
HOUSE BILL 2531

State of Washington

58th Legislature

2004 Regular Session

By Representatives Murray, Wallace, McIntire, Dickerson, Hatfield, Rockefeller, Schual-Berke, Moeller, Chase, Conway and Wood

Read first time 01/15/2004. Referred to Committee on Transportation.

1 AN ACT Relating to regional transportation investment districts;
2 amending RCW 36.120.010, 36.120.020, 36.120.030, 36.120.040,
3 36.120.050, 36.120.060, 36.120.070, 36.120.090, 36.120.140, 36.120.190,
4 36.120.200, 47.56.076, 82.80.010, 82.80.110, and 82.80.120; adding a
5 new section to chapter 36.120 RCW; adding a new section to chapter
6 47.56 RCW; and adding a new section to chapter 82.14 RCW.

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

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

10 The legislature finds that:

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

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

17 (3) Providing a transportation system that provides efficient
18 mobility for persons and freight requires a shared partnership and

1 responsibility between the state, local, and regional governments and
2 the private sector; and

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

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

11 The definitions in this section apply throughout this chapter
12 unless the context clearly requires otherwise.

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

15 (2) "Department" means the Washington state department of
16 transportation.

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

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

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

29 (6) "Regional transportation investment district planning
30 committee" or "planning committee" means the advisory committee created
31 under RCW 36.120.030 to create and propose to county legislative
32 authorities a regional transportation investment plan to develop,
33 finance, and construct transportation projects. For counties specified
34 under RCW 36.120.030(2), the district may be less than county-wide;
35 however, a city must be wholly inside or outside the boundaries of the
36 district.

1 (7) "Regional transportation investment plan" or "plan" means a
2 plan to develop, construct, and finance a transportation project or
3 projects.

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

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

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

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

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

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

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

17 ~~(iii) Flyover ramps;~~

18 ~~(iv) Park and ride lots;~~

19 ~~(v) Bus pullouts;~~

20 ~~(vi) Vans for vanpools;~~

21 ~~(vii) Buses; and~~

22 ~~(viii) Signalization, ramp metering, and other transportation~~
23 ~~system management improvements.~~

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

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

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

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

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

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

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

10 ~~(d))~~ a project or program contained in the transportation plan of
11 the state or of a regional transportation planning organization,
12 including operations, preservation, and maintenance ((are excluded from
13 this definition and may not be included in a regional transportation
14 investment plan)) of the projects or programs.

15 (9) "Weighted vote" means a vote that reflects the population each
16 board or planning committee member represents relative to the
17 population represented by the total membership of the board or planning
18 committee. Population will be determined using the federal 2000 census
19 or subsequent federal census data.

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

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

24 (1) A county with a population over one million five hundred
25 thousand persons and any adjoining counties with a population over five
26 hundred thousand persons may create a regional transportation
27 investment district and shall convene a regional transportation
28 investment district planning committee. To proceed with developing a
29 plan, including submission of a plan to county legislative authorities
30 for placement on a ballot, at least two contiguous counties must be
31 included in the plan.

32 (2) For counties other than those counties specified in subsection
33 (1) of this section, the county legislative authority may create a
34 regional transportation investment district and shall convene a
35 regional transportation investment planning committee. Counties may by
36 resolution of each county's legislative authority create a district to
37 include more than one county.

1 (3) The members of the legislative authorities participating in
2 planning under this chapter shall serve as the district planning
3 committee. In addition, for counties planning under subsection (2) of
4 this section, the planning committee must also include mayors or city
5 council members of cities within the district so that the proportional
6 membership on the planning committee in terms of members with weighted
7 votes reflects the relative population of persons living within
8 incorporated areas in relation to the proportion of population living
9 in unincorporated areas. Members of the planning committee receive no
10 compensation, but may be reimbursed for travel and incidental expenses
11 as the planning committee deems appropriate.

12 The secretary of transportation, or the appropriate regional
13 administrator of the department, as named by the secretary, shall serve
14 on the committee as a nonvoting member.

15 (~~(3)~~) (4) A regional transportation investment district planning
16 committee may be entitled to state funding, as appropriated by the
17 legislature, for start-up funding to pay for salaries, expenses,
18 overhead, supplies, and similar expenses ordinarily and necessarily
19 incurred in selecting transportation projects and funding for those
20 transportation projects under this chapter. Upon creation of a
21 regional transportation investment district, the district shall within
22 one year reimburse the state for any sums advanced for these start-up
23 costs from the state.

