

ESSB 6582 - H COMM AMD
By Committee on Transportation

NOT ADOPTED 03/03/2012

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** (1) It is the intent of the legislature to
4 provide diversified local revenue options that may be tailored to the
5 needs of each jurisdiction. It is also the intent that local
6 governments provide countywide transportation planning and coordinate
7 with other municipalities, transit systems, transportation benefit
8 districts, planning organizations, and other transportation agencies.
9 It is critical that all transportation infrastructure is well planned,
10 coordinated, and maintained at the local levels to provide a seamless
11 transportation infrastructure to enable people and goods to move safely
12 and efficiently throughout the state and to bolster and improve the
13 state's economy.

14 (2) The legislature finds that the purchasing power of funds to pay
15 for local transportation needs continues to decline while costs have
16 risen. Without additional funding, counties and cities will continue
17 to struggle financially to preserve and maintain county roads, city
18 streets, and bridges; pavement conditions will to continue to decline;
19 and public transit systems will be forced to cut services at a time
20 when demand for transit services is increasing.

21 **Sec. 2.** RCW 36.73.065 and 2007 c 329 s 1 are each amended to read
22 as follows:

23 (1) Except as provided in subsection (4) of this section, taxes,
24 fees, charges, and tolls may not be imposed by a district without
25 approval of a majority of the voters in the district voting on a
26 proposition at a general or special election. The proposition must
27 include a specific description of the transportation improvement or
28 improvements proposed by the district and the proposed taxes, fees,

1 charges, and the range of tolls imposed by the district to raise
2 revenue to fund the improvement or improvements.

3 (2) Voter approval under this section (~~shall~~) must be accorded
4 substantial weight regarding the validity of a transportation
5 improvement as defined in RCW 36.73.015.

6 (3) A district may not increase any taxes, fees, charges, or range
7 of tolls imposed under this chapter once the taxes, fees, charges, or
8 tolls take effect, unless authorized by the district voters pursuant to
9 RCW 36.73.160 or up to forty dollars of the vehicle fee authorized in
10 RCW 82.80.140 by the governing board of the district.

11 (4)(a) A district that includes all the territory within the
12 boundaries of the jurisdiction, or jurisdictions, establishing the
13 district may impose by a majority vote of the governing board of the
14 district the following fees and charges:

15 (i) Up to (~~twenty~~) forty dollars of the vehicle fee authorized in
16 RCW 82.80.140; or

17 (ii) A fee or charge in accordance with RCW 36.73.120.

18 (b) The vehicle fee authorized in (a) of this subsection may only
19 be imposed for a passenger-only ferry transportation improvement if the
20 vehicle fee is first approved by a majority of the voters within the
21 jurisdiction of the district.

22 (c)(i) A district solely comprised of a city or cities (~~shall~~)
23 may not impose the fees or charges identified in (a) of this subsection
24 within one hundred eighty days after July 22, 2007, unless the county
25 in which the city or cities reside, by resolution, declares that it
26 will not impose the fees or charges identified in (a) of this
27 subsection within the one hundred eighty-day period; or

28 (ii) A district solely comprised of a city or cities identified in
29 RCW 36.73.020(6)(b) (~~shall~~) may not impose the fees or charges until
30 after May 22, 2008, unless the county in which the city or cities
31 reside, by resolution, declares that it will not impose the fees or
32 charges identified in (a) of this subsection through May 22, 2008.

33 (5) If the interlocal agreement in RCW 82.80.140(2)(a) cannot be
34 reached, a district that includes only the unincorporated territory of
35 a county may impose by a majority vote of the governing body of the
36 district up to (~~twenty~~) forty dollars of the vehicle fee authorized
37 in RCW 82.80.140.

