
HOUSE BILL 2855

State of Washington

61st Legislature

2010 Regular Session

By Representatives Lias, Clibborn, White, Simpson, Williams, Nelson, Sells, Carlyle, Eddy, Dickerson, Upthegrove, Pedersen, Hunt, Chase, Morris, Darneille, Kenney, Cody, Moeller, and Maxwell

Read first time 01/15/10. Referred to Committee on Transportation.

1 AN ACT Relating to providing financing options for the operations
2 and capital needs of transit agencies; amending RCW 36.57.040,
3 35.92.060, 36.57A.090, 82.80.005, and 82.80.140; adding a new section
4 to chapter 35.58 RCW; adding a new section to chapter 82.80 RCW;
5 creating new sections; and providing expiration dates.

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

7 NEW SECTION. **Sec. 1.** The legislature recognizes that public
8 transportation provides many benefits to the citizens of the state and
9 the environment. For many, public transportation is the only
10 affordable way to get to a job, to connect with and participate in the
11 community, and to help reduce congestion on our roads. In these
12 challenging economic times, many transit agencies find themselves
13 struggling to meet the needs of the communities they serve. It is the
14 intent of the legislature to provide these transit agencies with a
15 temporary tool that can help address their revenue shortfalls during
16 this economic crisis, and to establish a statewide plan that will guide
17 future investments in public transportation.

1 **Sec. 2.** RCW 36.57.040 and 1982 c 10 s 6 are each amended to read
2 as follows:

3 Every county transportation authority created to perform the
4 function of public transportation pursuant to RCW 36.57.020 shall have
5 the following powers:

6 (1) To prepare, adopt, carry out, and amend a general comprehensive
7 plan for public transportation service.

8 (2) To acquire by purchase, condemnation, gift, or grant and to
9 lease, construct, add to, improve, replace, repair, maintain, operate,
10 and regulate the use of any transportation facilities and properties,
11 including terminal and parking facilities, together with all lands,
12 rights-of-way, property, equipment, and accessories necessary for such
13 systems and facilities.

14 (3) To fix rates, tolls, fares, and charges for the use of such
15 facilities and to establish various routes and classes of service.
16 Fares or charges may be adjusted or eliminated for any distinguishable
17 class of users including, but not limited to senior citizens,
18 (~~handicapped~~) persons with disabilities, and students.

19 (4)(a) To impose the following taxes, fees, and charges:

20 (i) A sales and use tax in accordance with RCW 82.14.045;

21 (ii) A vehicle fee in accordance with section 7 of this act;

22 (iii) An excise tax in accordance with RCW 35.95.040;

23 (iv) An employer tax in accordance with RCW 81.104.150; and

24 (v) A rental car tax in accordance with RCW 81.104.160.

25 (b) Except as provided in section 7(1) of this act, the taxes,
26 fees, and charges listed in (a) of this subsection may not be imposed
27 without approval of a majority of the voters within the boundaries of
28 the county transportation authority voting on a proposition at a
29 general or special election.

30 (5) If a county transit authority extends its transportation
31 function to any area in which service is already offered by any company
32 holding a certificate of public convenience and necessity from the
33 Washington utilities and transportation commission under RCW 81.68.040,
34 to acquire by purchase or condemnation at the fair market value, from
35 the person holding the existing certificate for providing the services,
36 that portion of the operating authority and equipment representing the
37 services within the area of public operation, or to contract with such

1 person or corporation to continue to operate such service or any part
2 thereof for time and upon such terms and conditions as provided by
3 contract.

4 ~~((+5))~~ (6)(a) To contract with the United States or any agency
5 thereof, any state or agency thereof, any metropolitan municipal
6 corporation, any other county, city, special district, or governmental
7 agency and any private person, firm, or corporation for the purpose of
8 receiving gifts or grants or securing loans or advances for preliminary
9 planning and feasibility studies, or for the design, construction,
10 operation, or maintenance of transportation facilities and ambulance
11 services: PROVIDED, That before the authority enters into any such
12 contract for the provision of ambulance service, it shall submit to the
13 voters a proposition authorizing such contracting authority, and a
14 majority of those voting thereon shall have approved the proposition;
15 and

16 (b) To contract with any governmental agency or with any private
17 person, firm, or corporation for the use by either contracting party of
18 all or any part of the facilities, structures, lands, interests in
19 lands, air rights over lands, and rights-of-way of all kinds which are
20 owned, leased, or held by the other party and for the purpose of
21 planning, constructing, or operating any facility or performing any
22 service related to transportation which the county is authorized to
23 operate or perform, on such terms as may be agreed upon by the
24 contracting parties: PROVIDED, That before any contract for the lease
25 or operation of any transportation facilities shall be let to any
26 private person, firm, or corporation, competitive bids shall first be
27 called for and contracts awarded in accord with the procedures
28 established in accord with RCW 36.32.240, 36.32.250, and 36.32.270.

