
SENATE BILL 6091

State of Washington 55th Legislature 1997 Regular Session

By Senators Prince, Haugen, Wood, Goings, Horn and Prentice

Read first time 03/26/97. Referred to Committee on Transportation.

1 AN ACT Relating to motor vehicle fuel taxes; amending RCW 82.36.025
2 and 47.26.080; adding new sections to chapter 46.68 RCW; adding a new
3 chapter to Title 82 RCW; providing an effective date; and declaring an
4 emergency.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 **Sec. 1.** RCW 82.36.025 and 1994 c 179 s 30 are each amended to read
7 as follows:

8 The motor vehicle fuel tax rate shall be computed as the sum of the
9 tax rate provided in subsection (1) of this section and the additional
10 tax rates provided in subsections (2) through (~~(+5)~~) (6) of this
11 section.

12 (1) A motor vehicle fuel tax rate of seventeen cents per gallon
13 shall apply to the sale, distribution, or use of motor vehicle fuel.

14 (2) An additional motor vehicle fuel tax rate of one-third cent per
15 gallon shall apply to the sale, distribution, or use of motor vehicle
16 fuel, and the proceeds from this additional tax rate, reduced by an
17 amount equal to the sum of the payments under RCW 46.68.090(1) (a),
18 (b), and (c) multiplied by the additional tax rate prescribed by this
19 subsection divided by the motor vehicle fuel tax rate provided in this

1 section, shall be deposited in the rural arterial trust account in the
2 motor vehicle fund for expenditures under RCW 36.79.020.

3 (3) An additional motor vehicle fuel tax rate of one-third cent per
4 gallon shall apply to the sale, distribution, or use of motor vehicle
5 fuel, and the proceeds from this additional tax rate, reduced by an
6 amount equal to the sum of the payments under RCW 46.68.090(1) (a),
7 (b), and (c) multiplied by the additional tax rate prescribed by this
8 subsection divided by the motor vehicle fuel tax rate provided in this
9 section, shall be deposited in the urban arterial trust account in the
10 motor vehicle fund. After June 30, 1995, ninety-five percent of this
11 revenue shall be deposited in the urban arterial trust account in the
12 motor vehicle fund and five percent shall be deposited in the small
13 city account in the motor vehicle fund.

14 (4) An additional motor vehicle fuel tax rate of one-third cent per
15 gallon shall be applied to the sale, distribution, or use of motor
16 vehicle fuel, and the proceeds from this additional tax rate, reduced
17 by an amount equal to the sum of the payments under RCW 46.68.090(1)
18 (a), (b), and (c) multiplied by the additional tax rate prescribed by
19 this subsection divided by the motor vehicle fuel tax rate provided in
20 this section, shall be deposited in the motor vehicle fund to be
21 expended for highway purposes of the state as defined in RCW 46.68.130.

22 (5) An additional motor vehicle fuel tax rate of four cents per
23 gallon from April 1, 1990, through March 31, 1991, and five cents per
24 gallon from April 1, 1991, applies to the sale, distribution, or use of
25 motor vehicle fuel. The proceeds from the additional tax rate under
26 this subsection, reduced by an amount equal to the sum of the payments
27 under RCW 46.68.090(1) (a), (b), and (c) multiplied by the additional
28 tax rate prescribed by this subsection divided by the motor fuel tax
29 rate provided in this section, shall be deposited in the motor vehicle
30 fund and shall be distributed by the state treasurer according to RCW
31 46.68.095.

32 (6) From July 1, 1997, through December 31, 1997, an additional
33 motor vehicle fuel tax rate of five cents per gallon and after December
34 31, 1997, an additional motor vehicle fuel tax rate of seven cents per
35 gallon applies to the sale, distribution, or use of motor vehicle fuel,
36 and the proceeds from this additional tax rate, reduced by an amount
37 equal to the sum of the payments under RCW 46.68.090(1) (a), (b), and
38 (c) multiplied by the additional tax rate prescribed by this subsection
39 divided by the motor vehicle fuel tax rate provided in this section,

1 shall be deposited in the motor vehicle fund to be expended for highway
2 purposes of the state as defined in RCW 46.68.130.

