
SENATE BILL 6064

State of Washington **61st Legislature** **2009 Regular Session**

By Senators Jarrett, Murray, Marr, Swecker, Sheldon, Haugen, and Hewitt

Read first time 02/19/09. Referred to Committee on Transportation.

1 AN ACT Relating to regional transportation accountability boards;
2 amending RCW 81.112.040, 47.56.031, 47.56.075, 82.14.430, 82.80.005,
3 82.80.030, 82.80.100, 82.80.120, 35.21.718, and 82.16.046; reenacting
4 and amending RCW 81.100.060; adding a new section to chapter 82.04 RCW;
5 adding a new section to chapter 82.08 RCW; adding a new section to
6 chapter 82.12 RCW; adding a new section to chapter 36.120 RCW; adding
7 a new chapter to Title 36 RCW; creating new sections; repealing RCW
8 47.80.060; and declaring an emergency.

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

10 **PART I - GENERAL PROVISIONS**

11 NEW SECTION. **Sec. 1.** SHORT TITLE. This act may be known and
12 cited as the regional transportation accountability act.

13 NEW SECTION. **Sec. 2.** FINDINGS AND PURPOSES. (1) The legislature
14 finds that:

15 (a) The Puget Sound region and certain counties that border on
16 adjoining states or a foreign country are experiencing severe strains
17 on their transportation systems, causing widespread congestion;

1 (b) The absence of a unified regional transportation governance
2 system has significantly contributed to the lack of accountability for
3 regional transportation planning, prioritization, and funding;

4 (c) There is a substantial funding shortfall to address regional
5 transportation needs; and

6 (d) Continued reliance on an inefficient regional transportation
7 system exacerbates problems associated with fossil fuel use and impedes
8 efforts to reduce carbon emissions.

9 (2) The purposes of this act are:

10 (a) To improve regional transportation infrastructure for the
11 benefit of citizens, the economy, and the environment by reducing
12 fossil fuel use and carbon emissions and increasing transportation
13 efficiency;

14 (b) To consolidate several governmental functions related to
15 transportation planning and funding into a single governmental entity
16 to coordinate and prioritize transportation planning and funding
17 decisions; and

18 (c) To increase accountability to citizens by requiring direct
19 election of transportation decision makers and voter approval for
20 transportation taxes and fees.

21 NEW SECTION. **Sec. 3.** DEFINITIONS. The definitions in this
22 section apply throughout this chapter unless the context clearly
23 requires otherwise.

24 (1) "Local transportation plan" means a transportation plan
25 included as part of a regional transportation plan at the request of a
26 local governmental entity.

27 (2) "Policy advisory council" means a body convened by the board
28 under section 10 of this act.

29 (3) "Region" means a transportation accountability region
30 established under section 4 of this act.

31 (4) "Regional board" or "board" means a regional transportation
32 accountability board established under section 5 of this act.

33 (5) "Regional transportation plan" or "plan" means a regional
34 transportation plan prepared in accordance with section 9 of this act.

35 (6) "Regional transportation project" means a transportation
36 project within a transportation accountability region that a regional

1 board determines to have major significance to regional transportation
2 and that is included in a regional transportation plan.

3 (7) "Transit agency" means a city-owned transit system, county
4 transportation authority, metropolitan municipal corporation, and a
5 public transportation benefit area.

6 (8) "Transportation project" includes, without limitation:

7 (a) Highways and roadways, including arterial streets, and their
8 appurtenances;

9 (b) Facilities, equipment, and services of public transportation
10 systems, whether or not operating on exclusive rights-of-way, and
11 including projects that integrate and connect different modes, such as
12 park and ride facilities and special purpose ramps and access points;

13 (c) Facilities for nonmotorized transportation;

14 (d) Facilities or programs that improve transportation efficiency,
15 economy, or safety through either management of demand or extension of
16 capacity, or both;

17 (e) Supporting systems that apply or incorporate new technology to
18 the improvement of transportation systems and services;

19 (f) An extension or expansion of the useful lives of existing
20 transportation system assets, so long as these assets are also improved
21 in their safety and efficiency; and

22 (g) The operation or maintenance, including mitigation, of
23 transportation facilities.

24 (9) "Weighted vote" means one vote that reflects the population of
25 each elected board member adjusted, if necessary, by a percentage of
26 the population that each elected board member represents that is not
27 included within the relevant planning area or taxing district for which
28 the vote applies relative to the total population represented by the
29 member.

30 **PART II - TRANSPORTATION ACCOUNTABILITY BOARDS**

31 NEW SECTION. **Sec. 4.** TRANSPORTATION ACCOUNTABILITY REGION. (1)
32 A transportation accountability region is established, which must
33 include, upon approval by initiative or by the legislative authority of
34 each county within the transportation accountability region, those
35 counties participating, as of the effective date of this section, in a
36 regional transportation planning organization, including a county with

1 a population of at least one million five hundred thousand. The region
2 is a municipal corporation and possesses all the usual corporate powers
3 as well as all other powers conferred by statute.

4 (2) A transportation accountability region may be expanded to
5 include any other contiguous county or part of the contiguous county if
6 the regional board and the voters or legislative authority of that
7 county approve expansion of the region. At least sixty days before
8 adopting a resolution approving the expansion, the regional board shall
9 adopt policies governing the expansion process and integration of an
10 additional county into the region.

