

SHB 2531 - H AMD 815

By Representative Murray

1       Strike everything after the enacting clause and insert the  
2 following:

3       "**Sec. 1.** RCW 36.120.010 and 2002 c 56 s 101 are each amended to  
4 read as follows:

5       The legislature finds that:

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

9       (2) The state cannot by itself fund, in a timely way, many of the  
10 major capacity and other improvements required on highways of statewide  
11 significance in the state's largest urbanized area;

12       (3) Providing a transportation system that provides efficient  
13 mobility for persons and freight requires a shared partnership and  
14 responsibility between the state, local, and regional governments and  
15 the private sector; and

16       (4) Timely construction and development of significant  
17 transportation improvement projects can best be achieved through  
18 enhanced funding options for governments at the county and regional  
19 levels, using already existing tax authority to address roadway and  
20 multimodal needs and new authority for regions to address critical  
21 transportation projects (~~(of statewide significance)~~).

22       "**Sec. 2.** RCW 36.120.020 and 2002 c 56 s 102 are each amended to  
23 read as follows:

24       The definitions in this section apply throughout this chapter  
25 unless the context clearly requires otherwise.

26       (1) "Board" means the governing body of a regional transportation  
27 investment district.

28       (2) "Department" means the Washington state department of  
29 transportation.

1 (3) "Highway of statewide significance" means an existing or  
2 proposed state route or federal interstate designated as a highway of  
3 statewide significance by the transportation commission, its successor  
4 entity, or the legislature.

5 (4) "Lead agency" means a public agency that by law can plan,  
6 design, and build a transportation project and has been so designated  
7 by the district.

8 (5) "Regional transportation investment district" or "district"  
9 means a municipal corporation (~~(whose boundaries are coextensive with~~  
10 ~~two or more contiguous counties and~~)) that has been created by a county  
11 legislative authority or authorities and a vote of the people under  
12 this chapter to implement a regional transportation investment plan.

13 (6) "Regional transportation investment district planning  
14 committee" or "planning committee" means the advisory committee created  
15 under RCW 36.120.030 to create and propose to county legislative  
16 authorities a regional transportation investment plan to develop,  
17 finance, and construct transportation projects. For counties specified  
18 under RCW 36.120.030(2), the district may be less than county-wide;  
19 however, a city must be wholly inside or outside the boundaries of the  
20 district.

21 (7) "Regional transportation investment plan" or "plan" means a  
22 plan to develop, construct, and finance a transportation project or  
23 projects.

24 (8) "Transportation project" means(~~+~~

25 ~~(a) A capital improvement or improvements to a highway that has~~  
26 ~~been designated, in whole or in part, as a highway of statewide~~  
27 ~~significance, including an extension, that:~~

28 ~~(i) Adds a lane or new lanes to an existing state or federal~~  
29 ~~highway; or~~

30 ~~(ii) Repairs or replaces a lane or lanes damaged by an event~~  
31 ~~declared an emergency by the governor before January 1, 2002.~~

32 ~~(b) A capital improvement or improvements to all or a portion of a~~  
33 ~~highway of statewide significance, including an extension, and may~~  
34 ~~include the following associated multimodal capital improvements:~~

35 ~~(i) Approaches to highways of statewide significance;~~

36 ~~(ii) High occupancy vehicle lanes;~~

37 ~~(iii) Flyover ramps;~~

1       ~~(iv) Park and ride lots;~~  
2       ~~(v) Bus pullouts;~~  
3       ~~(vi) Vans for vanpools;~~  
4       ~~(vii) Buses; and~~  
5       ~~(viii) Signalization, ramp metering, and other transportation~~  
6 ~~system management improvements.~~

7       ~~(c) A capital improvement or improvements to all or a portion of a~~  
8 ~~city street, county road, or existing highway or the creation of a new~~  
9 ~~highway that intersects with a highway of statewide significance, if~~  
10 ~~all of the following conditions are met:~~

11       ~~(i) The project is included in a plan that makes highway~~  
12 ~~improvement projects that add capacity to a highway or highways of~~  
13 ~~statewide significance;~~

14       ~~(ii) The secretary of transportation determines that the project~~  
15 ~~would better relieve traffic congestion than investing that same money~~  
16 ~~in adding capacity to a highway of statewide significance;~~

17       ~~(iii) Matching money equal to one third of the total cost of the~~  
18 ~~project is provided by local entities, including but not limited to a~~  
19 ~~metropolitan planning organization, county, city, port, or private~~  
20 ~~entity in which a county participating in a plan is located. Local~~  
21 ~~entities may use federal grants to meet this matching requirement;~~

22       ~~(iv) In no case may the cumulative regional transportation~~  
23 ~~investment district contribution to all projects constructed under this~~  
24 ~~subsection (8)(c) exceed ten percent of the revenues generated by the~~  
25 ~~district;~~

26       ~~(v) In no case may the cumulative regional transportation~~  
27 ~~investment district contribution to all projects constructed under this~~  
28 ~~subsection (8)(c) exceed one billion dollars; and~~

29       ~~(vi) The specific projects are included within the plan and~~  
30 ~~submitted as part of the plan to a vote of the people.~~

31       ~~(d)) a project or program contained in the transportation plan of~~  
32 ~~the state or of a regional transportation planning organization,~~  
33 ~~including operations, preservation, and maintenance ((are excluded from~~  
34 ~~this definition and may not be included in a regional transportation~~  
35 ~~investment plan)) of the projects or programs.~~

36       (9) "Weighted vote" means a vote that reflects the population each  
37 board or planning committee member represents relative to the

1 population represented by the total membership of the board or planning  
2 committee. Population will be determined using the federal 2000 census  
3 or subsequent federal census data.

