

# SENATE BILL REPORT

## SHB 2591

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As Reported By Senate Committee On:  
Transportation, February 23, 2006

**Title:** An act relating to special fuel taxes.

**Brief Description:** Providing an exemption from special fuel taxes for regional transit authorities.

**Sponsors:** House Committee on Transportation (originally sponsored by Representatives B. Sullivan, Blake, Roberts and Lovick).

**Brief History:** Passed House: 2/10/06, 97-1.

**Committee Activity:** Transportation: 2/22/06, 2/23/06 [DP].

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### SENATE COMMITTEE ON TRANSPORTATION

**Majority Report:** Do pass.

Signed by Senators Haugen, Chair; Jacobsen, Vice Chair; Poulsen, Vice Chair; Benson, Ranking Minority Member; Benton, Berkey, Eide, Esser, Finkbeiner, Kastama, Mulliken, Oke, Sheldon, Spanel, Swecker and Weinstein.

**Staff:** David Ward (786-7341)

**Background:** Urban passenger transportation systems are exempt from paying state fuel taxes only if their direct or connecting bus routes do not exceed 25 miles beyond the corporate limits of the county where the vehicle trip started, and their principal source of revenue is derived from passenger fares. Regional transportation authorities are understood to meet the definition of urban passenger transportation system yet also provide and/or contract for bus routes that extend 25 miles or more beyond the county line.

**Summary of Bill:** The definition of urban passenger transportation system is modified to expressly include regional transit authorities authorized to provide public transportation services extending across the corporate limits between two or more counties. The definition is further modified to include any urban transportation provider that has farebox collections as a source of revenue.

Regional transit authorities are then exempted from paying state fuel taxes when operating direct and connecting bus routes extending further than 25 road miles beyond the corporate limits of the county where the buses' trips start.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** A recent audit of a local transit agency found certain routes were not exempt from paying the special fuel excise taxes because of the 25-mile statutory limit. This bill extends the same exemption to all transit providers with bus routes in excess of 25 miles.

**Testimony Against:** None.

**Who Testified:** PRO: Melanie Newman, Sound Transit.