
HOUSE BILL 2239

State of Washington

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By Representatives Fisher, Cooper, Rockefeller, Ruderman, Schual-Berke, Eickmeyer, Edmonds, Lovick, McDermott, Keiser, Santos, Dickerson, Conway, Edwards, Jackley, Fromhold, Lantz, H. Sommers and Murray

Read first time 04/09/2001. Referred to Committee on Transportation.

1 AN ACT Relating to regional transportation governance; adding a new
2 chapter to Title 81 RCW; and declaring an emergency.

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

4 NEW SECTION. **Sec. 1.** INTENT. The legislature recognizes that a
5 multimodal approach to the state's transportation system is the best
6 means of addressing transportation needs. For the past decade, little
7 money has been spent on adding capacity to our state's urban area
8 transportation systems. This lack of investment includes major new
9 highway projects to add capacity and lane miles to major state routes,
10 interstates or other freeway systems, and local principal arterials,
11 and other means to reduce traffic congestion including capacity
12 improvements for public transportation and high-capacity transportation
13 systems.

14 To further encourage a comprehensive multimodal transportation
15 system that provides efficient mobility choices for persons and freight
16 requires a partnership between the state, local, and regional
17 governments and the private sector. To this end, the legislature
18 desires to empower local regions to accomplish transportation projects

1 by enabling them to raise revenue and choose projects locally and to
2 provide state resources to help fund certain of these projects.

3 The legislature further finds that many transportation decisions
4 are best made at the regional level, where transportation problems are
5 best understood. To achieve improved regional mobility, promote
6 individual and economic well-being, and to implement recommendation
7 number six of the Blue Ribbon Commission on Transportation final
8 report, relating to regional transportation solutions, congestion
9 relief boards are created. The legislature declares that it is the
10 public policy of this state to encourage and facilitate transportation
11 improvements, including making optimum use of existing facilities. It
12 is the purpose of congestion relief boards to select projects, oversee
13 their implementation, generate revenues for a limited period of time,
14 assist in the financing of transportation improvements, and improve
15 transportation mobility in congested areas.

16 NEW SECTION. **Sec. 2.** DEFINITIONS. The definitions in this
17 section apply throughout this chapter unless the context clearly
18 requires otherwise.

19 (1) "Board" means the governing body of a regional congestion
20 relief district.

21 (2) "Congestion relief plan" or "plan" means a document that sets
22 forth projects that meet funding qualification requirements and that
23 provides for financing the projects, including proposed taxes.

24 (3) "Funding qualifications" means designation as congestion relief
25 projects by the board and inclusion in the transportation plan of the
26 state, a regional transportation planning organization, or a
27 metropolitan planning organization.

28 (4) "Project sponsor" means a public agency that by law can plan,
29 design, and build a project and may include the state department of
30 transportation, a county, a city, a transit agency, a regional transit
31 authority, or a port district.

32 (5) "Regional congestion relief district" or "district" means a
33 quasi-municipal corporation created under this chapter.

34 (6) "Transportation improvement project" or "project" means an
35 improvement that adds a lane or lanes to a principal local arterial or
36 state route including the interstate system, creates a new state route
37 or federal interstate route, optimizes the use or productivity of an
38 existing principal arterial or state highway, or adds capacity to

1 public transportation or high-capacity transportation services along
2 transportation corridors, including ferry services.

3 NEW SECTION. **Sec. 3.** DISTRICT FORMATION. The legislative
4 authority of a county, except for those counties identified in section
5 4 of this act, may form a congestion relief district. The mayor of the
6 largest city in the county, the secretary of transportation, and the
7 county legislative authority, acting ex officio and independently, are
8 the governing board for the district. Major actions of the board, as
9 defined in section 4 of this act, require a majority plus one vote of
10 the board members voting in the affirmative. For a project that
11 involves state participation in funding, the secretary of
12 transportation must vote in the affirmative. If the board approves
13 formation of the district, the board has the following duties and
14 powers:

15 (1) To set the boundaries of the proposed district that reasonably
16 incorporate areas benefited by the projects proposed in the plan;

