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HOUSE BILL 3051

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State of Washington

56th Legislature

2000 Regular Session

By Representatives Fisher, Haigh, Wood, Ogden, Edwards, Rockefeller, McIntire, O'Brien, Constantine, Kagi, Kenney, Kessler and Eickmeyer

Read first time 01/31/2000. Referred to Committee on Transportation.

1 AN ACT Relating to local transportation funding; amending RCW  
2 82.80.020, 82.80.080, 84.52.010, 84.52.120, 82.36.440, 82.38.280,  
3 35.21.710, 82.80.010, 82.80.030, and 82.14.045; adding new sections to  
4 chapter 82.80 RCW; adding a new section to chapter 35.21 RCW; adding a  
5 new chapter to Title 35 RCW; creating a new section; and providing an  
6 effective date.

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

8 NEW SECTION. **Sec. 1.** The legislature recognizes that counties,  
9 cities, towns, and public transit districts throughout the state face  
10 a crisis in their ability to meet growing local transportation needs.  
11 Additionally, the need for transportation revenue in the seventeen  
12 cities and towns that had implemented the street utility was heightened  
13 by the 1995 decision of the state supreme court that invalidated  
14 residential street utility charges imposed under the authority of  
15 section 2, chapter 141, Laws of 1991. The legislature recognizes the  
16 need to assist cities and towns to replace the local funding that would  
17 have been available to them had RCW 82.80.050 been upheld, and to  
18 provide additional local transportation revenue options to all cities.

1 The legislature also intends to provide a range of local  
2 transportation funding options that best fit the needs of the citizens  
3 residing in counties and public transit districts. Any local funding  
4 option proposed by counties, cities, towns, or public transit districts  
5 must be submitted for voter approval pursuant to RCW 43.135.090.

6 **Sec. 2.** RCW 82.80.020 and 1998 c 281 s 1 are each amended to read  
7 as follows:

8 (1) Subject to voter approval under RCW 43.135.090, the legislative  
9 authority of a county, or subject to subsection (7) of this section, a  
10 ((qualifying city or town)) transportation benefit district located in  
11 a county that has not imposed a ((fifteen-dollar)) fee under this  
12 section, may fix and impose an additional fee((, not to exceed  
13 fifteen)) up to, but not to exceed, sixty dollars per vehicle, for each  
14 vehicle that is subject to license fees under RCW 46.16.060 and for  
15 each vehicle that is subject to RCW 46.16.070 with an unladen weight of  
16 six thousand pounds or less, and that is determined by the department  
17 of licensing to be registered within the boundaries of the county or  
18 the transportation benefit district, as the case may be.

19 (2) The department of licensing shall administer and collect  
20 ((the)) fees imposed under this section. The department shall deduct  
21 a percentage amount, as provided by contract, not to exceed two percent  
22 of the taxes collected, for administration and collection expenses  
23 incurred by it. The remaining proceeds shall be remitted to the  
24 custody of the state treasurer for monthly distribution under RCW  
25 82.80.080.

26 (3) The proceeds of ((this)) fees imposed under this section by  
27 counties or transportation benefit districts shall be used strictly for  
28 transportation purposes in accordance with RCW 82.80.070.

29 (4) A county or ((qualifying city or town)) transportation benefit  
30 district imposing this fee or initiating an exemption process shall  
31 delay the effective date at least six months from the date the  
32 ordinance is enacted to allow the department of licensing to implement  
33 administration and collection of or exemption from the fee.

34 (5) The legislative authority of a county or ((qualifying city or  
35 town)) transportation benefit district may develop and initiate an  
36 exemption process of the ((fifteen-dollar)) fee imposed under this  
37 section for the registered owners of vehicles residing within the  
38 boundaries of the county or ((qualifying city or town)) transportation

1 benefit district: (a) Who are sixty-one years old or older at the time  
2 payment of the fee is due and whose household income for the previous  
3 calendar year is less than an amount prescribed by the county or  
4 (~~qualifying city or town~~) transportation benefit district legislative  
5 authority; or (b) who have a physical disability.

6 (6) The legislative authority of a county or (~~qualifying city or~~  
7 ~~town~~) transportation benefit district shall develop and initiate an  
8 exemption process of the (~~fifteen-dollar~~) fee for vehicles registered  
9 within the boundaries of the county that are licensed under RCW  
10 46.16.374.

