

SSB 5177 - H COMM AMD
By Committee on Transportation

ADOPTED 04/22/2005

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

3 "NEW SECTION. **Sec. 1.** A new section is added to chapter 36.73 RCW
4 to read as follows:

5 The definitions in this section apply throughout this chapter
6 unless the context clearly requires otherwise.

7 (1) "District" means a transportation benefit district created
8 under this chapter.

9 (2) "City" means a city or town.

10 (3) "Transportation improvement" means a project contained in the
11 transportation plan of the state or a regional transportation planning
12 organization that is of statewide or regional significance. A project
13 may include investment in new or existing highways of statewide
14 significance, principal arterials of regional significance, high-
15 capacity transportation, public transportation, and other
16 transportation projects and programs of regional or statewide
17 significance including transportation demand management. Projects may
18 also include the operation, preservation, and maintenance of these
19 facilities or programs. Not more than forty percent of the revenues
20 generated by a district may be expended on city streets, county roads,
21 existing highways other than highways of statewide significance, and
22 the creation of a new highway that intersects with a highway of
23 statewide significance.

24 **Sec. 2.** RCW 36.73.010 and 1987 c 327 s 1 are each amended to read
25 as follows:

26 The legislature finds that the citizens of the state can benefit by
27 cooperation of the public and private sectors in addressing
28 transportation needs. This cooperation can be fostered through

1 enhanced capability for cities, towns, and counties to make and fund
2 transportation improvements necessitated by economic development and to
3 improve the performance of the transportation system.

4 It is the intent of the legislature to encourage joint efforts by
5 the state, local governments, and the private sector to respond to the
6 need for those transportation improvements on state highways, county
7 roads, and city streets. This goal can be better achieved by allowing
8 cities, towns, and counties to establish transportation benefit
9 districts in order to respond to the special transportation needs and
10 economic opportunities resulting from private sector development for
11 the public good. The legislature also seeks to facilitate the
12 equitable participation of private developers whose developments may
13 generate the need for those improvements in the improvement costs.

14 **Sec. 3.** RCW 36.73.020 and 1989 c 53 s 1 are each amended to read
15 as follows:

16 (1) The legislative authority of a county or city may establish
17 ~~((one or more))~~ a transportation benefit district~~((s))~~ within the
18 county or city area or within the area specified in subsection (2) of
19 this section, for the purpose of acquiring, constructing, improving,
20 providing, and funding ~~((any city street, county road, or state~~
21 ~~highway))~~ a transportation improvement within the district that is
22 ~~((1))~~ consistent with any existing state, regional, and local
23 transportation plans~~((, (2))~~) and necessitated by existing or
24 reasonably foreseeable congestion levels ~~((attributable to economic~~
25 ~~growth, and (3) partially funded by local government or private~~
26 ~~developer contributions, or a combination of such contributions))~~.
27 ~~((Such))~~ The transportation improvements shall be owned by the county
28 of jurisdiction if located in an unincorporated area, by the city of
29 jurisdiction if located in an incorporated area, or by the state in
30 cases where the transportation improvement is or becomes a state
31 highway~~((; and all such))~~. However, if deemed appropriate by the
32 governing body of the transportation benefit district, a transportation
33 improvement may be owned by a participating port district or transit
34 district, unless otherwise prohibited by law. Transportation
35 improvements shall be administered and maintained as other public
36 streets, roads, ~~((and))~~ highways, and transportation improvements.
37 ~~((The district may not include any area within the corporate limits of~~

1 ~~a city unless the city legislative authority has agreed to the~~
2 ~~inclusion pursuant to chapter 39.34 RCW. The agreement shall specify~~
3 ~~the area and such powers as may be granted to the benefit district.))~~
4 To the extent practicable, the district shall consider the following
5 criteria when selecting transportation improvements:

6 (a) Reduced risk of transportation facility failure and improved
7 safety;

8 (b) Improved travel time;

9 (c) Improved air quality;

10 (d) Increases in daily and peak period trip capacity;

11 (e) Improved modal connectivity;

12 (f) Improved freight mobility;

13 (g) Cost-effectiveness of the investment;

14 (h) Optimal performance of the system through time; and

15 (i) Other criteria, as adopted by the governing body.

16 (2) The district may include area within more than one county,
17 city, port district, county transportation authority, or public
18 transportation benefit area, if the legislative authority of each
19 participating jurisdiction has agreed to the inclusion as provided in
20 an interlocal agreement adopted pursuant to chapter 39.34 RCW.
21 However, the boundaries of the district shall include all territory
22 within the boundaries of the participating jurisdictions comprising the
23 district.

