

SENATE BILL REPORT

SB 6816

As Reported By Senate Committee On:
Transportation, February 8, 2000

Title: An act relating to transportation funding.

Brief Description: Establishing the multimodal fund.

Sponsors: Senators Haugen, Goings, Gardner, Costa and Kline.

Brief History:

Committee Activity: Transportation: 2/3/2000, 2/8/2000 [DPS, DNP].

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: That Substitute Senate Bill No. 6816 be substituted therefor, and the substitute bill do pass.

Signed by Senators Haugen, Chair; Gardner, Vice Chair; Goings, Vice Chair; Costa, Eide, Heavey, Jacobsen, Oke, Prentice, T. Sheldon, Shin and Swecker.

Minority Report: Do not pass.

Signed by Senators Benton, Finkbeiner, Horn, Johnson, Morton and Sheahan.

Staff: Brad Lovaas (786-7307); Lynn Hale (786-7346)

Background: The transportation fund was created in 1990. Expenditures from the fund were to be used for transportation purposes. Traditionally, expenditures from this fund were for nonhighway purposes. Initiative 695 repealed the transportation fund.

Summary of Substitute Bill: The multimodal fund is created. Revenue from rental car taxes is deposited in the multimodal fund. Expenditures from the multimodal fund may be used only for transportation purposes.

The Legislature intends that car rental tax revenues be placed in the multimodal fund.

The multimodal fund must receive 80 percent of its proportionate share of earnings based upon the fund's average daily balance.

Fees from applications for certificates of title are deposited in the multimodal fund.

Two dollars of each combined vehicle licensing fee are deposited in the multimodal fund.

Penalties for evading payment of motor vehicle and special fuel taxes are deposited in the multimodal fund.

Substitute Bill Compared to Original Bill: A legislative intent section is added stating that rental car tax revenues are intended to be used for transportation purposes and should be deposited in the multimodal fund.

Appropriation: None.

Fiscal Note: Requested on January 26, 2000.

Effective Date: The bill contains several effective dates. Please refer to the bill.

Testimony For: Revenue collectors of rental tax recognize the need for infrastructure and support rental car tax revenues being used for transportation purposes.

Testimony Against: There is concern that diverting funds may create public safety problems.

Testified: PRO: Gordon Walgren, Car and Truck Rental and Leasing Assn.; Gene Schlatter, representing business community; Jim Halstrom, WA State Horticultural Assn., Master Builders Assn.; CON: Captain Eric Robertson, WA State Patrol.