11 (~~For purposes of this section, a "qualifying city or town"~~  
12 ~~means a city or town residing within a county having a population of~~  
13 ~~greater than seventy-five thousand in which is located all or part of~~  
14 ~~a national monument.~~) A (~~qualifying city or town~~) transportation  
15 benefit district may impose the fee authorized in subsection (1) of  
16 this section subject to the following conditions and limitations:

17 (~~(a) The city or town may impose the fee only if authorized to do~~  
18 ~~so by a majority of voters voting at a general or special election on~~  
19 ~~a proposition for that purpose. At a minimum, the ballot measure shall~~  
20 ~~contain: (i) A description of the transportation project proposed for~~  
21 ~~funding, properly identified by mileposts or other designations that~~  
22 ~~specify the project parameters; (ii) the proposed number of months or~~  
23 ~~years necessary to fund the city or town's share of the project cost;~~  
24 ~~and (iii) the amount of fee to be imposed for the project.~~

25 (~~b~~) The (~~city or town~~) transportation benefit district may not  
26 impose a fee that, if combined with the county fee, exceeds (~~fifteen~~)  
27 sixty dollars. If a county imposes or increases a fee under this  
28 section that, if combined with the fee imposed by a (~~city or town~~)  
29 transportation benefit district, exceeds (~~fifteen~~) sixty dollars, the  
30 (~~city or town~~) transportation benefit district fee shall be reduced  
31 or eliminated as needed so that in no (~~city or town~~) transportation  
32 benefit district does the combined fee exceed (~~fifteen~~) sixty  
33 dollars. All revenues from county-imposed fees shall be distributed as  
34 (~~called for~~) provided in RCW (~~82.80.020~~.

35 (~~c) Any fee imposed by a city or town under this section shall~~  
36 ~~expire at the end of the term of months or years provided in the ballot~~  
37 ~~measure, or when the city or town's bonded indebtedness on the project~~  
38 ~~is retired, whichever is sooner~~) 82.80.080.

1       (8) ~~((The)) Fees imposed ((under subsection (7) of this section~~  
2 ~~shall apply only to renewals and)) by transportation benefit districts~~  
3 ~~shall not apply to ((ownership transfer transactions)) vehicles sold by~~  
4 ~~a vehicle dealer licensed under chapter 46.70 RCW.~~

5       **Sec. 3.** RCW 82.80.080 and 1998 c 281 s 2 are each amended to read  
6 as follows:

7       (1) The state treasurer shall distribute revenues, less authorized  
8 deductions, generated by the local option taxes authorized in RCW  
9 82.80.010 and 82.80.020, levied by counties to the levying counties,  
10 and cities contained in those counties, based on the relative per  
11 capita population. County population for purposes of this section is  
12 equal to one and one-half of the unincorporated population of the  
13 county. In calculating the distributions, the state treasurer shall  
14 use the population estimates prepared by the state office of financial  
15 management and shall further calculate the distribution based on  
16 information supplied by the departments of licensing and revenue, as  
17 appropriate.

18       (2) The state treasurer shall distribute revenues, less authorized  
19 deductions, generated by the local option taxes authorized in RCW  
20 ~~((82.80.010 and))~~ 82.80.020 levied by ~~((qualifying cities and towns))~~  
21 transportation benefit districts to the levying ~~((cities and towns))~~  
22 transportation benefit districts.

23       NEW SECTION. **Sec. 4.** For efficient administration of the streets  
24 and for other city or town transportation purposes, the legislative  
25 authority may establish in its respective city or town a city street  
26 district, if authorized to do so by a majority of its voters voting at  
27 a general or special election on a proposition for that purpose, and  
28 shall cause its action in so doing to be entered upon its records.

