
SENATE BILL 6872

State of Washington 59th Legislature 2006 Regular Session

By Senators Kohl-Welles, Poulsen and Kline

Read first time 01/30/2006. Referred to Committee on Transportation.

1 AN ACT Relating to transportation services provided by local
2 governments; amending RCW 35.95A.080, 35.95A.090, and 35.95A.120;
3 repealing RCW 35.95A.010, 35.95A.020, 35.95A.030, 35.95A.040,
4 35.95A.050, 35.95A.060, 35.95A.070, 35.95A.100, 35.95A.110, 35.95A.120,
5 and 35.95A.140; and providing an effective date.

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

7 **Sec. 1.** RCW 35.95A.080 and 2002 c 248 s 9 are each amended to read
8 as follows:

9 (1) Every ((authority)) city with a population of five hundred
10 sixty thousand or more, regional transit authority created pursuant to
11 RCW 81.112.030, or county with a population of one million or more has
12 the power to levy and collect a special excise tax not exceeding two
13 and one-half percent on the value of every motor vehicle owned by a
14 resident of ((the authority area)) a city with a population over five
15 hundred sixty thousand for the privilege of using a motor vehicle.
16 ((Before utilization of any excise tax money collected under this
17 section for acquisition of right of way or construction of a public
18 monorail transportation facility on a separate right of way, the
19 authority must adopt rules affording the public an opportunity for

1 ~~corridor public hearings and design public hearings, which provide in~~
2 ~~detail the procedures necessary for public participation in the~~
3 ~~following instances:— (a) Prior to adoption of location and design~~
4 ~~plans having a substantial social, economic, or environmental effect~~
5 ~~upon the locality upon which they are to be constructed; or (b) on the~~
6 ~~public transportation facilities operating on a separate right of way~~
7 ~~whenever a substantial change is proposed relating to location or~~
8 ~~design in the adopted plan.— In adopting rules the authority must~~
9 ~~adhere to the provisions of the administrative procedure act.~~

10 ~~(2) A "corridor public hearing" is a public hearing that:— (a) Is~~
11 ~~held before the authority is committed to a specific route proposal for~~
12 ~~the public transportation facility, and before a route location is~~
13 ~~established; (b) is held to afford an opportunity for participation by~~
14 ~~those interested in the determination of the need for, and the location~~
15 ~~of, the public transportation facility; and (c) provides a public forum~~
16 ~~that affords a full opportunity for presenting views on the public~~
17 ~~transportation facility route location, and the social, economic, and~~
18 ~~environmental effects on that location and alternate locations.~~
19 ~~However, the hearing is not deemed to be necessary before adoption of~~
20 ~~a transportation plan as provided in section 7 of this act or a vote of~~
21 ~~the qualified electors under subsection (5) of this section.~~

22 ~~(3) A "design public hearing" is a public hearing that:— (a) Is~~
23 ~~held after the location is established but before the design is~~
24 ~~adopted; (b) is held to afford an opportunity for participation by~~
25 ~~those interested in the determination of major design features of the~~
26 ~~public monorail transportation facility; and (c) provides a public~~
27 ~~forum to afford a full opportunity for presenting views on the public~~
28 ~~transportation system design, and the social, economic, and~~
29 ~~environmental effects of that design and alternate designs, including~~
30 ~~people-mover technology)) The special excise tax levied and collected
31 by a city, regional transit authority, or county must be used solely
32 for the purpose of paying all or any part of the cost of acquiring,
33 designing, constructing, equipping, maintaining, operating, or
34 contracting for the service thereof, of public high capacity rapid
35 transportation facilities west of any major interstate and high
36 capacity transportation facility in existence on or under construction
37 as of the effective date of this act, within the city. The special
38 excise tax may also be used to pay or secure the payment of all or part~~

1 of the principal of or interest on any general obligation bonds or
2 revenue bonds issued for the construction of high capacity rapid
3 transportation purposes in the city, as described above.

4 ~~((4) An authority imposing))~~ (2) A jurisdiction authorized to
5 impose a tax under subsection (1) of this section may also impose a
6 sales and use tax, in addition to any tax authorized by RCW 82.14.030,
7 upon retail car rentals within the city that are taxable by the state
8 under chapters 82.08 and 82.12 RCW. The rate of tax must not exceed
9 1.944 percent of the base of the tax. The base of the tax will be the
10 selling price in the case of a sales tax or the rental value of the
11 vehicle used in the case of a use tax. The revenue collected under
12 this subsection will be distributed in the same manner as sales and use
13 taxes under chapter 82.14 RCW.

