

SHB 1147 - H AMD 423

By Representative Muri

1 On page 81, after line 27, insert the following:

2 "NEW SECTION. **Sec. 714.** A new section is added to chapter 81.112
3 RCW to read as follows:

4 (1) Any motor vehicle excise taxes approved by regional transit
5 authority voters under RCW 81.104.175 may be nullified within the
6 complete boundaries of a city or county within a regional transit
7 authority if either of the following conditions are met:

8 (a) A majority of the city or county legislative authority votes
9 to nullify the motor vehicle excise taxes; or

10 (b) A proposition to nullify the motor vehicle excise taxes is
11 approved by voters under subsection (2) of this section.

12 (2) If a petition to nullify regional transit authority motor
13 vehicle excise taxes within a city or county is filed with the
14 county auditor containing the signatures of eight percent of the
15 number of voters registered and voting in the city or county for the
16 office of the governor at the last preceding gubernatorial election,
17 the county auditor must canvass the signatures in the same manner as
18 prescribed in RCW 29A.72.230 and certify their sufficiency to the
19 governing body within two weeks. The proposition to nullify the
20 motor vehicle excise taxes must then be submitted to the voters of
21 the city or county at a special election, called for this purpose,
22 no later than the date on which a primary election would be held
23 under RCW 29A.04.311. The motor vehicle excise taxes may then be
24 nullified only if approved by a majority of the voters of the city
25 or county voting on the proposition.

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1 (3) Any regional transit authority motor vehicle excise taxes
2 nullified under this section may not be imposed within the
3 boundaries of the affected city or county.

4 (4) This section expires June 30, 2019.

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6 **Sec. 715.** RCW 81.104.160 and 2015 3rd sp.s. c 44 s 319 are each
7 amended to read as follows:

8 (1) Regional transit authorities that include a county with a
9 population of more than one million five hundred thousand may submit
10 an authorizing proposition to the voters, and if approved, may levy
11 and collect an excise tax, at a rate approved by the voters, but not
12 exceeding eight-tenths of one percent on the value, under chapter
13 82.44 RCW, of every motor vehicle owned by a resident of the taxing
14 district, solely for the purpose of providing high capacity
15 transportation service. The maximum tax rate under this subsection
16 does not include a motor vehicle excise tax approved before July 15,
17 2015, if the tax will terminate on the date bond debt to which the
18 tax is pledged is repaid. This tax does not apply to vehicles
19 licensed under RCW 46.16A.455 except vehicles with an unladen weight
20 of six thousand pounds or less, RCW 46.16A.425 or 46.17.335(2).
21 Notwithstanding any other provision of this subsection or chapter
22 82.44 RCW, a motor vehicle excise tax imposed by a regional transit
23 authority before or after July 15, 2015, must comply with chapter
24 82.44 RCW as it existed on January 1, 1996, until December 31st of
25 the year in which the regional transit authority repays bond debt to
26 which a motor vehicle excise tax was pledged before July 15, 2015.
27 Motor vehicle taxes collected by regional transit authorities after
28 December 31st of the year in which a regional transit authority
29 repays bond debt to which a motor vehicle excise tax was pledged
30 before July 15, 2015, must comply with chapter 82.44 RCW as it
31 existed on the date the tax was approved by voters.

32 (2) An agency and high capacity transportation corridor area may
33 impose a sales and use tax solely for the purpose of providing high
34 capacity transportation service, in addition to the tax authorized

1 by RCW 82.14.030, upon retail car rentals within the applicable
2 jurisdiction that are taxable by the state under chapters 82.08 and
3 82.12 RCW. The rate of tax may not exceed 2.172 percent. The rate of
4 tax imposed under this subsection must bear the same ratio of the
5 2.172 percent authorized that the rate imposed under subsection (1)
6 of this section bears to the rate authorized under subsection (1) of
7 this section. The base of the tax is the selling price in the case
8 of a sales tax or the rental value of the vehicle used in the case
9 of a use tax.

10 (3) Any motor vehicle excise tax previously imposed under the
11 provisions of RCW 81.104.160(1) shall be repealed, terminated, and
12 expire on December 5, 2002, except for a motor vehicle excise tax
13 for which revenues have been contractually pledged to repay a bonded
14 debt issued before December 5, 2002, as determined by *Pierce County*
15 *et al. v. State*, 159 Wn.2d 16, 148 P.3d 1002 (2006). In the case of
16 bonds that were previously issued, the motor vehicle excise tax must
17 comply with chapter 82.44 RCW as it existed on January 1, 1996.

18 (4) If a regional transit authority imposes the tax authorized
19 under subsection (1) of this section, the authority may not receive
20 any state grant funds provided in an omnibus transportation
21 appropriations act except transit coordination grants created in
22 chapter 11, Laws of 2015 3rd sp. sess.

23 (5) During the 2017-2019 fiscal biennium, the authority to
24 impose a tax under this section is subject to section 714 of this
25 act.

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27 **Sec. 716.** RCW 81.104.190 and 2009 c 280 s 7 are each amended to
28 read as follows:

29 (1) Except as otherwise provided in this section, cities that
30 operate transit systems, county transportation authorities,
31 metropolitan municipal corporations, public transportation benefit
32 areas, high capacity transportation corridor areas, and regional
33 transit systems may contract with the state department of revenue or
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1 other appropriate entities for administration and collection of any
2 tax authorized by RCW 81.104.150, 81.104.160, and 81.104.170.

3 (2) During the 2017-2019 fiscal biennium, a regional transit
4 authority may not contract with the department for the collection of
5 a motor vehicle excise tax in cities or counties that have nullified
6 a motor vehicle tax pursuant to section 714 of this act.

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8 **Sec. 717.** RCW 82.44.135 and 2006 c 318 s 9 are each amended to
9 read as follows:

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

16 (2) During the 2017-2019 fiscal biennium, a regional transit
17 authority may not contract with the department for the collection of
18 a motor vehicle excise tax in cities or counties that have nullified
19 a motor vehicle tax pursuant to section 714 of this act."

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21 Renumber the remaining sections consecutively and correct any
22 internal references accordingly. Correct the title.

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EFFECT: Allows cities and counties to nullify regional transit authority (RTA) motor vehicle excise taxes (MVET) during the 2017-2019 fiscal biennium by a majority vote in either a referendum or a legislative authority. Prevents an RTA from contracting with the Department of Licensing to collect an MVET during the 2017-2019 fiscal biennium in cities or counties that have nullified an MVET.

FISCAL IMPACT: No net change to appropriated levels.

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