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

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

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

7        NEW SECTION.    **Sec. 6.**    For the purpose of raising revenue for  
8 establishing, laying out, constructing, altering, repairing, improving,  
9 and maintaining city streets and bridges, and for other proper city  
10 transportation purposes in accordance with RCW 82.80.070, a city or  
11 town that has created a city street district must make a uniform tax  
12 levy throughout each city street district of an amount not to exceed  
13 fifty cents per thousand dollars of assessed value of the last assessed  
14 valuation of the taxable property in the city street district. This  
15 tax levy must be made annually at the time of making the property tax  
16 levy for general purposes, and must be made by the county legislative  
17 authority for the city pursuant to RCW 84.52.030, or by the city  
18 legislative authority in a city having a population of three hundred  
19 thousand or more. All funds accruing from the levy must be credited to  
20 and deposited in the city street district account.

21        **Sec. 7.**    RCW 84.52.010 and 1995 2nd sp.s. c 13 s 4 are each amended  
22 to read as follows:

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

25        The rate percent of all taxes for state and county purposes, and  
26 purposes of taxing districts coextensive with the county, shall be  
27 determined, calculated and fixed by the county assessors of the  
28 respective counties, within the limitations provided by law, upon the  
29 assessed valuation of the property of the county, as shown by the  
30 completed tax rolls of the county, and the rate percent of all taxes  
31 levied for purposes of taxing districts within any county shall be  
32 determined, calculated and fixed by the county assessors of the  
33 respective counties, within the limitations provided by law, upon the  
34 assessed valuation of the property of the taxing districts  
35 respectively.

36        When a county assessor finds that the aggregate rate of tax levy on  
37 any property, that is subject to the limitations set forth in RCW

1 84.52.043 or 84.52.050, exceeds the limitations provided in either of  
2 these sections, the assessor shall recompute and establish a  
3 consolidated levy in the following manner:

4 (1) The full certified rates of tax levy for state, county, county  
5 road district, and city or town purposes shall be extended on the tax  
6 rolls in amounts not exceeding the limitations established by law;  
7 however any state levy shall take precedence over all other levies and  
8 shall not be reduced for any purpose other than that required by RCW  
9 84.55.010. If, as a result of the levies imposed under RCW 84.52.069,  
10 84.34.230, the portion of the levy by a metropolitan park district that  
11 was protected under RCW 84.52.120, and 84.52.105, the combined rate of  
12 regular property tax levies that are subject to the one percent  
13 limitation exceeds one percent of the true and fair value of any  
14 property, then these levies shall be reduced as follows: (a) The  
15 portion of the levy by a metropolitan park district that is protected  
16 under RCW 84.52.120 shall be reduced until the combined rate no longer  
17 exceeds one percent of the true and fair value of any property or shall  
18 be eliminated; (b) if the combined rate of regular property tax levies  
19 that are subject to the one percent limitation still exceeds one  
20 percent of the true and fair value of any property, then the levies  
21 imposed under RCW 84.34.230, 84.52.105, and any portion of the levy  
22 imposed under RCW 84.52.069 that is in excess of thirty cents per  
23 thousand dollars of assessed value, shall be reduced on a pro rata  
24 basis until the combined rate no longer exceeds one percent of the true  
25 and fair value of any property or shall be eliminated; and (c) if the  
26 combined rate of regular property tax levies that are subject to the  
27 one percent limitation still exceeds one percent of the true and fair  
28 value of any property, then the thirty cents per thousand dollars of  
29 assessed value of tax levy imposed under RCW 84.52.069 shall be reduced  
30 until the combined rate no longer exceeds one percent of the true and  
31 fair value of any property or eliminated.

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

36 (a) First, the certified (~~property tax~~) levy (~~rates of those~~  
37 ~~junior taxing districts authorized under RCW 36.68.525, 36.69.145, and~~  
38 ~~67.38.130~~) of a city street district shall be reduced (~~on a pro rata~~  
39 ~~basis~~) or eliminated;

1 (b) Second, if the consolidated tax levy rate still exceeds these  
2 limitations, the certified property tax levy rates of (~~flood control~~  
3 ~~zone~~) those junior taxing districts authorized under RCW 36.68.525,  
4 36.69.145, and 67.38.130 shall be reduced on a pro rata basis or  
5 eliminated;

6 (c) Third, if the consolidated tax levy rate still exceeds these  
7 limitations, the certified property tax levy rates of flood control  
8 zone districts shall be reduced on a pro rata basis or eliminated;

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

16 (~~(d) Fourth~~) (e) Fifth, if the consolidated tax levy rate still  
17 exceeds these limitations, the certified property tax levy rates  
18 authorized to fire protection districts under RCW 52.16.140 and  
19 52.16.160 shall be reduced on a pro rata basis or eliminated; and

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

27 In determining whether the aggregate rate of tax levy on any  
28 property, that is subject to the limitations set forth in RCW  
29 84.52.050, exceeds the limitations provided in that section, the  
30 assessor shall use the hypothetical state levy, as apportioned to the  
31 county under RCW 84.48.080, that was computed under RCW 84.48.080  
32 without regard to the reduction under RCW 84.55.012.

