charged must be uniform for the same class or type of
14 commercial parking business, and the classifications made by the county
15 or city may include consideration of the location or zoning of the
16 facility, its hours or method of operation, the type or use or
17 occupancy of the vehicles parked there, and other reasonable factors.

18 (~~(5)~~)(7) The county or city levying the tax provided for in
19 subsection (1) (~~(or)~~), (2), or (3) of this section may provide for its
20 (~~payment~~) collection on a daily, monthly, quarterly, semiannual, or
21 annual basis, and may require the tax to be remitted to the county or
22 city on a monthly, quarterly, semiannual, or annual basis. Each local
23 government may develop by ordinance or resolution rules for
24 administering the tax, including provisions for reporting by commercial
25 parking businesses, collection, and enforcement.

26 (~~(6)~~)(8) The proceeds of the (~~commercial~~) parking tax fixed
27 and imposed under subsection (1) (~~(or)~~), (2), or (3) of this section
28 shall be used strictly for transportation purposes in accordance with
29 RCW 82.80.070. Moneys received from any fee or tax imposed under this
30 section shall not supplant any existing transportation funding.

31 **Sec. 9.** RCW 82.80.080 and 1990 c 42 s 213 are each amended to
32 read as follows:

33 (1) The state treasurer shall distribute revenues, less authorized
34 deductions, generated by the local option taxes authorized in RCW
35 82.80.010 and 82.80.020, levied by counties to the levying counties,
36 and cities contained in those counties, based on the relative per
37 capita population. County population for purposes of this section is

1 equal to one and one-half of the unincorporated population of the
2 county. In calculating the distributions, the state treasurer shall
3 use the population estimates prepared by the state office of financial
4 management and shall further calculate the distribution based on
5 information supplied by the departments of licensing and revenue, as
6 appropriate.

7 (2) The state treasurer shall distribute revenues, less authorized
8 deductions, generated by the local option taxes authorized in RCW
9 82.80.020 levied by cities and towns to the levying cities and towns.

10 **Sec. 10.** RCW 84.52.010 and 1995 2nd sp.s. c 13 s 4 are each
11 amended to read as follows:

12 Except as is permitted under RCW 84.55.050, all taxes shall be
13 levied or voted in specific amounts.

14 The rate percent of all taxes for state and county purposes, and
15 purposes of taxing districts coextensive with the county, shall be
16 determined, calculated and fixed by the county assessors of the
17 respective counties, within the limitations provided by law, upon the
18 assessed valuation of the property of the county, as shown by the
19 completed tax rolls of the county, and the rate percent of all taxes
20 levied for purposes of taxing districts within any county shall be
21 determined, calculated and fixed by the county assessors of the
22 respective counties, within the limitations provided by law, upon the
23 assessed valuation of the property of the taxing districts
24 respectively.

25 When a county assessor finds that the aggregate rate of tax levy
26 on any property, that is subject to the limitations set forth in RCW
27 84.52.043 or 84.52.050, exceeds the limitations provided in either of
28 these sections, the assessor shall recompute and establish a
29 consolidated levy in the following manner:

30 (1) The full certified rates of tax levy for state, county, county
31 road district, and city or town purposes shall be extended on the tax
32 rolls in amounts not exceeding the limitations established by law;
33 however any state levy shall take precedence over all other levies and
34 shall not be reduced for any purpose other than that required by RCW
35 84.55.010. If, as a result of the levies imposed under RCW 84.52.069,
36 84.34.230, the portion of the levy by a metropolitan park district that
37 was protected under RCW 84.52.120, and 84.52.105, the combined rate of