29 ~~((+6))~~ (7) In addition to all other powers and duties, an
30 authority shall have the power to own, construct, purchase, lease, add
31 to, and maintain any real and personal property or property rights
32 necessary for the conduct of the affairs of the authority. An
33 authority may sell, lease, convey, or otherwise dispose of any
34 authority real or personal property no longer necessary for the conduct
35 of the affairs of the authority. An authority may enter into contracts
36 to carry out the provisions of this section.

1 **Sec. 3.** RCW 35.92.060 and 1995 c 42 s 1 are each amended to read
2 as follows:

3 (1) A city or town may also construct, condemn and purchase,
4 purchase, acquire, add to, alter, maintain, operate, or lease cable,
5 electric, and other railways, automobiles, motor cars, motor buses,
6 auto trucks, and any and all other forms or methods of transportation
7 of freight or passengers within the corporate limits of the city or
8 town, and a first-class city may also construct, purchase, acquire, add
9 to, alter, maintain, operate, or lease cable, electric, and other
10 railways beyond those corporate limits only within the boundaries of
11 the county in which the city is located and of any adjoining county,
12 for the transportation of freight and passengers above, upon, or
13 underneath the ground. It may also fix, alter, regulate, and control
14 the fares and rates to be charged therefor; and fares or rates may be
15 adjusted or eliminated for any distinguishable class of users
16 including, but not limited to, senior citizens, (~~handicapped~~) persons
17 with disabilities, and students. Without the payment of any license
18 fee or tax, or the filing of a bond with, or the securing of a permit
19 from, the state, or any department thereof, the city or town may engage
20 in, carry on, and operate the business of transporting and carrying
21 passengers or freight for hire by any method or combination of methods
22 that the legislative authority of any city or town may by ordinance
23 provide, with full authority to regulate and control the use and
24 operation of vehicles or other agencies of transportation used for such
25 business.

26 (2)(a) To carry out the purposes of subsection (1) of this section,
27 a city or town may, in addition to the general powers granted by this
28 chapter, impose the following taxes, fees, and charges:

29 (i) A sales and use tax in accordance with RCW 82.14.045;

30 (ii) A vehicle fee in accordance with section 7 of this act;

31 (iii) An excise tax in accordance with RCW 35.95.040;

32 (iv) An employer tax in accordance with RCW 81.104.150; and

33 (v) A rental car tax in accordance with RCW 81.104.160.

34 (b) Except as provided in section 7(1) of this act, the taxes,
35 fees, and charges listed in (a) of this subsection may not be imposed
36 without approval of a majority of the voters within the boundaries of
37 the city or town voting on a proposition at a general or special
38 election.

1 **Sec. 4.** RCW 36.57A.090 and 1981 c 25 s 4 are each amended to read
2 as follows:

3 A public transportation benefit area authority shall have the
4 following powers in addition to the general powers granted by this
5 chapter:

6 (1) To prepare, adopt, and carry out a general comprehensive plan
7 for public transportation service which will best serve the residents
8 of the public transportation benefit area and to amend said plan from
9 time to time to meet changed conditions and requirements.

10 (2) To acquire by purchase, condemnation, gift, or grant and to
11 lease, construct, add to, improve, replace, repair, maintain, operate,
12 and regulate the use of transportation facilities and properties within
13 or without the public transportation benefit area or the state,
14 including systems of surface, underground, or overhead railways,
15 tramways, buses, or any other means of local transportation except
16 taxis, and including escalators, moving sidewalks, or other people-
17 moving systems, passenger terminal and parking facilities and
18 properties, and such other facilities and properties as may be
19 necessary for passenger and vehicular access to and from such people-
20 moving systems, terminal and parking facilities and properties,
21 together with all lands, rights-of-way, property, equipment, and
22 accessories necessary for such systems and facilities. Public
23 transportation facilities and properties which are owned by any city
24 may be acquired or used by the public transportation benefit area
25 authority only with the consent of the city council of the city owning
26 such facilities. Cities are hereby authorized to convey or lease such
27 facilities to a public transportation benefit area authority or to
28 contract for their joint use on such terms as may be fixed by agreement
29 between the city council of such city and the public transportation
30 benefit area authority, without submitting the matter to the voters of
31 such city.

