

**SENATE BILL REPORT**

**SB 5876**

**AS REPORTED BY COMMITTEE ON TRANSPORTATION, MARCH 3, 1993**

**Brief Description:** Extending incentives for ride sharing and vanpools.

**SPONSORS:** Senators Prentice, Skratek, Sellar, M. Rasmussen and Winsley

**SENATE COMMITTEE ON TRANSPORTATION**

**Majority Report:** That Substitute Senate Bill No. 5876 be substituted therefor, and the substitute bill do pass.

Signed by Senators Vognild, Chairman; Loveland, Vice Chairman; Skratek, Vice Chairman; Drew, Haugen, Nelson, Oke, Prentice, Prince, M. Rasmussen, Sheldon, von Reichbauer, and Winsley.

**Staff:** Brian McMorrow (786-7304)

**Hearing Dates:** March 1, 1993; March 3, 1993

**BACKGROUND:**

The Commute Trip Reduction Law requires that major employers in the state's eight largest counties reduce the number of their employees traveling to work by single-occupant vehicle. One effective strategy for meeting the Commute Trip Reduction Law's goals is to encourage commuters to participate in vanpool and ridesharing programs.

**SUMMARY:**

The retail sales tax exemption for vans that are used regularly as ride-sharing vehicles now applies to vans with at least five riders, including the driver.

The motor vehicle excise tax exemption for vans that are used regularly as ride-sharing vehicles now applies to vans with at least five riders, including the driver, or at least four riders, including the driver, when at least two of those persons are confined to wheelchairs when riding.

The sunset on the exemptions for sales, use and motor vehicle excise tax is repealed.

A total of \$30,801,000 is provided to transit agencies for vans and park-and-ride lots.

**EFFECT OF PROPOSED SUBSTITUTE:**

The substitute eliminates the appropriation for vans and park-and-ride lots. A vehicle must be primarily used for 36 consecutive months as a ride-sharing vehicle to qualify for the sales or use tax exemption. If the vehicle is not primarily used as a ride-sharing vehicle or it is used as a ride-sharing vehicle for less than 36 months, the owner must notify the Department of Revenue and pay the sales or use tax due. The registered owner of a vehicle that is no longer primarily used for ride-sharing must also notify the Department of Licensing and pay the motor vehicle excise tax due. The substitute makes it a gross misdemeanor to give a false statement knowingly to the Department of Licensing when applying for special plates required for ride-sharing vehicles. The term "vans" has been replaced by the term "passenger motor vehicles."

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** requested

**TESTIMONY FOR:**

This bill encourages the use of vanpools as a way of reducing the number of single-occupant vehicles that travel during rush hours.

**TESTIMONY AGAINST:** None

**TESTIFIED:** PRO: Ben Porter, Price Waterhouse; Gary Molyneaux, Paul Tolliver, METRO; Jean Leonard, Small & Mid-Size Transit; Jim Slakey, WSDOT