

# HOUSE BILL REPORT

## HB 2417

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### As Reported By House Committee On:

Transportation Policy & Budget

**Title:** An act relating to local vehicle license fees adopted to fund specific projects.

**Brief Description:** Authorizing local vehicle license fees adopted to fund specific projects.

**Sponsors:** Representatives Pennington, Mielke, Hatfield, Doumit, Ogden, Carlson, Alexander and Hankins.

### Brief History:

#### Committee Activity:

Transportation Policy & Budget: 1/26/98, 2/9/98 [DPS].

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## HOUSE COMMITTEE ON TRANSPORTATION POLICY & BUDGET

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 26 members: Representatives K. Schmidt, Chairman; Hankins, Vice Chairman; Mielke, Vice Chairman; Mitchell, Vice Chairman; Fisher, Ranking Minority Member; Cooper, Assistant Ranking Minority Member; Backlund; Buck; Cairnes; Chandler; Constantine; DeBolt; Gardner; Hatfield; Johnson; McCune; Murray; O'Brien; Ogden; Radcliff; Robertson; Romero; Scott; Skinner; Wood and Zellinsky.

**Minority Report:** Do not pass. Signed by 1 member: Representative Sterk.

**Staff:** Jeff Doyle (786-7322).

**Background:** Counties are authorized to impose a vehicle license fee of up to \$15. The fee must be levied countywide. The fee is applied to all passenger-type vehicles, except "light" (6,000 pounds or less) pickup trucks. The revenues from this fee must be used for transportation purposes.

There is no equivalent local option license fee available for cities to levy.

**Summary of Substitute Bill:** Cities located in Cowlitz County may impose the local option vehicle license fee within city boundaries. Residents living in the city boundary will not be charged the fee twice. (The countywide fee will not apply within the city.)

Both the existing county local-option vehicle license fee and the new city-imposed vehicle license fee will apply to passenger-type pickup trucks (6,000 pounds or less). This corrects a drafting error in the original law.

The local option vehicle registration fee does not apply for a vehicle's initial registration period.

**Substitute Bill Compared to Original Bill:** Cities are allowed to impose the fee directly, rather than having counties impose the fee on a city's behalf. The local option vehicle registration fee does not apply for a vehicle's initial registration period.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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

**Testimony For:** The cities need the ability to tax themselves to replace funds lost in the street utility fee case before the Supreme Court.

**Testimony Against:** The original bill, as drafted, represents an usurpation of the authority of cities to select which transportation project will be funded with city revenues.

**Testified:** Representative John Pennington, prime sponsor (pro); Alan Slater, city of Kelso (pro/substitute bill); Doug Robinson, city of Kelso (pro/substitute bill); Ramona Leber, city of Longview (pro/substitute bill); Judith Frolich, Washington State Association of Counties (pro/original bill; con/substitute bill); Craig Olson, Association of Washington Cities (pro/substitute bill)); Mark Brown, cities of Vancouver/Camas/Battleground (pro/substitute bill); and Jim Boldt, Washington Auto Dealers Association (concerns).