SENATE BILL REPORT SB 5340

As Passed Senate, March 19, 2003

Title: An act relating to modifying the commute trip reduction program.

Brief Description: Modifying the commute trip reduction program.

Sponsors: Senators Horn, Haugen and T. Sheldon; by request of Governor Locke.

Brief History:

Committee Activity: Highways & Transportation: 2/18/03, 2/26/03 [DP, DNP].

Passed Senate: 3/19/03, 26-23.

SENATE COMMITTEE ON HIGHWAYS & TRANSPORTATION

Majority Report: Do pass.

Signed by Senators Horn, Chair; Benton, Vice Chair; Swecker, Vice Chair; Esser, Finkbeiner, Mulliken and Oke.

Minority Report: Do not pass.

Signed by Senators Haugen, Jacobsen; Kastama and Spanel.

Staff: Tami Neilson (786-7452)

Background: The Commute Trip Reduction (CTR) law was passed in 1991 and is incorporated into the Washington Clean Air Act. The goals of the program are to reduce traffic congestion, air pollution, and petroleum consumption through employer-based programs that decrease the number of commute trips made by single occupant drivers.

Currently, counties with a population over 150,000, and each city or town within those counties containing a major employer (100 or more full-time employees at a single worksite who begin their scheduled workday between 6:00 a.m. and 9:00 a.m.) must adopt by ordinance and implement a CTR plan for all major employers. Counties that do not meet these population requirements may, along with the cities and towns within the counties, elect to adopt and implement CTR plans. In addition, a CTR plan for state agencies must be developed, and each state agency must implement a CTR program for each facility that is a major employer.

At present, the state's nine largest counties are required to implement commute trip reduction plans designed to reduce the number of single occupant vehicle commute trips and commute trip vehicle miles traveled per employee.

Vehicles used for commuter ridesharing purposes as an element of a mandatory or voluntary CTR program qualify for exemptions from the retail sales tax, the use tax on vehicles weighing less than 10,000 pounds, and the motor vehicle excise tax (MVET). The MVET exemption is applied to the MVET levied by the regional transit authority and the city

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transportation authority. Major employers who own and operate these vehicles for use by their employees must certify that the ridesharing arrangement conforms to a carpool/vanpool element in their commute trip reduction program.

Summary of Bill: Counties with a population over 150,000, and each city and town within those counties containing a major employer are not required to adopt an ordinance and implement a CTR plan for all major employers.

To qualify for the retail sales tax, use tax, and MVET exemptions on vehicles used for commuter ridesharing purposes, major employers must certify that the commuter ridesharing arrangement either: (1) conforms to a carpool/vanpool element in their CTR program; or (2) is used primarily for van or carpooling purposes.

The CTR task force does not need to report to the Legislature on the effectiveness of business and occupation and public utilities tax credits.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill contains an emergency clause and takes effect on July 1, 2003.

Testimony For: The status quo cannot be maintained, given our current financial circumstances in the state.

Testimony Against: The program has been successful, and making it voluntary will weaken the results of the program. It currently removes 20,000 vehicles from the road each day. If it's voluntary, there will be fewer participants, and further air pollution will be released. Counties, cities, and towns cannot absorb the state's current funding level, and therefore, they are unlikely to implement a CTR program voluntarily. It is not cost effective for each company to set up a program.

Testified: PRO: Andrew Johnson, Governor's Office; CON: Donna Erwing, League of Women's Voters, Washington; Bill Roach, King County and CTR Task Force; Jamae Hoffman, City of Seattle Department of Transportation; Ted Horobioski, Arista Corporation; Aubrey Davis, Washington State Department of Transportation, Transportation Commission; Kevin Shively, Transportation Choices Coalition; Scott Merriman, Association of Counties; Sharon Wylie, C-Tran.

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