11 (3) Any county that borders on an adjoining state or foreign
12 country and that has a population over one hundred fifty thousand may,
13 by ordinance of the county's legislative authority, create a
14 transportation accountability region. The regional board members for
15 a single county region are the members of the legislative authority for
16 the county it serves.

17 NEW SECTION. **Sec. 5.** REGIONAL TRANSPORTATION ACCOUNTABILITY
18 BOARD. (1) A regional transportation accountability board is
19 established for each transportation accountability region. A regional
20 board shall exercise powers and duties as provided under this chapter
21 within the region for which the board is established.

22 (2) The regional board must consist of nine part-time board members
23 directly elected by voters as provided under this section. Board
24 members must be elected on a nonpartisan basis from geographical
25 districts initially established by the secretary of state and
26 periodically revised under chapter 29A.76 RCW. Each district must:

27 (a) Be as nearly equal in population as possible to each and every
28 other such district, without favoring any racial group or political
29 party;

30 (b) Be as reasonably compact as possible and consist of a
31 geographically contiguous area; and

32 (c) To the extent feasible, coincide with existing recognized
33 natural boundaries and, to the extent practicable, preserve existing
34 communities of related and mutual interest.

35 (3) Each county included in whole or in part in a transportation
36 accountability region shall provide for the nomination of candidates
37 and election of regional board members at the state's primary and

1 general election. Candidates must be residents of the district they
2 seek to represent and may not be serving as an elected member of any
3 other governmental body.

4 (4) The term of office of each regional board member is six years.
5 The three elected members receiving the lowest percentage of votes in
6 the initial election serve an initial two-year term, the three elected
7 members receiving the next lowest percentage of votes serve an initial
8 four-year term, and the remaining three members serve an initial six-
9 year term.

10 NEW SECTION. **Sec. 6.** POWERS AND DUTIES. The regional board
11 shall:

12 (1) Develop and periodically revise a regional transportation plan
13 under section 9 of this act;

14 (2) Receive, prioritize the expenditure of, and disburse state
15 transportation funds for regional transportation projects;

16 (3) Approve regional transportation projects located within the
17 transportation accountability region prior to any city, county, special
18 district, or other municipal corporation placing revenue measures to
19 fund such projects or services on a ballot for voter approval;

20 (4) Impose transportation impact fees on public and private
21 development activities that may cause significant impacts on the use or
22 availability of regional transportation projects; and

23 (5) Establish a program for interconnecting fares, schedules, and
24 transfers on trips using two or more transit agencies for regional
25 transportation projects.

26 NEW SECTION. **Sec. 7.** ADDITIONAL POWERS. The regional board may:

27 (1) Employ or contract with engineering, legal, financial, or other
28 employees, specialized personnel, or consultants as may be necessary.

29 (2) Exercise all other powers necessary and appropriate to carry
30 out its responsibilities including, without limitation, to sue and be
31 sued, to enter into contracts, and to acquire, own, and transfer real
32 and personal property and property rights by lease, sublease, purchase,
33 or sale.

34 (3) Enter into interlocal agreements or agreements with local
35 governments, the state, or the federal government to further its
36 responsibilities under this chapter and other applicable laws.

1 (4) Create and fill staff positions, fix reasonable wages and
2 salaries, pay costs involved in hiring employees, and establish
3 reasonable benefits for employees, including holiday pay, vacations or
4 vacation pay, retirement benefits, and medical, life, accident, or
5 health disability insurance, as approved by the board. To the extent
6 appropriate, the regional board shall retain staff from existing
7 transportation planning organizations and regional transit authorities.

8 NEW SECTION. **Sec. 8.** BOARD PROCEDURES. (1) All proceedings of a
9 regional board must be recorded in its minute books, which are subject
10 to chapter 42.56 RCW. A majority of the voting board members
11 constitute a quorum of the board for the transaction of business. Each
12 elected member has one vote, or one weighted vote if the member's
13 geographical district is partially or wholly outside a taxing district
14 under the board's authority.

15 (2) Actions by the board must be made by a simple majority weighted
16 vote of board members, except that a decision to submit a regional
17 transportation plan for voter approval, or to make a major modification
18 to any regional transportation plan previously approved by the voters,
19 must be approved by at least two-thirds weighted vote of board members.

20 (3) Campaign contribution limitations for county elective office of
21 the most populous county represented by the board apply to campaigns
22 for election of members to the regional board.

23 (4) Board members are entitled to reimbursement for reasonable
24 expenses related to their service on the board.

25 NEW SECTION. **Sec. 9.** REGIONAL TRANSPORTATION PLAN. (1) A
26 regional board shall prepare a regional transportation plan as provided
27 under this section. A regional board may include in a regional
28 transportation plan each of the following elements:

29 (a) Planning, financing, construction, and operation of regional
30 transportation projects.

31 (b) Standards for preparation of transit development plans under
32 RCW 35.58.2795 by each municipality within a transportation
33 accountability region.

34 (c) A program to coordinate and interconnect transit agency routes,
35 fares, and schedules within a transportation accountability region.

