
Transportation Committee

HB 1865

Brief Description: Concerning sales and use tax imposition by public transportation benefit areas.

Sponsors: Representatives Sawyer, Fey, Farrell, Ryu and Jinkins.

Brief Summary of Bill

- Allows a public transportation benefit district with a population of 200,000 or more to impose a sales tax by a weighted majority vote based on population, so long as the entire population of the district is represented by elected officials serving on the board.
- Allows the board to expand to up to 15 members if necessary to meet the representation requirement for weighted voting.

Hearing Date: 2/25/13

Staff: David Munnecke (786-7315).

Background:

A public transportation benefit area (PTBA) is a special purpose district authorized to provide public transportation service within all or a portion of a county or counties. Generally speaking, "public transportation service" means the transportation of packages, passengers, and their incidental baggage by means other than by chartered bus or sight-seeing bus, together with the terminals and parking facilities necessary for passenger and vehicular access to and from such systems. It also means passenger-only ferry service for those PTBAs eligible to provide passenger-only ferry service. A PTBA may collect fares for service and, with approval of the majority of the voters within the area, impose up to a 0.9 percent sales and use tax within the area.

A PTBA is created through a conference process attended by elected representatives selected by the legislative body of each city within the boundaries of the PTBA as well as the county

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legislative authority or authorities. Within 60 days of establishment, the county legislative body or bodies provide for the selection of a governing body of not more than nine elected officials (or, in the case of a multi-county PTBA, not more than 15 members) selected by and serving at the pleasure of the governments of the cities and counties in the PTBA. Cities within the PTBA that are excluded from direct membership on the authority are permitted to designate a member of the PTBA who is entitled to represent the interests of those cities.

Summary of Bill:

A PTBA with a population of 200,000 or more is allowed to impose a sales tax of up to 0.9 percent by a weighted majority vote of the governing body of the PTBA, so long as the entire population of the district is represented by elected officials serving on the board and voting on the resolution. A weighted vote is defined as a vote that reflects the population each member of the governing body represents relative to the population represented by the total membership of the governing body.

The governing body of a single county PTBA is allowed to expand to up to 15 members, if necessary to meet the representation requirement for a weighted voting system.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.