3 NEW SECTION. **Sec. 2.** A new section is added to chapter 46.68 RCW
4 to read as follows:

5 All moneys that have accrued or may accrue to the motor vehicle
6 fund from the motor vehicle fuel tax and special fuel tax imposed by
7 RCW 82.36.025(6) shall be distributed monthly by the state treasurer in
8 the following proportions:

9 (1) From July 1, 1997, through December 31, 1997, four cents per
10 gallon and after December 31, 1997, five cents per gallon shall be
11 deposited in the motor vehicle fund and shall be expended for highway
12 purposes of the state as defined in RCW 46.68.130;

13 (2) From July 1, 1997, through December 31, 1997, fifteen one-
14 hundredths of a cent per gallon and after December 31, 1997, thirty
15 one-hundredths of a cent per gallon shall be deposited in the Puget
16 Sound capital construction account and expended under RCW 47.60.505;

17 (3) From July 1, 1997, through December 31, 1997, one hundred
18 seventy-five one-thousandths of a cent per gallon and after December
19 31, 1997, thirty-five one-hundredths of a cent per gallon shall be
20 deposited in the city major urban project account, and used solely for
21 the purposes designated in section 4 of this act;

22 (4) From July 1, 1997, through December 31, 1997, one hundred
23 seventy-five one-thousandths of a cent per gallon and after December
24 31, 1997, thirty-five one-hundredths of a cent per gallon shall be
25 deposited in the county road equalization account, and used solely for
26 the purposes designated in section 3 of this act;

27 (5) From July 1, 1997, through December 31, 1997, twenty-five one-
28 hundredths of a cent per gallon and after December 31, 1997, five-
29 tenths of a cent per gallon shall be allocated to cities and towns as
30 provided in RCW 46.68.110; and

31 (6) From July 1, 1997, through December 31, 1997, twenty-five one-
32 hundredths of a cent per gallon and after December 31, 1997, five-
33 tenths of a cent per gallon shall be allocated to counties as provided
34 in RCW 46.68.120.

35 NEW SECTION. **Sec. 3.** A new section is added to chapter 46.68 RCW
36 to read as follows:

1 The county road equalization account is created in the motor
2 vehicle fund. Into this account shall be placed such revenues as are
3 provided under section 2(4) of this act. Funds in the account shall be
4 distributed by the treasurer after certification by the county road
5 administration board according to the following procedure:

6 (1) The county road administration board shall certify to the
7 treasurer that funds are to be distributed only to those counties that
8 qualify by imposing any of the following local-option transportation
9 taxes: The motor vehicle fuel and special fuel tax, section 5 of this
10 act; the commercial parking tax, RCW 82.80.030; the motor vehicle fuel
11 and special fuel excise tax, RCW 82.80.010; or the vehicle license fee
12 for counties, RCW 82.80.020. Funds from the account shall be
13 distributed to qualifying counties in proportion to the number of
14 paved arterial land miles in the unincorporated area of each county and
15 shall be used to sustain the structural, safety, and operational
16 integrity of county arterials. The county road administration board
17 shall adopt rules and develop policies to implement this program and to
18 assure that a pavement management system is used; and

19 (2) At the end of the fiscal quarter, an amount equal to the money
20 that is attributable to nonqualifying counties had they imposed one of
21 the local-option taxes specified in subsection (1) of this section
22 shall be transferred to the county arterial preservation account for
23 distribution under RCW 46.68.095(4).

24 NEW SECTION. **Sec. 4.** A new section is added to chapter 46.68 RCW
25 to read as follows:

26 The city major urban project account is created in the motor
27 vehicle fund. Into this account shall be placed such revenues as are
28 provided under section 2(3) of this act. Funds in the account shall be
29 distributed by the treasurer after certification by the transportation
30 improvement board according to the following procedure: The
31 transportation improvement board shall develop policies and adopt rules
32 that distribute funds for large urban transportation projects only in
33 those cities and towns that qualify by imposing any of the following
34 local-option transportation taxes: The motor vehicle fuel and special
35 fuel tax, section 6 of this act; the commercial parking tax, RCW
36 82.80.030; the sales and use tax for transportation purposes, section
37 8, chapter . . ., Laws of 1997 (Substitute Senate Bill No. 5480); the
38 property tax levy for transportation purposes, section 3(1)(b), chapter

1 . . . , Laws of 1997 (Substitute Senate Bill No. 5480); or the vehicle
2 registration fee for city transportation, section 4(1), chapter . . . ,
3 Laws of 1997 (Substitute Senate Bill No. 5480).

