

ESSB 5457 - CONF REPT
By Conference Committee

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

3 "NEW SECTION. **Sec. 1.** The legislature recognizes that public
4 transportation provides many benefits to the citizens of the state and
5 the environment, including through public transportation's ability to
6 alleviate congestion and offset the burdens placed by general vehicular
7 traffic on the state's transportation infrastructure. In these
8 challenging economic times, many transit agencies find themselves
9 struggling to continue to provide a level of service that reduces
10 congestion.

11 The legislature further recognizes that King county conducted a
12 regional transit task force in 2010 that considered a policy framework
13 for the potential future growth and, if necessary, contraction of King
14 county's transit system. The task force members were selected to
15 represent a broad diversity of interests and perspectives. The task
16 force recommendations, which were unanimously accepted, addressed key
17 elements, such as the adoption of performance measures, controlling
18 operating costs, developing policy guidance for making service
19 reductions, and clear and transparent guidelines for service
20 allocation. As a result of the work done by the task force and King
21 county's commitment to comply with the recommendations, it is the
22 intent of the legislature that King county be provided the opportunity
23 to impose a temporary congestion reduction charge, which is separate
24 and distinct from the base motor vehicle license fee, that can help
25 address its revenue shortfalls during this economic crisis and allow it
26 to continue reducing congestion and the corresponding burdens placed on
27 the highway system on some of the state's most crowded corridors.

28 The legislature recognizes that the title of Initiative Measure No.
29 1053 states that it applies only to tax and fee increases imposed by

1 state government, and that the text of the initiative requires a two-
2 thirds majority only for tax increases. The legislature further
3 recognizes that Initiative Measure No. 1053 does not apply to local
4 government. Despite these facts, this act requires a two-thirds
5 majority of the metropolitan King county council in order to implement
6 a local option fee, in the form of a congestion reduction charge, to
7 help fund King county metro transit service. Faced with the potential
8 loss of hundreds of thousands of hours of vital transit service, it is
9 the intent of the legislature to provide King county with this
10 temporary local option funding mechanism. It is further the intent of
11 the legislature not to expand the parameters of Initiative Measure No.
12 1053 beyond what the voters intended and thus interfere with local
13 control or limit the ability of local governments to provide services
14 to the people of Washington.

15 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.80 RCW
16 to read as follows:

17 (1)(a) Except as provided in subsection (2) of this section, the
18 governing body of a county that has assumed the rights, powers,
19 functions, and obligations of a metropolitan municipal corporation
20 under chapter 36.56 RCW and is operating a public transportation system
21 may impose, if approved by a majority of the voters within that county
22 or a two-thirds majority of the governing body, an annual congestion
23 reduction charge of up to twenty dollars per vehicle registered in the
24 boundaries of the county for each vehicle subject to vehicle license
25 fees under RCW 46.17.350(1) (a), (c), (d), (e), (g), (h), (j), (n),
26 (o), (p), or (q) and for each vehicle subject to gross weight license
27 fees under RCW 46.17.355 with an unladen weight of six thousand pounds
28 or less.

29 (b) Prior to the imposition of a congestion reduction charge
30 authorized under (a) of this subsection, a governing body must complete
31 a congestion reduction plan indicating the proposed expenditures of the
32 proceeds of the congestion reduction charge.

33 (c) If a governing body that imposes a congestion reduction charge
34 authorized under (a) of this subsection completed a regional transit
35 task force evaluating system improvements and efficiencies within two
36 years prior to the imposition of the charge, the proceeds from the

1 charge must be expended in a manner consistent with the recommendations
2 of the regional transit task force.

3 (d) A governing body that imposes a congestion reduction charge
4 authorized under (a) of this subsection must complete a report by July
5 1, 2012, detailing the expenditures of the proceeds of the congestion
6 reduction charge through June 1, 2012.

7 (e) A governing body that imposes a congestion reduction charge
8 authorized under (a) of this subsection must complete a report by June
9 1, 2014, detailing the expenditures of the proceeds of the congestion
10 reduction charge.

11 (2) The governing body of a county that has assumed the rights,
12 powers, functions, and obligations of a metropolitan municipal
13 corporation under chapter 36.56 RCW and is operating a public
14 transportation system may not impose a congestion reduction charge
15 authorized under subsection (1)(a) of this section for a passenger-only
16 ferry transportation improvement, unless the charge is first approved
17 by a majority of the voters within that county.

18 (3) The governing body of a county that has assumed the rights,
19 powers, functions, and obligations of a metropolitan municipal
20 corporation under chapter 36.56 RCW and is operating a public
21 transportation system shall contract with the department of licensing
22 as provided under section 3 of this act for the collection of the
23 congestion reduction charge.

24 (4) A congestion reduction charge imposed under this section may
25 not be assessed until six months after approval.

26 (5) A congestion reduction charge imposed under this section
27 applies only for vehicle registration renewals and is effective upon
28 the registration renewal date as provided by the department of
29 licensing.

30 (6) The following vehicles are exempt from the congestion reduction
31 charge imposed under this section:

32 (a) Farm tractors or farm vehicles as defined in RCW 46.04.180 and
33 46.04.181;

34 (b) Off-road vehicles as defined in RCW 46.04.365;

35 (c) Nonhighway vehicles as defined in RCW 46.09.310;

36 (d) Vehicles registered under chapter 46.87 RCW and the
37 international registration plan; and

38 (e) Snowmobiles as defined in RCW 46.04.546.

1 (7) The authority to impose a congestion reduction charge
2 authorized in subsection (1)(a) of this section expires with vehicle
3 registrations that expire two years after the imposition of the charge
4 or no later than June 30, 2014, whichever comes first.

5 (8) A congestion reduction charge authorized under subsection
6 (1)(a) of this section may only be imposed after June 30, 2014, if
7 approved by a majority of the voters within a county that has assumed
8 the rights, powers, functions, and obligations of a metropolitan
9 municipal corporation under chapter 36.56 RCW and is operating a public
10 transportation system.

11 (9) This section expires December 31, 2014.

12 NEW SECTION. **Sec. 3.** A new section is added to chapter 46.68 RCW
13 to read as follows:

14 Whenever the department enters into a contract with the governing
15 body of a county that has assumed the rights, powers, functions, and
16 obligations of a metropolitan municipal corporation under chapter 36.56
17 RCW and is operating a public transportation system for the collection
18 of congestion reduction charges authorized under section 2 of this act:

19 (1) The contract must require that the governing body provide any
20 information specified by the department to identify the vehicle owners
21 who owe the congestion reduction charges, and must specify that it is
22 the responsibility of the governing body to ensure that the congestion
23 reduction charges are appropriately applied;

24 (2) The department is not responsible for the collection of
25 congestion reduction charges until a date agreed to by both parties as
26 specified in the contract;

27 (3) The department shall deduct a percentage amount as provided in
28 the contract, not to exceed three percent of the charges collected,
29 necessary to reimburse the department for the costs incurred for the
30 collection of the congestion reduction charges; and

31 (4) The department shall remit remaining proceeds to the custody of
32 the state treasurer. The state treasurer shall distribute the proceeds
33 to the governing body on a monthly basis."

34 Correct the title.

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