24 (3) The members of the ((county)) legislative authority proposing
25 to establish the district, acting ex officio and independently, shall
26 ((compose)) constitute the governing body of the district: PROVIDED,
27 That where a ((transportation benefit)) district includes ((any portion
28 of an incorporated city, town, or another county, the district may be
29 governed as provided in an interlocal agreement adopted pursuant to
30 chapter 39.34 RCW)) area within more than one jurisdiction under
31 subsection (2) of this section, the district shall be governed under an
32 interlocal agreement adopted pursuant to chapter 39.34 RCW. However,
33 the governing body shall be composed of at least five members including
34 at least one elected official from the legislative authority of each
35 participating jurisdiction.

36 (4) The ((county)) treasurer of the jurisdiction proposing to
37 establish the district shall act as the ex officio treasurer of the
38 district, unless an interlocal agreement states otherwise.

1 (5) The electors of the district shall all be registered voters
2 residing within the district. (~~For purposes of this section, the term~~
3 ~~"city" means both cities and towns.~~)

4 **Sec. 4.** RCW 36.73.040 and 1989 c 53 s 3 are each amended to read
5 as follows:

6 (1) A transportation benefit district is a quasi-municipal
7 corporation, an independent taxing "authority" within the meaning of
8 Article VII, section 1 of the state Constitution, and a "taxing
9 district" within the meaning of Article VII, section 2 of the state
10 Constitution.

11 (2) A transportation benefit district constitutes a body corporate
12 and possesses all the usual powers of a corporation for public purposes
13 as well as all other powers that may now or hereafter be specifically
14 conferred by statute, including, but not limited to, the authority to
15 hire employees, staff, and services, to enter into contracts, to
16 acquire, hold, and dispose of real and personal property, and to sue
17 and be sued. Public works contract limits applicable to the
18 jurisdiction that established the district (~~shall~~) apply to the
19 district.

20 (3) To carry out the purposes of this chapter, and subject to the
21 provisions of section 17 of this act, a district is authorized to
22 impose the following taxes, fees, charges, and tolls:

23 (a) A sales and use tax in accordance with section 15 of this act;

24 (b) A vehicle fee in accordance with section 16 of this act;

25 (c) A fee or charge in accordance with RCW 36.73.120. However, if
26 a county or city within the district area is levying a fee or charge
27 for a transportation improvement, the fee or charge shall be credited
28 against the amount of the fee or charge imposed by the district.
29 Developments consisting of less than twenty residences are exempt from
30 the fee or charge under RCW 36.73.120; and

31 (d) Vehicle tolls on state routes or federal highways, city
32 streets, or county roads, within the boundaries of the district, unless
33 otherwise prohibited by law. The department of transportation shall
34 administer the collection of vehicle tolls authorized on state routes
35 or federal highways, unless otherwise specified in law or by contract,
36 and the state transportation commission, or its successor, may approve,
37 set, and impose the tolls in amounts sufficient to implement the

1 district's transportation improvement finance plan. The district shall
2 administer the collection of vehicle tolls authorized on city streets
3 or county roads, and shall set and impose, only with approval of the
4 transportation commission, or its successor, the tolls in amounts
5 sufficient to implement the district's transportation improvement plan.

6 **Sec. 5.** RCW 36.73.050 and 1987 c 327 s 5 are each amended to read
7 as follows:

8 (1) ~~((A city or county))~~ The legislative ~~((authority))~~ authorities
9 proposing to establish a ~~((transportation benefit))~~ district, or to
10 modify the boundaries of an existing district, or to dissolve an
11 existing district~~((_))~~ shall conduct a hearing at the time and place
12 specified in a notice published at least once, not less than ten days
13 before the hearing, in a newspaper of general circulation within the
14 proposed district. Subject to the provisions of section 19 of this
15 act, the legislative ~~((authority))~~ authorities shall make provision for
16 a district to be automatically dissolved when all indebtedness of the
17 district has been retired and anticipated responsibilities have been
18 satisfied. This notice shall be in addition to any other notice
19 required by law to be published. The notice shall, where applicable,
20 specify the functions or activities proposed to be provided or funded,
21 or the additional functions or activities proposed to be provided or
22 funded, by the district. Additional notice of the hearing may be given
23 by mail, by posting within the proposed district, or in any manner the
24 ~~((city or county))~~ legislative ~~((authority deems))~~ authorities deem
25 necessary to notify affected persons. All hearings shall be public and
26 the ~~((city or county))~~ legislative ~~((authority))~~ authorities shall hear
27 objections from any person affected by the formation, modification of
28 the boundaries, or dissolution of the district.