1 (d) At the request of a municipal corporation within a
2 transportation accountability region, any local plan or proposed
3 transportation project, together with taxes, user fees, tolls, and
4 charges to finance construction and operation of the project.

5 (e) A plan to coordinate or consolidate under the authority of the
6 board the services of any transit agency located in the transportation
7 accountability region. A plan to coordinate or consolidate a transit
8 agency must include a detailed description of any rights, powers,
9 functions, and obligations of the transit agency that would be assumed
10 by the regional board, as well as any legislation that may be required
11 before the coordination or consolidation becomes effective. A plan to
12 coordinate or consolidate a transit agency must also be approved by a
13 majority of the voters within the boundaries of a transportation
14 accountability region, as well as a majority of the voters within the
15 geographic area served by the transit agency.

16 (2) In adopting a regional transportation plan, a regional board
17 shall weigh its contribution to:

- 18 (a) Economic growth and prosperity;
- 19 (b) The alleviation of congestion and delay;
- 20 (c) Citizens' personal transportation goals;
- 21 (d) Increased energy efficiency;
- 22 (e) The development of emerging technologies;
- 23 (f) The reduction of carbon emissions;
- 24 (g) Increased public safety; and
- 25 (h) Advancing all practical transportation modes.

26 (3) The regional board shall submit a regional transportation plan
27 to the voters of a transportation accountability region for approval.
28 Voter approval of a regional transportation plan constitutes all
29 necessary voter approval for:

30 (a) Any projects, taxes, tolls, charges, and user fees included in
31 the plan; and

32 (b) Any local transportation plan or project included in the
33 regional transportation plan, and the levy, imposition, or
34 authorization of local taxes, tolls, charges, and user fees previously
35 approved by a municipal corporation.

36 NEW SECTION. **Sec. 10.** ADVISORY COUNCIL. (1) A regional board
37 shall establish a policy advisory council for state, regional, and

1 local officials, transportation providers, and private citizens to
2 advise the board on transportation planning, prioritization, and
3 funding issues. The board shall develop procedures governing the
4 policy advisory council's composition, duties, procedures, and formal
5 review of plans and programs.

6 (2) The policy advisory council for a regional board must include
7 a member appointed by each county executive or chair of the board of
8 county commissioners of each county and confirmed by the legislative
9 authority of the respective county, and a member appointed by the
10 governor. The appointments should include individuals who have
11 experience in regional transportation issues or in the design,
12 construction, operation, maintenance, or financing of public
13 transportation projects.

14 **PART III - TRANSPORTATION AGENCY CONSOLIDATION**

15 NEW SECTION. **Sec. 11.** TRANSPORTATION AGENCY CONSOLIDATION.
16 Within a transportation accountability region, a regional board shall
17 consolidate and exercise all powers and responsibilities of:

18 (1) A regional transportation investment district under chapter
19 36.120 RCW;

20 (2) A regional transportation planning organization under chapter
21 47.80 RCW;

22 (3) A metropolitan planning organization, to the fullest extent
23 permitted under 23 U.S.C. Sec. 134 and other applicable federal laws;
24 and

25 (4) As provided in section 12 of this act, a regional transit
26 authority under chapter 81.112 RCW.

27 NEW SECTION. **Sec. 12.** REGIONAL TRANSIT AUTHORITY CONSOLIDATION.

28 (1) Commencing with the initial terms of office of its members, the
29 regional board shall assume all project planning and transportation
30 funding prioritization functions of the regional transit authority
31 including, without limitation, all powers provided in RCW 81.112.030(9)
32 and 81.112.100.

33 (2) Commencing after the voters approve a regional transportation
34 plan as provided in section 9 of this act, the regional board may

1 assume all remaining regional transit authority powers as provided
2 under the plan.

3 (3)(a) Until the regional board assumes all remaining regional
4 transit authority powers as provided under subsection (2) of this
5 section, the regional board may appoint the governing board of a
6 regional transit authority within the transportation accountability
7 region and delegate to that board any additional powers that may be
8 necessary to preserve the region as a regional transit authority or
9 other independent taxing or bonding authority or recipient of federal
10 or state funds.

11 (b) If the regional board establishes a regional transit authority
12 board, the regional board shall appoint its members from nominations by
13 the county executive or legislative authority of each member county.
14 Membership must be based on population from that portion of each county
15 that lies within the transportation accountability region. The
16 regional board shall appoint regional transit authority board members
17 on the basis of one member for each one hundred forty-five thousand
18 population within each county included in whole or in part in the
19 region.

20 **Sec. 13.** RCW 81.112.040 and 1994 c 109 s 1 are each amended to
21 read as follows:

22 REGIONAL TRANSIT AUTHORITY BOARD APPOINTMENTS. (1) Except as
23 provided under section 12 of this act, the regional transit authority
24 shall be governed by a board consisting of representatives appointed by
25 the county executive and confirmed by the council or other legislative
26 authority of each member county. Membership shall be based on
27 population from that portion of each county which lies within the
28 service area. Board members shall be appointed initially on the basis
29 of one for each one hundred forty-five thousand population within the
30 county. Such appointments shall be made following consultation with
31 city and town jurisdictions within the service area. In addition, the
32 secretary of transportation or the secretary's designee shall serve as
33 a member of the board and may have voting status with approval of a
34 majority of the other members of the board. Only board members, not
35 including alternates or designees, may cast votes.