4 **Sec. 3.** RCW 36.120.030 and 2002 c 56 s 103 are each amended to  
5 read as follows:

6 Regional transportation investment district planning committees are  
7 advisory entities that are created, convened, and empowered as follows:

8 (1) A county with a population over one million five hundred  
9 thousand persons and any adjoining counties with a population over five  
10 hundred thousand persons may create a regional transportation  
11 investment district and shall convene a regional transportation  
12 investment district planning committee. To proceed with developing a  
13 plan, including submission of a plan to county legislative authorities  
14 for placement on a ballot, at least two contiguous counties must be  
15 included in the plan.

16 (2) For counties other than those counties specified in subsection  
17 (1) of this section, the county legislative authority may create a  
18 regional transportation investment district and shall convene a  
19 regional transportation investment planning committee. Counties may by  
20 resolution of each county's legislative authority create a district to  
21 include more than one county.

22 (3) The members of the legislative authorities participating in  
23 planning under this chapter shall serve as the district planning  
24 committee. In addition, for counties planning under subsection (2) of  
25 this section, the planning committee must also include mayors or city  
26 council members of cities within the district so that the proportional  
27 membership on the planning committee in terms of members with weighted  
28 votes reflects the relative population of persons living within the  
29 respective jurisdictions. Members of the planning committee receive no  
30 compensation, but may be reimbursed for travel and incidental expenses  
31 as the planning committee deems appropriate.

32 The secretary of transportation, or the appropriate regional  
33 administrator of the department, as named by the secretary, shall serve  
34 on the committee as a nonvoting member.

35 ~~((3))~~ (4) A regional transportation investment district planning  
36 committee may be entitled to state funding, as appropriated by the

1 legislature, for start-up funding to pay for salaries, expenses,  
2 overhead, supplies, and similar expenses ordinarily and necessarily  
3 incurred in selecting transportation projects and funding for those  
4 transportation projects under this chapter. Upon creation of a  
5 regional transportation investment district, the district shall within  
6 one year reimburse the state for any sums advanced for these start-up  
7 costs from the state.

8 ~~((4))~~ (5) The planning committee shall conduct its affairs and  
9 formulate a regional transportation investment plan as provided under  
10 RCW 36.120.040, except that ~~((it))~~ planning committees for counties  
11 under subsection (1) of this section shall elect an executive board of  
12 seven members to discharge the duties of the planning committee and  
13 formulate a regional transportation investment plan, subject to the  
14 approval of the full committee.

15 ~~((5))~~ (6) At its first meeting, a regional transportation  
16 investment district planning committee may elect officers and provide  
17 for the adoption of rules and other operating procedures.

18 ~~((6))~~ (7) Governance of and decisions by a regional  
19 transportation investment district planning committee must be by a  
20 sixty-percent weighted majority vote of the total membership.

21 ~~((7))~~ (8) The planning committee may dissolve itself at any time  
22 by a two-thirds weighted majority vote of the total membership of the  
23 planning committee.

24 **Sec. 4.** RCW 36.120.040 and 2003 c 194 s 1 are each amended to read  
25 as follows:

26 (1) A regional transportation investment district planning  
27 committee shall adopt a regional transportation investment plan  
28 providing for the development, construction, and financing of  
29 transportation projects. The planning committee may consider the  
30 following factors in formulating its plan:

- 31 (a) Land use planning criteria;
- 32 (b) The input of cities located within a participating county; and
- 33 (c) The input of regional transportation planning organizations in  
34 which a participating county is located. A regional transportation  
35 planning organization in which a participating county is located shall

1 review its adopted regional transportation plan and submit, for the  
2 planning committee's consideration, its list of transportation  
3 improvement priorities.

4 (2) The planning committee may coordinate its activities with the  
5 department, which shall provide services, data, and personnel to assist  
6 in this planning as desired by the planning committee. In addition,  
7 the planning committee may coordinate with affected cities, towns, and  
8 other local governments that engage in transportation planning.

9 (3) The planning committee shall:

10 (a) Conduct public meetings that are needed to assure active public  
11 participation in the development of the plan;

12 (b) In counties identified in RCW 36.120.030(1), consult regularly  
13 with, and seek input from, the county executive of each participating  
14 county and the mayor and city legislative authority of the largest city  
15 in each participating county and any other cities over one hundred  
16 thousand in population;

17 (c) Adopt a plan proposing the:

18 (i) Creation of a regional transportation investment district; and

19 (ii) Construction of transportation projects to improve mobility  
20 within each county(~~(. Operations, maintenance, and preservation of~~  
21 ~~facilities or systems may not be part of the plan));~~

22 ~~((e))~~ (d) Recommend sources of revenue authorized by RCW  
23 36.120.050 and a financing plan to fund selected transportation  
24 projects. The overall plan of the district must leverage the  
25 district's financial contributions so that the federal, state, local,  
26 and other revenue sources continue to fund major congestion relief and  
27 ~~((transportation capacity))~~ mobility improvement projects in each  
28 county and the district. A combination of local, state, and federal  
29 revenues may be necessary to pay for transportation projects, and the  
30 planning committee shall consider all of these revenue sources in  
31 developing a plan.