29 (2) Following the hearing held pursuant to subsection (1) of this
30 section, the ~~((city or county))~~ legislative ~~((authority))~~ authorities
31 may establish a ~~((transportation benefit))~~ district, modify the
32 boundaries or functions of an existing district, or dissolve an
33 existing district, if the ~~((city or county))~~ legislative ~~((authority~~
34 ~~finds))~~ authorities find the action to be in the public interest and
35 ~~((adopts))~~ adopt an ordinance providing for the action. The ordinance
36 establishing a district shall specify the functions or activities to be
37 exercised or funded and establish the boundaries of the district. ~~((A~~

1 ~~district shall include only those areas which can reasonably be~~
2 ~~expected to benefit from improvements to be funded by the district.))~~
3 Subject to the provisions of section 18 of this act, functions or
4 activities proposed to be provided or funded by the district may not be
5 expanded beyond those specified in the notice of hearing, unless
6 additional notices are made, further hearings on the expansion are
7 held, and further determinations are made that it is in the public
8 interest to so expand the functions or activities proposed to be
9 provided or funded.

10 ~~((3) At any time before the city or county legislative authority~~
11 ~~establishes a transportation benefit district pursuant to this section,~~
12 ~~all further proceedings shall be terminated upon the filing of a~~
13 ~~verified declaration of termination signed by the owners of real~~
14 ~~property consisting of at least sixty percent of the assessed valuation~~
15 ~~in the proposed district.))~~

16 **Sec. 6.** RCW 36.73.060 and 1987 c 327 s 6 are each amended to read
17 as follows:

18 (1) A ~~((transportation benefit))~~ district may levy an ad valorem
19 property tax in excess of the one percent limitation upon the property
20 within the district for a one-year period whenever authorized by the
21 voters of the district pursuant to RCW 84.52.052 and Article VII,
22 section 2(a) of the state Constitution.

23 (2) A district may provide for the retirement of voter-approved
24 general obligation bonds, issued for capital purposes only, by levying
25 bond retirement ad valorem property tax levies in excess of the one
26 percent limitation whenever authorized by the voters of the district
27 pursuant to Article VII, section 2(b) of the state Constitution and RCW
28 84.52.056.

29 **Sec. 7.** RCW 36.73.070 and 1987 c 327 s 7 are each amended to read
30 as follows:

31 (1) To carry out the purposes of this chapter and notwithstanding
32 RCW 39.36.020(1), a ~~((transportation benefit))~~ district may issue
33 general obligation bonds, not to exceed an amount, together with any
34 other outstanding nonvoter-approved general obligation indebtedness,
35 equal to ~~((three-eighths of))~~ one and one-half percent of the value of
36 taxable property within the district, as the term "value of taxable

1 property" is defined in RCW 39.36.015. A district may additionally
2 issue general obligation bonds for capital purposes only, together with
3 any outstanding general obligation indebtedness, not to exceed an
4 amount equal to (~~one and one fourth~~) five percent of the value of the
5 taxable property within the district, as the term "value of taxable
6 property" is defined in RCW 39.36.015, when authorized by the voters of
7 the district pursuant to Article VIII, section 6 of the state
8 Constitution, and (~~to~~) may also provide for the retirement thereof by
9 excess property tax levies as provided in RCW 36.73.060(2). The
10 district may, if applicable, submit a single proposition to the voters
11 that, if approved, authorizes both the issuance of the bonds and the
12 bond retirement property tax levies.

13 (2) General obligation bonds with a maturity in excess of forty
14 years shall not be issued. The governing body of the (~~transportation~~
15 ~~benefit~~) district shall by resolution determine for each general
16 obligation bond issue the amount, date, terms, conditions,
17 denominations, maximum fixed or variable interest rate or rates,
18 maturity or maturities, redemption rights, registration privileges,
19 manner of execution, manner of sale, callable provisions, if any,
20 covenants, and form, including registration as to principal and
21 interest, registration as to principal only, or bearer. Registration
22 may include, but not be limited to: (a) A book entry system of
23 recording the ownership of a bond whether or not physical bonds are
24 issued; or (b) recording the ownership of a bond together with the
25 requirement that the transfer of ownership may only be effected by the
26 surrender of the old bond and either the reissuance of the old bond or
27 the issuance of a new bond to the new owner. Facsimile signatures may
28 be used on the bonds and any coupons. Refunding general obligation
29 bonds may be issued in the same manner as general obligation bonds are
30 issued.