36 Each member of the board, except the secretary of transportation or
37 the secretary's designee, shall be:

1 (a) An elected official who serves on the legislative authority of
2 a city or as mayor of a city within the boundaries of the authority;

3 (b) On the legislative authority of the county, if fifty percent of
4 the population of the legislative official's district is within the
5 authority boundaries; or

6 (c) A county executive from a member county within the authority
7 boundaries.

8 When making appointments, each county executive shall ensure that
9 representation on the board includes an elected city official
10 representing the largest city in each county and assures proportional
11 representation from other cities, and representation from
12 unincorporated areas of each county within the service area. At least
13 one-half of all appointees from each county shall serve on the
14 governing authority of a public transportation system.

15 Members appointed from each county shall serve staggered four-year
16 terms. Vacancies shall be filled by appointment for the remainder of
17 the unexpired term of the position being vacated.

18 The governing board shall be reconstituted, with regard to the
19 number of representatives from each county, on a population basis,
20 using the official office of financial management population estimates,
21 five years after its initial formation and, at minimum, in the year
22 following each official federal census. The board membership may be
23 reduced, maintained, or expanded to reflect population changes but
24 under no circumstances may the board membership exceed twenty-five.

25 (2) Major decisions of the authority shall require a favorable vote
26 of two-thirds of the entire membership of the voting members. "Major
27 decisions" include at least the following: System plan adoption and
28 amendment; system phasing decisions; annual budget adoption;
29 authorization of annexations; modification of board composition; and
30 executive director employment.

31 (3) Each member of the board is eligible to be reimbursed for
32 travel expenses in accordance with RCW 43.03.050 and 43.03.060 and to
33 receive compensation as provided in RCW 43.03.250.

34 NEW SECTION. **Sec. 14.** TRANSITION RULES. The jurisdiction and
35 powers of any existing metropolitan planning organization or regional
36 transit authority, and its plans or programs necessary to obtain

1 federal transportation funds or to maintain compliance with federal
2 law, remain in full force and effect until a regional board is
3 recognized by the federal government as a qualified successor entity.

4 **PART IV - FINANCING**

5 NEW SECTION. **Sec. 15. TAXES AND FEES.** (1) Subject to approval by
6 the legislative authority of each county within a transportation
7 accountability region to establish a special taxing district, a
8 regional board may impose or authorize some or all of the following
9 revenue sources previously authorized for regional transportation
10 agencies, which a board may levy, impose, or authorize if approved by
11 an affirmative vote of the majority of the voters when included in a
12 regional transportation plan under section 9 of this act:

13 (a) A local motor vehicle excise tax under RCW 81.100.060;

14 (b) A regional sales and use tax, as specified in RCW 82.14.430, of
15 up to one percent of the selling price, in the case of a sales tax, or
16 value of the article used, in the case of a use tax, upon the
17 occurrence of any taxable event in the transportation accountability
18 region;

19 (c) A commercial parking tax under RCW 82.80.030;

20 (d) A local option vehicle license fee, as specified under RCW
21 82.80.100, of up to one hundred dollars per vehicle registered in the
22 board's boundaries; and

23 (e) A local option fuel tax under RCW 82.80.120.

24 (2) The board may impose vehicle tolls on state or federal highways
25 within a transportation accountability region if the regional
26 transportation plan identifies the facilities that may be tolled.
27 Unless otherwise specified by law or by contract between the board and
28 the department of transportation, the department of transportation
29 shall administer the collection of tolls at designated facilities.

30 (3) Revenues from taxes and fees may be used only to implement a
31 regional transportation plan and to provide for the board's costs
32 incurred in carrying out its responsibilities under this chapter.

33 (4) A board shall not, unless otherwise negotiated and agreed upon
34 by applicable parties, directly spend, or otherwise control, a local
35 jurisdiction's or transit agency's locally imposed funds.

1 (5) The board may designate the boundaries of the taxing district
2 proposed in a regional transportation plan to be coextensive with the
3 boundaries of any regional transit authority in a county represented by
4 the board.

5 **Sec. 16.** RCW 47.56.031 and 2005 c 335 s 2 are each amended to read
6 as follows:

7 APPROVAL OF TOLLS. (~~(No)~~) (1) Tolls may not be imposed on new or
8 existing highways or bridges without:

9 (a) Specific legislative authorization(~~(, or upon))~~;

10 (b) Approval by a majority vote of the people within the boundaries
11 of the unit of government empowered to impose tolls; or

12 (c) Approval by a regional transportation accountability board,
13 which may impose vehicle tolls as provided under section 15 of this
14 act.

15 (2) This section applies to chapter 47.56 RCW and to any tolls
16 authorized under chapter 47.29 RCW, the transportation innovative
17 partnership act of 2005.

18 **Sec. 17.** RCW 47.56.075 and 2002 c 56 s 404 are each amended to
19 read as follows:

20 TOLL FACILITY APPROVAL. The department shall approve for
21 construction only such toll roads (~~(as)~~) or other toll facilities that:

22 (1) The legislature specifically authorizes (~~(or such toll~~
23 facilities as));

24 (2) Are specifically sponsored by a regional transportation
25 investment district, city, town, or county; or

26 (3) Are specifically authorized by a regional transportation
27 accountability board, which may impose tolls as provided under section
28 15 of this act.

