

SENATE BILL REPORT

HB 1606

As Reported by Senate Committee On:
Transportation, March 22, 2017

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.

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

Brief Summary of Bill

- Requires Transportation Benefit Districts 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)

Background: A Transportation Benefit District (TBD) is a special purpose taxing district that may be established by a county or city for the purpose of acquiring, constructing,

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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: PRO: Public hearings serve an important role and should be conducted prior to the imposition of taxes and fees.

Persons Testifying: PRO: Representative Liz Pike, Prime Sponsor.

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