
HOUSE BILL 2410

State of Washington

54th Legislature

1996 Regular Session

By Representatives Honeyford, Scott, Goldsmith, Hymes, Costa and Thompson

Read first time 01/10/96. Referred to Committee on Government Operations.

1 AN ACT Relating to noncompliance with the growth management act;
2 amending RCW 36.70A.340, 36.70A.345, 36.79.150, 47.26.080, 66.08.190,
3 82.08.180, and 82.14.215; and reenacting and amending RCW 82.46.035.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 36.70A.340 and 1991 sp.s. c 32 s 26 are each amended
6 to read as follows:

7 Upon receipt from the board of a finding that a state agency,
8 county, or city is in noncompliance under RCW 36.70A.330, or as a
9 result of failure to meet the requirements of RCW 36.70A.210, the
10 governor may, after conducting a public hearing upon the merits of a
11 specific proposal to impose sanctions, either:

12 (1) Notify and direct the director of the office of financial
13 management to revise allotments in appropriation levels;

14 (2) Notify and direct the state treasurer to (~~withhold~~) hold in
15 escrow the portion of revenues to which the county or city is entitled
16 under one or more of the following: The motor vehicle fuel tax, as
17 provided in chapter 82.36 RCW; the transportation improvement account,
18 as provided in RCW 47.26.084; the urban arterial trust account, as
19 provided in RCW 47.26.080; the rural arterial trust account, as

1 provided in RCW 36.79.150; the sales and use tax, as provided in
2 chapter 82.14 RCW; the liquor profit tax, as provided in RCW 66.08.190;
3 and the liquor excise tax, as provided in RCW 82.08.170; or

4 (3) File a notice of noncompliance with the secretary of state and
5 the county or city, which shall temporarily rescind the county or
6 city's authority to ~~((collect))~~ use the real estate excise tax
7 collected under RCW 82.46.030 until the governor files a notice
8 rescinding the notice of noncompliance. During the temporary
9 rescission the tax collected shall be held in escrow by the county
10 treasurer.

11 **Sec. 2.** RCW 36.70A.345 and 1994 c 249 s 33 are each amended to
12 read as follows:

13 The governor may, after conducting a public hearing upon the merits
14 of a specific proposal to impose sanctions, impose a sanction or
15 sanctions specified under RCW 36.70A.340 on: (1) A county or city that
16 fails to designate critical areas, agricultural lands, forest lands,
17 or mineral resource lands under RCW 36.70A.170 by the date such action
18 was required to have been taken; (2) a county or city that fails to
19 adopt development regulations under RCW 36.70A.060 protecting critical
20 areas or conserving agricultural lands, forest lands, or mineral
21 resource lands by the date such action was required to have been taken;
22 (3) a county that fails to designate urban growth areas under RCW
23 36.70A.110 by the date such action was required to have been taken; and
24 (4) a county or city that fails to adopt its comprehensive plan or
25 development regulations when such actions are required to be taken.

26 Imposition of a sanction or sanctions under this section shall be
27 preceded by written findings by the governor, that either the county or
28 city is not proceeding in good faith to meet the requirements of the
29 act; or that the county or city has unreasonably delayed taking the
30 required action. The governor shall consult with and communicate his
31 or her findings to the appropriate growth management hearings board
32 prior to imposing the sanction or sanctions. If the governor chooses
33 to impose sanctions, the sanction that is least punitive shall be
34 imposed first. Additional sanctions may be imposed only upon a finding
35 of willful disregard of the requirements of this chapter. For those
36 counties or cities that are not required to plan or have not opted in,
37 the governor in imposing sanctions shall consider the size of the

1 jurisdiction relative to the requirements of this chapter and the
2 degree of technical and financial assistance provided.

3 **Sec. 3.** RCW 36.79.150 and 1991 sp.s. c 32 s 31 are each amended to
4 read as follows:

5 (1) Whenever the board approves a rural arterial project it shall
6 determine the amount of rural arterial trust account funds to be
7 allocated for such project. The allocation shall be based upon
8 information contained in the six-year plan submitted by the county
9 seeking approval of the project and upon such further investigation as
10 the board deems necessary. The board shall adopt reasonable rules
11 pursuant to which rural arterial trust account funds allocated to a
12 project may be increased upon a subsequent application of the county
13 constructing the project. The rules adopted by the board shall take
14 into account, but shall not be limited to, the following factors: (a)
15 The financial effect of increasing the original allocation for the
16 project upon other rural arterial projects either approved or
17 requested; (b) whether the project for which an additional allocation
18 is requested can be reduced in scope while retaining a usable segment;
19 (c) whether the original cost of the project shown in the applicant's
20 six-year program was based upon reasonable engineering estimates; and
21 (d) whether the requested additional allocation is to pay for an
22 expansion in the scope of work originally approved.

23 (2) The board shall not (~~allocate funds, nor~~) make payments under
24 RCW 36.79.160, to any county or city identified by the governor under
25 RCW 36.70A.340.

