
SENATE BILL 5540

State of Washington 61st Legislature 2009 Regular Session

By Senators Pridemore, Hargrove, Marr, Shin, and Haugen

Read first time 01/26/09. Referred to Committee on Transportation.

1 AN ACT Relating to high capacity transportation service; amending
2 RCW 81.104.015, 81.104.150, 81.104.160, 81.104.170, 81.104.180, and
3 81.104.190; and adding new sections to chapter 81.104 RCW.

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

5 **Sec. 1.** RCW 81.104.015 and 1999 c 202 s 9 are each amended to read
6 as follows:

7 Unless the context clearly requires otherwise, the definitions in
8 this section apply throughout this chapter.

9 (1) "High capacity transportation corridor area" means a quasi-
10 municipal corporation and independent taxing authority within the
11 meaning of Article VII, section 1 of the state Constitution, and a
12 taxing district within the meaning of Article VII, section 2 of the
13 state Constitution, created by a transit agency governing body.

14 (2) "High capacity transportation system" means a system of public
15 transportation services within an urbanized region operating
16 principally on exclusive rights-of-way, and the supporting services and
17 facilities necessary to implement such a system, including interim
18 express services and high occupancy vehicle lanes, which taken as a

1 whole, provides a substantially higher level of passenger capacity,
2 speed, and service frequency than traditional public transportation
3 systems operating principally in general purpose roadways.

4 ~~((+2))~~ (3) "Rail fixed guideway system" means a light, heavy, or
5 rapid rail system, monorail, inclined plane, funicular, trolley, or
6 other fixed rail guideway component of a high capacity transportation
7 system that is not regulated by the Federal Railroad Administration, or
8 its successor. "Rail fixed guideway system" does not mean elevators,
9 moving sidewalks or stairs, and vehicles suspended from aerial cables,
10 unless they are an integral component of a station served by a rail
11 fixed guideway system.

12 ~~((+3))~~ (4) "Regional transit system" means a high capacity
13 transportation system under the jurisdiction of one or more transit
14 agencies except where a regional transit authority created under
15 chapter 81.112 RCW exists, in which case "regional transit system"
16 means the high capacity transportation system under the jurisdiction of
17 a regional transit authority.

18 ~~((+4))~~ (5) "Transit agency" means city-owned transit systems,
19 county transportation authorities, metropolitan municipal corporations,
20 and public transportation benefit areas.

21 NEW SECTION. **Sec. 2.** A new section is added to chapter 81.104 RCW
22 to read as follows:

23 (1) A governing body of a transit agency in a county that has a
24 population of more than four hundred thousand and that adjoins a state
25 boundary may establish one or more high capacity transportation
26 corridor areas within all or a portion of the boundaries of the transit
27 agency establishing the high capacity transportation corridor area. A
28 high capacity transportation corridor area may include all or a portion
29 of a city or town as long as all or a portion of the city or town
30 boundaries are within the boundaries of the establishing transit
31 agency. The members of the transit agency governing body proposing to
32 establish the high capacity transportation corridor area, acting ex
33 officio and independently, shall constitute the governing body of the
34 high capacity transportation corridor area.

35 (2) A high capacity transportation corridor area may establish,
36 finance, and provide a high capacity transportation system within its
37 boundaries in the same manner as authorized for transit agencies under

1 this chapter. However, any combined tax rates imposed under this
2 chapter within the boundaries of the transit agency establishing a high
3 capacity transportation corridor area or areas may not exceed the
4 maximum rates authorized under RCW 81.104.150, 81.104.160, and
5 81.104.170.

6 (3) A high capacity transportation corridor area constitutes a body
7 corporate and possesses all the usual powers of a corporation for
8 public purposes as well as all other powers that may be conferred by
9 statute including, but not limited to, the authority to hire employees,
10 staff, and services, to enter into contracts, to acquire, hold, and
11 dispose of real and personal property, and to sue and be sued. Public
12 works contract limits applicable to the transit agency that established
13 the high capacity transportation corridor area apply to the area.

14 (4) A high capacity transportation corridor area may exercise the
15 power of eminent domain to obtain property for its authorized purposes
16 in the same manner as authorized for the transit agency that
17 established the area.

18 (5) A high capacity transportation corridor area may be dissolved
19 by a majority vote of the governing body when all obligations under any
20 general obligation bonds issued by the high capacity transportation
21 corridor area have been discharged and any other contractual
22 obligations of the high capacity transportation corridor area have
23 either been discharged or assumed by another governmental entity.

24 **Sec. 3.** RCW 81.104.150 and 1992 c 101 s 26 are each amended to
25 read as follows:

26 Cities that operate transit systems, county transportation
27 authorities, metropolitan municipal corporations, public transportation
28 benefit areas, high capacity transportation corridor areas, and
29 regional transit authorities may submit an authorizing proposition to
30 the voters and if approved may impose an excise tax of up to two
31 dollars per month per employee on all employers located within the
32 (~~agency's~~) applicable jurisdiction, measured by the number of
33 full-time equivalent employees, solely for the purpose of providing
34 high capacity transportation service. The rate of tax shall be
35 approved by the voters. This tax may not be imposed by: (1) A transit
36 agency or high capacity transportation corridor area when the county
37 within which it is located is imposing an excise tax pursuant to RCW

1 81.100.030; or (2) a regional transit authority when any county within
2 the authority's boundaries is imposing an excise tax pursuant to RCW
3 81.100.030. The agency or high capacity transportation corridor area
4 imposing the tax authorized in this section may provide for exemptions
5 from the tax to such educational, cultural, health, charitable, or
6 religious organizations as it deems appropriate.