1 **Sec. 3.** RCW 82.80.140 and 2010 c 161 s 917 are each amended to
2 read as follows:

3 (1) Subject to the provisions of RCW 36.73.065, a transportation
4 benefit district under chapter 36.73 RCW may fix and impose an annual
5 vehicle fee, not to exceed one hundred dollars per vehicle registered
6 in the district, for each vehicle subject to vehicle license fees under
7 RCW 46.17.350(1) (a), (c), (d), (e), (g), (h), (j), or (n) through (q)
8 and for each vehicle subject to gross weight license fees under RCW
9 46.17.355 with a scale weight of six thousand pounds or less.

10 (2)(a) A district that includes all the territory within the
11 boundaries of the jurisdiction, or jurisdictions, establishing the
12 district may impose by a majority vote of the governing board of the
13 district up to (~~twenty~~) forty dollars of the vehicle fee authorized
14 in subsection (1) of this section. If the district is countywide, the
15 revenues of the fee shall be distributed to each city within the county
16 by interlocal agreement. The interlocal agreement is effective when
17 approved by the county and sixty percent of the cities representing
18 seventy-five percent of the population of the cities within the county
19 in which the countywide fee is collected.

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

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

24 (ii) That, if combined with the fees previously imposed by another
25 district within its boundaries under RCW 36.73.065(4)(a)(i), exceeds
26 twenty dollars.

27 If a district imposes or increases a fee under this subsection (2)
28 that, if combined with the fees previously imposed by another district
29 within its boundaries, exceeds twenty dollars, the district shall
30 provide a credit for the previously imposed fees so that the combined
31 vehicle fee does not exceed twenty dollars.

32 (3) 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) No fee under this section may be collected until six months
2 after approval under RCW 36.73.065.

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

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

8 (a) Campers, as defined in RCW 46.04.085;

9 (b) Farm tractors or farm vehicles, as defined in RCW 46.04.180 and
10 46.04.181;

11 (c) Mopeds, as defined in RCW 46.04.304;

12 (d) Off-road and nonhighway vehicles, as defined in RCW 46.04.365;

13 (e) Private use single-axle trailer, as defined in RCW 46.04.422;

14 (f) Snowmobiles, as defined in RCW 46.04.546; and

15 (g) Vehicles registered under chapter 46.87 RCW and the
16 international registration plan.

17 NEW SECTION. **Sec. 4.** A new section is added to chapter 82.80 RCW
18 to read as follows:

19 (1) A county may impose, by approval of a majority of the
20 registered voters of the county voting on the proposition at a general
21 or special election, a local motor vehicle excise tax of up to one
22 percent annually on the value of every motor vehicle registered to a
23 person residing within the county based on the valuation schedules in
24 RCW 82.44.035. No motor vehicle excise tax may be imposed on vehicles
25 licensed under RCW 46.17.355, except for motor vehicles with an unladen
26 weight of six thousand pounds or less, RCW 46.16A.425, 46.17.335, or
27 46.17.350(1)(c).

28 (2) A county with a population of one million five hundred thousand
29 or more may impose a local motor vehicle excise tax as authorized under
30 this section by a majority vote of the county's legislative authority.
31 Sixty-two and one-half percent of the funds must be used by the county
32 for transportation purposes. Thirty-seven and one-half percent of the
33 funds must be distributed to cities and towns on a per capita basis and
34 must be used for transportation purposes.

35 (3) Counties imposing a tax under this section shall contract,
36 before the effective date of the resolution or ordinance imposing a
37 motor vehicle excise tax, with the department of licensing. The

1 department of licensing must administer and collect the tax. The
2 department must deduct a percentage amount, as provided by contract,
3 not to exceed one percent of the taxes collected, for administration
4 and collection expenses incurred by the department. The department
5 must remit the remaining proceeds to the custody of the state
6 treasurer. The state treasurer must distribute the proceeds to the
7 county on a monthly basis.

8 (4) No tax imposed under this section may be collected until six
9 months after approval.

10 (5) The tax under this section applies only when renewing a vehicle
11 registration, and is effective upon the registration renewal date as
12 provided by the department of licensing.

13 (6) Counties imposing a tax under this section must use the funds
14 in a manner consistent with RCW 35.58.2795, 36.70A.070, and 36.70.330,
15 and chapters 36.73 and 47.80 RCW.

