Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Transportation Committee

HB 1534

Brief Description: Modifying the use of motor vehicle and special fuel tax proceeds by border area transportation benefit districts.

Sponsors: Representatives Van Werven, Clibborn and Buys.

Brief Summary of Bill

• Allows the proceeds of a border area fuel tax to be spent on transportation improvements as defined for the purposes of a transportation benefit district, which encompasses investment in various transportation improvements consistent within the transportation plan of a variety of governmental entities.

Hearing Date: 2/2/15

Staff: David Munnecke (786-7315).

Background:

Border Area Fuel Tax.

Cities and towns within 10 miles of an international border crossing and transportation benefit districts (TBD) that have an international border crossing within their boundaries are eligible to impose a border area fuel tax. This tax may be up to 1 cent per gallon on the retail sale of motor vehicle and special fuel, and may be imposed only after it is approved by a majority vote of the registered voters of the jurisdiction.

Other than certain refunds and administration costs, the proceeds of a border area fuel tax may only be used for street maintenance and construction in the border area jurisdiction imposing the tax. The cities of Blaine, Nooksack, Point Roberts, and Sumas impose a border area fuel tax of 1 cent per gallon.

Transportation Benefit District Improvements.

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This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

A transportation improvement, in the context of a TBD, means a project contained in the transportation plan of the state, a regional transportation planning organization, city, county, port district, county transportation authority, or public transportation benefit area. A project may include investment in new or existing highways of statewide significance, principal arterials of regional significance, high capacity transportation, public transportation, and other transportation projects and programs of regional or statewide significance including transportation demand management. Projects may also include the operation, preservation, and maintenance of these facilities or programs.

Summary of Bill:

The proceeds of a border area fuel tax may only be spent in the border area jurisdiction on transportation improvements as defined for the purposes of a TBD.

Appropriation: None.

Fiscal Note: Available.

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