24 (~~(4)~~) (5) The planning committee shall conduct its affairs and
25 formulate a regional transportation investment plan as provided under
26 RCW 36.120.040, except that (~~(it)~~) planning committees for counties
27 under subsection (1) of this section shall elect an executive board of
28 seven members to discharge the duties of the planning committee and
29 formulate a regional transportation investment plan, subject to the
30 approval of the full committee.

31 (~~(5)~~) (6) At its first meeting, a regional transportation
32 investment district planning committee may elect officers and provide
33 for the adoption of rules and other operating procedures.

34 (~~(6)~~) (7) Governance of and decisions by a regional
35 transportation investment district planning committee must be by a
36 sixty-percent weighted majority vote of the total membership.

37 (~~(7)~~) (8) The planning committee may dissolve itself at any time

1 by a two-thirds weighted majority vote of the total membership of the
2 planning committee.

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

5 (1) A regional transportation investment district planning
6 committee shall adopt a regional transportation investment plan
7 providing for the development, construction, and financing of
8 transportation projects. The planning committee may consider the
9 following factors in formulating its plan:

- 10 (a) Land use planning criteria;
- 11 (b) The input of cities located within a participating county; and
- 12 (c) The input of regional transportation planning organizations in
13 which a participating county is located. A regional transportation
14 planning organization in which a participating county is located shall
15 review its adopted regional transportation plan and submit, for the
16 planning committee's consideration, its list of transportation
17 improvement priorities.

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

23 (3) The planning committee shall:

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

26 (b) In counties identified in RCW 36.120.030(1), consult regularly
27 with, and seek input from, the county executive of each participating
28 county and the mayor and city legislative authority of the largest city
29 in each participating county and any other cities over one hundred
30 thousand in population;

31 (c) Adopt a plan proposing the:

- 32 (i) Creation of a regional transportation investment district; and
- 33 (ii) Construction of transportation projects to improve mobility
34 within each county(~~(. Operations, maintenance, and preservation of~~
35 ~~facilities or systems may not be part of the plan));~~

36 ((+e)) (d) Recommend sources of revenue authorized by RCW
37 36.120.050 and a financing plan to fund selected transportation

1 projects. The overall plan of the district must leverage the
2 district's financial contributions so that the federal, state, local,
3 and other revenue sources continue to fund major congestion relief and
4 (~~transportation capacity~~) mobility improvement projects in each
5 county and the district. A combination of local, state, and federal
6 revenues may be necessary to pay for transportation projects, and the
7 planning committee shall consider all of these revenue sources in
8 developing a plan.

9 (4) For counties under RCW 36.120.030(1), the plan must use tax
10 revenues and related debt for projects that generally benefit a
11 participating county in proportion to the general level of tax revenues
12 generated within that participating county. This equity principle
13 applies to all modifications to the plan, appropriation of contingency
14 funds not identified within the project estimate, and future phases of
15 the plan. During implementation of the plan, the board shall retain
16 the flexibility to manage distribution of revenues, debt, and project
17 schedules so that the district may effectively implement the plan.
18 Nothing in this section should be interpreted to prevent the district
19 from pledging district-wide tax revenues for payment of any contract or
20 debt entered into under RCW 36.120.130.

21 (5) Before adopting the plan, the planning committee, with
22 assistance from the department, shall work with the lead agency to
23 develop accurate cost forecasts for transportation projects. This
24 project costing methodology must be integrated with revenue forecasts
25 in developing the plan and must at a minimum include estimated project
26 costs in constant dollars as well as year of expenditure dollars, the
27 range of project costs reflected by the level of project design,
28 project contingencies, identification of mitigation costs, the range of
29 revenue forecasts, and project and plan cash flow and bond analysis.
30 The plan submitted to the voters must provide cost estimates for each
31 project, including reasonable contingency costs. Plans submitted to
32 the voters must provide that the maximum amount possible of the funds
33 raised will be used to fund projects in the plan, including
34 environmental improvements and mitigation, and that administrative
35 costs be minimized. If actual revenue exceeds actual plan costs, the
36 excess revenues must be used to retire any outstanding debt associated
37 with the plan.

