
SUBSTITUTE SENATE BILL 6172

State of Washington

57th Legislature

2001 Regular Session

By Senate Committee on Transportation (originally sponsored by Senators Patterson, Horn, Haugen, Finkbeiner, Costa, McDonald, Prentice, Constantine, Kohl-Welles, Eide, McAuliffe, Fairley and Jacobsen)

READ FIRST TIME 04/09/01.

1 AN ACT Relating to regional transportation governance; amending RCW
2 84.52.043; and adding a new chapter to Title 36 RCW.

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

4 NEW SECTION. **Sec. 1.** The definitions in this section apply
5 throughout this chapter unless the context clearly requires otherwise.

6 (1) "Regional congestion relief district" or "district" means a
7 quasi-municipal corporation created pursuant to this chapter.

8 (2) "Transportation projects" or "projects" means major capital
9 facility improvements of such significant impact to the district that
10 without regionally raised new revenue, coupled with state funds, the
11 improvements could not be accomplished.

12 (3) "Funding qualification" means designation as congestion relief
13 projects by the district and inclusion in the transportation plan of
14 the state, a regional transportation planning organization, or a
15 metropolitan planning organization whose primary goal is to relieve
16 congestion.

17 (4) "Project sponsor" means the state department of transportation.

18 (5) "District formation committee" or "committee" means the body
19 responsible for drafting the plan which is submitted to the voters for

1 approval and includes a person appointed by the governor and the county
2 executive, or chair of the county commissioners of each county included
3 in a proposed district.

4 (6) "Directors" means individuals appointed by the governor to
5 direct district affairs; however, the secretary of the department of
6 transportation and the chair or vice-chair of the metropolitan planning
7 organization of the region, or his or her designees, shall be ex
8 officio, nonvoting, noncompensated directors of districts created
9 pursuant to this chapter.

10 (7) "Congestion relief plan" or "plan" means a document which sets
11 forth projects which meet funding qualification requirements and which
12 makes provision for financing such projects, including proposed taxes.

13 NEW SECTION. **Sec. 2.** The legislature finds that:

14 (1) The capacity of many of Washington state's transportation
15 facilities have failed to keep up with the state's growth, particularly
16 in major urban regions;

17 (2) The state cannot by itself fund, in a timely way, many of the
18 major capacity and other improvements required on state and interstate
19 highways in urban regions;

20 (3) Providing a comprehensive multimodal transportation system
21 which provides efficient mobility choices for persons and freight
22 requires a partnership between the state, local, and regional
23 governments, and the private sector; and

24 (4) Timely construction and development of congestion relief
25 projects can best be achieved by establishing regional congestion
26 relief districts.

27 NEW SECTION. **Sec. 3.** A county executive or chair of a county
28 commission, except those counties identified in section 4 of this act,
29 may convene a committee to form a district by providing written notice
30 to eligible members of the district formation committee, the governor,
31 and the chairs of the transportation committees in the senate and house
32 of representatives. If the members agree to activate the committee, it
33 shall have the following duties and powers:

34 (1) To set the boundaries of the proposed district which reasonably
35 incorporate areas benefited by the projects proposed in the plan;

1 (2) To appoint such advisors and conduct such public meetings as
2 needed to assure active public participation in the development of the
3 plan;

4 (3) To adopt a plan which shall include projects that meet funding
5 qualifications and provide for the financing for those projects;

6 (4) To forward the proposed plan to the cities within the district.
7 Sixty percent of the cities within the district representing a minimum
8 of seventy-five percent of the cities' and towns' population, by action
9 of the cities' and towns' legislative authorities, must respond within
10 sixty days of receiving it. The cities shall not alter the plan; they
11 may approve or disapprove the plan as submitted to them;

12 (5) To submit to the governor, at the time a plan is certified to
13 the ballot, the names of three nominees for each director position set
14 forth in the plan;

15 (6) To submit a plan to a general election ballot for approval or
16 rejection of the voters. If the board submits a plan to a general
17 election, it shall draft a ballot title, give notice as required by law
18 for ballot measures, and perform such other duties as may be required
19 to put the plan before the voters of the proposed district.