31 (3) Whenever general obligation bonds are issued to fund specific
32 projects or enterprises that generate revenues, charges, user fees, or
33 special assessments, the (~~transportation benefit~~) district (~~which~~
34 ~~issues the bonds~~) may specifically pledge all or a portion of the
35 revenues, charges, user fees, or special assessments to refund the
36 general obligation bonds. The district may also pledge any other
37 revenues that may be available to the district.

1 (4) In addition to general obligation bonds, a district may issue
2 revenue bonds to be issued and sold in accordance with chapter 39.46
3 RCW.

4 **Sec. 8.** RCW 36.73.080 and 1987 c 327 s 8 are each amended to read
5 as follows:

6 (1) A (~~transportation benefit~~) district may form a local
7 improvement district to provide any transportation improvement it has
8 the authority to provide, impose special assessments on all property
9 specially benefited by the transportation improvements, and issue
10 special assessment bonds or revenue bonds to fund the costs of the
11 transportation improvement. Local improvement districts shall be
12 created and administered, and assessments shall be made and collected,
13 in the manner and to the extent provided by law to cities and towns
14 pursuant to chapters 35.43, 35.44, 35.49, 35.50, 35.51, 35.53, and
15 35.54 RCW. However, the duties devolving upon the city or town
16 treasurer under these chapters shall be imposed upon the district
17 treasurer for the purposes of this section. A local improvement
18 district may only be formed under this section pursuant to the petition
19 method under RCW 35.43.120 and 35.43.125.

20 (2) The governing body of a (~~transportation benefit~~) district
21 shall by resolution establish for each special assessment bond issue
22 the amount, date, terms, conditions, denominations, maximum fixed or
23 variable interest rate or rates, maturity or maturities, redemption
24 rights, registration privileges, if any, covenants, and form, including
25 registration as to principal and interest, registration as to principal
26 only, or bearer. Registration may include, but not be limited to: (a)
27 A book entry system of recording the ownership of a bond whether or not
28 physical bonds are issued; or (b) recording the ownership of a bond
29 together with the requirement that the transfer of ownership may only
30 be effected by the surrender of the old bond and either the reissuance
31 of the old bond or the issuance of a new bond to the new owner.
32 Facsimile signatures may be used on the bonds and any coupons. The
33 maximum term of any special assessment bonds shall not exceed thirty
34 years beyond the date of issue. Special assessment bonds issued
35 pursuant to this section shall not be an indebtedness of the
36 (~~transportation benefit~~) district issuing the bonds, and the interest
37 and principal on the bonds shall only be payable from special

1 assessments made for the improvement for which the bonds were issued
2 and any local improvement guaranty fund that the (~~transportation~~
3 ~~benefit~~) district has created. The owner or bearer of a special
4 assessment bond or any interest coupon issued pursuant to this section
5 shall not have any claim against the (~~transportation benefit~~)
6 district arising from the bond or coupon except for the payment from
7 special assessments made for the improvement for which the bonds were
8 issued and any local improvement guaranty fund the (~~transportation~~
9 ~~benefit~~) district has created. The district issuing the special
10 assessment bonds is not liable to the owner or bearer of any special
11 assessment bond or any interest coupon issued pursuant to this section
12 for any loss occurring in the lawful operation of its local improvement
13 guaranty fund. The substance of the limitations included in this
14 subsection (2) shall be plainly printed, written, or engraved on each
15 special assessment bond issued pursuant to this section.

16 (3) Assessments shall reflect any credits given by a
17 (~~transportation benefit~~) district for real property or property right
18 donations made pursuant to RCW 47.14.030.

19 (4) The governing body may establish, administer, and pay
20 (~~moneys~~) money into a local improvement guaranty fund, in the manner
21 and to the extent provided by law to cities and towns under chapter
22 35.54 RCW, to guarantee special assessment bonds issued by the
23 (~~transportation benefit~~) district.

24 **Sec. 9.** RCW 36.73.100 and 1987 c 327 s 10 are each amended to read
25 as follows:

26 (1) The proceeds of any bond issued pursuant to RCW 36.73.070 or
27 36.73.080 may be used to pay costs incurred on (~~such~~) a bond issue
28 related to the sale and issuance of the bonds. (~~Such~~) These costs
29 include payments for fiscal and legal expenses, obtaining bond ratings,
30 printing, engraving, advertising, and other similar activities.

31 (2) In addition, proceeds of bonds used to fund capital projects
32 may be used to pay the necessary and related engineering,
33 architectural, planning, and inspection costs.