32 (4) For counties under RCW 36.120.030(1), the plan must use tax  
33 revenues and related debt for projects that generally benefit a  
34 participating county in proportion to the general level of tax revenues  
35 generated within that participating county. This equity principle  
36 applies to all modifications to the plan, appropriation of contingency  
37 funds not identified within the project estimate, and future phases of

1 the plan. During implementation of the plan, the board shall retain  
2 the flexibility to manage distribution of revenues, debt, and project  
3 schedules so that the district may effectively implement the plan.  
4 Nothing in this section should be interpreted to prevent the district  
5 from pledging district-wide tax revenues for payment of any contract or  
6 debt entered into under RCW 36.120.130.

7 (5) Before adopting the plan, the planning committee, with  
8 assistance from the department, shall work with the lead agency to  
9 develop accurate cost forecasts for transportation projects. This  
10 project costing methodology must be integrated with revenue forecasts  
11 in developing the plan and must at a minimum include estimated project  
12 costs in constant dollars as well as year of expenditure dollars, the  
13 range of project costs reflected by the level of project design,  
14 project contingencies, identification of mitigation costs, the range of  
15 revenue forecasts, and project and plan cash flow and bond analysis.  
16 The plan submitted to the voters must provide cost estimates for each  
17 project, including reasonable contingency costs. Plans submitted to  
18 the voters must provide that the maximum amount possible of the funds  
19 raised will be used to fund projects in the plan, including  
20 environmental improvements and mitigation, and that administrative  
21 costs be minimized. If actual revenue exceeds actual plan costs, the  
22 excess revenues must be used to retire any outstanding debt associated  
23 with the plan.

24 (6) For counties under RCW 36.120.030(1), if a county opts not to  
25 adopt the plan or participate in the regional transportation investment  
26 district, but two or more contiguous counties do choose to continue to  
27 participate, then the planning committee may, within ninety days,  
28 redefine the regional transportation investment plan and the ballot  
29 measure to be submitted to the people to reflect elimination of the  
30 county, and submit the redefined plan to the legislative authorities of  
31 the remaining counties for their decision as to whether to continue to  
32 adopt the redefined plan and participate. This action must be  
33 completed within sixty days after receipt of the redefined plan.

34 (7) Once adopted, the plan must be forwarded to the participating  
35 county legislative authority or authorities to initiate the election  
36 process under RCW 36.120.070. The planning committee shall at the same  
37 time provide notice to each city and town within the district, the

1 governor, the chairs of the transportation committees of the  
2 legislature, the secretary of transportation, and each legislator whose  
3 legislative district is partially or wholly within the boundaries of  
4 the district.

5 (8) If the ballot measure is not approved, the planning committee  
6 may redefine the selected transportation projects, financing plan, and  
7 the ballot measure. The county legislative authority or authorities  
8 may approve the new plan and ballot measure, and may then submit the  
9 revised proposition to the voters at the next election or a special  
10 election. If no ballot measure is approved by the voters by the third  
11 vote, the planning committee is dissolved.

12 **Sec. 5.** RCW 36.120.050 and 2003 c 350 s 4 are each amended to read  
13 as follows:

14 (1) A regional transportation investment district planning  
15 committee may, as part of a regional transportation investment plan,  
16 recommend the imposition of some or all of the following revenue  
17 sources, which a regional transportation investment district may impose  
18 upon approval of the voters as provided in this chapter:

19 (a) A regional sales and use tax, as specified in RCW 82.14.430, of  
20 up to (~~0.5~~) 0.2 percent of the selling price, in the case of a sales  
21 tax, or value of the article used, in the case of a use tax, upon the  
22 occurrence of any taxable event in the regional transportation  
23 investment district. The proceeds of this tax may be spent only for  
24 public transportation purposes, high-occupancy vehicle systems as  
25 defined in RCW 81.100.020, and commute trip reduction programs;

26 (b) A local option vehicle license fee, as specified under RCW  
27 82.80.100, of up to one hundred dollars per vehicle registered in the  
28 district. As used in this subsection, "vehicle" means motor vehicle as  
29 defined in RCW 46.04.320. Certain classes of vehicles, as defined  
30 under chapter 46.04 RCW, may be exempted from this fee;

31 (c) A parking tax under RCW 82.80.030;

32 (d) A local motor vehicle excise tax under RCW 81.100.060 and  
33 chapter 81.104 RCW;

34 (e) A local option fuel tax under RCW 82.80.120;

35 (f) A mileage charge under section 19 of this act;

36 (g) An employer excise tax under RCW 81.100.030; and

1        ~~((g))~~ (h) With the approval of the transportation commission, or  
2 its successor, vehicle tolls on ~~(new or reconstructed facilities)~~ a  
3 local or regional arterial or state or federal highway within the  
4 boundaries of the district. The plan must identify the facilities to  
5 be tolled and the purpose of the toll. Unless otherwise specified by  
6 law or contract, the department shall administer the collection of  
7 vehicle tolls on designated facilities, and the state transportation  
8 commission, or its successor, shall be the tolling authority.