29 **Sec. 18.** RCW 81.100.060 and 2006 c 318 s 2 and 2006 c 311 s 15 are
30 each reenacted and amended to read as follows:

31 HIGH OCCUPANCY VEHICLE SYSTEMS SURCHARGE. A county with a
32 population of one million or more and a county with a population of
33 from two hundred ten thousand to less than one million that is
34 adjoining a county with a population of one million or more, having
35 within their boundaries existing or planned high occupancy vehicle

1 lanes on the state highway system, a regional transportation
2 accountability board, or a regional transportation investment district,
3 but only to the extent that the surcharge has not already been imposed
4 by the county, may, with voter approval, impose a local surcharge of
5 not more than three-tenths of one percent in the case of a county, or
6 eight-tenths of one percent in the case of a regional transportation
7 accountability board or regional transportation investment district, of
8 the value on vehicles registered to a person residing within the county
9 or investment district and not more than 13.64 percent on the state
10 sales and use taxes paid under the rate in RCW 82.08.020(2) on retail
11 car rentals within the county, regional transportation accountability
12 board, or investment district. A county may impose the surcharge only
13 to the extent that it has not been imposed by the district. No
14 surcharge may be imposed on vehicles licensed under RCW 46.16.070
15 except vehicles with an unladen weight of six thousand pounds or less,
16 RCW 46.16.079, 46.16.085, or 46.16.090.

17 Counties, regional transportation accountability boards, or
18 investment districts imposing a surcharge under this section shall
19 contract, before the effective date of the resolution or ordinance
20 imposing a surcharge, administration and collection to the state
21 department of licensing, and department of revenue, as appropriate,
22 which shall deduct a percentage amount, as provided by contract, not to
23 exceed two percent of the taxes, for administration and collection
24 expenses incurred by the department. All administrative provisions in
25 chapters 82.03, 82.32, and 82.44 RCW shall, insofar as they are
26 applicable to motor vehicle excise taxes, be applicable to surcharges
27 imposed under this section. All administrative provisions in chapters
28 82.03, 82.08, 82.12, and 82.32 RCW shall, insofar as they are
29 applicable to state sales and use taxes, be applicable to surcharges
30 imposed under this section. A surcharge imposed under this section, or
31 a change to the surcharge, shall take effect no sooner than seventy-
32 five days after the department of licensing or the department of
33 revenue receives notice of the surcharge or change to the surcharge,
34 and shall take effect only on the first day of January, April, July, or
35 October. Unless waived by the department of licensing or the
36 department of revenue, notice includes providing the appropriate
37 department with digital mapping and legal descriptions of areas in
38 which the ((tax)) surcharge will be collected.

1 If the tax authorized in RCW 81.100.030 is also imposed, the total
2 proceeds from tax sources imposed under this section and RCW 81.100.030
3 each year shall not exceed the maximum amount which could be collected
4 under this section.

5 **Sec. 19.** RCW 82.14.430 and 2006 c 311 s 17 are each amended to
6 read as follows:

7 SALES AND USE TAX. (1) If approved by the majority of the voters
8 within its boundaries voting on ~~((the))~~ a ballot proposition, a
9 regional transportation accountability board or regional transportation
10 investment district may impose a sales and use tax of up to 0.1 percent
11 of the selling price or value of the article used in the case of a use
12 tax. The tax authorized by this section is in addition to the tax
13 authorized by RCW 82.14.030 and must be collected from those persons
14 who are taxable by the state under chapters 82.08 and 82.12 RCW upon
15 the occurrence of any taxable event within the taxing district. Motor
16 vehicles are exempt from the sales and use tax imposed under this
17 subsection.

18 (2) If approved by the majority of the voters within its boundaries
19 voting on ~~((the))~~ a ballot proposition, a regional transportation
20 accountability board or regional transportation investment district may
21 impose a tax on the use of a motor vehicle within ~~((a regional~~
22 ~~transportation investment district))~~ its jurisdiction. The tax applies
23 to those persons who reside within ~~((the))~~ a transportation
24 accountability region or regional transportation investment district.
25 The rate of the tax may not exceed 0.1 percent of the value of the
26 motor vehicle. The tax authorized by this subsection is in addition to
27 the tax authorized under RCW 82.14.030 and must be imposed and
28 collected at the time a taxable event under RCW 82.08.020(1) or
29 82.12.020 takes place. All revenue received under this subsection must
30 be deposited in the local sales and use tax account and distributed to
31 the regional transportation accountability board or regional
32 transportation investment district according to RCW 82.14.050. The
33 following provisions apply to the use tax in this subsection:

34 (a) Where persons are taxable under chapter 82.08 RCW, the seller
35 shall collect the use tax from the buyer using the collection
36 provisions of RCW 82.08.050.

1 (b) Where persons are taxable under chapter 82.12 RCW, the use tax
2 must be collected using the provisions of RCW 82.12.045.

3 (c) "Motor vehicle" has the meaning provided in RCW 46.04.320, but
4 does not include farm tractors or farm vehicles as defined in RCW
5 46.04.180 and 46.04.181, off-road and nonhighway vehicles as defined in
6 RCW 46.09.020, and snowmobiles as defined in RCW 46.10.010.

