

SB 5893 - S AMD 217  
By Senator Liiias

NOT ADOPTED 04/06/2017

1 Strike everything after the enacting clause and insert the  
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature recognizes the public  
4 comments received since the recent Sound Transit motor vehicle excise  
5 tax increase took effect, and acknowledges the resolution of the  
6 Sound Transit board to address concerns from citizens. The  
7 legislature finds that taxpayer accountability would be best served  
8 by providing a market value adjustment for the calculation of motor  
9 vehicle excise taxes. Further, the legislature finds that traffic  
10 congestion in the Puget Sound region results in lost productivity and  
11 air pollution. The legislature is committed to ensuring that all  
12 voter-approved Sound Transit projects are completed as outlined in  
13 the ballot measure to reduce congestion and preserve public health  
14 and welfare.

15 NEW SECTION. **Sec. 2.** A new section is added to chapter 46.01  
16 RCW to read as follows:

17 If contracting with any regional transit authority for the  
18 collection of a motor vehicle excise tax authorized in RCW  
19 81.104.160(1), the department shall work with the authority on the  
20 administration of a market value adjustment program as identified in  
21 section 3 of this act.

22 NEW SECTION. **Sec. 3.** A new section is added to chapter 81.112  
23 RCW to read as follows:

24 A regional transit authority that includes a county with a  
25 population of more than one million five hundred thousand may  
26 establish a market value adjustment program to be implemented by  
27 December 31, 2017. The program must:

28 (1) Provide a credit against the motor vehicle excise tax imposed  
29 by a regional transit authority in an amount equal to the difference  
30 between the motor vehicle excise tax due calculated using the vehicle

1 valuation schedule in RCW 82.44.035 and the motor vehicle excise tax  
2 due calculated using the vehicle valuation schedule in chapter 82.44  
3 RCW as it existed on January 1, 1996. The credit applies only to the  
4 motor vehicle excise tax authorized in RCW 81.104.160(1);

5 (2) Ensure that the amount of the motor vehicle excise tax credit  
6 identified in subsection (1) of this section is supported from any  
7 nonbonded regional transit authority revenues;

8 (3) Not be applied if it would result in an amount that exceeds  
9 the amount determined by the vehicle valuation method identified in  
10 RCW 81.104.160(1); and

11 (4) Be retroactive and apply to all motor vehicle excise tax  
12 statements that have already been issued or paid that include charges  
13 for the motor vehicle excise tax authorized in RCW 81.104.160(1).

14 **Sec. 4.** RCW 82.44.135 and 2006 c 318 s 9 are each amended to  
15 read as follows:

16 (1) Except as provided otherwise in this section, before a local  
17 government subject to this chapter may impose a motor vehicle excise  
18 tax, the local government must contract with the department for the  
19 collection of the tax. The department may charge a reasonable amount,  
20 not to exceed one percent of tax collections, for the administration  
21 and collection of the tax.

22 (2) A regional transit authority may contract with the department  
23 for collection of a motor vehicle tax only if a regional transit  
24 authority has implemented a market value adjustment program as  
25 identified in section 3 of this act.

26 (3) Any contract entered into under this section must provide  
27 that the department will receive amounts sufficient to fully cover  
28 the costs applicable to the tax collection process, including (a)  
29 customer service-related costs, (b) information technology-related  
30 costs, (c) public announcement and education costs, and (d) any  
31 liability or other related risk assessment costs. The contract must  
32 also provide that any unforeseen future administrative costs will be  
33 borne by the regional transit authority.

34 NEW SECTION. **Sec. 5.** This act is necessary for the immediate  
35 preservation of the public peace, health, or safety, or support of  
36 the state government and its existing public institutions, and takes  
37 effect immediately."

**NOT ADOPTED 04/06/2017**

1        On page 1, line 2 of the title, after "authorities;" strike the  
2 remainder of the title and insert "amending RCW 82.44.135; adding a  
3 new section to chapter 46.01 RCW; adding a new section to chapter  
4 81.112 RCW; creating a new section; and declaring an emergency."

EFFECT: (1) Authorizes a Regional Transit Authority (RTA) to implement a Market Value Adjustment Program (MVAP) by December 31, 2017.

(2) Directs the department of licensing to work with an RTA on administering an MVAP.

(3) The MVAP provides a credit equal to the value difference between the currently used valuation schedule and the '2006' schedule in RCW 81.104.160(1). Other nonbonded RTA revenues are used to support the credit amount.

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