33 **Sec. 8.** RCW 84.52.120 and 1995 c 99 s 1 are each amended to read  
34 as follows:

35 A metropolitan park district with a population of one hundred fifty  
36 thousand or more may submit a ballot proposition to voters of the  
37 district authorizing the protection of the district's tax levy from  
38 prorationing under RCW 84.52.010(2) by imposing all or any portion of

1 the district's twenty-five cent per thousand dollars of assessed  
2 valuation tax levy outside of the five dollar and ninety cent per  
3 thousand dollar of assessed valuation limitation established under RCW  
4 84.52.043(2), if those taxes otherwise would be prorated under RCW  
5 84.52.010(2)((+e)) (d), for taxes imposed in any year on or before the  
6 first day of January six years after the ballot proposition is  
7 approved. A simple majority vote of voters voting on the proposition  
8 is required for approval.

9 NEW SECTION. **Sec. 9.** A new section is added to chapter 82.80 RCW  
10 to read as follows:

11 (1) Cities and towns, subject to voter approval at a general or  
12 special election held for this purpose, may fix and impose a sales and  
13 use tax in accordance with the terms of this section, to be used  
14 strictly for transportation purposes in accordance with RCW 82.80.070.  
15 The tax authorized pursuant to this section shall be in addition to the  
16 tax authorized by RCW 82.14.030 and shall be collected from those  
17 persons who are taxable by the state pursuant to chapters 82.08 and  
18 82.12 RCW upon the occurrence of any taxable event within the city or  
19 town imposing the tax. The rate of tax equals one-tenth of one percent  
20 of the selling price, in the case of a sales tax, or value of the  
21 article used, in the case of a use tax. The exemptions in RCW  
22 82.08.820 and 82.12.820 are for the state portion of the sales and use  
23 tax and do not extend to the tax authorized in this section.

24 (2) The legislative authority of a city or town may limit the  
25 purposes or length of time for which a sales and use tax authorized by  
26 this section will be imposed. If the legislative authority determines  
27 to impose a sales and use tax only to provide funds for a specific  
28 transportation project or projects, the referendum submitted to the  
29 voters imposing the sales and use tax under this section shall contain,  
30 at a minimum:

31 (a) A description of the transportation project or projects  
32 proposed for funding, properly identified by mileposts or other  
33 designations that specify the project parameters;

34 (b) The proposed number of months or years expected to be necessary  
35 to fund the city's or town's share of the project costs; and

36 (c) The tax rate of the proposed sales and use tax.

37 (3) If a limited purpose was specified in an ordinance, the city or  
38 town legislative authority must certify completion of payment when the



1 costs of each specific project for which the city or town sales and use  
2 tax was imposed have been fully paid, including the retirement of any  
3 debt issued for the project. Upon certification of completion of  
4 payment for all the projects, the sales and use tax imposed to pay for  
5 the projects shall cease.

6 (4) In no event shall the tax under this section begin at a date  
7 other than the beginning of a calendar quarter or end at a date other  
8 than the end of a calendar quarter.

9 (5) The administrative provisions of chapter 82.32 RCW apply to the  
10 tax imposed under this section.

11 NEW SECTION. **Sec. 10.** A new section is added to chapter 82.80 RCW  
12 to read as follows:

13 Cities and towns that impose a tax under section 9 of this act may  
14 contract with the state department of revenue or other appropriate  
15 entities for administration and collection of that tax.

