

SENATE BILL REPORT

SB 5969

As Reported By Senate Committee On:
Transportation, March 3, 2005

Title: An act relating to city and town use of state fuel tax distributions.

Brief Description: Modifying city and town use of state fuel tax distributions.

Sponsors: Senators Swecker, Haugen, Esser and Spanel.

Brief History:

Committee Activity: Transportation: [DPS]

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: That Substitute Senate Bill No. 5969 be substituted therefor, and the substitute bill do pass.

Signed by Senators Haugen, Chair; Jacobsen, Vice Chair; Poulsen, Vice Chair; Swecker, Ranking Minority Member; Benson, Eide, Esser, Kastama, Mulliken, Oke, Spanel and Weinstein.

Staff: David Ward (786-7341)

Background: RCW 46.68.110 governs the allocation of the 10.9691 percent of statewide fuel tax revenues distributed to cities and towns.

Sub-section two of the statute requires .33 percent be deducted for use by the Department of Transportation (DOT) for the purpose of funding the cities' share of costs associated with highway jurisdiction and other studies.

Sub-section four of the statute mandates that 31.86 percent of the funds distributed to cities and towns be used for certain purposes depending on the size of the city or town. For cities and towns with a population of fifteen thousand or more, these funds can only be used for the construction, improvement, chip sealing, seal coating and repair of arterial highways and city streets. For cities and towns with a population of less than fifteen thousand, the funds can only be used for the maintenance of arterial highways and city streets.

Summary of Substitute Bill: Sub-section four of the bill removes the restrictions on the uses of funds for cities and towns regardless of size as measured by population. However, as fuel tax revenue, the funds remain restricted to highway purposes as set forth in the 18th amendment to the Washington State Constitution.

Substitute Bill Compared to Original Bill: Language is removed that would have required the DOT to consult with the Association of Washington Cities when determining how the .33 percent of cities' fuel tax distributions dedicated to studies will be spent.

Appropriation: None.

Fiscal Note: Requested on February 21, 2005.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: The bill removes unnecessary restrictions on state fuel taxes distributed to cities and towns. The funds are still 18th amendment restricted and therefore remain dedicated to highway purposes. The additional flexibility allowed by removing the restrictions will allow cities and towns more control over the funding of projects of local priority.

Testimony Against: None.

Who Testified: PRO: Ashley Probart, Association of Washington Cities; Paul George, Mayor of Bellingham.