34 **Sec. 10.** RCW 36.73.110 and 1987 c 327 s 11 are each amended to
35 read as follows:

1 A (~~transportation benefit~~) district may accept and expend or use
2 gifts, grants, and donations.

3 **Sec. 11.** RCW 36.73.120 and 1988 c 179 s 7 are each amended to read
4 as follows:

5 (1) (~~A transportation benefit~~) Subject to the provisions in
6 section 17 of this act, a district may impose a fee or charge on the
7 construction or reconstruction of residential buildings, commercial
8 buildings, industrial buildings, or on any other building or building
9 space or appurtenance (~~thereto~~), or on the development, subdivision,
10 classification, or reclassification of land, only if done in accordance
11 with chapter 39.92 RCW.

12 (2) Any fee or charge imposed under this section shall be used
13 exclusively for transportation improvements constructed by a
14 (~~transportation benefit~~) district. The fees or charges (~~so~~)
15 imposed must be reasonably necessary as a result of the impact of
16 development, construction, or classification or reclassification of
17 land on identified transportation needs.

18 (3) (~~When fees or charges are imposed by a district within which~~
19 ~~there is more than one city or both incorporated and unincorporated~~
20 ~~areas, the legislative authority for each city in the district and the~~
21 ~~county legislative authority for the unincorporated area must approve~~
22 ~~the imposition of such fees or charges before they take effect.)) If a
23 county or city within the district area is levying a fee or charge for
24 a transportation improvement, the fee or charge shall be credited
25 against the amount of the fee or charge imposed by the district.~~

26 (4) Developments consisting of less than twenty residences are
27 exempt from the fee or charge under this section.

28 **Sec. 12.** RCW 36.73.130 and 1987 c 327 s 13 are each amended to
29 read as follows:

30 A (~~transportation benefit~~) district may exercise the power of
31 eminent domain to obtain property for its authorized purposes in the
32 same manner as authorized for the city or county legislative authority
33 that established the district.

34 **Sec. 13.** RCW 36.73.140 and 1987 c 327 s 14 are each amended to
35 read as follows:

1 A (~~transportation benefit~~) district has the same powers as a
2 county or city to contract for street, road, or state highway
3 improvement projects and to enter into reimbursement contracts provided
4 for in chapter 35.72 RCW.

5 **Sec. 14.** RCW 36.73.150 and 1987 c 327 s 15 are each amended to
6 read as follows:

7 The department of transportation, counties, (~~and~~) cities, and
8 other jurisdictions may give funds to (~~transportation benefit~~)
9 districts for the purposes of financing (~~street, road, or highway~~)
10 transportation improvements (~~projects~~) under this chapter.

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

13 (1) Subject to the provisions in section 17 of this act, a
14 transportation benefit district under chapter 36.73 RCW may fix and
15 impose a sales and use tax in accordance with the terms of this
16 chapter. The tax authorized in this section is in addition to any
17 other taxes authorized by law and shall be collected from those persons
18 who are taxable by the state under chapters 82.08 and 82.12 RCW upon
19 the occurrence of any taxable event within the boundaries of the
20 district. The rate of tax shall not exceed two-tenths of one percent
21 of the selling price in the case of a sales tax, or value of the
22 article used, in the case of a use tax. The tax may not be imposed for
23 a period exceeding ten years. This tax may be extended for a period
24 not exceeding ten years with an affirmative vote of the voters voting
25 at the election.

26 (2) Money received from the tax imposed under this section must be
27 spent in accordance with the requirements of chapter 36.73 RCW.

28 NEW SECTION. **Sec. 16.** A new section is added to chapter 82.80 RCW
29 to read as follows:

30 (1) Subject to the provisions of section 17 of this act, a
31 transportation benefit district under chapter 36.73 RCW may fix and
32 impose an annual vehicle fee, not to exceed one hundred dollars per
33 vehicle registered in the district, for each vehicle subject to license
34 tab fees under RCW 46.16.0621 and for each vehicle subject to gross

1 weight fees under RCW 46.16.070 with an unladen weight of six thousand
2 pounds or less.

3 (2) The department of licensing shall administer and collect the
4 fee. The department shall deduct a percentage amount, as provided by
5 contract, not to exceed one percent of the fees collected, for
6 administration and collection expenses incurred by it. The department
7 shall remit remaining proceeds to the custody of the state treasurer.
8 The state treasurer shall distribute the proceeds to the district on a
9 monthly basis.

10 (3) No fee under this section may be collected until six months
11 after approval by the district voters under section 17 of this act.