16 **Sec. 11.** RCW 82.36.440 and 1991 c 173 s 4 are each amended to read  
17 as follows:

18 The tax levied in this chapter is in lieu of any excise, privilege,  
19 or occupational tax upon the business of manufacturing, selling, or  
20 distributing motor vehicle fuel, and no city, town, county, township or  
21 other subdivision or municipal corporation of the state shall levy or  
22 collect any excise tax upon or measured by the sale, receipt,  
23 distribution, or use of motor vehicle fuel, except as provided in RCW  
24 82.80.010 and 82.47.020, and except that a city or town may impose its  
25 license fee or tax upon the business of making retail sales of motor  
26 vehicle fuel within the limits of the city or town at a rate of up to  
27 two percent of the gross receipts from retail sales of motor vehicle  
28 fuel within the limits of the city or town. The imposition or increase  
29 in rate of any city or town license fee or tax is subject to voter  
30 approval pursuant to RCW 43.135.090.

31 **Sec. 12.** RCW 82.38.280 and 1991 c 173 s 5 are each amended to read  
32 as follows:

33 The tax levied in this chapter is in lieu of any excise, privilege,  
34 or occupational tax upon the business of manufacturing, selling, or  
35 distributing special fuel, and no city, town, county, township or other  
36 subdivision or municipal corporation of the state shall levy or collect

1 any excise tax upon or measured by the sale, receipt, distribution, or  
2 use of special fuel, except as provided in RCW 82.80.010 and 82.47.020,  
3 and except that a city or town may impose its license fee or tax upon  
4 the business of making retail sales of special fuel within the limits  
5 of the city or town at a rate of up to two percent of the gross  
6 receipts from retail sales of special fuel within the limits of the  
7 city or town. The imposition or increase in rate of any city or town  
8 license fee or tax is subject to voter approval pursuant to RCW  
9 43.135.090.

10 **Sec. 13.** RCW 35.21.710 and 1983 2nd ex.s. c 3 s 33 are each  
11 amended to read as follows:

12 Any city which imposes a license fee or tax upon business  
13 activities consisting of the making of retail sales of tangible  
14 personal property which are measured by gross receipts or gross income  
15 from such sales, shall impose such tax at a single uniform rate upon  
16 all such business activities. The taxing authority granted to cities  
17 for taxes upon business activities measured by gross receipts or gross  
18 income from sales shall not exceed a rate of .0020; except that any  
19 city with an adopted ordinance at a higher rate, as of January 1, 1982  
20 shall be limited to a maximum increase of ten percent of the January  
21 1982 rate, not to exceed an annual incremental increase of two percent  
22 of current rate: PROVIDED, That any adopted ordinance which classifies  
23 according to different types of business or services shall be subject  
24 to both the ten percent and the two percent annual incremental increase  
25 limitation on each tax rate: PROVIDED FURTHER, That all surtaxes on  
26 business and occupation classifications in effect as of January 1,  
27 1982, shall expire no later than December 31, 1982, or by expiration  
28 date established by local ordinance. Cities which impose a license fee  
29 or tax upon business activities consisting of the making of retail  
30 sales of tangible personal property which are measured by gross  
31 receipts or gross income from such sales shall be required to submit an  
32 annual report to the state auditor identifying the rate established and  
33 the revenues received from each fee or tax. This section shall not  
34 apply to any business activities subject to the tax imposed by chapter  
35 82.16 RCW, by RCW 82.36.440, or by RCW 82.38.280. For purposes of this  
36 section, the providing to consumers of competitive telephone service,  
37 as defined in RCW 82.04.065, shall be deemed to be the retail sale of  
38 tangible personal property.

1        NEW SECTION.    **Sec. 14.**    A new section is added to chapter 35.21 RCW  
2 to read as follows:

3        The legislative authority of a city or town may limit the purposes  
4 or length of time for which a license fee or tax, or a portion thereof,  
5 authorized by RCW 82.36.440 or 82.38.280 will be imposed.    If the  
6 legislative authority determines that a license fee or tax upon the  
7 business of making retail sales of motor vehicle fuel or special fuel,  
8 or a portion thereof, shall be authorized only to provide funds for a  
9 specific transportation project or projects, the referendum submitted  
10 to the voters authorizing or increasing the rate of a license fee or  
11 tax must contain, at a minimum:

12        (1) A description of the transportation project or projects  
13 proposed for funding, properly identified by mileposts or other  
14 designations that specify the project parameters; and

15        (2) The proposed number of months or years expected to be necessary  
16 to fund the city's or town's share of the project costs.