1 regular property tax levies that are subject to the one percent
 2 limitation exceeds one percent of the true and fair value of any
 3 property, then these levies shall be reduced as follows: (a) The
 4 certified levy of a city street district shall be reduced until the
 5 combined rate no longer exceeds one percent of the true and fair value
 6 of any property or shall be eliminated; (b) if the combined rate of
 7 regular property tax levies that are subject to the one percent
 8 limitation still exceeds one percent of the true and fair value of any
 9 property, then the portion of the levy by a metropolitan park district
 10 that is protected under RCW 84.52.120 shall be reduced until the
 11 combined rate no longer exceeds one percent of the true and fair value
 12 of any property or shall be eliminated; ~~((b))~~ (c) if the combined
 13 rate of regular property tax levies that are subject to the one percent
 14 limitation still exceeds one percent of the true and fair value of any
 15 property, then the levies imposed under RCW 84.34.230, 84.52.105, and
 16 any portion of the levy imposed under RCW 84.52.069 that is in excess
 17 of thirty cents per thousand dollars of assessed value, shall be
 18 reduced on a pro rata basis until the combined rate no longer exceeds
 19 one percent of the true and fair value of any property or shall be
 20 eliminated; and ~~((c))~~ (d) if the combined rate of regular property
 21 tax levies that are subject to the one percent limitation still exceeds
 22 one percent of the true and fair value of any property, then the thirty
 23 cents per thousand dollars of assessed value of tax levy imposed under
 24 RCW 84.52.069 shall be reduced until the combined rate no longer
 25 exceeds one percent of the true and fair value of any property or
 26 eliminated.

27 (2) The certified rates of tax levy subject to these limitations
 28 by all junior taxing districts imposing taxes on such property shall be
 29 reduced or eliminated as follows to bring the consolidated levy of
 30 taxes on such property within the provisions of these limitations:

31 (a) First, the certified levy of a city street district shall be
 32 reduced or eliminated;

33 (b) Second, the certified property tax levy rates of those junior
 34 taxing districts authorized under RCW 36.68.525, 36.69.145, and
 35 67.38.130 shall be reduced on a pro rata basis or eliminated;

36 ~~((b) Second))~~ (c) Third, if the consolidated tax levy rate still
 37 exceeds these limitations, the certified property tax levy rates of

1 flood control zone districts shall be reduced on a pro rata basis or
2 eliminated;

3 ~~((e) Third))~~ (d) Fourth, if the consolidated tax levy rate still
4 exceeds these limitations, the certified property tax levy rates of all
5 other junior taxing districts, other than fire protection districts,
6 library districts, the first fifty cent per thousand dollars of
7 assessed valuation levies for metropolitan park districts, and the
8 first fifty cent per thousand dollars of assessed valuation levies for
9 public hospital districts, shall be reduced on a pro rata basis or
10 eliminated;

11 ~~((d) Fourth))~~ (e) Fifth, if the consolidated tax levy rate still
12 exceeds these limitations, the certified property tax levy rates
13 authorized to fire protection districts under RCW 52.16.140 and
14 52.16.160 shall be reduced on a pro rata basis or eliminated; and

15 ~~((e) Fifth))~~ (f) Sixth, if the consolidated tax levy rate still
16 exceeds these limitations, the certified property tax levy rates
17 authorized for fire protection districts under RCW 52.16.130, library
18 districts, metropolitan park districts under their first fifty cent per
19 thousand dollars of assessed valuation levy, and public hospital
20 districts under their first fifty cent per thousand dollars of assessed
21 valuation levy, shall be reduced on a pro rata basis or eliminated.

22 In determining whether the aggregate rate of tax levy on any
23 property, that is subject to the limitations set forth in RCW
24 84.52.050, exceeds the limitations provided in that section, the
25 assessor shall use the hypothetical state levy, as apportioned to the
26 county under RCW 84.48.080, that was computed under RCW 84.48.080
27 without regard to the reduction under RCW 84.55.012.

28 **Sec. 11.** RCW 84.52.120 and 1995 c 99 s 1 are each amended to read
29 as follows:

30 A metropolitan park district with a population of one hundred
31 fifty thousand or more may submit a ballot proposition to voters of the
32 district authorizing the protection of the district's tax levy from
33 prorationing under RCW 84.52.010(2) by imposing all or any portion of
34 the district's twenty-five cent per thousand dollars of assessed
35 valuation tax levy outside of the five dollar and ninety cent per
36 thousand dollar of assessed valuation limitation established under RCW
37 84.52.043(2), if those taxes otherwise would be prorated under RCW

1 84.52.010(2)((+e)) (d), for taxes imposed in any year on or before the
2 first day of January six years after the ballot proposition is
3 approved. A simple majority vote of voters voting on the proposition
4 is required for approval.

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