20 NEW SECTION. **Sec. 4.** If the voters approve the plan and taxes,
21 the district shall be declared formed. The county election official of
22 a county, or if the district is composed of more than a single county,
23 county election officials jointly, shall, within fifteen days of the
24 final certification of the election results, publish a notice in a
25 newspaper or newspapers of general circulation in the district
26 declaring the district formed, and shall mail copies of the notice to
27 the governor, secretary of transportation, members of the committee,
28 and to the treasurer of the county or, if the district is multicounty,
29 the treasurer of the largest county who shall thereafter serve as the
30 treasurer of the district. Any party challenging the formation of a
31 voter-approved district must file his or her challenge in writing by
32 serving the prosecuting attorneys of each county within the district
33 and the attorney general within thirty days after the final
34 certification of the election. Failure to challenge within the time
35 provided shall forever bar further challenge of the district's valid
36 formation.

1 NEW SECTION. **Sec. 5.** Each district shall have three directors to
2 manage its affairs. Directors shall be appointed by the governor from
3 a list of nominees provided by the district formation committee. The
4 initial nominees list shall be submitted to the governor not less than
5 twenty days after the district is declared formed. Thereafter, the
6 district formation committee shall convene at the call of the county
7 executive or chair of the county commission of the county or, if a
8 multicounty district, by the chair or executive of the largest county,
9 to provide the governor with additional nominees to fill vacant
10 positions. The governor shall, in making initial appointments, number
11 the positions and stagger the terms of the positions so that
12 approximately one-third of the member's terms shall expire each year.
13 Except for initial terms, or to fill a vacancy where the term has not
14 expired, appointments shall be for three-year terms.

15 NEW SECTION. **Sec. 6.** Directors shall be residents and registered
16 voters within the districts and shall be free of conflicts with project
17 sponsors. Directors may, by resolution, set a meeting fee of not more
18 than one hundred fifty dollars per official meeting, but total
19 compensation may not exceed five thousand dollars in any calendar year.
20 Directors may be reimbursed for reasonable and necessary expenses when
21 traveling on authorized district business outside the district's
22 boundaries.

23 NEW SECTION. **Sec. 7.** The directors constitute the governing board
24 of the district and are responsible for the execution of the voter-
25 approved plan. The board shall:

- 26 (1) Adopt bylaws to govern its affairs which may include:
27 (a) The time and place of its regular meetings;
28 (b) Rules for calling special meetings;
29 (c) The method of keeping records of its proceedings and official
30 acts;
31 (d) Titles of district officers and terms and method of election;
32 (e) The requirements for hiring employees and consultants;
33 (f) Procedures for the safekeeping and disbursement of funds; and
34 (g) Any other provisions the directors find necessary to include in
35 the district bylaws;
36 (2) Provide for the levying and collection of taxes authorized by
37 the voters;

1 (3) Request from time to time, that a new committee with membership
2 as provided for the district formation committees, to place on a ballot
3 for voter approval a new or revised plan with additional projects and
4 taxes;

5 (4) Hire such employees, professional service providers, or
6 contractors as may be required for district purposes. However, it is
7 the legislature's intent that projects be contracted with the project
8 sponsor;

9 (5) Enter into agreements with state, local and regional agencies,
10 and departments as necessary to accomplish district purposes and
11 protect the district's investment in projects;

12 (6) Accept gifts, grants, or other contributions of funds which
13 will support the purposes and programs of the district;

14 (7) Monitor and audit the progress and execution of projects to
15 protect the investment of the public and make public its findings; and

16 (8) Exercise such other powers and duties as may be reasonable
17 related to carrying out the mission of the district.

18 NEW SECTION. **Sec. 8.** The district shall accomplish its purposes
19 by entering into agreements with the project sponsor as to who will
20 acquire, construct, or develop projects approved by the voters. The
21 district shall negotiate reasonable terms and conditions to assist
22 project sponsors in funding projects. The overall plan of the district
23 must leverage the district's financial contributions so that project
24 sponsors and other revenue sources continue to fund major congestion
25 relief and transportation capacity improvement projects in the
26 district. The plan submitted to the voters shall provide funding
27 estimates for each priority project. The plan may also list additional
28 projects that may be funded if the district has a surplus because a
29 priority project is abandoned or curtailed by the project sponsor, or
30 surplus revenues become available for any other reason. Plans
31 submitted to the voters must provide that ninety-five percent of all
32 funds raised will fund projects in the plan including environmental
33 improvements and mitigation. Not more than five percent of funds
34 authorized by the plan may be used for the administrative costs of the
35 district.

