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**ENGROSSED SUBSTITUTE HOUSE BILL 1557**

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**State of Washington**

**58th Legislature**

**2003 Regular Session**

**By** House Committee on Transportation (originally sponsored by Representatives McDermott, Ericksen, Simpson, Armstrong, Lovick, Campbell, Sullivan, Dickerson, Cody and Santos)

READ FIRST TIME 03/10/03.

1           AN ACT Relating to the collection of voter-approved taxes by a city  
2 transportation authority; amending RCW 35.95A.120 and 35.95A.130;  
3 adding new sections to chapter 35.95A RCW; prescribing penalties; and  
4 declaring an emergency.

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

6           **Sec. 1.** RCW 35.95A.120 and 2002 c 248 s 13 are each amended to  
7 read as follows:

8           The city transportation authority may be dissolved by a vote of the  
9 people residing within the boundaries of the authority if the authority  
10 is faced with significant financial problems. However, the authority  
11 may covenant with holders of its bonds that it may not be dissolved and  
12 shall continue to exist solely for the purpose of continuing to levy  
13 and collect any taxes or assessments levied by it and pledged to the  
14 repayment of debt and to take other actions, including the appointment  
15 of a trustee, as necessary to allow it to repay any remaining debt. No  
16 such debt may be incurred by the authority on a project until thirty  
17 days after a final environmental impact statement on that project has  
18 been issued as required by chapter 43.21C RCW. Any referendum petition  
19 to dissolve the city transportation authority must be filed with the

1 city council and contain provisions for dissolution of the authority.  
2 Within seven days, the city prosecutor must review the validity of the  
3 petition and submit its report to the petitioner and city council. If  
4 the petitioner's claims are deemed valid by the city prosecutor, within  
5 ten days of the petitioner's filing, the city council will confer with  
6 the petitioner concerning the form and style of the petition, issue an  
7 identification number for the petition, and write a ballot title for  
8 the measure. The ballot title must be posed as a question and an  
9 affirmative vote on the measure results in authority retention and a  
10 negative vote on the measure results in the authority's dissolution.  
11 The petitioner will be notified of the identification number and ballot  
12 title within this ten-day period.

13 After this notification, the petitioner has ninety days in which to  
14 secure on petition forms, the signatures of not less than fifteen  
15 percent of the registered voters in the authority area and to file the  
16 signed petitions with the filing officer. Each petition form must  
17 contain the ballot title and the full text of the measure to be  
18 referred. The filing officer will verify the sufficiency of the  
19 signatures on the petitions. If sufficient valid signatures are  
20 properly submitted, the filing officer shall submit the initiative to  
21 the authority area voters at a general or special election held on one  
22 of the dates provided in RCW 29.13.010 as determined by the city  
23 council, which election will not take place later than one hundred  
24 twenty days after the signed petition has been filed with the filing  
25 officer.

26 **Sec. 2.** RCW 35.95A.130 and 2002 c 248 s 14 are each amended to  
27 read as follows:

28 The special excise tax imposed under RCW 35.95A.080(1) will be  
29 collected at the same time and in the same manner as (~~relicensing tab~~  
30 ~~fees under RCW 46.16.0621~~) under chapter 46.16 RCW and RCW 35.95A.090.  
31 The tax will not be imposed on vehicles previously registered in  
32 another state or nation when they are initially registered in this  
33 state. Every year on January 1st, April 1st, July 1st, and October 1st  
34 the department of licensing shall remit special excise taxes collected  
35 on behalf of an authority, back to the authority, at no cost to the  
36 authority. Valuation of motor vehicles for purposes of the special

1 excise tax imposed under RCW 35.95A.080(1) must be consistent with  
2 chapter 82.44 RCW.

3 NEW SECTION. **Sec. 3.** A new section is added to chapter 35.95A RCW  
4 to read as follows:

5 (1) It is a violation of this chapter for any resident of the  
6 authority area to register a motor vehicle owned by the resident  
7 outside the authority area where the registration is for the purpose of  
8 evading the collection of the special excise tax levied by the  
9 authority for the privilege of using a motor vehicle under RCW  
10 35.95A.080(1). When a violation of this chapter occurs, the resident  
11 of the authority area is subject to a civil penalty equal to three  
12 times the amount of the evaded special excise tax. For purposes of  
13 this subsection, each and every time a registration is made with the  
14 intent to evade the special excise tax constitutes a separate and  
15 distinct violation.

16 (2) A city transportation authority is authorized to impose civil  
17 penalties in accordance with this chapter and the procedural  
18 requirements providing for notice, hearing, and review contained in  
19 chapter 34.05 RCW. An authority shall adopt a formal policy to  
20 implement the required procedures.

21 (3) The penalty provided for in this section must be imposed by  
22 written notice to the person against whom the civil penalty is assessed  
23 and must describe the violation. The imposed penalty is due twenty-  
24 eight days after the mailing of the written notice unless an  
25 application for an adjudicative hearing is filed as provided for in  
26 chapter 34.05 RCW and an authority's implementing policy.

27 (4) In addition to other remedies provided by law, a city  
28 transportation authority may seek enforcement of a final order imposing  
29 the civil penalty by filing a petition for civil enforcement in  
30 accordance with RCW 34.05.578.

31 (5) Civil penalties collected must be placed into the general fund  
32 of a city transportation authority and used for any lawful purpose of  
33 the authority.

34 NEW SECTION. **Sec. 4.** A new section is added to chapter 35.95A RCW  
35 to read as follows:

36 (1) An authority implementing a transportation plan under this

1 chapter must be reviewed on a continuing basis by an independent  
2 oversight panel until construction on any segment approved by voters in  
3 2002 is complete. The panel is responsible for independent review,  
4 analysis, and comment on activities of the authority. These activities  
5 must include, but are not limited to administrative and contracting  
6 practices and review of project cost estimates, costs, risks, and  
7 schedules. To assist the panel in conducting its activities and  
8 analysis, the authority shall provide the panel all authority materials  
9 regarding financial risk analysis, materials associated with the  
10 interlocal agreement between the city and the authority, and any other  
11 materials related to the design, construction, operation, and financing  
12 of the public monorail transportation facility.

13 (2) The panel shall provide reports of its activities and findings  
14 at least quarterly during the first four years of its existence and  
15 then at least twice annually in subsequent years. The reports must be  
16 provided to the members of the board of the authority, the governor,  
17 the mayor and members of the legislative authority of the city in which  
18 it is located, and to the legislature.

19 (3) The panel consists of a minimum of eight members and a maximum  
20 of twelve. Initially, the panel consists of eight members with an  
21 equal number appointed by the governor and the mayor of the city in  
22 which the authority is created. Panel members shall serve at the  
23 pleasure of the appointing authority, and the panel shall elect a  
24 chair. The panel may be expanded upon agreement of both the governor  
25 and the mayor.

26 (4) The authority shall provide resources to support the panel and  
27 shall cooperate in the activities in which the panel is involved.

28 (5) Each member of the panel is eligible to be reimbursed for  
29 travel expenses in accordance with RCW 43.03.050 and 43.03.060 and to  
30 receive compensation as provided in RCW 43.03.250.

31 NEW SECTION. **Sec. 5.** This act is necessary for the immediate  
32 preservation of the public peace, health, or safety, or support of the  
33 state government and its existing public institutions, and takes effect  
34 immediately.

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