17 (2) To appoint advisors and conduct public meetings that are needed
18 to assure active public participation in the development of the plan;

19 (3) To adopt a plan that includes projects that meet funding
20 qualifications and provides for the financing for those projects. The
21 plan must provide that at least one-third of the expenditures on all
22 projects address transportation demand management, public
23 transportation, high-capacity transit, and other alternatives to the
24 single-occupant vehicle;

25 (4) To forward the proposed plan to the cities within the district.
26 The plan will be placed on the ballot unless fifty percent of the
27 cities within the district representing a minimum of fifty percent of
28 the cities' and towns' population, by action of the cities' and towns'
29 legislative authorities, disapprove the plan within thirty calendar
30 days;

31 (5) To submit a plan to a general election ballot for approval or
32 rejection of the voters. If the board submits a plan to a general
33 election, it shall draft a ballot title, give notices as required by
34 law for ballot measures, and perform such other duties as may be
35 required to put the plan before the voters of the proposed district.

36 NEW SECTION. **Sec. 4.** DISTRICT FORMATION--CENTRAL PUGET SOUND.

37 (1) Counties that have areas included in a regional transportation

1 authority, together with a county having a population in excess of two
2 hundred thousand persons and that does not have within its borders an
3 interstate highway, may jointly form a congestion relief district by
4 resolution of each county's legislative authority. At least two
5 adjoining counties must agree for this district to be formed. The
6 county executive of each county is the governing board for this
7 district, and if a member county does not have an elected county
8 executive, the chair of the county's legislative authority, plus the
9 secretary of the state department of transportation shall serve as the
10 board. The vote of each elected member of the board must be weighted
11 in proportion to the population of the member's county. Major actions
12 of the board require a two-thirds majority of the weighted votes on the
13 board, and if the district includes four counties, a majority plus one
14 vote of the board members voting in the affirmative are required. For
15 a project that involves state participation in funding, the secretary
16 of transportation must vote in the affirmative.

17 (2) Major actions of the board include at least the following:
18 Adoption of the boundaries of the district; adoption of a plan
19 identifying transportation improvement projects that meet funding
20 qualifications and the financing plan for those projects; placing the
21 plan and tax proposal on the ballot; and after voter approval, an
22 increase in a total project cost of more than twenty percent.

23 (3) The board for this district has the same duties and powers as
24 prescribed in section 3 of this act. The plan will be placed on the
25 ballot unless fifty percent of the cities within the district
26 representing a minimum of fifty percent of the cities' and towns'
27 population, by action of the cities' and towns' legislative
28 authorities, disapprove the plan within thirty calendar days. If the
29 plan involves more than one county, the county legislative body of each
30 county shall vote as to whether that county is to be included in the
31 district, and the electorate will be the voters in the area of each of
32 the counties voting to form a single district.

33 NEW SECTION. **Sec. 5.** CERTIFICATION OF FORMATION. If the voters
34 approve the plan and taxes, the district will be declared formed. The
35 county election official of a county, or if the district is composed of
36 more than a single county, county election officials jointly, shall,
37 within fifteen days of the final certification of the election results,
38 publish a notice in a newspaper or newspapers of general circulation in

1 the district declaring the district formed, and shall mail copies of
2 the notice to the governor, secretary of transportation, and the
3 treasurer of the county or, if the district is multicounty, the
4 treasurer of the largest county, who shall thereafter serve as the
5 treasurer of the district. A party challenging the formation of a
6 voter-approved district must file his or her challenge in writing by
7 serving the prosecuting attorneys of each county within the district
8 and the attorney general within thirty days after the final
9 certification of the election. Failure to challenge within that time
10 forever bars further challenge of the district's valid formation.