7 (d) "Person" has the meaning given in RCW 82.04.030.

8 (e) The value of a motor vehicle must be determined under RCW
9 82.12.010.

10 (f) Except as specifically stated in this subsection (2), chapters
11 82.12 and 82.32 RCW apply to the use tax. The use tax is a local tax
12 imposed under the authority of chapter 82.14 RCW, and chapter 82.14 RCW
13 applies fully to the use tax.

14 (3) In addition to fulfilling the notice requirements under RCW
15 82.14.055(1), and unless waived by the department, a regional
16 transportation accountability board or regional transportation
17 investment district shall provide the department of revenue with
18 digital mapping and legal descriptions of areas in which the tax will
19 be collected.

20 **Sec. 20.** RCW 82.80.005 and 2002 c 56 s 415 are each amended to
21 read as follows:

22 LOCAL OPTION TRANSPORTATION TAX DEFINITIONS. For the purposes of
23 this chapter((7)):

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

26 (2) "Regional board" means a regional transportation accountability
27 board established under section 5 of this act.

28 (3) "Regional transportation plan" means a regional transportation
29 plan prepared in accordance with section 9 of this act.

30 **Sec. 21.** RCW 82.80.030 and 2005 c 336 s 24 are each amended to
31 read as follows:

32 COMMERCIAL PARKING TAX. (1) Subject to the conditions of this
33 section, a regional board or the legislative authority of a county,
34 city, or district may fix and impose a parking tax on all persons
35 engaged in a commercial parking business within its respective
36 jurisdiction. A county, city, or ((county)) district may impose the

1 tax only to the extent that it has not been imposed by (~~the district~~)
2 a regional board, and a (~~district~~) regional board may impose the tax
3 only to the extent that it has not been imposed by a county, city, or
4 (~~county~~) district. The jurisdiction of a county, for purposes of
5 this section, includes only the unincorporated area of the county. The
6 jurisdiction of a city or district includes only the area within its
7 boundaries.

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

12 The city, county, regional board, or district may provide that:

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

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

17 (c) The tax is collected by the operator of the facility and
18 remitted to the city, county, regional board, or district;

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

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

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

26 (3) "Commercial parking business" as used in this section, means
27 the ownership, lease, operation, or management of a commercial parking
28 lot in which fees are charged. "Commercial parking lot" means a
29 covered or uncovered area with stalls for the purpose of parking motor
30 vehicles.

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

35 (5) The county, city, regional board, or district levying the tax
36 provided for in subsection (1) or (2) of this section may provide for
37 its payment on a monthly, quarterly, or annual basis. Each local

1 government may develop by ordinance or resolution rules for
2 administering the tax, including provisions for reporting by commercial
3 parking businesses, collection, and enforcement.

4 (6) The proceeds of the commercial parking tax fixed and imposed by
5 a city or county under subsection (1) or (2) of this section shall be
6 used for transportation purposes in accordance with RCW 82.80.070 or
7 for transportation improvements in accordance with chapter 36.73 RCW.
8 The proceeds of the commercial parking tax imposed by a regional board
9 must be used as provided under a regional transportation plan. The
10 proceeds of the parking tax imposed by a district must be used as
11 provided in chapter 36.120 RCW.

12 **Sec. 22.** RCW 82.80.100 and 2002 c 56 s 408 are each amended to
13 read as follows:

14 MOTOR VEHICLE LICENSE FEE. (1) Upon approval of a majority of the
15 voters within its boundaries voting on the ballot proposition, a
16 regional transportation accountability board or regional transportation
17 investment district may set and impose an annual local option vehicle
18 license fee, or a schedule of fees based upon the age of the vehicle,
19 of up to one hundred dollars per motor vehicle registered within the
20 boundaries of the region on every motor vehicle. As used in this
21 section "motor vehicle" has the meaning provided in RCW 46.04.320, but
22 does not include farm tractors or farm vehicles as defined in RCW
23 46.04.180 and 46.04.181, off-road and nonhighway vehicles as defined in
24 RCW 46.09.020, and snowmobiles as defined in RCW 46.10.010. Vehicles
25 registered under chapter 46.87 RCW and the international registration
26 plan are exempt from the annual local option vehicle license fee set
27 forth in this section. The department of licensing shall administer
28 and collect this fee on behalf of a regional transportation
29 accountability board or regional transportation investment
30 district(~~s~~) and remit this fee to the custody of the state treasurer
31 for monthly distribution under RCW 82.80.080.

32 (2) The local option vehicle license fee applies only when renewing
33 a vehicle registration, and is effective upon the registration renewal
34 date as provided by the department of licensing.

35 (3) A regional transportation accountability board or regional
36 transportation investment district imposing the local option vehicle
37 license fee or initiating an exemption process shall enter into a

1 contract with the department of licensing. The contract must contain
2 provisions that fully recover the costs to the department of licensing
3 for collection and administration of the fee.

4 (4) A regional transportation accountability board or regional
5 transportation investment district imposing the local option fee shall
6 delay the effective date of the local option vehicle license fee
7 imposed by this section at least six months from the date of the final
8 certification of the approval election to allow the department of
9 licensing to implement the administration and collection of or
10 exemption from the fee.