12 (4) The vehicle fee under this section applies only when renewing
13 a vehicle registration, and is effective upon the registration renewal
14 date as provided by the department of licensing.

15 (5) The following vehicles are exempt from the fee under this
16 section:

17 (a) Farm tractors or farm vehicles as defined in RCW 46.04.180 and
18 46.04.181;

19 (b) Off-road and nonhighway vehicles as defined in RCW 46.09.020;

20 (c) Vehicles registered under chapter 46.87 RCW and the
21 international registration plan; and

22 (d) Snowmobiles as defined in RCW 46.10.010.

23 NEW SECTION. **Sec. 17.** A new section is added to chapter 36.73 RCW
24 to read as follows:

25 (1) Taxes, fees, charges, and tolls may not be imposed by a
26 district without approval of a majority of the voters in the district
27 voting on a proposition at a general or special election. The
28 proposition must include a specific description of the transportation
29 improvement or improvements proposed by the district and the proposed
30 taxes, fees, charges, and the range of tolls imposed by the district to
31 raise revenue to fund the improvement or improvements.

32 (2) Voter approval under this section shall be accorded substantial
33 weight regarding the validity of a transportation improvement as
34 defined in section 1 of this act.

35 (3) A district may not increase any taxes, fees, charges, or range
36 of tolls imposed under this chapter once the taxes, fees, charges, or

1 tolls take effect, unless authorized by the district voters pursuant to
2 section 18 of this act.

3 NEW SECTION. **Sec. 18.** A new section is added to chapter 36.73 RCW
4 to read as follows:

5 (1) The district governing body shall develop a material change
6 policy to address major plan changes that affect project delivery or
7 the ability to finance the plan. The policy must at least address
8 material changes to cost, scope, and schedule, the level of change that
9 will require governing body involvement, and how the governing body
10 will address those changes. At a minimum, in the event that a
11 transportation improvement cost exceeds its original cost by more than
12 twenty percent as identified in a district's original finance plan, the
13 governing body shall hold a public hearing to solicit comment from the
14 public regarding how the cost change should be resolved.

15 (2) A district shall issue an annual report, indicating the status
16 of transportation improvement costs, transportation improvement
17 expenditures, revenues, and construction schedules, to the public and
18 to newspapers of record in the district.

19 NEW SECTION. **Sec. 19.** A new section is added to chapter 36.73 RCW
20 to read as follows:

21 Within thirty days of the completion of the construction of the
22 transportation improvement or series of improvements authorized by a
23 district, the district shall terminate day-to-day operations and exist
24 solely as a limited entity that oversees the collection of revenue and
25 the payment of debt service or financing still in effect, if any and to
26 carry out the requirements of section 18 of this act. The district
27 shall accordingly adjust downward its employees, administration, and
28 overhead expenses. Any taxes, fees, charges, or tolls imposed by the
29 district terminate when the financing or debt service on the
30 transportation improvement or series of improvements constructed is
31 completed and paid and notice is provided to the departments
32 administering the taxes. Any excess revenues collected must be
33 disbursed to the participating jurisdictions of the district in
34 proportion to their population, using population estimates prepared by
35 the office of financial management. The district shall dissolve itself
36 and cease to exist thirty days after the financing or debt service on

1 the transportation improvement, or series of improvements, constructed
2 is completed and paid. If there is no debt outstanding, then the
3 district shall dissolve within thirty days from completion of
4 construction of the transportation improvement or series of
5 improvements authorized by the district. Notice of dissolution must be
6 published in newspapers of general circulation within the district at
7 least three times in a period of thirty days. Creditors must file
8 claims for payment of claims due within thirty days of the last
9 published notice or the claim is extinguished.

10 **Sec. 20.** RCW 82.14.050 and 2003 c 168 s 201 and 2003 c 83 s 208
11 are each reenacted and amended to read as follows:

12 The counties, cities, and transportation authorities under RCW
13 82.14.045, public facilities districts under chapters 36.100 and 35.57
14 RCW, public transportation benefit areas under RCW 82.14.440, ~~((and))~~
15 regional transportation investment districts, and transportation
16 benefit districts under chapter 36.73 RCW shall contract, prior to the
17 effective date of a resolution or ordinance imposing a sales and use
18 tax, the administration and collection to the state department of
19 revenue, which shall deduct a percentage amount, as provided by
20 contract, not to exceed two percent of the taxes collected for
21 administration and collection expenses incurred by the department. The
22 remainder of any portion of any tax authorized by this chapter that is
23 collected by the department of revenue shall be deposited by the state
24 department of revenue in the local sales and use tax account hereby
25 created in the state treasury. Moneys in the local sales and use tax
26 account may be spent only for distribution to counties, cities,
27 transportation authorities, public facilities districts, public
28 transportation benefit areas, ~~((and))~~ regional transportation
29 investment districts, and transportation benefit districts imposing a
30 sales and use tax. All administrative provisions in chapters 82.03,
31 82.08, 82.12, and 82.32 RCW, as they now exist or may hereafter be
32 amended, shall, insofar as they are applicable to state sales and use
33 taxes, be applicable to taxes imposed pursuant to this chapter.
34 Counties, cities, transportation authorities, public facilities
35 districts, and regional transportation investment districts may not
36 conduct independent sales or use tax audits of sellers registered under
37 the streamlined sales tax agreement. Except as provided in RCW

1 43.08.190, all earnings of investments of balances in the local sales
2 and use tax account shall be credited to the local sales and use tax
3 account and distributed to the counties, cities, transportation
4 authorities, public facilities districts, public transportation benefit
5 areas, ~~((and))~~ regional transportation investment districts, and
6 transportation benefit districts monthly.

7 **Sec. 21.** RCW 82.14.060 and 1991 c 207 s 3 are each amended to read
8 as follows:

9 Monthly the state treasurer shall make distribution from the local
10 sales and use tax account to the counties, cities, transportation
11 authorities, ~~((and))~~ public facilities districts, and transportation
12 benefit districts the amount of tax collected on behalf of each taxing
13 authority, less the deduction provided for in RCW 82.14.050. The state
14 treasurer shall make the distribution under this section without
15 appropriation.

16 In the event that any ordinance or resolution imposes a sales and
17 use tax at a rate in excess of the applicable limits contained herein,
18 such ordinance or resolution shall not be considered void in toto, but
19 only with respect to that portion of the rate which is in excess of the
20 applicable limits contained herein.

21 **Sec. 22.** RCW 35.21.225 and 1989 c 53 s 2 are each amended to read
22 as follows:

23 ~~The legislative authority of a city may establish ((one or more~~
24 ~~transportation benefit districts within a city for the purpose of~~
25 ~~acquiring, constructing, improving, providing, and funding any city~~
26 ~~street, county road, or state highway improvement that is (1)~~
27 ~~consistent with state, regional, and local transportation plans, (2)~~
28 ~~necessitated by existing or reasonably foreseeable congestion levels~~
29 ~~attributable to economic growth, and (3) partially funded by local~~
30 ~~government or private developer contributions, or a combination of such~~
31 ~~contributions. Such transportation improvements shall be owned by the~~
32 ~~city of jurisdiction if located in an incorporated area, by the county~~
33 ~~of jurisdiction if located in an unincorporated area, or by the state~~
34 ~~in cases where the transportation improvement is or becomes a state~~
35 ~~highway; and all such transportation improvements shall be administered~~
36 ~~as other public streets, roads, and highways. The district may include~~

1 ~~any area within the corporate limits of another city if that city has~~
2 ~~agreed to the inclusion pursuant to chapter 39.34 RCW. The district~~
3 ~~may include any unincorporated area if the county legislative authority~~
4 ~~has agreed to the inclusion pursuant to chapter 39.34 RCW. The~~
5 ~~agreement shall specify the area and such other powers as may be~~
6 ~~granted to the benefit district.~~

7 ~~The members of the city legislative authority, acting ex officio~~
8 ~~and independently, shall compose the governing body of the district.~~
9 ~~The city treasurer shall act as the ex officio treasurer of the~~
10 ~~district: PROVIDED, That where a transportation benefit district~~
11 ~~includes any unincorporated area or portion of another city, the~~
12 ~~district may be governed as provided in an interlocal agreement adopted~~
13 ~~pursuant to chapter 39.34 RCW. The electors of the district shall all~~
14 ~~be registered voters residing within the district. For the purposes of~~
15 ~~this section, the term "city" means both cities and towns)) a~~
16 ~~transportation benefit district subject to the provisions of chapter~~
17 ~~36.73 RCW.~~

18 **Sec. 23.** RCW 47.56.075 and 2002 c 56 s 404 are each amended to
19 read as follows:

20 The ((department)) commission shall approve for construction only
21 such toll roads as the legislature specifically authorizes or such toll
22 facilities as are specifically sponsored by a regional transportation
23 investment district, transportation benefit district, city, town, or
24 county.