32 The facilities and properties of a public transportation benefit
33 area system whose vehicles will operate primarily within the rights-of-
34 way of public streets, roads, or highways, may be acquired, developed,
35 and operated without the corridor and design hearings which are
36 required by RCW 35.58.273, as now or hereafter amended, for mass
37 transit facilities operating on a separate right-of-way.

38 (3)(a) To impose the following taxes, fees, and charges:

- 1 (i) A sales and use tax in accordance with RCW 82.14.045;
2 (ii) A vehicle fee in accordance with section 7 of this act;
3 (iii) An excise tax in accordance with RCW 35.95.040;
4 (iv) An employer tax in accordance with RCW 81.104.150; and
5 (v) A rental car tax in accordance with RCW 81.104.160.

6 (b) Except as provided in section 7(1) of this act, the taxes,
7 fees, and charges listed in (a) of this subsection may not be imposed
8 without approval of a majority of the voters within the boundaries of
9 the public transportation benefit area voting on a proposition at a
10 general or special election.

11 (4) To fix rates, tolls, fares, and charges for the use of such
12 facilities and to establish various routes and classes of service.
13 Fares or charges may be adjusted or eliminated for any distinguishable
14 class of users including, but not limited to, senior citizens,
15 ((handicapped)) persons with disabilities, and students.

16 In the event any person holding a certificate of public convenience
17 and necessity from the Washington utilities and transportation
18 commission under RCW 81.68.040 has operated under such certificate for
19 a continuous period of one year prior to the date of certification and
20 is offering service within the public transportation benefit area on
21 the date of the certification by the county canvassing board that a
22 majority of votes cast authorize a tax to be levied and collected by
23 the public transportation benefit area authority, such authority may by
24 purchase or condemnation acquire at the fair market value, from the
25 person holding the existing certificate for providing the services,
26 that portion of the operating authority and equipment representing the
27 services within the area of public operation. The person holding such
28 existing certificate may require the public transportation benefit area
29 authority to initiate such purchase of those assets of such person,
30 existing as of the date of the county canvassing board certification,
31 within sixty days after the date of such certification.

32 NEW SECTION. Sec. 5. A new section is added to chapter 35.58 RCW
33 to read as follows:

34 (1) In addition to any other authority provided by law, any
35 metropolitan municipal corporation authorized to perform the function
36 of public transportation may, to carry out the purposes of providing
37 public transportation, impose the following taxes, fees, and charges:

- 1 (a) A sales and use tax in accordance with RCW 82.14.045;
2 (b) A vehicle fee in accordance with section 7 of this act;
3 (c) An excise tax in accordance with RCW 35.95.040;
4 (d) An employer tax in accordance with RCW 81.104.150; and
5 (e) A rental car tax in accordance with RCW 81.104.160.

6 (2) Except as provided in section 7(1) of this act, the taxes,
7 fees, and charges listed in subsection (1) of this section may not be
8 imposed without approval of a majority of the voters within the
9 boundaries of the metropolitan municipal corporation voting on a
10 proposition at a general or special election.

11 **Sec. 6.** RCW 82.80.005 and 2002 c 56 s 415 are each amended to read
12 as follows:

13 ~~((For the purposes of this chapter,))~~ The definitions in this
14 section apply throughout this chapter unless the context clearly
15 requires otherwise.

16 (1) "District" means a regional transportation investment district
17 created under chapter 36.120 RCW.

18 (2) "Public transportation system" or "transportation system" means
19 any metropolitan municipal corporation that may perform the function of
20 metropolitan public transportation pursuant to chapter 35.58 RCW; any
21 county performing the public transportation function as authorized in
22 RCW 36.57.100 and 36.57.110 or that has established a county
23 transportation authority pursuant to chapter 36.57 RCW; any public
24 transportation benefit area established pursuant to chapter 36.57A RCW;
25 and any city that is not located within the boundaries of a
26 metropolitan municipal corporation, county transportation authority, or
27 public transportation benefit area, and that owns, operates, or
28 contracts for the services of a publicly owned or operated system of
29 transportation. However, "public transportation system" or
30 "transportation system" means, in respect to any county performing the
31 public transportation function pursuant to RCW 36.57.100 and 36.57.110,
32 only that portion of the unincorporated area lying wholly within such
33 unincorporated transportation benefit area.