9        (2) Taxes, fees, and tolls may not be imposed without an  
10 affirmative vote of the majority of the voters within the boundaries of  
11 the district voting on a ballot proposition as set forth in RCW  
12 36.120.070. Revenues from these taxes and fees may be used only to  
13 implement the plan as set forth in this chapter. A district may  
14 contract with the state department of revenue or other appropriate  
15 entities for administration and collection of any of the taxes or fees  
16 authorized in this section. In authorizing these revenue sources, it  
17 is the intent of the legislature to provide a range of options that can  
18 be tailored to meet the transportation needs identified by local  
19 elected officials, with voter approval. The legislature does not  
20 intend that all local option tax sources will be used by a single  
21 district, nor that each revenue source will necessarily be imposed to  
22 its maximum limit.

23        (3) Existing statewide motor vehicle fuel and special fuel taxes,  
24 at the distribution rates in effect on January 1, 2001, are not  
25 intended to be altered by this chapter.

26        **Sec. 6.** RCW 36.120.060 and 2002 c 56 s 106 are each amended to  
27 read as follows:

28        (1) The planning committee shall consider the following criteria  
29 for selecting transportation projects to improve corridor performance:

30        (a) Reduced level of congestion and improved safety;

31        (b) Improved travel time;

32        (c) Improved air quality;

33        (d) Increases in daily and peak period person and vehicle trip  
34 capacity;

35        (e) Reductions in person and vehicle delay;

36        (f) Improved personal mobility;

1       (g) Improved freight mobility; and

2       ~~((g))~~ (h) Cost-effectiveness of the investment.

3       (2) These criteria represent only minimum standards that must be  
4 considered in selecting transportation improvement projects. The board  
5 shall also consider rules and standards for benchmarks adopted by the  
6 transportation commission or its successor.

7       **Sec. 7.** RCW 36.120.070 and 2002 c 56 s 107 are each amended to  
8 read as follows:

9       Two or more contiguous county legislative authorities under RCW  
10 36.120.030(1) and a county or county legislative authorities under RCW  
11 36.120.030(2), upon receipt of the regional transportation investment  
12 plan under RCW 36.120.040, may ~~((certify the plan to the ballot,~~  
13 ~~including identification of the tax options))~~ submit to the voters of  
14 the proposed district a single ballot measure that approves formation  
15 of the district, approves the regional transportation investment plan,  
16 and approves the revenue sources necessary to ~~((fund))~~ finance the  
17 plan. ~~((County legislative authorities))~~ The planning committee may  
18 draft ~~((a ballot title,))~~ the ballot measure on behalf of the county  
19 legislative authorities, and the county legislative authorities may  
20 give notice as required by law for ballot measures, and perform other  
21 duties as required to ~~((put the plan before))~~ submit the measure to the  
22 voters of the proposed district for their approval or rejection ~~((as a~~  
23 ~~single ballot measure that both approves formation of the district and~~  
24 ~~approves the plan))~~. Counties may negotiate interlocal agreements  
25 necessary to implement the plan. The electorate will be the voters  
26 voting within the boundaries of the participating counties. A simple  
27 majority of the total persons voting on the single ballot measure ~~((to~~  
28 ~~approve the plan, establish the district, and approve the taxes and~~  
29 ~~fees))~~ is required for approval of the measure.

30       **Sec. 8.** RCW 36.120.090 and 2002 c 56 s 109 are each amended to  
31 read as follows:

32       (1) The governing board of a district consists of the members of  
33 the legislative authority of each member county, acting ex officio and  
34 independently. The secretary of transportation or the appropriate  
35 regional administrator of the department, as named by the secretary,

1 shall also serve as a nonvoting member of the board. For districts in  
2 counties under RCW 36.120.030(1), the governing board may elect an  
3 executive board of seven members to discharge the duties of the  
4 governing board subject to the approval of the full governing board.

5 (2) A sixty-percent majority of the weighted votes of the total  
6 board membership is required to submit to the county or counties a  
7 modified plan under RCW 36.120.140 or any other proposal to be  
8 submitted to the voters. The county or counties may, with majority  
9 vote of each county legislative authority, submit a modified plan or  
10 proposal to the voters.

11 **Sec. 9.** RCW 36.120.140 and 2003 c 194 s 2 are each amended to read  
12 as follows:

13 (1) The board may modify the plan to change transportation projects  
14 or revenue sources if:

15 (a) For districts in counties under RCW 36.120.030(1), two or more  
16 participating counties adopt a resolution to modify the plan((+)) and  
17 ((+b)) the counties submit to the voters in the district a ballot  
18 measure that redefines the scope of the plan, its projects, its  
19 schedule, its costs, or the revenue sources;

20 (b) For districts in counties under RCW 36.120.030(2), the board  
21 adopts a resolution to modify the plan and the county or counties  
22 submit to the voters in the district a ballot measure that redefines  
23 the scope of the plan, its projects, its schedule, its costs, or the  
24 revenue sources.

25 If the voters of either type of district fail to approve the  
26 redefined plan, the district shall continue to work on and complete the  
27 plan, and the projects in it, that was originally approved by the  
28 voters. If the voters approve the redefined plan, the district shall  
29 work on and complete the projects under the redefined plan.

30 (2) The board may modify the plan to change transportation projects  
31 within a participating county if:

- 32 (a) A majority of the board approves the change;  
33 (b) The modifications are limited to projects within the county;  
34 (c) The county submits to the voters in the county a ballot measure  
35 that redefines:  
36 (i) Projects;

- 1 (ii) Scopes of projects; or
- 2 (iii) Costs; and
- 3 (iv) The financial plan for the county;
- 4 (d) The proposed modifications maintain the equity of the plan and
- 5 (~~does not~~) do not increase the total level of plan expenditure for
- 6 the county.

