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## SUBSTITUTE SENATE BILL 5457

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State of Washington 62nd Legislature 2011 Regular Session

By Senate Transportation (originally sponsored by Senators White, Shin, Murray, Kohl-Welles, Harper, Nelson, Keiser, Prentice, Kline, and McAuliffe)

READ FIRST TIME 02/25/11.

- AN ACT Relating to providing a congestion reduction charge to fund the operational and capital needs of transit agencies; adding a new section to chapter 82.80 RCW; adding a new section to chapter 46.68 RCW; creating a new section; and providing an expiration date.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 NEW SECTION. Sec. 1. The legislature recognizes that public 7 transportation provides many benefits to the citizens of the state and the environment, including through public transportation's ability to 8 9 alleviate congestion and offset the burdens placed by general vehicular 10 traffic on the state's transportation infrastructure. In these 11 challenging economic times, many transit agencies find themselves struggling to continue to provide a level of service that reduces 12 13 congestion.
  - The legislature further recognizes that King county conducted a regional transit task force in 2010 that considered a policy framework for the potential future growth and, if necessary, contraction of King county's transit system. The task force members were selected to represent a broad diversity of interests and perspectives. The task force recommendations, which were unanimously accepted, addressed key

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elements, such as the adoption of performance measures, controlling 1 2 operating costs, developing policy guidance for making and clear and transparent guidelines 3 reductions, for 4 allocation. As a result of the work done by the task force and King county's commitment to comply with the recommendations, it is the 5 6 intent of the legislature that King county be provided the opportunity 7 to impose a temporary congestion reduction charge, which is separate 8 and distinct from the base motor vehicle license fee, that can help 9 address its revenue shortfalls during this economic crisis and allow it 10 to continue reducing congestion and the corresponding burdens placed on 11 the highway system on some of the state's most crowded corridors.

NEW SECTION. Sec. 2. A new section is added to chapter 82.80 RCW to read as follows:

- (1)(a) Except as provided in subsection (2) of this section, the governing body of a county that has assumed the rights, powers, functions, and obligations of a metropolitan municipal corporation under chapter 36.56 RCW and is operating a public transportation system or the voters within that county may impose by majority vote an annual congestion reduction charge of up to twenty dollars per vehicle registered in the boundaries of the county for each vehicle subject to vehicle license fees under RCW 46.17.350(1) (a), (c), (d), (e), (g), (h), (j), (n), (o), (p), or (q) and for each vehicle subject to gross weight license fees under RCW 46.17.355 with an unladen weight of six thousand pounds or less.
- (b) Prior to the imposition of a congestion reduction charge authorized under (a) of this subsection, a governing body must complete a congestion reduction plan indicating the proposed expenditures of the proceeds of the congestion reduction charge.
- (c) If a governing body that imposes a congestion reduction charge authorized under (a) of this subsection completed a regional transit task force evaluating system improvements and efficiencies within two years prior to the imposition of the charge, the proceeds from the charge must be expended in a manner consistent with the recommendations of the regional transit task force.
- (d) A governing body that imposes a congestion reduction charge authorized under (a) of this subsection must complete a report by July

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1 1, 2012, detailing the expenditures of the proceeds of the congestion 2 reduction charge through June 1, 2012.

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- (e) A governing body that imposes a congestion reduction charge authorized under (a) of this subsection must complete a report by June 1, 2014, detailing the expenditures of the proceeds of the congestion reduction charge.
- (2) The governing body of a county that has assumed the rights, powers, functions, and obligations of a metropolitan municipal corporation under chapter 36.56 RCW and is operating a public transportation system may not impose a congestion reduction charge authorized under subsection (1)(a) of this section for a passenger-only ferry transportation improvement, unless the charge is first approved by a majority of the voters within that county.
- (3) The governing body of a county that has assumed the rights, powers, functions, and obligations of a metropolitan municipal corporation under chapter 36.56 RCW and is operating a public transportation system shall contract with the department of licensing as provided under section 3 of this act for the collection of the congestion reduction charge.
- (4) A congestion reduction charge imposed under this section may not be assessed until six months after approval.
- (5) A congestion reduction charge imposed under this section applies only for vehicle registration renewals and is effective upon the registration renewal date as provided by the department of licensing.
- (6) The following vehicles are exempt from the congestion reduction charge imposed under this section:
- 28 (a) Farm tractors or farm vehicles as defined in RCW 46.04.180 and 29 46.04.181;
  - (b) Off-road vehicles as defined in RCW 46.04.365;
  - (c) Nonhighway vehicles as defined in RCW 46.09.310;
- 32 (d) Vehicles registered under chapter 46.87 RCW and the 33 international registration plan; and
  - (e) Snowmobiles as defined in RCW 46.04.546.
- 35 (7) The authority to impose a congestion reduction charge 36 authorized in subsection (1)(a) of this section expires with vehicle 37 registrations that expire two years after the imposition of the charge 38 or no later than June 30, 2014, whichever comes first.

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- (8) A congestion reduction charge authorized under subsection (1)(a) of this section may only be imposed after June 30, 2014, if approved by a majority of the voters within a county that has assumed the rights, powers, functions, and obligations of a metropolitan municipal corporation under chapter 36.56 RCW and is operating a public transportation system.
  - (9) This section expires December 31, 2014.

8 <u>NEW SECTION.</u> **Sec. 3.** A new section is added to chapter 46.68 RCW 9 to read as follows:

Whenever the department enters into a contract with the governing body of a county that has assumed the rights, powers, functions, and obligations of a metropolitan municipal corporation under chapter 36.56 RCW and is operating a public transportation system for the collection of congestion reduction charges authorized under section 2 of this act:

- (1) The contract must require that the governing body provide any information specified by the department to identify the vehicle owners who owe the congestion reduction charges, and must specify that it is the responsibility of the governing body to ensure that the congestion reduction charges are appropriately applied;
- (2) The department is not responsible for the collection of congestion reduction charges until a date agreed to by both parties as specified in the contract;
- (3) The department shall deduct a percentage amount as provided in the contract, not to exceed three percent of the charges collected, necessary to reimburse the department for the costs incurred for the collection of the congestion reduction charges; and
- (4) The department shall remit remaining proceeds to the custody of the state treasurer. The state treasurer shall distribute the proceeds to the governing body on a monthly basis.

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