

# SENATE BILL REPORT

## SB 5510

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As of January 19, 2022

**Title:** An act relating to renewal of the sales and use tax for transportation benefit districts.

**Brief Description:** Concerning renewal of the sales and use tax for transportation benefit districts.

**Sponsors:** Senators King, Lovelett, Dozier, Mullet, Saldaña and Wilson, J..

**Brief History:**

**Committee Activity:** Transportation: 1/20/22.

**Brief Summary of Bill**

- Allows voters within a transportation benefit district to reauthorize multiple 10-year extensions of a sales tax.

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### SENATE COMMITTEE ON TRANSPORTATION

**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 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. 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, most of which are 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

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- of which may be imposed without voter approval under certain conditions;
- transportation impact fees on commercial and industrial development, which may be imposed without voter approval;
- excess property taxes; and
- tolls, subject to legislative authorization and approval by the Washington State Transportation Commission if imposed on state routes.

The TBD sales tax, unless dedicated for the repayment of indebtedness, may not be imposed for a period exceeding ten years. However, the sales tax may be extended for a period not exceeding 10 years if approved by voters.

**Summary of Bill:** Voters within a TBD may renew multiple extensions of a sales tax, with each renewal extending the tax for an additional period not exceeding 10 years.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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

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