7 If the voters fail to approve the modified plan, the district shall  
8 continue to work on and complete the plan, and the projects in it, that  
9 was originally approved by the voters. If the voters approve the  
10 redefined plan, the district shall work on and complete the projects  
11 under the redefined plan.

12 (3) If a transportation project cost exceeds its original cost by  
13 more than twenty percent as identified in the plan:

14 (a) The board shall, in coordination with the county legislative  
15 authorities, submit to the voters in the district or county a ballot  
16 measure that redefines the scope of the transportation project, its  
17 schedule, or its costs. If the voters fail to approve the redefined  
18 transportation project, the district shall terminate work on that  
19 transportation project, except that the district may take reasonable  
20 steps to use, preserve, or connect any improvement already constructed.  
21 The remainder of any funds that would otherwise have been expended on  
22 the terminated transportation project must first be used to retire any  
23 outstanding debt attributable to the plan and then may be used to  
24 implement the remainder of the plan.

25 (b) Alternatively for districts in counties under RCW  
26 36.120.030(1), upon adoption of a resolution by two or more  
27 participating counties:

28 (i) The counties shall submit to the voters in the district a  
29 ballot measure that redefines the scope of the plan, its transportation  
30 projects, its schedule, or its costs. If the voters fail to approve  
31 the redefined plan, the district shall terminate work on that plan,  
32 except that the district may take reasonable steps to use, preserve, or  
33 connect any improvement already constructed. The remainder of any  
34 funds must be used to retire any outstanding debt attributable to the  
35 plan; or

36 (ii) The counties may elect to have the district continue the

1 transportation project without submitting an additional ballot proposal  
2 to the voters.

3 (4) To assure accountability to the public for the timely  
4 construction of the transportation improvement project or projects  
5 within cost projections, the district shall issue a report, at least  
6 annually, to the public and copies of the report to newspapers of  
7 record in the district. In the report, the district shall indicate the  
8 status of transportation project costs, transportation project  
9 expenditures, revenues, and construction schedules. The report may  
10 also include progress towards meeting the performance criteria provided  
11 under this chapter.

12 **Sec. 10.** RCW 36.120.190 and 2002 c 56 s 201 are each amended to  
13 read as follows:

14 For districts in counties under RCW 36.120.030(1), at the option of  
15 the planning committee, and with the explicit approval of the regional  
16 transit authority, the participating counties may choose to impose any  
17 remaining high capacity transportation taxes under chapter 81.104 RCW  
18 that have not otherwise been used by a regional transit authority and  
19 submit to the voters a common ballot measure that creates the district,  
20 approves the regional transportation investment plan, implements the  
21 taxes, and implements any remaining high capacity transportation taxes  
22 within the boundaries of the regional transportation investment  
23 district. Collection and expenditures of any high capacity  
24 transportation taxes implemented under this section must be determined  
25 by agreement between the participating counties or district and the  
26 regional transit authority electing to submit high capacity  
27 transportation taxes to the voters under a common ballot measure as  
28 provided in this section. If the measure fails, all such unused high  
29 capacity transportation taxes revert back to and remain with the  
30 regional transit authority. A project constructed with this funding is  
31 not considered a "transportation project" under RCW 36.120.020.

32 **Sec. 11.** RCW 36.120.200 and 2002 c 56 s 401 are each amended to  
33 read as follows:

34 The regional transportation investment district account is created  
35 in the custody of the state treasurer. The purpose of this account is

1 to act as an account into which may be deposited state money, if any,  
2 that may be used in conjunction with district money to fund  
3 transportation projects. Additionally, ~~((the))~~ districts may deposit  
4 funds into this account for disbursement, as appropriate, on  
5 transportation projects. Nothing in this section requires any state  
6 matching money. All money deposited in the regional transportation  
7 investment district account will be used for design, right of way  
8 acquisition, capital acquisition, and construction, or for the payment  
9 of debt service associated with these activities, for regionally funded  
10 transportation projects developed under this chapter. Only the  
11 district may authorize expenditures from the account. The account is  
12 subject to allotment procedures under chapter 43.88 RCW. An  
13 appropriation is not required for expenditures from this account.

14 NEW SECTION. **Sec. 12.** A new section is added to chapter 36.120  
15 RCW to read as follows:

16 Notwithstanding any provision to the contrary in this chapter, a  
17 regional transportation investment district may impose vehicle tolls on  
18 local and regional arterials with the approval of the transportation  
19 commission, or its successor, and upon approval of a majority of the  
20 voters voting on a regional transportation investment plan ballot  
21 measure within its boundaries as authorized in this chapter. These  
22 tolls may be imposed to generate revenue to fund the regional  
23 transportation investment plan.

24 **Sec. 13.** RCW 47.56.076 and 2002 c 56 s 403 are each amended to  
25 read as follows:

26 With the approval of the transportation commission, or its  
27 successor, and upon approval of a majority of the voters within its  
28 boundaries voting on the ballot proposition, and only for the purposes  
29 authorized in RCW 36.120.050(1)~~((+f))~~ (h), a regional transportation  
30 investment district may impose vehicle tolls on a state ~~((routes where~~  
31 improvements financed in whole or in part by a regional transportation  
32 investment district add additional lanes to, or reconstruct lanes on,  
33 a highway of statewide significance)) or federal highway within the  
34 boundaries of the district. The department shall administer the  
35 collection of vehicle tolls on designated facilities unless otherwise

1 specified in law or by contract, and the state transportation  
2 commission, or its successor, shall (~~be the tolling authority~~) set  
3 and impose the tolls in amounts sufficient to implement the regional  
4 transportation investment plan.