14 ~~((5))~~ (3) Before ~~((any authority))~~ a city, regional transit
15 authority, or county may impose any of the taxes authorized under this
16 section, the authorization for imposition of the taxes must be approved
17 by the qualified electors of the ~~((authority area))~~ city.

18 **Sec. 2.** RCW 35.95A.090 and 2002 c 248 s 10 are each amended to
19 read as follows:

20 (1) Every ~~((authority))~~ city with a population of five hundred
21 sixty thousand or more, regional transit authority created pursuant to
22 RCW 81.112.030, or county with a population of one million or more has
23 the power to fix and impose a fee, not to exceed one hundred dollars
24 per vehicle, for each vehicle that is subject to ~~((relicensing tab))~~
25 licensing fees under RCW 46.16.0621 and for each vehicle that is
26 subject to RCW 46.16.070 with an unladen weight of six thousand pounds
27 or less, and that is determined by the department of licensing to be
28 registered within the boundaries of the ~~((authority area))~~ city. ~~((The~~
29 ~~department of licensing must provide an exemption from the fee for any~~
30 ~~vehicle the owner of which demonstrates is not operated within the~~
31 ~~authority area.))~~

32 (2) The department of licensing will administer and collect the
33 fee. The department will deduct a percentage amount, as provided by
34 contract, not to exceed two percent of the taxes collected, for
35 administration and collection expenses incurred by it. The remaining
36 proceeds will be remitted to the custody of the state treasurer for

1 monthly distribution to the ((~~authority~~)) jurisdiction imposing the
2 fee.

3 (3) The ((~~authority~~)) jurisdiction imposing this fee will delay the
4 effective date at least six months from the date the fee is approved by
5 the qualified voters of the ((~~authority-area~~)) city to allow the
6 department of licensing to implement administration and collection of
7 the fee.

8 (4) Before any ((~~authority~~)) jurisdiction may impose any of the
9 fees authorized under this section, the authorization for imposition of
10 the fees must be approved by a majority of the qualified electors of
11 the ((~~authority-area~~)) city voting.

12 **Sec. 3.** RCW 35.95A.120 and 2003 c 147 s 14 are each amended to
13 read as follows:

14 (1) The city transportation authority may be dissolved by a vote of
15 the people residing within the boundaries of the authority if the
16 authority is faced with significant financial problems. However, the
17 authority may covenant with holders of its bonds that it may not be
18 dissolved and shall continue to exist solely for the purpose of
19 continuing to levy and collect any taxes or assessments levied by it
20 and pledged to the repayment of debt and to take other actions,
21 including the appointment of a trustee, as necessary to allow it to
22 repay any remaining debt. No such debt may be incurred by the
23 authority on a project until thirty days after a final environmental
24 impact statement on that project has been issued as required by chapter
25 43.21C RCW. The amount of the authority's initial bond issue is
26 limited to the amount of the project costs in the subsequent two years
27 as documented by a certified engineer or by submitted bids, plus any
28 reimbursable capital expenses already incurred at the time of the bond
29 issue. The authority may size the first bond issue consistent with the
30 internal revenue service five-year spend down schedule if an
31 independent financial advisor recommends such an approach is
32 financially advisable. Any referendum petition to dissolve the city
33 transportation authority must be filed with the city council and
34 contain provisions for dissolution of the authority. Within seven
35 days, the city prosecutor must review the validity of the petition and
36 submit its report to the petitioner and city council. If the
37 petitioner's claims are deemed valid by the city prosecutor, within ten

1 days of the petitioner's filing, the city council will confer with the
2 petitioner concerning the form and style of the petition, issue an
3 identification number for the petition, and write a ballot title for
4 the measure. The ballot title must be posed as a question and an
5 affirmative vote on the measure results in authority retention and a
6 negative vote on the measure results in the authority's dissolution.
7 The petitioner will be notified of the identification number and ballot
8 title within this ten-day period.

9 After this notification, the petitioner has ninety days in which to
10 secure on petition forms, the signatures of not less than fifteen
11 percent of the registered voters in the authority area and to file the
12 signed petitions with the filing officer. Each petition form must
13 contain the ballot title and the full text of the measure to be
14 referred. The filing officer will verify the sufficiency of the
15 signatures on the petitions. If sufficient valid signatures are
16 properly submitted, the filing officer shall submit the initiative to
17 the authority area voters at a general or special election held on one
18 of the dates provided in RCW (~~(29.13.010)~~) 29A.04.321 as determined by
19 the city council, which election will not take place later than one
20 hundred twenty days after the signed petition has been filed with the
21 filing officer.