1 NEW SECTION. **Sec. 9.** (1) The district's plan may recommend within
2 its geographic boundaries the imposition of some or all of the
3 following revenue sources:

4 (a) A regional sales and use tax as a percent of the selling price,
5 in the case of a sales tax, or value of the article used, in the case
6 of a use tax. The tax authorized under this section is in addition to
7 the tax authorized by RCW 82.14.030 and must be collected from those
8 persons who are taxable by the state under chapters 82.08 and 82.12 RCW
9 upon the occurrence of a taxable event within the taxing district;

10 (b) A vehicle license fee of up to seventy-five dollars for each
11 vehicle registered in the district, except commercial vehicles as
12 defined in RCW 46.04.140, per year on motor vehicles and trailers or
13 trailing units. The department of licensing shall administer and
14 collect this fee on behalf of a district and remit this fee to the
15 custody of the county treasurer, who shall distribute it as directed by
16 a district;

17 (c) A commercial vehicle fee of up to one hundred fifty dollars for
18 each commercial vehicle as defined in RCW 46.04.140 registered in the
19 district. The department of licensing shall administer and collect
20 this fee on behalf of a district and remit this fee to the custody of
21 the county treasurer, who shall distribute it as directed by a
22 district;

23 (d) User fees on projects improved under this chapter;

24 (e) A charge based upon the miles traveled by a vehicle registered
25 in the district;

26 (f) The county property levy provided in section 14 of this act.

27 (2) Taxes may not be imposed without an affirmative vote of the
28 voters within the boundaries of the district on a referendum as set
29 forth in this act. Money collected under this section must be used
30 only to implement the district plan in accordance with this act. A
31 district may contract with the state department of revenue or the
32 department of licensing for administration and collection of any of the
33 taxes or fees authorized in this section.

34 NEW SECTION. **Sec. 10.** The district may not issue any debt of its
35 own for more than two years duration. A district may, when authorized
36 by the plan, enter into agreements with the project sponsor to pledge
37 taxes or other revenues of the district for the purpose of paying in
38 part or whole principal and interest on bonds issued by the project

1 sponsor. The contracts pledging revenues and taxes shall be binding
2 for the term of the agreement, but not to exceed twenty-five years, and
3 no tax pledged by an agreement may be eliminated or modified if it
4 would impair the pledge of the agreement.

5 NEW SECTION. **Sec. 11.** A district once formed shall continue so
6 long as projects are being actively developed or taxes levied to meet
7 continuing district obligations. When a district is no longer engaged
8 in a project's development or levying taxes to fund projects, the
9 directors shall submit to the county legislative bodies of the district
10 a resolution of dissolution. Such resolution shall be published in
11 newspapers of general circulation within the district at least three
12 times in a period of thirty days. Creditors must file claims for
13 payment of claims due within thirty days of the last published notice
14 or such claim shall be considered extinguished. The district treasurer
15 shall within ninety days of the last published notice forward remaining
16 funds in the accounts of the district to the motor vehicle fund to be
17 used to fund state transportation projects within the former district
18 boundaries.

19 NEW SECTION. **Sec. 12.** To assure accountability to the public for
20 the timely construction of the transportation project or projects
21 within cost projections, the district shall issue a public report every
22 six months from the date the project begins to the date it concludes.
23 In the report, the district shall detail the progress of the project in
24 two areas: (1) Whether the project or projects costs-to-date are
25 within the amount of revenue raised for the project or projects under
26 the vote of the people as provided in section 3 of this act; and (2)
27 whether the project or projects are proceeding in accordance with the
28 original construction schedule. If the progress of the project is
29 inconsistent with either the cost projections or timeliness, the
30 district shall provide the public with a plan to move the project or
31 projects back into compliance with the original construction schedule
32 and cost projections.

33 **Sec. 13.** RCW 84.52.043 and 1995 c 99 s 3 are each amended to read
34 as follows:

1 Within and subject to the limitations imposed by RCW 84.52.050 as
2 amended, the regular ad valorem tax levies upon real and personal
3 property by the taxing districts hereafter named shall be as follows:

4 (1) Levies of the senior taxing districts shall be as follows: (a)
5 The levy by the state shall not exceed three dollars and sixty cents
6 per thousand dollars of assessed value adjusted to the state equalized
7 value in accordance with the indicated ratio fixed by the state
8 department of revenue to be used exclusively for the support of the
9 common schools; (b) the levy by any county shall not exceed one dollar
10 and eighty cents per thousand dollars of assessed value; (c) the levy
11 by any road district shall not exceed two dollars and twenty-five cents
12 per thousand dollars of assessed value; and (d) the levy by any city or
13 town shall not exceed three dollars and thirty-seven and one-half cents
14 per thousand dollars of assessed value. However any county is hereby
15 authorized to increase its levy from one dollar and eighty cents to a
16 rate not to exceed two dollars and forty-seven and one-half cents per
17 thousand dollars of assessed value for general county purposes if the
18 total levies for both the county and any road district within the
19 county do not exceed four dollars and five cents per thousand dollars
20 of assessed value, and no other taxing district has its levy reduced as
21 a result of the increased county levy.