5 NEW SECTION. **Sec. 14.** A new section is added to chapter 47.56 RCW  
6 to read as follows:

7 Notwithstanding any provision to the contrary in this chapter, a  
8 regional transportation investment district may impose vehicle tolls on  
9 either Lake Washington bridge upon approval of a majority of the voters  
10 voting on a regional transportation investment plan ballot measure  
11 within its boundaries as authorized in chapter 36.120 RCW and RCW  
12 47.56.076.

13 **Sec. 15.** RCW 82.14.430 and 2002 c 56 s 405 are each amended to  
14 read as follows:

15 (1) If approved by the majority of the voters within its boundaries  
16 voting on the ballot proposition, a regional transportation investment  
17 district may impose a sales and use tax of up to (~~0.5~~) 0.2 percent of  
18 the selling price or value of the article used in the case of a use  
19 tax. The tax authorized by this section is in addition to the tax  
20 authorized by RCW 82.14.030 and must be collected from those persons  
21 who are taxable by the state under chapters 82.08 and 82.12 RCW upon  
22 the occurrence of any taxable event within the taxing district. Motor  
23 vehicles are exempt from the sales and use tax imposed under this  
24 subsection.

25 (2) If approved by the majority of the voters within its boundaries  
26 voting on the ballot proposition, a regional transportation investment  
27 district may impose a tax on the use of a motor vehicle within a  
28 regional transportation investment district. The tax applies to those  
29 persons who reside within the regional transportation investment  
30 district. The rate of the tax may not exceed (~~0.5~~) 0.2 percent of  
31 the value of the motor vehicle. The tax authorized by this subsection  
32 is in addition to the tax authorized under RCW 82.14.030 and must be  
33 imposed and collected at the time a taxable event under RCW  
34 82.08.020(1) or 82.12.020 takes place. All revenue received under this  
35 subsection must be deposited in the local sales and use tax account and

1 distributed to the regional transportation investment district  
2 according to RCW 82.14.050. The following provisions apply to the use  
3 tax in this subsection:

4 (a) Where persons are taxable under chapter 82.08 RCW, the seller  
5 shall collect the use tax from the buyer using the collection  
6 provisions of RCW 82.08.050.

7 (b) Where persons are taxable under chapter 82.12 RCW, the use tax  
8 must be collected using the provisions of RCW 82.12.045.

9 (c) "Motor vehicle" has the meaning provided in RCW 46.04.320, but  
10 does not include farm tractors or farm vehicles as defined in RCW  
11 46.04.180 and 46.04.181, off-road and nonhighway vehicles as defined in  
12 RCW 46.09.020, and snowmobiles as defined in RCW 46.10.010.

13 (d) "Person" has the meaning given in RCW 82.04.030.

14 (e) The value of a motor vehicle must be determined under RCW  
15 82.12.010.

16 (f) Except as specifically stated in this subsection (2), chapters  
17 82.12 and 82.32 RCW apply to the use tax. The use tax is a local tax  
18 imposed under the authority of chapter 82.14 RCW, and chapter 82.14 RCW  
19 applies fully to the use tax.

20 **Sec. 16.** RCW 82.80.010 and 2003 c 350 s 1 are each amended to read  
21 as follows:

22 (1) For purposes of this section:

23 (a) "Distributor" means every person who imports, refines,  
24 manufactures, produces, or compounds motor vehicle fuel and special  
25 fuel as defined in RCW 82.36.010 and 82.38.020, respectively, and sells  
26 or distributes the fuel into a county;

27 (b) "Person" has the same meaning as in RCW 82.04.030.

28 (2) 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 statewide  
32 motor vehicle fuel tax rate under RCW 82.36.025 on each gallon of motor  
33 vehicle fuel as defined in RCW 82.36.010 and on each gallon of special  
34 fuel as defined in RCW 82.38.020 sold within the boundaries of the  
35 county. Vehicles paying an annual license fee under RCW 82.38.075 are  
36 exempt from the county fuel excise tax. An election held under this

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

13 (3) The local option motor vehicle fuel tax on each gallon of motor  
14 vehicle fuel and on each gallon of special fuel is imposed upon the  
15 distributor of the fuel.

16 (4) A taxable event for the purposes of this section occurs upon  
17 the first distribution of the fuel within the boundaries of a county to  
18 a retail outlet, bulk fuel user, or ultimate user of the fuel.

19 (5) All administrative provisions in chapters 82.01, 82.03, and  
20 82.32 RCW, insofar as they are applicable, apply to local option fuel  
21 taxes imposed under this section.

22 (6) Before the effective date of the imposition of the fuel taxes  
23 under this section, a county shall contract with the department of  
24 revenue for the administration and collection of the taxes. The  
25 contract must provide that a percentage amount, not to exceed one  
26 percent of the taxes imposed under this section, will be deposited into  
27 the local tax administration account created in the custody of the  
28 state treasurer. The department of revenue may spend money from this  
29 account, upon appropriation, for the administration of the local taxes  
30 imposed under this section.