1 (6) For counties under RCW 36.120.030(1), if a county opts not to
2 adopt the plan or participate in the regional transportation investment
3 district, but two or more contiguous counties do choose to continue to
4 participate, then the planning committee may, within ninety days,
5 redefine the regional transportation investment plan and the ballot
6 measure to be submitted to the people to reflect elimination of the
7 county, and submit the redefined plan to the legislative authorities of
8 the remaining counties for their decision as to whether to continue to
9 adopt the redefined plan and participate. This action must be
10 completed within sixty days after receipt of the redefined plan.

11 (7) Once adopted, the plan must be forwarded to the participating
12 county legislative authority or authorities to initiate the election
13 process under RCW 36.120.070. The planning committee shall at the same
14 time provide notice to each city and town within the district, the
15 governor, the chairs of the transportation committees of the
16 legislature, the secretary of transportation, and each legislator whose
17 legislative district is partially or wholly within the boundaries of
18 the district.

19 (8) If the ballot measure is not approved, the planning committee
20 may redefine the selected transportation projects, financing plan, and
21 the ballot measure. The county legislative authority or authorities
22 may approve the new plan and ballot measure, and may then submit the
23 revised proposition to the voters at the next election or a special
24 election. If no ballot measure is approved by the voters by the third
25 vote, the planning committee is dissolved.

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

28 (1) A regional transportation investment district planning
29 committee may, as part of a regional transportation investment plan,
30 recommend the imposition of some or all of the following revenue
31 sources, which a regional transportation investment district may impose
32 upon approval of the voters as provided in this chapter:

33 (a) A regional sales and use tax, as specified in RCW 82.14.430, of
34 up to (~~(0.5)~~) 0.2 percent of the selling price, in the case of a sales
35 tax, or value of the article used, in the case of a use tax, upon the
36 occurrence of any taxable event in the regional transportation

1 investment district. The proceeds of this tax may be spent only for
2 public transportation purposes, high-occupancy vehicle systems as
3 defined in RCW 81.100.020, and commute trip reduction programs;

4 (b) A local option vehicle license fee, as specified under RCW
5 82.80.100, of up to one hundred dollars per vehicle registered in the
6 district. As used in this subsection, "vehicle" means motor vehicle as
7 defined in RCW 46.04.320. Certain classes of vehicles, as defined
8 under chapter 46.04 RCW, may be exempted from this fee;

9 (c) A parking tax under RCW 82.80.030;

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

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

13 (f) A local option sales tax on fuel under section 15 of this act;

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

15 ((+g)) (h) With the approval of the transportation commission, or
16 its successor, vehicle tolls on ((new or reconstructed facilities)) a
17 local or regional arterial, state route, or federal highway within the
18 boundaries of the district. The plan must identify the facilities to
19 be tolled and the purpose of the toll. Unless otherwise specified by
20 law or contract, the department shall administer the collection of
21 vehicle tolls on designated facilities, and the state transportation
22 commission, or its successor, shall be the tolling authority.

23 (2) Taxes, fees, and tolls may not be imposed without an
24 affirmative vote of the majority of the voters within the boundaries of
25 the district voting on a ballot proposition as set forth in RCW
26 36.120.070. Revenues from these taxes and fees may be used only to
27 implement the plan as set forth in this chapter. A district may
28 contract with the state department of revenue or other appropriate
29 entities for administration and collection of any of the taxes or fees
30 authorized in this section.

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

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

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

- 1 (a) Reduced level of congestion and improved safety;
- 2 (b) Improved travel time;
- 3 (c) Improved air quality;
- 4 (d) Increases in daily and peak period person and vehicle trip
- 5 capacity;
- 6 (e) Reductions in person and vehicle delay;
- 7 (f) Improved personal mobility;
- 8 (g) Improved freight mobility; and
- 9 ~~((g))~~ (h) Cost-effectiveness of the investment.

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

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

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

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

33 (1) The governing board of a district consists of the members of
34 the legislative authority of each member county, acting ex officio and
35 independently. The secretary of transportation or the appropriate
36 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 counties submit to the
22 voters in the district a ballot measure that redefines the scope of the
23 plan, its projects, its schedule, its costs, or the revenue sources.

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

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

31 (a) A majority of the board approves the change;

32 (b) The modifications are limited to projects within the county;

33 (c) The county submits to the voters in the county a ballot measure
34 that redefines:

35 (i) Projects;

36 (ii) Scopes of projects; or

37 (iii) Costs; and

1 (iv) The financial plan for the county;

2 (d) The proposed modifications maintain the equity of the plan and
3 (~~does not~~) do not increase the total level of plan expenditure for
4 the county.