7 **Sec. 4.** RCW 81.104.160 and 2003 c 1 s 6 are each amended to read
8 as follows:

9 An agency and high capacity transportation corridor area may impose
10 a sales and use tax solely for the purpose of providing high capacity
11 transportation service, in addition to the tax authorized by RCW
12 82.14.030, upon retail car rentals within the (~~agency's~~) applicable
13 jurisdiction that are taxable by the state under chapters 82.08 and
14 82.12 RCW. The rate of tax shall not exceed 2.172 percent. The base
15 of the tax shall be the selling price in the case of a sales tax or the
16 rental value of the vehicle used in the case of a use tax.

17 Any motor vehicle excise tax previously imposed under the
18 provisions of RCW 81.104.160(1) shall be repealed, terminated and
19 expire on December 5, 2002.

20 **Sec. 5.** RCW 81.104.170 and 1997 c 450 s 5 are each amended to read
21 as follows:

22 Cities that operate transit systems, county transportation
23 authorities, metropolitan municipal corporations, public transportation
24 benefit areas, high capacity transportation corridor areas, and
25 regional transit authorities may submit an authorizing proposition to
26 the voters and if approved by a majority of persons voting, fix and
27 impose a sales and use tax in accordance with the terms of this
28 chapter, solely for the purpose of providing high capacity
29 transportation service.

30 The tax authorized pursuant to this section shall be in addition to
31 the tax authorized by RCW 82.14.030 and shall be collected from those
32 persons who are taxable by the state pursuant to chapters 82.08 and
33 82.12 RCW upon the occurrence of any taxable event within the taxing
34 district. The maximum rate of such tax shall be approved by the voters
35 and shall not exceed one percent of the selling price (in the case of
36 a sales tax) or value of the article used (in the case of a use tax).

1 The maximum rate of such tax that may be imposed shall not exceed
2 nine-tenths of one percent in any county that imposes a tax under RCW
3 82.14.340, or within a regional transit authority if any county within
4 the authority imposes a tax under RCW 82.14.340. The exemptions in RCW
5 82.08.820 and 82.12.820 are for the state portion of the sales and use
6 tax and do not extend to the tax authorized in this section.

7 **Sec. 6.** RCW 81.104.180 and 1992 c 101 s 29 are each amended to
8 read as follows:

9 Cities that operate transit systems, county transportation
10 authorities, metropolitan municipal corporations, public transportation
11 benefit areas, high capacity transportation corridor areas, and
12 regional transit authorities are authorized to pledge revenues from the
13 employer tax authorized by RCW 81.104.150, the (~~special motor vehicle~~
14 ~~excise tax~~) taxes authorized by RCW 81.104.160, and the sales and use
15 tax authorized by RCW 81.104.170, to retire bonds issued solely for the
16 purpose of providing high capacity transportation service.

17 **Sec. 7.** RCW 81.104.190 and 1992 c 101 s 30 are each amended to
18 read as follows:

19 Cities that operate transit systems, county transportation
20 authorities, metropolitan municipal corporations, public transportation
21 benefit areas, high capacity transportation corridor areas, and
22 regional transit systems may contract with the state department of
23 revenue or other appropriate entities for administration and collection
24 of any tax authorized by RCW 81.104.150, 81.104.160, and 81.104.170.

25 NEW SECTION. **Sec. 8.** A new section is added to chapter 81.104 RCW
26 to read as follows:

27 (1) To carry out the purposes of this chapter, a high capacity
28 transportation corridor area may issue general obligation bonds, not to
29 exceed an amount, together with any other outstanding nonvoter-approved
30 general obligation indebtedness, equal to one and one-half percent of
31 the value of the taxable property within the area, as the term "value
32 of the taxable property" is defined in RCW 39.36.015. A high capacity
33 transportation corridor area may also issue general obligation bonds
34 for capital purposes only, together with any outstanding general
35 obligation indebtedness, not to exceed an amount equal to five percent

1 of the value of the taxable property within the area, as the term
2 "value of the taxable property" is defined in RCW 39.36.015, when
3 authorized by the voters of the area pursuant to Article VIII, section
4 6 of the state Constitution.

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

23 (3) Whenever general obligation bonds are issued to fund specific
24 projects or enterprises that generate revenues, charges, user fees, or
25 special assessments, the high capacity transportation corridor area may
26 specifically pledge all or a portion of the revenues, charges, user
27 fees, or special assessments to refund the general obligation bonds.
28 The high capacity transportation corridor area may also pledge any
29 other revenues that may be available to the area.

30 (4) In addition to general obligation bonds, a high capacity
31 transportation corridor area may issue revenue bonds to be issued and
32 sold in accordance with chapter 39.46 RCW.

--- END ---