11 **Sec. 23.** RCW 82.80.120 and 2006 c 311 s 18 are each amended to
12 read as follows:

13 FUEL TAX. (1) For purposes of this section:

14 (a) "Distributor" means every person who imports, refines,
15 manufactures, produces, or compounds motor vehicle fuel and special
16 fuel as defined in RCW 82.36.010 and 82.38.020, respectively, and sells
17 or distributes the fuel into a county((+)).

18 (b) "Person" has the same meaning as in RCW 82.04.030((+)).

19 (c) "District" means a regional transportation investment district
20 under chapter 36.120 RCW.

21 (d) "Region" means a transportation accountability region
22 established under section 4 of this act.

23 (e) "Regional board" means a regional transportation accountability
24 board established under section 5 of this act.

25 (2) A regional transportation accountability board or regional
26 transportation investment district (~~(under chapter 36.120 RCW)~~),
27 subject to the conditions of this section, may levy additional excise
28 taxes equal to ten percent of the statewide motor vehicle fuel tax rate
29 under RCW 82.36.025 on each gallon of motor vehicle fuel as defined in
30 RCW 82.36.010 and on each gallon of special fuel as defined in RCW
31 82.38.020 sold within the boundaries of the regional board or district.
32 The additional excise tax is subject to the approval of a majority of
33 the voters within the regional board or district boundaries. Vehicles
34 paying an annual license fee under RCW 82.38.075 are exempt from the
35 regional board's or district's fuel excise tax. The additional excise
36 taxes are subject to the same exceptions and rights of refund as
37 applicable to other motor vehicle fuel and special fuel excise taxes

1 levied under chapters 82.36 and 82.38 RCW. The proposed tax may not be
2 levied less than one month from the date the election results are
3 certified. The commencement date for the levy of any tax under this
4 section will be the first day of January, April, July, or October.

5 (3) The local option motor vehicle fuel tax on each gallon of motor
6 vehicle fuel and on each gallon of special fuel is imposed upon the
7 distributor of the fuel.

8 (4) A taxable event for the purposes of this section occurs upon
9 the first distribution of the fuel within the boundaries of the region
10 or district to a retail outlet, bulk fuel user, or ultimate user of the
11 fuel.

12 (5) All administrative provisions in chapters 82.01, 82.03, and
13 82.32 RCW, insofar as they are applicable, apply to local option fuel
14 taxes imposed under this section.

15 (6) Before the effective date of the imposition of the fuel taxes
16 under this section, a regional board or district shall contract with
17 the department of licensing for the administration and collection of
18 the taxes. The contract must provide that a percentage amount, not to
19 exceed one percent of the taxes imposed under this section, will be
20 deposited into the local tax administration account created in the
21 custody of the state treasurer. The department of licensing may spend
22 money from this account, upon appropriation, for the administration of
23 the local taxes imposed under this section.

24 (7) The state treasurer shall distribute monthly to the regional
25 board or district levying the tax as part of the regional
26 transportation plan or regional transportation investment district
27 plan, after the deductions for payments and expenditures as provided in
28 RCW 46.68.090(1) (a) and (b).

29 (8) The proceeds of the additional taxes levied by a district in
30 this section, to be used as a part of a regional transportation
31 investment district plan, must be used in accordance with chapter
32 36.120 RCW, but only for those areas that are considered "highway
33 purposes" as that term is construed in Article II, section 40 of the
34 state Constitution.

35 (9) A district may only levy the tax under this section if the
36 district is comprised of boundaries identical to the boundaries of a
37 county or counties. A district may not levy the tax in this section if
38 a member county is levying the tax in RCW 82.80.010 or 82.80.110.

1 (10) The proceeds of the additional taxes levied by a regional
2 board under this section must be used to implement a regional
3 transportation plan.

4 NEW SECTION. Sec. 24. BORROWING AUTHORITY. (1) Subject to
5 chapters 39.36 and 39.46 RCW, a regional board may:

6 (a) Enter into agreements with a lead agency or the state to pledge
7 one or more of the taxes, tolls, charges, or fees authorized to be
8 imposed by a regional board as security for the payment of obligations
9 issued by the lead agency or the state;

10 (b) Issue general obligation bonds, not to exceed an amount,
11 together with any other outstanding nonvoter-approved general
12 obligation indebtedness, equal to one and one-half percent of the value
13 of the taxable property within a transportation accountability region;
14 or

15 (c) Issue revenue bonds and, in connection with the issuance of
16 bonds, pledge as additional security for the payment of revenue bonds
17 of a regional board one or more of the taxes, tolls, charges, or fees
18 authorized to be imposed by the regional board.

19 (2) The authority to impose any tax, toll, charge, or fee pledged
20 by a regional board under this act may not be eliminated or modified
21 while any obligations benefited by the pledge are outstanding.

22 NEW SECTION. Sec. 25. TREASURER. (1) A regional board shall
23 designate a person who is not a member of the board and who has
24 experience in financial or fiscal matters to be treasurer of the
25 transportation accountability region. The board may designate the
26 treasurer of any county within the region to act as treasurer. The
27 treasurer has all of the powers, responsibilities, and duties that the
28 county treasurer has related to investing surplus funds.