34 NEW SECTION. **Sec. 7.** A new section is added to chapter 82.80 RCW
35 to read as follows:

36 (1) Except as provided in subsection (2) of this section, the

1 governing body of a public transportation system may impose by majority
2 vote an annual vehicle fee of up to twenty dollars per vehicle
3 registered in the boundaries of the transportation system for each
4 vehicle subject to license tab fees under RCW 46.16.0621 and for each
5 vehicle subject to gross weight fees under RCW 46.16.070 with an
6 unladen weight of six thousand pounds or less.

7 (2) The governing body of a public transportation system may not
8 impose a vehicle fee authorized under subsection (1) of this section:

9 (a) For a passenger-only ferry transportation improvement, unless
10 the vehicle fee is first approved by a majority of the voters within
11 the jurisdiction of the public transportation system; or

12 (b)(i) That, if combined with vehicle license fees authorized under
13 subsection (1) of this section and imposed after July 1, 2010, by the
14 governing body of another public transportation system pursuant to
15 subsection (1) of this section or by the governing body of a
16 transportation benefit district pursuant to RCW 36.73.065(4)(a)(i),
17 exceeds twenty dollars.

18 (ii) If vehicle fees are imposed by a public transportation system
19 under this subsection such that the combined vehicle fees imposed after
20 July 1, 2010, exceed twenty dollars as described under (b)(i) of this
21 subsection, the transportation system shall provide a credit for the
22 previously imposed fees so that the combined vehicle fee does not
23 exceed twenty dollars.

24 (3) A single vehicle may not be subject to an annual vehicle fee
25 authorized under this section or subject to combined vehicle fees
26 authorized under this section and RCW 82.80.140 that exceeds one
27 hundred dollars. If the governing body of a transportation benefit
28 district or transportation system imposes or obtains voter approval for
29 increased fees under this section or RCW 82.80.140 that, if combined
30 with the vehicle fees previously imposed by another transportation
31 benefit district or transportation system within its boundaries,
32 exceeds one hundred dollars, the transportation benefit district or
33 transportation system shall provide a credit for the previously imposed
34 fees so that the combined vehicle fee does not exceed one hundred
35 dollars.

36 (4) The department of licensing shall administer and collect the
37 vehicle fee. The department shall deduct a percentage amount, as
38 provided by contract, not to exceed one percent of the fees collected

1 for administration and collection expenses incurred by the department.
2 The department shall remit any remaining proceeds to the custody of the
3 state treasurer. The state treasurer shall distribute the proceeds to
4 the transportation system on a monthly basis.

5 (5) A vehicle fee imposed under this section may not be collected
6 until six months after approval.

7 (6) A vehicle fee imposed under this section applies only for
8 vehicle registration renewals and is effective upon the registration
9 renewal date as provided by the department of licensing.

10 (7) The following vehicles are exempt from the vehicle fee imposed
11 under this section:

12 (a) Farm tractors or farm vehicles as defined in RCW 46.04.180 and
13 46.04.181;

14 (b) Off-road vehicles and nonhighway vehicles as defined in RCW
15 46.09.020;

16 (c) Vehicles registered under chapter 46.87 RCW and the
17 international registration plan; and

18 (d) Snowmobiles as defined in RCW 46.10.010.

19 (8) The authority to impose a vehicle fee authorized in this
20 section expires December 31, 2014.

21 (9) This section expires June 30, 2015.

22 **Sec. 8.** RCW 82.80.140 and 2007 c 329 s 2 are each amended to read
23 as follows:

24 (1) Subject to the provisions of RCW 36.73.065, a transportation
25 benefit district under chapter 36.73 RCW may fix and impose an annual
26 vehicle fee, not to exceed one hundred dollars per vehicle registered
27 in the district, for each vehicle subject to license tab fees under RCW
28 46.16.0621 and for each vehicle subject to gross weight fees under RCW
29 46.16.070 with an unladen weight of six thousand pounds or less.

