**5955-S.E AMH TR H5153.1 - NOT FOR FLOOR USE**

**ESSB 5955** - H COMM AMD

By Committee on Transportation

Strike everything after the enacting clause and insert the following:

"**Sec.**  RCW 82.44.135 and 2006 c 318 s 9 are each amended to read as follows:

(1) Before a local government subject to this chapter may impose a motor vehicle excise tax, the local government must contract with the department for the collection of the tax. Except as otherwise provided in this section, the department may charge a reasonable amount, not to exceed one percent of tax collections, for the administration and collection of the tax.

(2) Any contract entered into with a regional transit authority for the collection of a motor vehicle excise tax must provide that the department receives full reimbursement for the administration and collection of the tax, including those costs related to customer service and information technology.

NEW SECTION. **Sec.**  A new section is added to chapter 82.44 RCW to read as follows:

If the department enters into a contract with a regional transit authority for the collection of a motor vehicle excise tax authorized in RCW 81.104.160(1), and after the regional transit authority implements a market value adjustment program as directed in section 3 of this act, the department must clearly indicate, when issuing notices to persons renewing vehicle registrations under RCW 46.16A.110, the net result after application of the credit. The department must include as part of the notices an insert that provides a description of the market value adjustment program and how it affects taxpayers generally.

NEW SECTION. **Sec.**  A new section is added to chapter 81.112 RCW to read as follows:

(1) A regional transit authority that includes portions of a county with a population of more than one million five hundred thousand and that imposes a motor vehicle excise tax under RCW 81.104.160(1) must establish a market value adjustment program to be implemented for vehicles with registrations that are due or become due on or after September 1, 2018.

(2) Under the market value adjustment program, the authority must provide a credit against the motor vehicle excise tax due in an amount equal to the tax due under RCW 81.104.160(1) calculated using the vehicle valuation methodology authorized under RCW 81.104.160(1), less the tax otherwise due calculated using the vehicle valuation schedule of percentages in RCW 82.44.035, as applied to eighty-five percent of the value of the vehicle, if the resulting difference is positive.

(3) The program may be funded by any resources available to the authority including, but not limited to:

(a) Unrestricted tax proceeds or other revenues; and

(b) Savings from the delivery of projects.

(4)(a) The program must be implemented in a manner that allows the delivery of the system and financing plan approved by the authority's voters in 2016 to the extent practicable. Building on past and ongoing cost-savings efforts, the agency must continue to evaluate measures that may be needed to reduce costs. These measures include, but are not limited to:

(i) Designing projects using the principles of practical design, as described for use by the department of transportation under RCW 47.01.480;

(ii) Efficiencies realized in coordinating and integrating activities with other transit agencies and local governments, including through shared maintenance and operations, joint procurement, joint marketing, joint customer services, and joint capital projects; and

(iii) Revising project contingency budgets, if practicable.

(b) If, when implementing the program, the authority is not able to deliver projects according to the system and financing plan approved by the authority's voters in 2016, the authority must identify savings and cost reductions, first, from projects other than light rail projects and bus rapid transit projects, and is prohibited from eliminating light rail projects and bus rapid transit projects.

(5) Until the plan has been completed, the authority must submit an annual report to the transportation committees of the legislature by December 31st of each year on the status of the delivery of the plan. The report must include detail on the extent to and manner in which the authority has used cost savings to maintain the delivery of the plan as approved by the voters.

(6) The department of licensing is authorized to make rules to implement this section.

NEW SECTION. **Sec.**  A new section is added to chapter 81.112 RCW to read as follows:

(1) Beginning July 1, 2019, and continuing through the end of June 2020, the authority must allow an additional one-time credit against the motor vehicle excise tax due with respect to any vehicle for which the 0.8 percent tax in RCW 81.104.160(1) was paid before September 1, 2018. The one-time credit amount on the 0.8 percent tax paid before September 1, 2018, must be calculated using the market value adjustment program credit methodology in section 3 of this act, except that the total amount of credit applied under this section and section 3 of this act may not exceed the current motor vehicle excise tax liability with respect to the vehicle. The authority may develop a system for issuing one-time credits in consultation with the department of licensing.

To the greatest extent practicable, the credit provided under this section must be issued using an online process or as part of regular motor vehicle excise tax payment processing.

(2) The department of licensing is authorized to make rules to implement this section.

NEW SECTION. **Sec.**  If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. **Sec.**  This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately."

Correct the title.

EFFECT: (1) Removes the provision that makes a sales and use tax offset fee, which would be paid by a regional transit authority (RTA) to the state, contingent upon adoption of a resolution by the board of the RTA that affirms that the fee will not impact the delivery of the RTA system plan approved by its voters in 2016.

(2) Removes the provision that deletes the requirement that the fee be paid monthly and the provision that the obligation to cumulatively pay $518 million occur over a period of five years.

(3) Removes the provisions that, in regard to RTA projects approved by voters after January 1, 2016, require cities, counties, and the Department of Transportation to:

(a) Take all reasonable, feasible, and lawful measures necessary to facilitate preparation and processing of any required permits as soon as practicable with the goal of issuing land use permit decisions within one hundred twenty days of submittal; and

(b) Participate in any project preferred alternative selection process as early as possible in the environmental process to facilitate expedited planning for RTA projects approved by voters after January 1, 2016.

(4) Removes the requirement that the RTA submit biennial reports to the transportation committees of the legislature on the status of permit timelines and the effectiveness of the new requirements in expediting the permitting process for RTA projects approved by voters after January 1, 2016.