4 NEW SECTION. **Sec. 5.** (1) Any county may levy, by approval of its
5 legislative body and subject to referendum of the registered voters in
6 the county as provided in section 7 of this act, an additional tax of
7 up to one cent per gallon of motor vehicle fuel as defined in RCW
8 82.36.010 and on special fuel as defined in RCW 82.38.020 per gallon or
9 one hundred cubic feet of compressed natural gas measured at standard
10 temperature and pressure sold within the boundaries of the county. An
11 election held under this section must be held not more than twelve
12 months before the date on which the proposed tax is to be levied. The
13 ballot setting forth the proposition shall state the tax rate that is
14 proposed. The county's authority to levy additional motor vehicle fuel
15 taxes and special fuel taxes under this section includes the
16 incorporated and unincorporated areas of the county. The proposed tax
17 shall not be levied less than one month from the date the election
18 results are certified by the county election officer. The commencement
19 date for the levy of any tax under this section shall be the first day
20 of January, April, July, or October.

21 (2) Taxes imposed under this section are intended to provide
22 additional funding for transportation investments by local government,
23 and shall not be used to replace or supplant existing funding.
24 Beginning in 1997, all counties shall report annually the total
25 transportation expenditures for their jurisdiction, as defined by the
26 state auditor's office in the report "Local Government Comparative
27 Statistics, 1994." Counties shall identify changes from their 1994
28 baseline transportation expenditure levels established in the above
29 report.

30 (3) Motor vehicle fuel tax refunds authorized under chapters 82.36
31 and 82.38 RCW are not required for taxes imposed under this section.
32 The taxes imposed under this section are not subject to the transfer
33 requirements of RCW 43.99.070, 46.09.170, and 46.10.170.

34 (4) The state treasurer shall distribute monthly to the levying
35 county the proceeds of the motor vehicle fuel tax and special fuel tax
36 collected under this section, after the deductions for payments and
37 expenditures as provided in RCW 46.68.090(1) (a), (b), and (c).

1 NEW SECTION. **Sec. 6.** (1) Any city may levy, by approval of its
2 legislative body and subject to referendum of the registered voters in
3 the city as provided in section 7 of this act, an additional tax of up
4 to one cent per gallon of motor vehicle fuel as defined in RCW
5 82.36.010 and on special fuel as defined in RCW 82.38.020 per gallon or
6 one hundred cubic feet of compressed natural gas measured at standard
7 temperature and pressure sold within the boundaries of the city. An
8 election held under this section must be held not more than twelve
9 months before the date on which the proposed tax is to be levied. The
10 ballot setting forth the proposition shall state the tax rate that is
11 proposed. The city's authority to levy additional motor vehicle fuel
12 taxes and special fuel taxes under this section includes the
13 incorporated areas of the city and is in addition to any taxes imposed
14 under section 5 of this act. The proposed tax shall not be levied less
15 than one month from the date the election results are certified by the
16 city election officer. The commencement date for the levy of any tax
17 under this section shall be the first day of January, April, July, or
18 October.

19 (2) Taxes imposed under this section are intended to provide
20 additional funding for transportation investments by local government,
21 and shall not be used to replace or supplant existing funding.
22 Beginning in 1997, all cities shall report annually the total
23 transportation expenditures for their jurisdiction, as defined by the
24 state auditor's office in the report "Local Government Comparative
25 Statistics, 1994." Cities shall identify changes from their 1994
26 baseline transportation expenditure levels established in the above
27 report.

28 (3) Motor vehicle fuel tax refunds authorized under chapters 82.36
29 and 82.38 RCW are not required for taxes imposed under this section.
30 The taxes imposed under this section are not subject to the transfer
31 requirements of RCW 43.99.070, 46.09.170, and 46.10.170.

32 (4) The state treasurer shall distribute monthly to the levying
33 city the proceeds of the motor vehicle fuel tax and special fuel tax
34 collected under this section, after the deductions for payments and
35 expenditures as provided in RCW 46.68.090(1) (a), (b), and (c).

36 NEW SECTION. **Sec. 7.** A referendum petition to repeal a county or
37 city ordinance imposing a tax authorized under section 5 or 6 of this
38 act must be filed with a filing officer, as identified in the

1 ordinance, within seven days of passage of the ordinance. Within ten
2 days, the filing officer shall confer with the petitioner concerning
3 form and style of the petition, issue an identification number for the
4 petition, and write a ballot title for the measure. The ballot title
5 shall be posed as a question and an affirmative vote on the measure
6 results in the tax being imposed and a negative answer to the question
7 and a negative vote on the measure results in the tax not being
8 imposed. The petitioner shall be notified of the identification number
9 and ballot title within this ten-day period.