17        If a limited purpose was specified in a referendum authorizing the  
18 license fee or tax, or portion thereof, the city or town legislative  
19 authority must certify the completion of payment when the costs of each  
20 specific project for which the license fee or tax was authorized have  
21 been fully paid, including the retirement of any debt issued for the  
22 project.    Upon certification of completion of payment for all the  
23 projects, the license fee or tax upon the business of making retail  
24 sales of motor vehicle fuel or special fuel, or portion thereof,  
25 authorized to pay for the projects shall cease.

26        **Sec. 15.**    RCW 82.80.010 and 1998 c 176 s 86 are each amended to  
27 read as follows:

28        (1) Subject to the conditions of this section, any county may levy,  
29 by approval of its legislative body and a majority of the registered  
30 voters of the county voting on the proposition at a general or special  
31 election, additional excise taxes (~~(equal to ten percent of the state-~~  
32 ~~wide motor vehicle fuel tax rate under RCW 82.36.025)) up to, but not  
33 to exceed, five cents per gallon on each gallon of motor vehicle fuel  
34 as defined in RCW 82.36.010 and on each gallon of special fuel as  
35 defined in RCW 82.38.020 sold within the boundaries of the county.  
36 Vehicles paying an annual license fee under RCW 82.38.075 are exempt  
37 from the county fuel excise tax.    An election held under this section  
38 must be held not more than twelve months before the date on which the~~

1 proposed tax is to be levied. The ballot setting forth the proposition  
2 shall state the tax rate that is proposed. The county's authority to  
3 levy additional excise taxes under this section includes the  
4 incorporated and unincorporated areas of the county. The additional  
5 excise taxes are subject to the same exceptions and rights of refund as  
6 applicable to other motor vehicle fuel and special fuel excise taxes  
7 levied under chapters 82.36 and 82.38 RCW. The proposed tax shall not  
8 be levied less than one month from the date the election results are  
9 certified by the county election officer. The commencement date for  
10 the levy of any tax under this section shall be the first day of  
11 January, April, July, or October.

12 (2) Every person subject to the tax shall pay, in addition to any  
13 other taxes provided by law, an additional excise tax to the director  
14 of licensing at the rate levied by a county exercising its authority  
15 under this section.

16 (3) The state treasurer shall distribute monthly to the levying  
17 county and cities contained therein the proceeds of the additional  
18 excise taxes collected under this section, after the deductions for  
19 payments and expenditures as provided in RCW 46.68.090 (~~((1) and (2))~~)  
20 and under the conditions and limitations provided in RCW 82.80.080.

21 (4) The proceeds of the additional excise taxes levied under this  
22 section shall be used strictly for transportation purposes in  
23 accordance with RCW 82.80.070.

24 (5) The department of licensing shall administer and collect the  
25 county fuel taxes. The department shall deduct a percentage amount, as  
26 provided by contract, for administrative, collection, refund, and audit  
27 expenses incurred. The remaining proceeds shall be remitted to the  
28 custody of the state treasurer for monthly distribution under RCW  
29 82.80.080.

30 **Sec. 16.** RCW 82.80.030 and 1990 c 42 s 208 are each amended to  
31 read as follows:

32 (1) Subject to the conditions of this section, the legislative  
33 authority of a county or city, upon voter approval pursuant to RCW  
34 43.135.090, may fix and impose a parking tax on all persons engaged in  
35 a commercial parking business within its respective jurisdiction. The  
36 jurisdiction of a county, for purposes of this section, includes only  
37 the unincorporated area of the county. The jurisdiction of a city  
38 includes only the area within its incorporated boundaries.

1 (2) In lieu of the tax in subsection (1) of this section, upon  
2 voter approval pursuant to RCW 43.135.090, a city or a county in its  
3 unincorporated area may fix and impose a tax for the act or privilege  
4 of parking a motor vehicle in a facility operated by a commercial  
5 parking business.

6 (3) In addition to the taxes in subsections (1) and (2) of this  
7 section, a city may fix and impose a tax upon an employer who provides  
8 parking, whether shared or separately allocated, for his or her  
9 employees or upon the employee who is provided parking, regardless of  
10 whether the employer or the employee pays a fee for said parking.