30 (2)(a) A district that includes all the territory within the
31 boundaries of the jurisdiction, or jurisdictions, establishing the
32 district may impose by a majority vote of the governing board of the
33 district up to twenty dollars of the vehicle fee authorized in
34 subsection (1) of this section. If the district is countywide, the
35 revenues of the fee shall be distributed to each city within the county
36 by interlocal agreement. The interlocal agreement is effective when

1 approved by the county and sixty percent of the cities representing
2 seventy-five percent of the population of the cities within the county
3 in which the countywide fee is collected.

4 (b) A district may not impose a fee under this subsection (2):

5 (i) For a passenger-only ferry transportation improvement unless
6 the vehicle fee is first approved by a majority of the voters within
7 the jurisdiction of the district; or

8 (ii) That, if combined with the fees (~~previously~~) imposed after
9 July 1, 2010, by another district within its boundaries under RCW
10 36.73.065(4)(a)(i) or by the governing body of a public transportation
11 system within the district's boundaries under section 7 of this act,
12 exceeds twenty dollars.

13 (c) If a district imposes or increases a fee under this subsection
14 (2) that, if combined with the fees (~~previously~~) imposed after July
15 1, 2010, by another district within its boundaries or by the governing
16 body of a public transportation system within the district's boundaries
17 under section 7 of this act, exceeds twenty dollars, the district shall
18 provide a credit for the previously imposed fees so that the combined
19 vehicle fee does not exceed twenty dollars.

20 (3) A single vehicle may not be subject to an annual vehicle fee
21 under this section or section 7 of this act, including combined vehicle
22 fees imposed under this section and section 7 of this act, that exceeds
23 one hundred dollars. If a transportation benefit district or
24 transportation system imposes or obtains voter approval for increased
25 fees under this section or section 7 of this act that, if combined with
26 the vehicle fees previously imposed or authorized by another
27 transportation benefit district or transportation system within its
28 boundaries, exceeds one hundred dollars, the transportation benefit
29 district or transportation system shall provide a credit for the
30 previously imposed fees so that the combined vehicle fee does not
31 exceed one hundred dollars.

32 (4) The department of licensing shall administer and collect the
33 fee. The department shall deduct a percentage amount, as provided by
34 contract, not to exceed one percent of the fees collected, for
35 administration and collection expenses incurred by it. The department
36 shall remit remaining proceeds to the custody of the state treasurer.
37 The state treasurer shall distribute the proceeds to the district on a
38 monthly basis.

1 (~~(4)~~) (5) No fee under this section may be collected until six
2 months after approval under RCW 36.73.065.

3 (~~(5)~~) (6) The vehicle fee under this section applies only when
4 renewing a vehicle registration, and is effective upon the registration
5 renewal date as provided by the department of licensing.

6 (~~(6)~~) (7) The following vehicles are exempt from the fee under
7 this section:

8 (a) Farm tractors or farm vehicles as defined in RCW 46.04.180 and
9 46.04.181;

10 (b) Off-road vehicles and nonhighway vehicles as defined in RCW
11 46.09.020;

12 (c) Vehicles registered under chapter 46.87 RCW and the
13 international registration plan; and

14 (d) Snowmobiles as defined in RCW 46.10.010.

15 NEW SECTION. **Sec. 9.** (1) By July 31, 2010, the joint
16 transportation committee shall convene a panel of interested
17 stakeholders to consider and propose a statewide blueprint for public
18 transportation services. The blueprint should, at a minimum, serve to
19 guide investments in public transportation and establish a plan to
20 significantly improve connectivity between transportation providers and
21 across jurisdictional boundaries.

22 (2) The cochairs of the joint transportation committee shall select
23 members to serve on the panel that represent a balance of statewide
24 public transportation interests.

25 (3) Staff support for the panel must be provided by the joint
26 transportation committee.

27 (4) Panel expenditures are subject to approval by the joint
28 transportation committee.

29 (5) The panel shall submit an interim progress report to the
30 transportation committees of the legislature by December 1, 2010. A
31 final report must be submitted by December 1, 2011.

32 (6) This section expires June 30, 2012.

33 NEW SECTION. **Sec. 10.** If specific funding for the purposes of
34 section 9 of this act, referencing section 9 of this act by bill or

1 chapter number and section number, is not provided by June 30, 2010, in
2 the omnibus appropriations act, section 9 of this act is null and void.

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