16 (7)(a) The legislative authority of each county shall convene a
17 meeting with representatives of each city and town located within the
18 county for the purpose of establishing a collaborative process that
19 will provide a framework for the adoption of a ballot measure pursuant
20 to chapter 29A.36 RCW.

21 (b) The legislative authority of each county that includes a public
22 transit system under chapter 36.57A RCW, 36.56, 35.95A, or 36.57 RCW,
23 or RCW 35.58.2721 or 36.57.100, shall convene a meeting with
24 representatives of the respective transit system for the purpose of
25 establishing a collaborative process that will provide a framework for
26 the adoption of a ballot measure pursuant to chapter 29A.36 RCW.

27 (8) A county has until December 31, 2013, to impose a local motor
28 vehicle tax of up to one percent, as authorized in this section. If a
29 county does not impose the full one percent of the local motor vehicle
30 excise tax authorized under this section within this time period, the
31 transit systems within that county may impose up to one-half of the
32 county's one percent local motor vehicle excise tax. A county may
33 waive the December 31, 2013, deadline and allow transit agencies in
34 that county to proceed with imposing a motor vehicle excise tax.

35 (9) Any county that has implemented a congestion reduction charge
36 under RCW 82.80.055 must sunset the congestion reduction charge prior
37 to the implementation date of the county motor vehicle excise tax
38 imposed in accordance with this section.

1 NEW SECTION. **Sec. 5.** A new section is added to chapter 82.80 RCW
2 to read as follows:

3 (1) Beginning January 1, 2014, a transit system may impose, by
4 approval of a majority of the registered voters within the boundaries
5 of the transit system voting on the proposition at a general or special
6 election, a local motor vehicle excise tax or greater of up to one-half
7 of one percent annually under section 4 of this act on the value of
8 every motor vehicle registered to a person residing within the transit
9 boundaries based on the valuation schedules in RCW 82.44.035. No motor
10 vehicle excise tax may be imposed on vehicles licensed under RCW
11 46.17.355, except for motor vehicles with an unladen weight of six
12 thousand pounds or less, RCW 46.16A.425, 46.17.335, or 46.17.350(1)(c).

13 (2) Transit systems imposing a tax under this section shall
14 contract, before the effective date of the resolution or ordinance
15 imposing a motor vehicle excise tax, with the department of licensing.
16 The department of licensing must administer and collect the tax. The
17 department must deduct a percentage amount, as provided by contract,
18 not to exceed one percent of the taxes collected, for administration
19 and collection expenses incurred by the department. The department
20 must remit the remaining proceeds to the custody of the state
21 treasurer. The state treasurer must distribute the proceeds to the
22 county on a monthly basis.

23 (3) No tax imposed under this section may be collected until six
24 months after approval.

25 (4) The tax under this section applies only when renewing a vehicle
26 registration, and is effective upon the registration renewal date as
27 provided by the department of licensing.

28 **Sec. 6.** RCW 82.80.010 and 2003 c 350 s 1 are each amended to read
29 as follows:

30 (1) For purposes of this section:

31 (a) "Distributor" means every person who imports, refines,
32 manufactures, produces, or compounds motor vehicle fuel and special
33 fuel as defined in RCW 82.36.010 and 82.38.020, respectively, and sells
34 or distributes the fuel into a county;

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

36 (2) Subject to the conditions of this section, any county may levy,
37 by approval of its legislative body and a majority of the registered