31 (7) The state treasurer shall distribute monthly to the levying  
32 county and cities contained therein the proceeds of the additional  
33 excise taxes collected under this section, after the deductions for  
34 payments and expenditures as provided in RCW 46.68.090(1) (a) and (b)  
35 and under the conditions and limitations provided in RCW 82.80.080.

36 (8) The proceeds of the additional excise taxes levied under this

1 section shall be used strictly for transportation purposes in  
2 accordance with RCW 82.80.070.

3 ~~((9) A county may not levy the tax under this section if they are  
4 levying the tax in RCW 82.80.110 or if they are a member of a regional  
5 transportation investment district levying the tax in RCW 82.80.120.))~~

6 **Sec. 17.** RCW 82.80.110 and 2003 c 350 s 2 are each amended to read  
7 as follows:

8 (1) For purposes of this section:

9 (a) "Distributor" means every person who imports, refines,  
10 manufactures, produces, or compounds motor vehicle fuel and special  
11 fuel as defined in RCW 82.36.010 and 82.38.020, respectively, and sells  
12 or distributes the fuel into a county;

13 (b) "Person" has the same meaning as in RCW 82.04.030.

14 (2) For purposes of dedication to a regional transportation  
15 investment district plan under chapter 36.120 RCW, subject to the  
16 conditions of this section, a county may levy additional excise taxes  
17 equal to ten percent of the statewide motor vehicle fuel tax rate under  
18 RCW 82.36.025 on each gallon of motor vehicle fuel as defined in RCW  
19 82.36.010 and on each gallon of special fuel as defined in RCW  
20 82.38.020 sold within the boundaries of the county. The additional  
21 excise tax is subject to the approval of the county's legislative body  
22 and a majority of the registered voters of the county voting on the  
23 proposition at a general or special election. An election held under  
24 this section must be held not more than twelve months before the date  
25 on which the proposed tax is to be levied. The ballot setting forth  
26 the proposition must state that the revenues from the tax will be used  
27 for a regional transportation investment district plan. The county's  
28 authority to levy additional excise taxes under this section includes  
29 the incorporated and unincorporated areas of the county. Vehicles  
30 paying an annual license fee under RCW 82.38.075 are exempt from the  
31 county fuel excise tax. The additional excise taxes are subject to the  
32 same exceptions and rights of refund as applicable to other motor  
33 vehicle fuel and special fuel excise taxes levied under chapters 82.36  
34 and 82.38 RCW. The proposed tax may not be levied less than one month  
35 from the date the election results are certified by the county election

1 officer. The commencement date for the levy of any tax under this  
2 section will be the first day of January, April, July, or October.

3 (3) The local option motor vehicle fuel tax on each gallon of motor  
4 vehicle fuel and on each gallon of special fuel is imposed upon the  
5 distributor of the fuel.

6 (4) A taxable event for the purposes of this section occurs upon  
7 the first distribution of the fuel within the boundaries of a county to  
8 a retail outlet, bulk fuel user, or ultimate user of the fuel.

9 (5) All administrative provisions in chapters 82.01, 82.03, and  
10 82.32 RCW, insofar as they are applicable, apply to local option fuel  
11 taxes imposed under this section.

12 (6) Before the effective date of the imposition of the fuel taxes  
13 under this section, a county shall contract with the department of  
14 revenue for the administration and collection of the taxes. The  
15 contract must provide that a percentage amount, not to exceed one  
16 percent of the taxes imposed under this section, will be deposited into  
17 the local tax administration account created in the custody of the  
18 state treasurer. The department of revenue may spend money from this  
19 account, upon appropriation, for the administration of the local taxes  
20 imposed under this section.

21 (7) The state treasurer shall distribute monthly to the county  
22 levying the tax as part of a regional transportation investment plan,  
23 after the deductions for payments and expenditures as provided in RCW  
24 46.68.090(1) (a) and (b).

25 (8) The proceeds of the additional taxes levied by a county in this  
26 section, to be used as a part of a regional transportation investment  
27 plan, must be used in accordance with chapter 36.120 RCW, but only for  
28 those areas that are considered "highway purposes" as that term is  
29 construed in Article II, section 40 of the state Constitution.

30 (9) A county may not levy the tax under this section if they are a  
31 member of a regional transportation investment district that is levying  
32 the tax in RCW 82.80.120 (~~or the county is levying the tax in RCW~~  
33 ~~82.80.010~~) if that tax is imposed at a rate exceeding three cents per  
34 gallon plus increases as provided for in RCW 82.80.120(3).

35 **Sec. 18.** RCW 82.80.120 and 2003 c 350 s 3 are each amended to read  
36 as follows:

1 (1) For purposes of this section:

2 (a) "Distributor" means every person who imports, refines,  
3 manufactures, produces, or compounds motor vehicle fuel and special  
4 fuel as defined in RCW 82.36.010 and 82.38.020, respectively, and sells  
5 or distributes the fuel into a ((county)) district;

6 (b) "Person" has the same meaning as in RCW 82.04.030;

7 (c) "District" means a regional transportation investment district  
8 under chapter 36.120 RCW.