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

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

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

23 (b) Alternatively for districts in counties under RCW
24 36.120.030(1), upon adoption of a resolution by two or more
25 participating counties:

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

34 (ii) The counties may elect to have the district continue the
35 transportation project without submitting an additional ballot proposal
36 to the voters.

37 (4) To assure accountability to the public for the timely
38 construction of the transportation improvement project or projects

1 within cost projections, the district shall issue a report, at least
2 annually, to the public and copies of the report to newspapers of
3 record in the district. In the report, the district shall indicate the
4 status of transportation project costs, transportation project
5 expenditures, revenues, and construction schedules. The report may
6 also include progress towards meeting the performance criteria provided
7 under this chapter.

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

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

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

30 The regional transportation investment district account is created
31 in the custody of the state treasurer. The purpose of this account is
32 to act as an account into which may be deposited state money, if any,
33 that may be used in conjunction with district money to fund
34 transportation projects. Additionally, (~~the~~) districts may deposit
35 funds into this account for disbursement, as appropriate, on
36 transportation projects. Nothing in this section requires any state

1 matching money. All money deposited in the regional transportation
2 investment district account will be used for design, right of way
3 acquisition, capital acquisition, and construction, or for the payment
4 of debt service associated with these activities, for regionally funded
5 transportation projects developed under this chapter. Only the
6 district may authorize expenditures from the account. The account is
7 subject to allotment procedures under chapter 43.88 RCW. An
8 appropriation is not required for expenditures from this account.

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

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

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

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

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

1 Notwithstanding any provision to the contrary in this chapter, a
2 regional transportation investment district may impose vehicle tolls on
3 either Lake Washington bridge upon approval of a majority of the voters
4 voting on a regional transportation investment plan ballot measure
5 within its boundaries as authorized in chapter 36.120 RCW and RCW
6 47.56.076.

7 NEW SECTION. **Sec. 15.** A new section is added to chapter 82.14 RCW
8 to read as follows:

9 (1) A regional transportation investment district may impose a
10 sales and use tax on motor vehicle fuel and special fuel as defined in
11 RCW 82.36.010 and 82.36.020 in accordance with this chapter and with
12 RCW 36.120.050. The tax is in addition to other taxes authorized by
13 law upon the occurrence of any taxable event within the county. The
14 tax may not be collected from those persons who are taxable by the
15 state under chapters 82.08 and 82.12 RCW. The rate of tax may not
16 exceed 7.5 percent of the selling price in the case of a sales tax or
17 value of the article used in the case of a use tax and must be in one-
18 tenth percent increments. The tax is subject to the approval of a
19 majority of the voters voting on the tax.

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

29 (3) The state treasurer shall distribute revenues monthly to the
30 district levying the tax as part of the regional transportation
31 investment district plan.

32 (4) The proceeds of the additional taxes levied by a district in
33 this section, to be used as a part of a regional transportation
34 investment district plan, must be used in accordance with chapter
35 36.120 RCW.

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

3 (1) For purposes of this section:

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

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

9 (2) Subject to the conditions of this section, any county may levy,
10 by approval of its legislative body and a majority of the registered
11 voters of the county voting on the proposition at a general or special
12 election, additional excise taxes equal to ten percent of the statewide
13 motor vehicle fuel tax rate under RCW 82.36.025 on each gallon of motor
14 vehicle fuel as defined in RCW 82.36.010 and on each gallon of special
15 fuel as defined in RCW 82.38.020 sold within the boundaries of the
16 county. Vehicles paying an annual license fee under RCW 82.38.075 are
17 exempt from the county fuel excise tax. An election held under this
18 section must be held not more than twelve months before the date on
19 which the proposed tax is to be levied. The ballot setting forth the
20 proposition shall state the tax rate that is proposed. The county's
21 authority to levy additional excise taxes under this section includes
22 the incorporated and unincorporated areas of the county. The
23 additional excise taxes are subject to the same exceptions and rights
24 of refund as applicable to other motor vehicle fuel and special fuel
25 excise taxes levied under chapters 82.36 and 82.38 RCW. The proposed
26 tax shall not be levied less than one month from the date the election
27 results are certified by the county election officer. The commencement
28 date for the levy of any tax under this section shall be the first day
29 of January, April, July, or October.

