
ENGROSSED HOUSE BILL 2201

State of Washington

65th Legislature

2017 Regular Session

By Representatives Pellicciotti, Slatter, Reeves, Clibborn, Lovick, Ormsby, Pollet, Kilduff, Kloba, Orwall, Sells, Stanford, Wylie, and Senn

Read first time 04/10/17. Referred to Committee on Transportation.

1 AN ACT Relating to the collection of a motor vehicle excise tax
2 approved by voters of a regional transit authority in 2016 by
3 creating a market value adjustment program to provide a credit based
4 on the difference between the vehicle valuation schedule used by the
5 authority to determine the tax amount under current law and the
6 vehicle valuation schedule in RCW 82.44.035 in a manner that limits
7 the delay of the voter approved 2016 plan; adding a new section to
8 chapter 82.44 RCW; adding a new section to chapter 81.112 RCW;
9 creating a new section; and declaring an emergency.

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

11 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.44
12 RCW to read as follows:

13 If the department enters into a contract with a regional transit
14 authority for the collection of a motor vehicle excise tax authorized
15 in RCW 81.104.160(1), and after the regional transit authority
16 implements a market value adjustment program as directed in section 2
17 of this act, the department must clearly indicate, when notifying
18 taxpayers of the expected tax due and when collecting the tax: The
19 amount of tax owed under current law, the amount of any credit
20 applied, and the net result.

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

3 (1) A regional transit authority that includes portions of a
4 county with a population of more than one million five hundred
5 thousand and that imposes a motor vehicle excise tax under RCW
6 81.104.160(1) must establish a market value adjustment program to be
7 implemented by December 31, 2017.

8 (2) Under the market value adjustment program, the authority must
9 provide a credit against the motor vehicle excise tax due in an
10 amount equal to the tax due calculated using the vehicle valuation
11 schedule in chapter 82.44 RCW as it existed on January 1, 1996, less
12 the tax otherwise due calculated using the vehicle valuation schedule
13 in RCW 82.44.035, if the resulting difference is positive. The credit
14 applies only to the motor vehicle excise tax authorized in RCW
15 81.104.160(1).

16 (3) The program may be funded by any resources available to the
17 authority including, but not limited to:

18 (a) Unrestricted tax proceeds or other revenues; and

19 (b) Savings from the delivery of projects.

20 (4) The program must provide credit retroactive to the date that
21 the authority first imposed the tax under RCW 81.104.160(1). The
22 authority, in consultation with the department of licensing, must
23 develop a system to issue refunds of credits with respect to vehicles
24 for which the registrations were renewed before January 1, 2018.

25 (5)(a) The program must be implemented in a manner that allows
26 the delivery of the system and financing plan approved by the
27 authority's voters in 2016 to the extent practicable. Building on
28 past and ongoing cost-savings efforts, the agency must continue to
29 evaluate measures that may be needed to reduce costs. These measures
30 include, but are not limited to:

31 (i) Designing projects using the principles of practical design,
32 as described for use by the department of transportation under RCW
33 47.01.480;

34 (ii) Efficiencies realized in coordinating and integrating
35 activities with other transit agencies and local governments,
36 including through shared maintenance and operations, joint
37 procurement, joint marketing, joint customer services, and joint
38 capital projects; and

39 (iii) Revising project contingency budgets, if practicable.

1 (b) If, when implementing the program, the authority is not able
2 to deliver projects according to the system and financing plan
3 approved by the authority's voters in 2016, the authority must
4 identify savings and cost reductions in the following priority order:
5 First, from parking facility projects; second, from commuter rail
6 projects; third, from transit bus-related projects; and fourth, from
7 light rail projects.

8 (6) Until the plan has been completed, the authority must submit
9 an annual report to the transportation committees of the legislature
10 by December 31st of each year on the status of the delivery of the
11 plan. The report must include detail on the extent to and manner in
12 which the authority has used cost savings to maintain the delivery of
13 the plan as approved by the voters.

14 NEW SECTION. **Sec. 3.** Section 1 of this act applies to
15 registrations that are due or become due on or after January 1, 2018.

16 NEW SECTION. **Sec. 4.** This act is necessary for the immediate
17 preservation of the public peace, health, or safety, or support of
18 the state government and its existing public institutions, and takes
19 effect immediately.

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