22 (2) The aggregate levies of junior taxing districts and senior
23 taxing districts, other than the state, shall not exceed five dollars
24 and ninety cents per thousand dollars of assessed valuation. The term
25 "junior taxing districts" includes all taxing districts other than the
26 state, counties, road districts, cities, towns, port districts, and
27 public utility districts. The limitations provided in this subsection
28 shall not apply to: (a) Levies at the rates provided by existing law
29 by or for any port or public utility district; (b) excess property tax
30 levies authorized in Article VII, section 2 of the state Constitution;
31 (c) levies for acquiring conservation futures as authorized under RCW
32 84.34.230; (d) levies for emergency medical care or emergency medical
33 services imposed under RCW 84.52.069; (e) levies to finance affordable
34 housing for very low-income housing imposed under RCW 84.52.105;
35 (~~and~~) (f) the portions of levies by metropolitan park districts that
36 are protected under RCW 84.52.120; and (g) levies for county
37 transportation projects under section 14 of this act.

1 NEW SECTION. **Sec. 14.** (1) A county may impose additional regular
2 property tax levies in an amount equal to fifty cents or less per
3 thousand dollars of the assessed value of property in the county. The
4 tax will be imposed (a) each year for six consecutive years, (b) each
5 year for ten consecutive years, or (c) permanently. A tax levy under
6 this section must be specifically authorized by a majority of at least
7 three-fifths of the registered voters voting on the proposition and the
8 number of persons voting "yes" on the proposition must constitute
9 three-fifths of a number equal to forty percent of the total number of
10 voters voting in the county at the last preceding general election.
11 Ballot propositions must conform with RCW 29.30.111. A county must not
12 submit to the voters at the same election multiple propositions to
13 impose a levy under this section.

14 (2) A county imposing a permanent levy under this section must
15 provide for separate accounting of expenditures of the revenues
16 generated by the levy. The taxing district must maintain a statement
17 of the accounting which will be updated at least every two years and
18 will be available to the public upon request at no charge.

19 (3) A taxing district imposing a permanent levy under this section
20 must provide for a referendum procedure to apply to the ordinance or
21 resolution imposing the tax. This referendum procedure must specify
22 that a referendum petition may be filed at any time with a filing
23 officer, as identified in the ordinance or resolution. Within ten
24 days, the filing officer will confer with the petitioner concerning
25 form and style of the petition, issue the petition an identification
26 number, and secure an accurate, concise, and positive ballot title from
27 the designated local official. The petitioner will have thirty days in
28 which to secure the signatures of not less than fifteen percent of the
29 registered voters of the county, as of the last general election, upon
30 petition forms which contain the ballot title and the full text of the
31 measure to be referred. The filing officer will verify the sufficiency
32 of the signatures on the petition and, if sufficient valid signatures
33 are properly submitted, will certify the referendum measure to the next
34 election within the county if one is to be held within one hundred
35 eighty days from the date of filing of the referendum petition, or at
36 a special election to be called for that purpose in accordance with RCW
37 29.13.020.

38 (4) Any tax imposed under this section must be used only for the
39 provision of county road or other transportation purposes.

1 (5) The limitations in RCW 84.52.043 shall not apply to the tax
2 levy authorized in this section.

3 (6) If a ballot proposition approved under subsection (1) of this
4 section did not impose the maximum allowable levy amount authorized for
5 the county under this section, any future increase up to the maximum
6 allowable levy amount must be specifically authorized by the voters in
7 accordance with subsection (1) of this section at a general or special
8 election.

9 (7) The limitation in RCW 84.55.010 shall not apply to the first
10 levy imposed pursuant to this section following the approval of such
11 levy by the voters pursuant to subsection (1) of this section.

12 NEW SECTION. **Sec. 15.** Sections 1 through 12 and 14 of this act
13 constitute a new chapter in Title 36 RCW.

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