22 (2) The governing body of a city transportation authority shall
23 dissolve the authority if a majority of the qualified electors voting
24 at a regular or special election has determined that no new public
25 monorail transportation facilities shall be built.

26 (a) Upon the governing body's approval of the dissolution of the
27 authority, the authority shall continue to exist solely for the
28 purposes of continuing to levy and collect any taxes or assessments
29 levied by it and pledged to the repayment of debt and taking other
30 actions necessary to allow the authority to satisfy any remaining
31 obligations and liabilities, liquidate any assets, and wind up the
32 affairs of the authority. Such actions may include, without
33 limitation:

34 (i) Appointing a trustee or other agent to liquidate the assets of
35 the authority, including by the exchange, sale, or other disposal of
36 all property, real and personal, of the authority;

37 (ii) Providing for the retention of the records of the authority
38 for the term required by law;

1 (iii) Defending or settling any claims against the authority;
2 (iv) Discharging or making provision for discharging the
3 liabilities of the authority; and
4 (v) Doing every other act necessary to wind up and liquidate the
5 business and affairs of the authority.

6 (b) A dissolved authority may dispose of the known claims against
7 it by following the procedure described in this subsection. The
8 dissolved authority shall notify its known claimants in writing of the
9 dissolution at any time after the governing body's approval of the
10 dissolution. The written notice must:

11 (i) Describe information that must be included in a claim;
12 (ii) Provide a mailing address where a claim may be sent;
13 (iii) State the deadline, which may not be fewer than one hundred
14 twenty days from the effective date of the written notice, by which the
15 dissolved authority must receive the claim; and
16 (iv) State that the claim will be barred if not received by the
17 deadline.

18 A claim against the dissolved authority is barred if a claimant who
19 was given written notice under this subsection (2)(b) does not deliver
20 the claim to the dissolved authority by the deadline; or if a claimant
21 whose claim was rejected by the dissolved authority does not commence
22 a proceeding to enforce the claim within ninety days from the effective
23 date of the rejection notice. For purposes of this subsection, "claim"
24 does not include a contingent liability or a claim based on an event
25 occurring after the governing body's approval of the dissolution.

26 (c) When the governing body determines that all debts of the
27 authority have been repaid, that all remaining obligations and
28 liabilities have been satisfied or adequately provided for, and the
29 period for claims to be made under (b) of this subsection has passed,
30 it shall cease levying and shall direct the cessation of collecting any
31 and all taxes and assessments as soon as practicable. Once the final
32 payment of any such taxes and assessments has been remitted to the
33 authority, the governing body shall transfer any net assets to one or
34 more other political subdivisions or governmental agencies selected by
35 the board of the authority with instructions as to their use or
36 disposition and shall terminate the authority.

37 (d) Upon the termination of the authority, the former officers,

1 directors, employees, and agents of the authority shall be immune from
2 personal liability in connection with any claims brought against them
3 in connection with their service to the authority.

4 NEW SECTION. **Sec. 4.** The following acts or parts of acts are each
5 repealed:

6 (1) RCW 35.95A.010 (Definitions) and 2002 c 248 s 1;

7 (2) RCW 35.95A.020 (Creation of authority--Vote of the people) and
8 2002 c 248 s 2;

9 (3) RCW 35.95A.030 (Creation by ordinance--Proposal by petition)
10 and 2002 c 248 s 3;

11 (4) RCW 35.95A.040 (Authority subject to standard requirements of
12 governmental entity) and 2002 c 248 s 4;

13 (5) RCW 35.95A.050 (Powers) and 2002 c 248 s 5;

14 (6) RCW 35.95A.060 (Funds and accounts--Designation of treasurer)
15 and 2002 c 248 s 6;

16 (7) RCW 35.95A.070 (Excess levies--General obligation bonds--
17 Revenue bonds) and 2002 c 248 s 8;

18 (8) RCW 35.95A.100 (Property tax levies) and 2002 c 248 s 11;

19 (9) RCW 35.95A.110 (Taxes and fees--Limitation on use) and 2002 c
20 248 s 12;

21 (10) RCW 35.95A.120 (Dissolution of authority) and 2003 c 147 s 14
22 & 2002 c 248 s 13; and

23 (11) RCW 35.95A.140 (Requirements for signage) and 2005 c 19 s 2.

24 NEW SECTION. **Sec. 5.** Sections 1, 2, and 4 of this act take effect
25 July 1, 2008.

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