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

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

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

17 (c) The tax is collected by the operator of the facility or the  
18 employer providing the parking privileges and remitted to the city or  
19 county;

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

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

26 (f) Tax exempt carpools as defined by the city or county, vehicles  
27 with handicapped decals, or government vehicles are exempt from the  
28 tax.

29 ~~((+3))~~ (5) "Commercial parking business" as used in this section,  
30 means the ownership, lease, operation, or management of a commercial  
31 parking lot in which fees are charged. "Commercial parking lot" means  
32 a covered or uncovered area with stalls or other capacity for the  
33 purpose of parking motor vehicles. "Fee" as used in this section means  
34 any form of consideration, whether or not separately stated, and  
35 includes the consideration of laboring for an employer or other person  
36 who provides parking in return. "Person" has the meaning as defined in  
37 RCW 82.04.030.

38 ~~((+4))~~ (6) The rate of the tax under subsection (1) of this  
39 section may be based either upon gross proceeds or the number of

1 vehicle stalls available or actually used for commercial parking use.  
2 The rates charged must be uniform for the same class or type of  
3 commercial parking business, and the classifications made by the county  
4 or city may include consideration of the location or zoning of the  
5 facility, its hours or method of operation, the type or use or  
6 occupancy of the vehicles parked there, and other reasonable factors.

7 ~~((5))~~ (7) The county or city levying the tax provided for in  
8 subsection (1) ~~((or))~~, (2), or (3) of this section may provide for its  
9 ~~((payment))~~ collection on a daily, monthly, quarterly, semiannual, or  
10 annual basis, and may require the tax to be remitted to the county or  
11 city on a monthly, quarterly, semiannual, or annual basis. Each local  
12 government may develop by ordinance or resolution rules for  
13 administering the tax, including provisions for reporting by commercial  
14 parking businesses, collection, and enforcement.

15 ~~((6))~~ (8) The proceeds of the ~~((commercial))~~ parking tax fixed  
16 and imposed under subsection (1) ~~((or))~~, (2), or (3) of this section  
17 shall be used strictly for transportation purposes in accordance with  
18 RCW 82.80.070.

19 **Sec. 17.** RCW 82.14.045 and 1998 c 321 s 7 (Referendum Bill No. 49)  
20 are each amended to read as follows:

21 (1) The legislative body of any city pursuant to RCW 35.92.060, of  
22 any county which has created an unincorporated transportation benefit  
23 area pursuant to RCW 36.57.100 and 36.57.110, of any public  
24 transportation benefit area pursuant to RCW 36.57A.080 and 36.57A.090,  
25 of any county transportation authority established pursuant to chapter  
26 36.57 RCW, and of any metropolitan municipal corporation within a  
27 county with a population of one million or more pursuant to chapter  
28 35.58 RCW, may, by resolution or ordinance for the sole purpose of  
29 providing funds for the operation, maintenance, or capital needs of  
30 public transportation systems and in lieu of the excise taxes  
31 authorized by RCW 35.95.040, submit an authorizing proposition to the  
32 voters or include such authorization in a proposition to perform the  
33 function of public transportation and if approved by a majority of  
34 persons voting thereon, fix and impose a sales and use tax in  
35 accordance with the terms of this chapter: PROVIDED, That no such  
36 legislative body shall impose such a sales and use tax without  
37 submitting such an authorizing proposition to the voters and obtaining  
38 the approval of a majority of persons voting thereon: PROVIDED

1 FURTHER, That where such a proposition is submitted by a county on  
2 behalf of an unincorporated transportation benefit area, it shall be  
3 voted upon by the voters residing within the boundaries of such  
4 unincorporated transportation benefit area and, if approved, the sales  
5 and use tax shall be imposed only within such area. Notwithstanding  
6 any provisions of this section to the contrary, any county in which a  
7 county public transportation plan has been adopted pursuant to RCW  
8 36.57.070 and the voters of such county have authorized the imposition  
9 of a sales and use tax pursuant to the provisions of section 10,  
10 chapter 167, Laws of 1974 ex. sess., prior to July 1, 1975, shall be  
11 authorized to fix and impose a sales and use tax as provided in this  
12 section at not to exceed the rate so authorized without additional  
13 approval of the voters of such county as otherwise required by this  
14 section.