25 **Sec. 24.** RCW 82.80.030 and 2002 c 56 s 412 are each amended to
26 read as follows:

27 (1) Subject to the conditions of this section, the legislative
28 authority of a county, city, or district may fix and impose a parking
29 tax on all persons engaged in a commercial parking business within its
30 respective jurisdiction. A city or county may impose the tax only to
31 the extent that it has not been imposed by the district, and a district
32 may impose the tax only to the extent that it has not been imposed by
33 a city or county. The jurisdiction of a county, for purposes of this
34 section, includes only the unincorporated area of the county. The
35 jurisdiction of a city or district includes only the area within its
36 boundaries.

1 (2) In lieu of the tax in subsection (1) of this section, a city,
2 a county in its unincorporated area, or a district may fix and impose
3 a tax for the act or privilege of parking a motor vehicle in a facility
4 operated by a commercial parking business.

5 The city, county, or district may provide that:

6 (a) The tax is paid by the operator or owner of the motor vehicle;

7 (b) The tax applies to all parking for which a fee is paid, whether
8 paid or leased, including parking supplied with a lease of
9 nonresidential space;

10 (c) The tax is collected by the operator of the facility and
11 remitted to the city, county, or district;

12 (d) The tax is a fee per vehicle or is measured by the parking
13 charge;

14 (e) The tax rate varies with zoning or location of the facility,
15 the duration of the parking, the time of entry or exit, the type or use
16 of the vehicle, or other reasonable factors; and

17 (f) Tax exempt carpools, vehicles with handicapped decals, or
18 government vehicles are exempt from the tax.

19 (3) "Commercial parking business" as used in this section, means
20 the ownership, lease, operation, or management of a commercial parking
21 lot in which fees are charged. "Commercial parking lot" means a
22 covered or uncovered area with stalls for the purpose of parking motor
23 vehicles.

24 (4) The rate of the tax under subsection (1) of this section may be
25 based either upon gross proceeds or the number of vehicle stalls
26 available for commercial parking use. The rates charged must be
27 uniform for the same class or type of commercial parking business.

28 (5) The county, city, or district levying the tax provided for in
29 subsection (1) or (2) of this section may provide for its payment on a
30 monthly, quarterly, or annual basis. Each local government may develop
31 by ordinance or resolution rules for administering the tax, including
32 provisions for reporting by commercial parking businesses, collection,
33 and enforcement.

34 (6) The proceeds of the commercial parking tax fixed and imposed by
35 a city or county under subsection (1) or (2) of this section shall be
36 used (~~strictly~~) for transportation purposes in accordance with RCW
37 82.80.070 or for transportation improvements in accordance with chapter

1 36.73 RCW. The proceeds of the parking tax imposed by a district must
2 be used as provided in chapter 36.120 RCW.

3 NEW SECTION. **Sec. 25.** A new section is added to chapter 47.56 RCW
4 to read as follows:

5 Subject to the provisions under chapter 36.73 RCW, a transportation
6 benefit district may authorize vehicle tolls on state routes or federal
7 highways, city streets, or county roads, within the boundaries of the
8 district, unless otherwise prohibited by law. The department of
9 transportation shall administer the collection of vehicle tolls
10 authorized on state routes or federal highways, unless otherwise
11 specified in law or by contract, and the state transportation
12 commission, or its successor, may approve, set, and impose the tolls in
13 amounts sufficient to implement the district's transportation
14 improvement finance plan. The district shall administer the collection
15 of vehicle tolls authorized on city streets or county roads, and shall
16 set and impose the tolls, only with approval of the transportation
17 commission, in amounts sufficient to implement the district's
18 transportation improvement plan. Tolls may vary for type of vehicle,
19 for time of day, for traffic conditions, and/or other factors designed
20 to improve performance of the facility or the transportation network.

21 NEW SECTION. **Sec. 26.** This act takes effect August 1, 2005."

SSB 5177 - H COMM AMD
By Committee on Transportation

ADOPTED 04/22/2005

22 On page 1, line 1 of the title, after "districts;" strike the
23 remainder of the title and insert "amending RCW 36.73.010, 36.73.020,
24 36.73.040, 36.73.050, 36.73.060, 36.73.070, 36.73.080, 36.73.100,
25 36.73.110, 36.73.120, 36.73.130, 36.73.140, 36.73.150, 82.14.060,
26 35.21.225, 47.56.075, and 82.80.030; reenacting and amending RCW
27 82.14.050; adding new sections to chapter 36.73 RCW; adding a new
28 section to chapter 82.14 RCW; adding a new section to chapter 82.80

1 RCW; adding a new section to chapter 47.56 RCW; and providing an
2 effective date."

--- END ---