1 voters of the county voting on the proposition at a general or special
2 election, additional excise taxes equal to (~~ten percent of the~~
3 ~~statewide motor vehicle fuel tax rate under RCW 82.36.025~~) one cent,
4 two cents, or three cents on each gallon of motor vehicle fuel as
5 defined in RCW 82.36.010 and on each gallon of special fuel as defined
6 in RCW 82.38.020 sold within the boundaries of the county. Vehicles
7 paying an annual license fee under RCW 82.38.075 are exempt from the
8 county fuel excise tax. An election held under this section must be
9 held not more than twelve months before the date on which the proposed
10 tax is to be levied. The ballot setting forth the proposition
11 (~~shall~~) must state the tax rate that is proposed. The county's
12 authority to levy additional excise taxes under this section includes
13 the incorporated and unincorporated areas of the county. The
14 additional excise taxes are subject to the same exceptions and rights
15 of refund as applicable to other motor vehicle fuel and special fuel
16 excise taxes levied under chapters 82.36 and 82.38 RCW. The proposed
17 tax (~~shall~~) may not be levied less than one month from the date the
18 election results are certified by the county election officer. The
19 commencement date for the levy of any tax under this section (~~shall~~
20 ~~be~~) is the first day of January, April, July, or October.

21 (3) The local option motor vehicle fuel tax on each gallon of motor
22 vehicle fuel and on each gallon of special fuel is imposed upon the
23 distributor of the fuel.

24 (4) A taxable event for the purposes of this section occurs upon
25 the first distribution of the fuel within the boundaries of a county to
26 a retail outlet, bulk fuel user, or ultimate user of the fuel.

27 (5) All administrative provisions in chapters 82.01, 82.03, and
28 82.32 RCW, insofar as they are applicable, apply to local option fuel
29 taxes imposed under this section.

30 (6) Before the effective date of the imposition of the fuel taxes
31 under this section, a county (~~shall~~) must contract with the
32 department of revenue for the administration and collection of the
33 taxes. The contract must provide that a percentage amount, not to
34 exceed one percent of the taxes imposed under this section, will be
35 deposited into the local tax administration account created in the
36 custody of the state treasurer. The department of revenue may spend
37 money from this account, upon appropriation, for the administration of
38 the local taxes imposed under this section.

1 (7) The state treasurer (~~shall~~) must distribute monthly to the
2 levying county and cities contained therein the proceeds of the
3 additional excise taxes collected under this section, after the
4 deductions for payments and expenditures as provided in RCW
5 46.68.090(1) (a) and (b) and under the conditions and limitations
6 provided in RCW 82.80.080.

7 (8) The proceeds of the additional excise taxes levied under this
8 section (~~shall~~) must be used strictly for transportation purposes in
9 accordance with RCW 82.80.070.

10 (9) A county may not levy the tax under this section if they are
11 levying the tax in RCW 82.80.110 or if they are a member of a regional
12 transportation investment district levying the tax in RCW 82.80.120.

13 NEW SECTION. **Sec. 7.** This act takes effect July 1, 2012."

14 Correct the title.

EFFECT: (1) Requires that a county or transit system that implements the motor vehicle excise tax must receive an approval by a majority of the registered voters of that county or system. However, a county that has a population of one million five hundred thousand or more may impose the motor vehicle excise tax by either a majority vote of the county's legislative authority or approval of a majority of the registered voters of the county. 62.5 percent of the funds must be used by the county for transportation purposes and 37.5 percent of the funds must be distributed to cities and towns on a per capita basis and be used for transportation purposes.

(2) No motor vehicle excise tax may be collected until six months after approval.

(3) The legislative authority of each county shall convene a meeting with representatives of each city, town, and transit system located within the county for the purpose of establishing a collaborative process that will provide a framework for the adoption of a ballot measure.

(4) A county has until December 31, 2013, to impose a motor vehicle excise tax. Beginning on January 1, 2014, a transit system within that county may impose a motor vehicle excise tax of up to one-half of the county's one percent.

(5) Counties may waive the December 31, 2013, deadline, and transit systems may move forward before that date.

(6) Removes the requirement that all transit systems within a county must implement a motor vehicle excise tax.

(7) Any county that has implemented a congestion reduction charge

under RCW 82.80.055 must expire the charge before the implementation date of the county motor vehicle excise tax.

(8) A county will implement a motor vehicle excise tax instead of a transportation benefit district.

(9) The existing vehicle valuation schedule in statute is being utilized at 85 percent of the manufacturer's suggested retail price instead of the last purchase price of the vehicle.

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