29 (2) If the treasurer is also the treasurer of a county, all board
30 funds must be deposited with a county depository under the same
31 restrictions, contracts, and security as provided for county
32 depositories. If the treasurer is not the treasurer of a county, all
33 funds must be deposited in a bank or banks that are public
34 depositories, as defined in RCW 39.58.010, and are qualified for
35 insured deposits under any federal deposit insurance act as the board,

1 by resolution, designates, or funds must be invested in legal
2 investments for counties.

3 (3) The board shall require a bond with a surety company authorized
4 to do business in this state in an amount and under the terms and
5 conditions the board, by resolution, from time to time finds will
6 protect the board against loss. The board shall pay the premium on the
7 bond. The board may require a reasonable bond of any other person
8 handling money or securities of the board, but the board shall pay the
9 premium on the bond.

10 NEW SECTION. **Sec. 26.** TAX EXEMPTIONS. The following taxes do not
11 apply to any regional transportation project included in a regional
12 transportation plan:

- 13 (1) Local business and occupation taxes;
14 (2) Business and occupation taxes imposed under RCW 82.04.220;
15 (3) Retail sales taxes imposed under RCW 82.08.020;
16 (4) Use taxes imposed under RCW 82.12.020; and
17 (5) Public utility taxes imposed under RCW 82.16.020.

18 **Sec. 27.** RCW 35.21.718 and 1998 c 179 s 2 are each amended to read
19 as follows:

20 LOCAL BUSINESS AND OCCUPATION TAX EXEMPTION. A city or town may
21 not impose a tax on amounts received from operating:

- 22 (1) State route number 16 corridor transportation systems and
23 facilities constructed and operated under chapter 47.46 RCW; or
24 (2) A regional transportation project included in a regional
25 transportation plan under section 9 of this act.

26 NEW SECTION. **Sec. 28.** A new section is added to chapter 82.04 RCW
27 to read as follows:

28 BUSINESS AND OCCUPATION TAX EXEMPTIONS. This chapter does not
29 apply to amounts received from operating a regional transportation
30 project included in a regional transportation plan under section 9 of
31 this act.

32 NEW SECTION. **Sec. 29.** A new section is added to chapter 82.08 RCW
33 to read as follows:

34 RETAIL SALES TAX EXEMPTION. The tax levied by RCW 82.08.020 does

1 not apply to the sales of goods, labor, and services rendered for
2 construction, maintenance, and operation of a regional transportation
3 project included in a regional transportation plan under section 9 of
4 this act.

5 NEW SECTION. **Sec. 30.** A new section is added to chapter 82.12 RCW
6 to read as follows:

7 USE TAX EXEMPTION. This chapter does not apply to the use of
8 tangible personal property to construct, operate, or maintain a
9 regional transportation project included in a regional transportation
10 plan under section 9 of this act.

11 **Sec. 31.** RCW 82.16.046 and 1998 c 179 s 5 are each amended to read
12 as follows:

13 PUBLIC UTILITY TAX EXEMPTION. The provisions of this chapter do
14 not apply to amounts received from operating:

15 (1) State route number 16 corridor transportation systems and
16 facilities constructed and operated under chapter 47.46 RCW; or

17 (2) A regional transportation project included in a regional
18 transportation plan under section 9 of this act.

19 **PART V - MISCELLANEOUS PROVISIONS**

20 NEW SECTION. **Sec. 32.** RCW 47.80.060 (Executive board membership)
21 and 2007 c 511 s 1, 2005 c 334 s 1, & 1992 c 101 s 31 are each
22 repealed.

23 NEW SECTION. **Sec. 33.** A new section is added to chapter 36.120
24 RCW to read as follows:

25 A regional transportation improvement district formed after the
26 effective date of this section is not allowed within the boundaries of
27 a transportation accountability region.

28 NEW SECTION. **Sec. 34.** Sections 1 through 12, 14, 15, and 24
29 through 26 of this act constitute a new chapter in Title 36 RCW.

30 **PART VI - RULES OF CONSTRUCTION**

1 NEW SECTION. **Sec. 35.** CONSTRUCTION. The rule of strict
2 construction may not be applied to this act, which must be liberally
3 construed to carry out its purposes.

4 NEW SECTION. **Sec. 36.** CODE REVISER. The office of the code
5 reviser is directed to submit to the chair of the senate transportation
6 committee and the chair of the house of representatives transportation
7 committee before the commencement of the first legislative session
8 after the effective date of this section proposed legislation that
9 makes technical corrections to statutes and identifies other amendments
10 needed to fully implement this act. The legislature may amend this act
11 at any time if necessary to fully implement its purpose.

12 NEW SECTION. **Sec. 37.** CAPTIONS AND PART HEADINGS NOT LAW.
13 Captions and part headings used in this act are not any part of the
14 law.

15 NEW SECTION. **Sec. 38.** SEVERABILITY. If any provision of this act
16 or its application to any person or circumstance is held invalid, the
17 remainder of the act or the application of the provision to other
18 persons or circumstances is not affected.

19 NEW SECTION. **Sec. 39.** EMERGENCY EFFECT. This act is necessary
20 for the immediate preservation of the public peace, health, or safety,
21 or support of the state government and its existing public
22 institutions, and takes effect immediately.

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