26 **Sec. 4.** RCW 47.26.080 and 1994 c 179 s 8 are each amended to read
27 as follows:

28 There is hereby created in the motor vehicle fund the urban
29 arterial trust account. The intent of the urban arterial trust account
30 program is to improve the urban arterial street system of the state by
31 improving mobility and safety while supporting an environment essential
32 to the quality of life of the citizens of the state of Washington. To
33 be eligible to receive these funds, a project must be consistent with
34 the Growth Management Act, the Clean Air Act including conformity, and
35 the Commute Trip Reduction Law. The project shall consider safety,
36 mobility, and physical characteristics of the roadway and must be
37 partially funded by local government.

1 All moneys deposited in the motor vehicle fund to be credited to
2 the urban arterial trust account shall be expended for the construction
3 and improvement of city arterial streets and county arterial roads
4 within urban areas, for expenses of the transportation improvement
5 board in accordance with RCW 47.26.140, or for the payment of principal
6 or interest on bonds issued for the purpose of constructing or
7 improving city arterial streets and county arterial roads within urban
8 areas, or for reimbursement to the state, counties, cities, and towns
9 in accordance with RCW 47.26.4252 and 47.26.4254, the amount of any
10 payments made on principal or interest on urban arterial trust account
11 bonds from motor vehicle or special fuel tax revenues which were
12 distributable to the state, counties, cities, and towns.

13 The board shall not (~~allocate funds, nor~~) make payments of the
14 funds under RCW 47.26.260, to any county, city, or town identified by
15 the governor under RCW 36.70A.340.

16 **Sec. 5.** RCW 66.08.190 and 1995 c 159 s 1 are each amended to read
17 as follows:

18 When excess funds are distributed, all moneys subject to
19 distribution shall be disbursed as follows:

20 (1) Three-tenths of one percent to border areas under RCW
21 66.08.195; and

22 (2) From the amount remaining after distribution under subsection
23 (1) of this section, fifty percent to the general fund of the state,
24 ten percent to the counties of the state, and forty percent to the
25 incorporated cities and towns of the state.

26 The governor may notify and direct the state treasurer to
27 (~~withhold~~) hold in escrow the revenues to which the counties and
28 cities are entitled under this section if the counties or cities are
29 found to be in noncompliance pursuant to RCW 36.70A.340.

30 **Sec. 6.** RCW 82.08.180 and 1991 sp.s. c 32 s 36 are each amended to
31 read as follows:

32 The governor may notify and direct the state treasurer to
33 (~~withhold~~) hold in escrow the revenues to which the counties, cities,
34 and towns are entitled under RCW 82.08.170 if the counties, cities, or
35 towns are found to be in noncompliance pursuant to RCW 36.70A.340.

1 **Sec. 7.** RCW 82.14.215 and 1991 sp.s. c 32 s 35 are each amended to
2 read as follows:

3 The governor may notify and direct the state treasurer to
4 (~~withhold~~) hold in escrow the revenues to which the county or city is
5 entitled under this chapter if a county or city is found to be in
6 noncompliance pursuant to RCW 36.70A.340.

7 **Sec. 8.** RCW 82.46.035 and 1992 c 221 s 3 and 1991 sp.s. c 32 s 33
8 are each reenacted and amended to read as follows:

9 (1) The legislative authority of any county or city shall identify
10 in the adopted budget the capital projects funded in whole or in part
11 from the proceeds of the tax authorized in this section, and shall
12 indicate that such tax is intended to be in addition to other funds
13 that may be reasonably available for such capital projects.

14 (2) The legislative authority of any county or any city that plans
15 under RCW 36.70A.040(1) may impose an additional excise tax on each
16 sale of real property in the unincorporated areas of the county for the
17 county tax and in the corporate limits of the city for the city tax at
18 a rate not exceeding one-quarter of one percent of the selling price.
19 Any county choosing to plan under RCW 36.70A.040(2) and any city within
20 such a county may only adopt an ordinance imposing the excise tax
21 authorized by this section if the ordinance is first authorized by a
22 proposition approved by a majority of the voters of the taxing district
23 voting on the proposition at a general election held within the
24 district or at a special election within the taxing district called by
25 the district for the purpose of submitting such proposition to the
26 voters.

27 (3) Revenues generated from the tax imposed under subsection (2) of
28 this section shall be used by such counties and cities solely for
29 financing capital projects specified in a capital facilities plan
30 element of a comprehensive plan. However, revenues (a) pledged by such
31 counties and cities to debt retirement prior to March 1, 1992, may
32 continue to be used for that purpose until the original debt for which
33 the revenues were pledged is retired, or (b) committed prior to March
34 1, 1992, by such counties or cities to a project may continue to be
35 used for that purpose until the project is completed.

36 (4) Revenues generated by the tax imposed by this section shall be
37 deposited in a separate account.

1 (5) As used in this section, "city" means any city or town and
2 "capital project" means those public works projects of a local
3 government for planning, acquisition, construction, reconstruction,
4 repair, replacement, rehabilitation, or improvement of streets, roads,
5 highways, sidewalks, street and road lighting systems, traffic signals,
6 bridges, domestic water systems, storm and sanitary sewer systems, and
7 planning, construction, reconstruction, repair, rehabilitation, or
8 improvement of parks.

9 (6) When the governor files a notice of noncompliance under RCW
10 36.70A.340 with the secretary of state and the appropriate county or
11 city, the county or city's authority to initially impose the additional
12 excise tax under this section shall be temporarily rescinded until the
13 governor files a subsequent notice rescinding the notice of
14 noncompliance.

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