11 NEW SECTION. **Sec. 6.** GOVERNING BOARD--ORGANIZATION, POWERS, AND
12 DUTIES. The governing board of the district is responsible for the
13 execution of the voter-approved plan. The board shall:

14 (1) Adopt bylaws to govern its affairs, which may include:

15 (a) The time and place of its regular meetings;

16 (b) Rules for calling special meetings;

17 (c) The method of keeping records of its proceedings and official
18 acts;

19 (d) Titles of district officers and terms and method of election;

20 (e) The requirements for hiring employees and consultants;

21 (f) Procedures for the safekeeping and disbursement of funds; and

22 (g) Any other provisions the board finds necessary to include in
23 the district bylaws;

24 (2) Provide for the levying and collection of taxes authorized by
25 the voters;

26 (3) Enter into agreements with state, local, and regional agencies
27 and departments as necessary to accomplish district purposes and
28 protect the district's investment in projects;

29 (4) Hire employees, professional service providers, or contractors
30 that are required for district purposes. However, it is the intent of
31 the legislature that projects be contracted with the project sponsors;

32 (5) Accept gifts, grants, or other contributions of funds that will
33 support the purposes and programs of the district;

34 (6) Monitor and audit the progress and execution of projects to
35 protect the investment of the public and annually make public its
36 findings;

1 (7) Evaluate periodically whether it is desirable to place on a
2 ballot for voter approval a new or revised plan with additional
3 projects and taxes; and

4 (8) Exercise such other powers and duties as may be reasonably
5 related to carrying out the mission of the district.

6 NEW SECTION. **Sec. 7.** PERFORMANCE CRITERIA FOR REGIONAL PROJECT
7 SELECTION. The district shall consider the following criteria for
8 selecting projects to improve corridor performance:

9 (1) Reduced level of congestion;

10 (2) Improved travel time;

11 (3) Improved air quality;

12 (4) Increases in daily and peak period person and vehicle trip
13 capacity;

14 (5) Reductions in person and vehicle delay;

15 (6) Improved freight mobility; and

16 (7) Cost-effectiveness of the investment.

17 NEW SECTION. **Sec. 8.** PROJECT IMPLEMENTATION. (1) The plan
18 submitted to the voters must provide funding estimates for each
19 priority project. The plan may also list additional projects that may
20 be funded if the district has a surplus because a priority project is
21 abandoned or curtailed by the project sponsor, or surplus revenues
22 become available for any other reason. Plans submitted to the voters
23 must provide that ninety-five percent of all funds raised will fund
24 projects in the plan including environmental improvements and
25 mitigation. Not more than five percent of funds authorized by the plan
26 may be used for the administrative costs of the district.

27 (2) After voter approval of the plan, the district shall accomplish
28 its purposes by entering into agreements with project sponsors as to
29 who will acquire, construct, or develop projects approved by the
30 voters. The district shall negotiate reasonable terms and conditions
31 to assist project sponsors in funding projects. The overall plan of
32 the district must leverage the district's financial contributions.

33 (3) The board may periodically amend particular projects as
34 warranted. However, increases in the cost of a project exceeding
35 twenty percent are considered major actions of the board.

1 NEW SECTION. **Sec. 9.** TAXES AND FEES. (1) A district may impose
2 and collect the following local option taxes and fees within its
3 geographic boundaries:

4 (a) A local option regional surcharge on transactions involving
5 motor vehicles and related parts and accessories, to be administered as
6 follows:

7 (i) For transactions involving motor vehicles, a sales and use tax
8 not to exceed five-tenths of one percent of the selling price shall be
9 imposed on any person selling motor vehicles (in the case of a sales
10 tax) or value of the article used (in the case of a use tax). The tax
11 authorized under this section is in addition to the tax authorized by
12 RCW 82.14.030 and must be collected from those persons who are taxable
13 by the state under chapters 82.08 and 82.12 RCW upon the occurrence of
14 a taxable event within the taxing district;

15 (ii) For transactions involving motor vehicle parts and
16 accessories, an additional tax is imposed upon any person selling motor
17 vehicle parts and accessories at wholesale; as to such persons, the
18 amount of the additional tax with respect to such business is equal to
19 the gross proceeds of sales of the business, multiplied by the rate of
20 five-tenths of one percent.

21 (iii) "Motor vehicle" has the same meaning as in RCW 46.04.320.
22 "Motor vehicle parts and accessories" means items of tangible personal
23 property that become a component part affixed to motor vehicles.