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

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

36 (5) All administrative provisions in chapters 82.01, 82.03, and
37 82.32 RCW, insofar as they are applicable, apply to local option fuel
38 taxes imposed under this section.

1 (6) Before the effective date of the imposition of the fuel taxes
2 under this section, a county shall contract with the department of
3 revenue for the administration and collection of the taxes. The
4 contract must provide that a percentage amount, not to exceed one
5 percent of the taxes imposed under this section, will be deposited into
6 the local tax administration account created in the custody of the
7 state treasurer. The department of revenue may spend money from this
8 account, upon appropriation, for the administration of the local taxes
9 imposed under this section.

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

15 (8) The proceeds of the additional excise taxes levied under this
16 section shall be used strictly for transportation purposes in
17 accordance with RCW 82.80.070.

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

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

23 (1) For purposes of this section:

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

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

29 (2) For purposes of dedication to a regional transportation
30 investment district plan under chapter 36.120 RCW, subject to the
31 conditions of this section, a county may levy additional excise taxes
32 equal to ~~((ten))~~ twenty percent of the statewide motor vehicle fuel tax
33 rate under RCW 82.36.025 on each gallon of motor vehicle fuel as
34 defined in RCW 82.36.010 and on each gallon of special fuel as defined
35 in RCW 82.38.020 sold within the boundaries of the county. The
36 additional excise tax is subject to the approval of the county's
37 legislative body and a majority of the registered voters of the county

1 voting on the proposition at a general or special election. An
2 election held under this section must be held not more than twelve
3 months before the date on which the proposed tax is to be levied. The
4 ballot setting forth the proposition must state that the revenues from
5 the tax will be used for a regional transportation investment district
6 plan. The county's authority to levy additional excise taxes under
7 this section includes the incorporated and unincorporated areas of the
8 county. Vehicles paying an annual license fee under RCW 82.38.075 are
9 exempt from the county fuel excise tax. The additional excise taxes
10 are subject to the same exceptions and rights of refund as applicable
11 to other motor vehicle fuel and special fuel excise taxes levied under
12 chapters 82.36 and 82.38 RCW. The proposed tax may not be levied less
13 than one month from the date the election results are certified by the
14 county election officer. The commencement date for the levy of any tax
15 under this section will be the first day of January, April, July, or
16 October.

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

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

23 (5) All administrative provisions in chapters 82.01, 82.03, and
24 82.32 RCW, insofar as they are applicable, apply to local option fuel
25 taxes imposed under this section.

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

35 (7) The state treasurer shall distribute monthly to the county
36 levying the tax as part of a regional transportation investment plan,
37 after the deductions for payments and expenditures as provided in RCW
38 46.68.090(1) (a) and (b).

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

6 (9) A county may not levy the tax under this section if they are a
7 member of a regional transportation investment district that is levying
8 the tax in RCW 82.80.120 (~~or the county is levying the tax in RCW~~
9 ~~82.80.010~~)).

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

12 (1) For purposes of this section:

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

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

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

20 (2) A regional transportation investment district under chapter
21 36.120 RCW, subject to the conditions of this section, may levy
22 additional excise taxes equal to (~~ten~~) twenty percent of the
23 statewide motor vehicle fuel tax rate under RCW 82.36.025 on each
24 gallon of motor vehicle fuel as defined in RCW 82.36.010 and on each
25 gallon of special fuel as defined in RCW 82.38.020 sold within the
26 boundaries of the district. The additional excise tax is subject to
27 the approval of a majority of the voters within the district
28 boundaries. Vehicles paying an annual license fee under RCW 82.38.075
29 are exempt from the district's fuel excise tax. The additional excise
30 taxes are subject to the same exceptions and rights of refund as
31 applicable to other motor vehicle fuel and special fuel excise taxes
32 levied under chapters 82.36 and 82.38 RCW. The proposed tax may not be
33 levied less than one month from the date the election results are
34 certified. The commencement date for the levy of any tax under this
35 section will be the first day of January, April, July, or October.

36 (3) The local option motor vehicle fuel tax on each gallon of motor

1 vehicle fuel and on each gallon of special fuel is imposed upon the
2 distributor of the fuel.

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

7 (5) All administrative provisions in chapters 82.01, 82.03, and
8 82.32 RCW, insofar as they are applicable, apply to local option fuel
9 taxes imposed under this section.

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

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

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

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

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