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## Transportation Committee

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### HB 2864

**Brief Description:** Authorizing certain public transportation benefit areas to impose a sales and use tax increase approved by voters.

**Sponsors:** Representatives S. Hunt, Reykdal and Moscoso.

<p style="text-align: center;"><b>Brief Summary of Bill</b></p> <ul style="list-style-type: none"><li>• Allows certain public transportation benefit areas to impose a sales and use tax of up to 0.3 percent with the approval of the voters within the area.</li></ul>
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**Hearing Date:** 2/4/16

**Staff:** David Munnecke (786-7315).

**Background:**

Public Transportation Benefit Area.

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 in a county with a population of 700,000 or more, that also contains a city with a population of 75,000 or more that operates a transit system, may impose a sales and use tax of up to 0.3 percent with the approval of the voters within the area. This 0.3 percent sales and use tax is in addition to the up to 0.9 percent sales and use tax that all the PTBAs are eligible to impose.

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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 legislative authority or authorities. Within 60 days of establishment, the county legislative body or bodies and the elected representatives of each city within the PTBA must 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 in a county with a population of between 250,000 and 400,000, that also contains two city with a population of 40,000 or more, may impose a sales and use tax of up to 0.3 percent with the approval of the voters within the area. This 0.3 percent sales and use tax is in addition to the up to 0.9 percent sales and use tax that all the PTBAs are eligible to impose.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect on July 1, 2016.