15 The tax authorized pursuant to this section shall be in addition to  
16 the tax authorized by RCW 82.14.030 and shall be collected from those  
17 persons who are taxable by the state pursuant to chapters 82.08 and  
18 82.12 RCW upon the occurrence of any taxable event within such city,  
19 public transportation benefit area, county, or metropolitan municipal  
20 corporation as the case may be. The rate of such tax shall be levied  
21 in increments of not less than one-tenth(~~(, two-tenths, three-tenths,~~  
22 ~~four-tenths, five-tenths, or six-tenths)) of one percent of the selling  
23 price (in the case of a sales tax) or value of the article used (in the  
24 case of a use tax). The rate of such tax shall not exceed the rate  
25 authorized by the voters unless such increase shall be similarly  
26 approved.~~

27 (2)(a) In the event a metropolitan municipal corporation shall  
28 impose a sales and use tax pursuant to this chapter no city, county  
29 which has created an unincorporated transportation benefit area, public  
30 transportation benefit area authority, or county transportation  
31 authority wholly within such metropolitan municipal corporation shall  
32 be empowered to levy and/or collect taxes pursuant to RCW 35.58.273,  
33 35.95.040, and/or 82.14.045, but nothing herein shall prevent such city  
34 or county from imposing sales and use taxes pursuant to any other  
35 authorization.

36 (b) In the event a county transportation authority shall impose a  
37 sales and use tax pursuant to this section, no city, county which has  
38 created an unincorporated transportation benefit area, public  
39 transportation benefit area, or metropolitan municipal corporation,

1 located within the territory of the authority, shall be empowered to  
2 levy or collect taxes pursuant to RCW 35.58.273, 35.95.040, or  
3 82.14.045.

4 (c) In the event a public transportation benefit area shall impose  
5 a sales and use tax pursuant to this section, no city, county which has  
6 created an unincorporated transportation benefit area, or metropolitan  
7 municipal corporation, located wholly or partly within the territory of  
8 the public transportation benefit area, shall be empowered to levy or  
9 collect taxes pursuant to RCW 35.58.273, 35.95.040, or 82.14.045.

10 (3) Any local sales and use tax revenue collected pursuant to this  
11 section by any city or by any county for transportation purposes  
12 pursuant to RCW 36.57.100 and 36.57.110 shall not be counted as locally  
13 generated tax revenues for the purposes of apportionment and  
14 distribution, in the manner prescribed by chapter 82.44 RCW, of the  
15 proceeds of the motor vehicle excise tax authorized pursuant to RCW  
16 35.58.273, except that the local sales and use tax revenue collected  
17 under this section by a city with a population greater than sixty  
18 thousand that as of January 1, 1998, owns and operates a municipal  
19 public transportation system shall be counted as locally generated tax  
20 revenues for the purposes of apportionment and distribution, in the  
21 manner prescribed by chapter 82.44 RCW, of the proceeds of the motor  
22 vehicle excise tax authorized under RCW 35.58.273 as follows:

23 (a) For fiscal year 2000, revenues collected under this section  
24 shall be counted as locally generated tax revenues for up to 25 percent  
25 of the tax collected under RCW 35.58.273;

26 (b) For fiscal year 2001, revenues collected under this section  
27 shall be counted as locally generated tax revenues for up to 50 percent  
28 of the tax collected under RCW 35.58.273;

29 (c) For fiscal year 2002, revenues collected under this section  
30 shall be counted as locally generated tax revenues for up to 75 percent  
31 of the tax collected under RCW 35.58.273; and

32 (d) For fiscal year 2003 and thereafter, revenues collected under  
33 this section shall be counted as locally generated tax revenues for up  
34 to 100 percent of the tax collected under RCW 35.58.273.

35 NEW SECTION. **Sec. 18.** Sections 4 through 6 of this act constitute  
36 a new chapter in Title 35 RCW.



1        NEW SECTION.    **Sec. 19.**    If any provision of this act or its  
2 application to any person or circumstance is held invalid, the  
3 remainder of the act or the application of the provision to other  
4 persons or circumstances is not affected.

5        NEW SECTION.    **Sec. 20.**    This act takes effect July 1, 2000.

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