
Transportation Committee

HB 2231

Brief Description: Authorizing transportation financing alternatives.

Sponsors: Representatives Murray, Wallace, Cooper, Clibborn, Rockefeller, Simpson, Hudgins and Hankins.

Brief Summary of Bill

- Increases the motor vehicle and special fuel tax by three cents.
- Increases gross weight fees 15 percent for trucks over 10,000 pounds.
- Implements a vehicle transfer tax of six tenths of 1 percent.
- Implements a clean air fee of \$2 on vehicle registration renewals.

Hearing Date: 3/26/03

Staff: Jerry Long (786-7306).

Background:

Transportation funding in Washington is supported by a variety of taxes and fees. The majority of statewide transportation revenue comes from a 23 cent per gallon tax on motor vehicle and special fuel, vehicle licensing fees and gross weight fees.

The 18th Amendment to the Washington State Constitution requires that the motor fuel tax, which is currently twenty three cents, and vehicle licensing fees be deposited into the Motor Vehicle Fund. Monies in that fund may only be spent for highway purposes. "Highway purposes" includes highways, ferries, and park-and-ride lots, but excludes transit and rail.

Other transportation funding is not restricted by the 18th Amendment. Often referred to as "multimodal" or "flexible" funding, these monies be spent for any transportation purposes which would include transit and rail.

Prior to 2000 each owner of a motor vehicle paid a \$2 per vehicle clean air excise tax at the time of initial vehicle registration or renewal. Funds from this fee were used to implement provisions of the Clean Air Act

Summary of Bill:

Beginning July 1, 2003, the statewide motor vehicle fuel tax and special fuel tax is increased three cents per gallon. Revenues generated from this income must be deposited into the Motor Vehicle Account to be used for highway purposes.

The gross weight fee is increased 15 percent for trucks over 10,000 pounds. Revenues generated by the increase must be deposited in the Motor Vehicle Account to be used for highway purposes.

Beginning July 1, 2003, a vehicle transfer tax of six tenths of 1 percent is imposed upon the sales price or value of a vehicle when an ownership change occurs. The proceeds are deposited into the multimodal account and must be used for transportation purposes.

Beginning July 1, 2003, a clean air fee of \$2 is imposed on motor vehicles at the time of renewal. Funds from this fee must be deposited in the Air Pollution Control Account.

Appropriation: None.

Fiscal Note: Requested on March 25, 2003.

Effective Date: The bill takes effect on July 1, 2003.