10 After this notification, the petitioner has thirty days in which to
11 secure on petition forms the signatures of not less than fifteen
12 percent of the registered voters of the county for county measures, or
13 not less than fifteen percent of the registered voters of the city for
14 city measures, and to file the signed petitions with the filing
15 officer. Each petition form must contain the ballot title and the full
16 text of the measure to be referred. The filing officer shall verify
17 the sufficiency of the signatures on the petitions. If sufficient
18 valid signatures are properly submitted, the filing officer shall
19 submit the referendum measure to the county or city voters at a general
20 or special election held on one of the dates provided in RCW 29.13.010
21 as determined by the county or city legislative authority, which
22 election shall not take place later than one hundred twenty days after
23 the signed petition has been filed with the filing officer.

24 The referendum procedure provided in this section is the exclusive
25 method for subjecting any county or city ordinance imposing a tax or
26 fee under section 5 or 6 of this act to a referendum vote.

27 **Sec. 8.** RCW 47.26.080 and 1994 c 179 s 8 are each amended to read
28 as follows:

29 There is hereby created in the motor vehicle fund the urban
30 arterial trust account. The intent of the urban arterial trust account
31 program is to improve the urban arterial street system of the state by
32 improving mobility and safety while supporting an environment essential
33 to the quality of life of the citizens of the state of Washington. To
34 be eligible to receive these funds, a project must be consistent with
35 the Growth Management Act, the Clean Air Act including conformity, and
36 the Commute Trip Reduction Law. The project shall consider safety,
37 mobility, and physical characteristics of the roadway and must be
38 partially funded by local government.

1 All moneys deposited in the motor vehicle fund to be credited to
2 the urban arterial trust account shall be expended as follows:

3 (1) First, to those cities imposing one of the local-option
4 transportation taxes or fees specified in section 4 of this act, an
5 amount necessary to ensure that, in combination with the imposition of
6 the local-option transportation taxes or fees, those cities will
7 generate annual revenues equivalent to four dollars per capita; then

8 (2) For the construction and improvement of city arterial streets
9 and county arterial roads within urban areas, for expenses of the
10 transportation improvement board in accordance with RCW 47.26.140, or
11 for the payment of principal or interest on bonds issued for the
12 purpose of constructing or improving city arterial streets and county
13 arterial roads within urban areas, or for reimbursement to the state,
14 counties, cities, and towns in accordance with RCW 47.26.4252 and
15 47.26.4254, the amount of any payments made on principal or interest on
16 urban arterial trust account bonds from motor vehicle or special fuel
17 tax revenues which were distributable to the state, counties, cities,
18 and towns.

19 The board shall not allocate funds, nor make payments of the funds
20 under RCW 47.26.260, to any county, city, or town identified by the
21 governor under RCW 36.70A.340.

22 NEW SECTION. Sec. 9. A new section is added to chapter 46.68 RCW
23 to read as follows:

24 State funding for freight mobility projects located on city-owned
25 transportation facilities is conditioned upon the city imposing one or
26 more of the following transportation local option taxes: The motor
27 vehicle fuel and special fuel tax, section 6 of this act; the
28 commercial parking tax, RCW 82.80.030; the sales and use tax for
29 transportation purposes, section 8, chapter . . . , Laws of 1997
30 (Substitute Senate Bill No. 5480); the property tax levy for
31 transportation purposes, section 3(1)(b), chapter . . . , Laws of 1997
32 (Substitute Senate Bill No. 5480); or the vehicle registration fee for
33 city transportation, section 4(1), chapter . . . , Laws of 1997
34 (Substitute Senate Bill No. 5480).

35 NEW SECTION. Sec. 10. A new section is added to chapter 46.68 RCW
36 to read as follows:

1 State funding for freight mobility projects located on county-owned
2 transportation facilities is conditioned upon the county imposing one
3 or more of the following transportation local option taxes: The motor
4 vehicle fuel and special fuel tax, section 5 of this act; the
5 commercial parking tax, RCW 82.80.030; the motor vehicle fuel and
6 special fuel excise tax, RCW 82.80.010; or the vehicle license fee for
7 counties, RCW 82.80.020.

8 NEW SECTION. **Sec. 11.** Sections 5 through 7 of this act constitute
9 a new chapter in Title 82 RCW.

10 NEW SECTION. **Sec. 12.** If any provision of this act or its
11 application to any person or circumstance is held invalid, the
12 remainder of the act or the application of the provision to other
13 persons or circumstances is not affected.

14 NEW SECTION. **Sec. 13.** This act is necessary for the immediate
15 preservation of the public peace, health, or safety, or support of the
16 state government and its existing public institutions, and takes effect
17 July 1, 1997.

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