9 (2) ~~((A regional transportation investment district under chapter  
10 36.120 RCW, subject to the conditions of this section, may levy  
11 additional excise taxes equal to ten percent of the statewide motor  
12 vehicle fuel tax rate under RCW 82.36.025 on each gallon of motor  
13 vehicle fuel as defined in RCW 82.36.010 and on each gallon of special  
14 fuel as defined in RCW 82.38.020 sold within the boundaries of the  
15 district. The additional excise tax is subject to the approval of a  
16 majority of the voters within the district boundaries.))~~ Subject to the  
17 conditions of this section, any district may levy, by inclusion within  
18 a district plan and approval of a majority of the registered voters of  
19 the district voting on the plan at a general or special election,  
20 additional excise taxes on each gallon of motor vehicle fuel as defined  
21 in RCW 82.36.010 and on each gallon of special fuel as defined in RCW  
22 82.38.020 sold within the boundaries of the district. The initial fuel  
23 tax imposed by the district may not exceed six cents per gallon;  
24 however, the tax rate may be increased each calendar year as provided  
25 in subsection (3) of this section without further voter approval.  
26 Vehicles paying an annual license fee under RCW 82.38.075 are exempt  
27 from the district's fuel excise tax. The additional excise taxes are  
28 subject to the same exceptions and rights of refund as applicable to  
29 other motor vehicle fuel and special fuel excise taxes levied under  
30 chapters 82.36 and 82.38 RCW. The proposed tax may not be levied less  
31 than one month from the date the election results are certified. The  
32 commencement date for the levy of any tax under this section will be  
33 the first day of January, April, July, or October.

34 (3) The tax rate implemented by the district may be increased  
35 annually on the first day of January of each year in an amount not to  
36 exceed the tax rate in effect multiplied by the forecast of the annual  
37 United States implicit price deflator for personal consumption for the

1 year the tax rate is to be increased, as adopted and published by the  
2 Washington state economic and revenue forecast council in September of  
3 the year before the increase of the tax rate. The resultant tax rate  
4 must be rounded to the nearest one-tenth of one percent.

5 (4) The local option motor vehicle fuel tax on each gallon of motor  
6 vehicle fuel and on each gallon of special fuel is imposed upon the  
7 distributor of the fuel.

8 ((+4)) (5) A taxable event for the purposes of this section occurs  
9 upon the first distribution of the fuel within the boundaries of the  
10 district to a retail outlet, bulk fuel user, or ultimate user of the  
11 fuel.

12 ((+5)) (6) All administrative provisions in chapters 82.01, 82.03,  
13 and 82.32 RCW, insofar as they are applicable, apply to local option  
14 fuel taxes imposed under this section.

15 ((+6)) (7) Before the effective date of the imposition of the fuel  
16 taxes under this section, a district shall contract with the department  
17 of revenue for the administration and collection of the taxes. The  
18 contract must provide that a percentage amount, not to exceed one  
19 percent of the taxes imposed under this section, will be deposited into  
20 the local tax administration account created in the custody of the  
21 state treasurer. The department of revenue may spend money from this  
22 account, upon appropriation, for the administration of the local taxes  
23 imposed under this section.

24 ((+7)) (8) The state treasurer shall distribute monthly to the  
25 district levying the tax as part of the regional transportation  
26 investment district plan, after the deductions for payments and  
27 expenditures as provided in RCW 46.68.090(1) (a) and (b).

28 ((+8)) (9) The proceeds of the additional taxes levied by a  
29 district in this section, to be used as a part of a regional  
30 transportation investment district plan, must be used in accordance  
31 with chapter 36.120 RCW, but only for those areas that are considered  
32 "highway purposes" as that term is construed in Article II, section 40  
33 of the state Constitution.

34 ((+9) A district may not levy the tax in this section if a member  
35 county is levying the tax in RCW 82.80.010 or 82.80.110.)

1        NEW SECTION.    **Sec. 19.**    A new section is added to chapter 82.80 RCW  
2 to read as follows:

3        (1)    The legislative authority of a regional transportation  
4 investment district may impose a charge based upon vehicle miles  
5 traveled. This charge may be, but is not limited to, a charge upon the  
6 vehicle miles traveled within the district by a vehicle, upon vehicle  
7 miles traveled within certain corridors in the district, or upon total  
8 vehicle miles traveled by a vehicle registered to a person whose legal  
9 residence is within the district.

10        (2)    Charges imposed may be collected either periodically in a  
11 manner prescribed by the district or annually by the department of  
12 licensing upon renewal of the vehicle license. The district may  
13 identify categories of miles driven that are subject to or exempt from  
14 the charge, including but not limited to, travel outside the district,  
15 travel in specified corridors, or exempt or maximum mileage charges.

16        (3)    The mileage charge under this section is subject to the  
17 approval of the transportation commission or its statutory successor  
18 and of a majority of the voters within the district boundaries voting  
19 on formation of the district. The mileage charge must be part of the  
20 investment plan of the district.

21        NEW SECTION.    **Sec. 20.**    If any provision of this act or its  
22 application to any person or circumstance is held invalid, the  
23 remainder of the act or the application of the provision to other  
24 persons or circumstances is not affected."

25        Correct the title.

EFFECT:    (1) Removes the authorization for RTIDs to impose a sales  
tax on motor fuel.

(2) Removes the limitation that prevents the RTID from imposing  
both the 6 cents/per gallon local option fuel tax and the mileage  
charge.

(3) Adds a section clarifying the reduction in sales and use tax  
from .5 percent to .2 percent.

(4) Harmonizes the 6-cent local option fuel tax with the current  
collection process and restricts use of revenues to highway purposes.

--- END ---