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## Transportation Committee

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### HB 1536

**Brief Description:** Providing a congestion reduction charge to fund the operational and capital needs of transit agencies.

**Sponsors:** Representatives Liias, Armstrong, Clibborn, Carlyle, Fitzgibbon, Dunshee, Cody, Kenney, Dickerson, Orwall, Upthegrove, Pedersen, Sells, Darneille, Frockt, Billig, Stanford, Moscoso, Hasegawa, Ryu, Goodman, Hunter, Jinkins, Maxwell, Kagi, Pettigrew, Reykdal, Santos, Sullivan, Moeller, Roberts and Ormsby.

#### Brief Summary of Bill

- Allows public transportation systems serving King, Pierce, and Snohomish counties to impose, upon the majority approval of the governing body of the system, a congestion reduction charge for certain vehicles of up to \$30, until December 31, 2013.
- Requires public transportation systems that impose a congestion reduction charge to complete a congestion reduction plan prior to implementation as well as reports detailing the expenditures of the congestion reduction charge.

**Hearing Date:** 2/9/11

**Staff:** David Munnecke (786-7315).

#### Background:

There are 31 public transit systems operating in the state. Public transit systems are special purpose districts authorized to provide public transportation services within their respective boundaries. These transit systems can be formed under a variety of different governance structures, including public transportation benefit areas (PTBAs), metropolitan municipal corporations (Metros), county transportation authorities, city-owned transit systems, and regional transit authorities.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

Generally speaking, "public transportation service" means the transportation of packages, passengers, and their incidental baggage by means other than by chartered bus or sight-seeing bus, together with the terminals and parking facilities necessary for passenger and vehicular access to and from such systems. For PTBAs, "public transportation service" also includes passenger-only ferry service for those PTBAs eligible to provide passenger-only ferry service.

To fund capital and operating public transportation expenses, public transit systems are authorized to seek voter approval of up to 0.9 percent in sales and use tax. Most transit systems may also seek voter approval of a business and occupation tax and a household tax in lieu of a sales and use tax. Fares may be set and increased by the transit agency's governing body without voter approval.

### **Summary of Bill:**

Public transportation systems serving King, Pierce, and Snohomish counties are authorized to impose a congestion reduction charge of up to \$30 per vehicle registered within the boundaries of the system upon the majority approval of the governing body of the system. "Public transportation system" is defined to mean public transportation benefit areas, metropolitan municipal corporations, county transportation authorities, and city-owned transit systems. The congestion reduction charge is due upon the registration renewal date for each vehicle subject to vehicle license fees and each vehicle subject to gross weight fees with an unladen weight of 6,000 pounds or less, except for farm vehicles, off-road vehicles, nonhighway vehicles, vehicles registered as apportionable vehicles, and snowmobiles.

Prior to imposing a congestion reduction charge, a public transportation system must complete a congestion reduction plan detailing the proposed expenditures of the proceeds of the charge. Public transportation systems that impose a congestion reduction charge must also complete reports by July 1, 2012, and June 1, 2014, detailing the expenditures of the proceeds of the congestion reduction charge.

A public transportation system may not impose a congestion reduction charge for a passenger-only ferry transportation improvement unless the charge is approved by a majority of the voters within the system's jurisdiction.

Public transportation systems that choose to impose a congestion reduction charge must contract with the Department of Licensing (DOL) for collection, and must provide the DOL with any information specified by the DOL as necessary for the collection of the congestion reduction charge. The DOL must also deduct a percentage amount, as provided in the contract, necessary to reimburse the DOL for its collection costs.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect August 1, 2011.