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HOUSE BILL 2201

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State of Washington

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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; and  
9 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 be retroactive to the date that the  
21   authority first imposed the tax under RCW 81.104.160(1).

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

28        (i) Designing projects using the principles of practical design,  
29   as described for use by the department of transportation under RCW  
30   47.01.480;

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

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

37       (b) If, when implementing the program, the authority is not able  
38   to deliver projects according to the system and financing plan  
39   approved by the authority's voters in 2016, the authority must  
40   identify savings and cost reductions in the following priority order:

1 First, from parking facility projects; second, from commuter rail  
2 projects; third, from transit bus-related projects; and fourth, from  
3 light rail projects.

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

10 NEW SECTION. **Sec. 3.** This act is necessary for the immediate  
11 preservation of the public peace, health, or safety, or support of  
12 the state government and its existing public institutions, and takes  
13 effect immediately.

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