

SENATE BILL REPORT

SJR 8216

AS OF FEBRUARY 26, 1991

Brief Description: Permitting motor vehicle taxes to be used for transportation purposes.

SPONSORS: Senators Patterson, Vognild, Craswell and Nelson.

SENATE COMMITTEE ON TRANSPORTATION

Staff: Louise Bray Sandison (786-7322)

Hearing Dates: February 27, 1991

BACKGROUND:

In 1944 the 18th Amendment (Art. II, sec. 40) to the State Constitution was enacted. It requires motor vehicle fuel tax, vehicle registration fees and "all other revenue intended to be used for highway purposes" be placed in a special fund to be used exclusively for highway purposes.

"Highway purposes" are defined as the necessary operating, engineering and legal expenses connected with the administration of public highways, county roads, city streets and bridges. Operation of ferries connected to any public highway, county road or city street as well as policing of state public highways are specifically included as a "highway purpose". Other transportation purposes, such as rail or transit, are not included in the definition of "highway purposes."

SUMMARY:

The 18th Amendment to the State Constitution is expanded to permit the protected revenues to be used for any transportation purpose.

The revenue base protected by the 18th Amendment is expanded to include, in addition to fuel tax and vehicle registration fees, driver license fees, motor vehicle excise tax, and fines, forfeitures or other monetary penalties related to the operation of motor vehicles. All earnings on investment of the protected revenues must be used for transportation purposes.

Appropriation: none

Revenue: none

Fiscal Note: requested