24 (b) A local option vehicle license fee for each vehicle registered
25 in the district, except commercial vehicles as defined in RCW
26 46.04.140, per year on motor vehicles and trailers or trailing units.
27 The department of licensing shall administer and collect this fee on
28 behalf of a district and remit this fee to the custody of the state
29 treasurer, who shall distribute it as directed by a district;

30 (c) A local option motor vehicle fuel tax on each gallon of motor
31 vehicle fuel as defined in RCW 82.36.010 sold in the district and on
32 each gallon of special fuel as defined in RCW 82.38.020 sold in the
33 district;

34 (d) A local option commercial vehicle fee for each commercial
35 vehicle as defined in RCW 46.04.140 registered in the district. The
36 department of licensing shall administer and collect this fee on behalf
37 of a district and remit this fee to the custody of the state treasurer,
38 who shall distribute it as directed by a district;

39 (e) User fees on projects improved under this chapter;

1 (f) An additional sales and use tax upon sales of motor vehicle
2 fuel and special fuel. The rate of tax will be a percentage of the
3 selling price in the case of a sales tax or value of fuel used in the
4 case of a use tax. "Motor vehicle fuel" and "special fuel" have the
5 same meaning as provided in RCW 82.36.010 and 82.38.020;

6 (g) A charge based upon the miles traveled by a vehicle registered
7 in the district.

8 (2) Taxes may not be imposed without an affirmative vote of the
9 voters within the boundaries of the district on a referendum as set
10 forth in section 3 of this act. Money collected under this section
11 must be used only to implement the district plan in accordance with
12 section 8 of this act. A district may contract with the state
13 department of revenue or other appropriate entities for administration
14 and collection of any of the taxes or fees authorized in this section.

15 NEW SECTION. **Sec. 10.** SUPPORT OF PROJECT SPONSORS' DEBT. The
16 district may not issue debt of its own for more than two years'
17 duration. A district may, when authorized by the plan, enter into
18 agreements with project sponsors to pledge taxes or other revenues of
19 the district for the purpose of paying in part or whole principal and
20 interest on bonds issued by the project sponsor. The contracts
21 pledging revenues and taxes must be binding for the term of the
22 agreement, but not to exceed twenty-five years, and no tax pledged by
23 an agreement may be eliminated or modified if it would impair the
24 pledge of the agreement.

25 NEW SECTION. **Sec. 11.** DISTRICT DISSOLUTION. A district once
26 formed shall continue so long as projects or plans are being actively
27 developed or taxes levied to meet continuing district obligations.
28 When a district established under section 4 of this act is no longer
29 engaged in a project's development or levying taxes to fund projects,
30 the board shall submit to the county legislative bodies of the district
31 a resolution of dissolution. For a district established under section
32 3 of this act, the county legislative authority may initiate a
33 resolution of dissolution. The resolution must be published in
34 newspapers of general circulation within the district at least three
35 times in a period of thirty days. Creditors must file claims for
36 payment of claims due within thirty days of the last published notice
37 or the claim is extinguished. The district treasurer shall within

1 ninety days of the last published notice forward remaining funds in the
2 accounts of the district to the motor vehicle fund to be used to fund
3 state transportation projects within the former district boundaries.

4 NEW SECTION. **Sec. 12.** ACCOUNTABILITY. To assure accountability
5 to the public for the timely construction of the transportation project
6 or projects within cost projections, the district shall issue an annual
7 report to the public. In the report, the district shall indicate the
8 status of project costs, project expenditures, revenues, construction
9 schedules, and major changes by the board to the voter-approved plan.
10 The district shall issue additional reports as warranted to communicate
11 major changes in scope, cost, design, or other project issues.

12 NEW SECTION. **Sec. 13.** CAPTIONS. Section captions used in this
13 chapter are not part of the law.

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

18 NEW SECTION. **Sec. 15.** CODIFICATION. Sections 1 through 14 of
19 this act constitute a new chapter in Title 81 RCW.

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