

SENATE BILL REPORT

HB 1606

As Reported by Senate Committee On:
Transportation, March 22, 2017
Local Government, February 20, 2018

Title: An act relating to requiring transportation benefit districts to hold public hearings prior to imposing fees or charges by a vote of the governing board.

Brief Description: Requiring transportation benefit districts to hold public hearings prior to imposing fees or charges by a vote of the governing board.

Sponsors: Representatives Pike, Tarleton, Orcutt, Stambaugh, Harmsworth, Gregerson and Hargrove.

Brief History: Passed House: 3/01/17, 98-0; 1/31/18, 94-0.

Committee Activity: Transportation: 3/14/17, 3/22/17 [DP, DNP, w/oRec].

Local Government: 2/15/18, 2/20/18 [DP, w/oRec].

Brief Summary of Bill

- Requires Transportation Benefit Districts (TBDs) to hold a public hearing before imposing non-voter approved vehicle fees or impact fees.

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass.

Signed by Senators King, Chair; Sheldon, Vice Chair; Hobbs, Ranking Minority Member; Ericksen, Fortunato, Hawkins, O'Ban, Walsh and Wilson.

Minority Report: Do not pass.

Signed by Senators Lias, Assistant Ranking Minority Member; Cleveland, Takko and Van De Wege.

Minority Report: That it be referred without recommendation.

Signed by Senator Saldaña.

Staff: Kelly Simpson (786-7403)

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.

SENATE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass.

Signed by Senators Takko, Chair; Palumbo, Vice Chair; Short, Ranking Member; Angel.

Minority Report: That it be referred without recommendation.

Signed by Senator Liias.

Staff: Greg Vogel (786-7413)

Background: A TBD is a special purpose taxing district that may be established by a county or city for the purpose of acquiring, constructing, improving, providing, and funding transportation improvements within the TBD area. A TBD is governed by the legislative authority of the jurisdiction proposing to create it, or by a governance structure prescribed in an interlocal agreement among the participating jurisdictions. If a TBD includes more than one jurisdiction, the governing body must have at least five members, including at least one elected official from each of the participating jurisdictions. Port districts and transit districts may participate in the establishment of a TBD, but may not initiate TBD formation.

A TBD has independent taxing authority to implement the following revenue measures, all of which are generally subject to voter approval:

- a local sales and use tax not to exceed 0.2 percent;
- a local annual vehicle fee not to exceed \$100 on vehicle license renewals, up to \$50 of which may be imposed without voter approval under certain conditions;
- transportation impact fees on commercial and industrial development;
- excess property taxes; and
- tolls, subject to legislative authorization and approval by the Washington State Transportation Commission if imposed on state routes.

A TBD may impose the following revenue measures without voter approval through a majority vote of the governing body:

- transportation impact fees on commercial and industrial development; and
- except for passenger-only ferry improvements, up to \$50 in local annual vehicle fees if the TBD includes all the territory within the boundaries of the jurisdiction(s) establishing the TBD.

Summary of Bill: A TBD governing board must hold a public hearing before imposing non-voter approved vehicle fees or impact fees.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony (Transportation): *Testimony from 2017 Regular Session.* PRO: Public hearings serve an important role and should be conducted prior to the imposition of taxes and fees.

Persons Testifying (Transportation): PRO: Sheila Burrus, Filipino Community of Seattle.

Persons Signed In To Testify But Not Testifying (Transportation): No one.

Staff Summary of Public Testimony (Local Government): PRO: Cities and counties are struggling to keep up with infrastructure needs as they grow. It is good to have this tool in the tool box available to them. However, it is also good, when nonvoter-approved fees are imposed, for citizens to have a chance to air any concerns in a public hearing. This is a good transparency bill.

Persons Testifying (Local Government): PRO: Representative Liz Pike, Prime Sponsor.

Persons Signed In To Testify But Not Testifying (Local Government): No one.