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**SUBSTITUTE HOUSE BILL 2209**

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**State of Washington                      58th Legislature                      2003 Regular Session**

**By** House Committee on Transportation (originally sponsored by  
Representatives Murray and Simpson)

READ FIRST TIME 03/26/03.

1            AN ACT Relating to the authority of regional transportation  
2 investment districts; amending RCW 36.120.020, 36.120.040, 36.120.050,  
3 36.120.070, 36.120.090, 36.120.110, 36.120.130, 47.56.076, 82.80.010,  
4 82.36.440, and 82.38.280; adding a new section to chapter 47.56 RCW;  
5 and adding a new section to chapter 82.80 RCW.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7            **Sec. 1.** RCW 36.120.020 and 2002 c 56 s 102 are each amended to  
8 read as follows:

9            The definitions in this section apply throughout this chapter  
10 unless the context clearly requires otherwise.

11            (1) "Board" means the governing body of a regional transportation  
12 investment district.

13            (2) "Department" means the Washington state department of  
14 transportation.

15            (3) "Highway of statewide significance" means an existing or  
16 proposed state route or federal interstate designated as a highway of  
17 statewide significance by the transportation commission, its successor  
18 entity, or the legislature.

1 (4) "Lead agency" means a public agency that by law can plan,  
2 design, and build or deliver a transportation project and has been so  
3 designated by the district.

4 (5) "Regional transportation investment district" or "district"  
5 means a municipal corporation whose boundaries are coextensive with two  
6 or more contiguous counties and that has been created by county  
7 legislative authorities and a vote of the people under this chapter to  
8 implement a regional transportation investment plan.

9 (6) "Regional transportation investment district planning  
10 committee" or "planning committee" means the advisory committee created  
11 under RCW 36.120.030 to create and propose to county legislative  
12 authorities a regional transportation investment plan to develop,  
13 finance, and construct transportation projects.

14 (7) "Regional transportation investment plan" or "plan" means a  
15 plan to develop, construct, and finance a transportation project or  
16 projects.

17 (8) "Transportation project" means(~~+~~

18 ~~(a) A capital improvement or improvements to a highway that has~~  
19 ~~been designated, in whole or in part, as a highway of statewide~~  
20 ~~significance, including an extension, that:~~

21 ~~(i) Adds a lane or new lanes to an existing state or federal~~  
22 ~~highway; or~~

23 ~~(ii) Repairs or replaces a lane or lanes damaged by an event~~  
24 ~~declared an emergency by the governor before January 1, 2002.~~

25 ~~(b) A capital improvement or improvements to all or a portion of a~~  
26 ~~highway of statewide significance, including an extension, and may~~  
27 ~~include the following associated multimodal capital improvements:~~

28 ~~(i) Approaches to highways of statewide significance;~~

29 ~~(ii) High occupancy vehicle lanes;~~

30 ~~(iii) Flyover ramps;~~

31 ~~(iv) Park and ride lots;~~

32 ~~(v) Bus pullouts;~~

33 ~~(vi) Vans for vanpools;~~

34 ~~(vii) Buses; and~~

35 ~~(viii) Signalization, ramp metering, and other transportation~~  
36 ~~system management improvements.~~

37 ~~(c) A capital improvement or improvements to all or a portion of a~~

1 ~~city street, county road, or existing highway or the creation of a new~~  
2 ~~highway that intersects with a highway of statewide significance, if~~  
3 ~~all of the following conditions are met:~~

4 ~~(i) The project is included in a plan that makes highway~~  
5 ~~improvement projects that add capacity to a highway or highways of~~  
6 ~~statewide significance;~~

7 ~~(ii) The secretary of transportation determines that the project~~  
8 ~~would better relieve traffic congestion than investing that same money~~  
9 ~~in adding capacity to a highway of statewide significance;~~

10 ~~(iii) Matching money equal to one third of the total cost of the~~  
11 ~~project is provided by local entities, including but not limited to a~~  
12 ~~metropolitan planning organization, county, city, port, or private~~  
13 ~~entity in which a county participating in a plan is located. Local~~  
14 ~~entities may use federal grants to meet this matching requirement;~~

15 ~~(iv) In no case may the cumulative regional transportation~~  
16 ~~investment district contribution to all projects constructed under this~~  
17 ~~subsection (8)(c) exceed ten percent of the revenues generated by the~~  
18 ~~district;~~

19 ~~(v) In no case may the cumulative regional transportation~~  
20 ~~investment district contribution to all projects constructed under this~~  
21 ~~subsection (8)(c) exceed one billion dollars; and~~

22 ~~(vi) The specific projects are included within the plan and~~  
23 ~~submitted as part of the plan to a vote of the people.~~

24 ~~(d) Operations, preservation, and maintenance are excluded from~~  
25 ~~this definition and may not be included in a regional transportation~~  
26 ~~investment plan)) a project or program contained in the transportation~~  
27 ~~plan of the state or of a regional transportation planning~~  
28 ~~organization. Projects may include new or existing highways of~~  
29 ~~statewide significance or state and local arterials of regional~~  
30 ~~significance, rail facilities, light rail facilities, monorail~~  
31 ~~facilities, public transportation investments, ferry system capital~~  
32 ~~improvements, and transportation demand management programs. Projects~~  
33 ~~may also include the operation, preservation, and maintenance of these~~  
34 ~~roadways and other facilities.~~

35 (9) "Weighted vote" means a vote that reflects the population each  
36 board or planning committee member represents relative to the  
37 population represented by the total membership of the board or planning

1 committee. Population will be determined using the federal 2000 census  
2 or subsequent federal census data.

3 **Sec. 2.** RCW 36.120.040 and 2002 c 56 s 104 are each amended to  
4 read as follows:

5 (1) A regional transportation investment district planning  
6 committee shall adopt a regional transportation investment plan  
7 providing for the development, construction, and financing of  
8 transportation projects. The planning committee (~~(may)~~) shall consider  
9 the following factors in formulating its plan:

- 10 (a) Land use planning criteria;
- 11 (b) The input of cities located within a participating county; and
- 12 (c) The input of regional transportation planning organizations in  
13 which a participating county is located. A regional transportation  
14 planning organization in which a participating county is located shall  
15 review its adopted regional transportation plan and submit, for the  
16 planning committee's consideration, its list of transportation  
17 improvement priorities.

18 (2) The planning committee may coordinate its activities with the  
19 department, which shall provide services, data, and personnel to assist  
20 in this planning as desired by the planning committee. In addition,  
21 the planning committee may coordinate with affected cities, towns, and  
22 other local governments that engage in transportation planning.

23 (3) The planning committee shall:

24 (a) Consult regularly with, and seek input from, the county  
25 executive of each participating county;

26 (b) Conduct public meetings that are needed to assure active public  
27 participation in the development of the plan;

28 ~~((b))~~ (c) Adopt a plan proposing the creation of a regional  
29 transportation investment district and recommending the construction of  
30 transportation projects to improve mobility(~~(.——Operations,~~  
31 ~~maintenance, and preservation of facilities or systems may not be part~~  
32 ~~of the plan))); and~~

33 ~~((c))~~ (d) Recommend sources of revenue authorized by RCW  
34 36.120.050 and a financing plan to fund selected transportation  
35 projects. The overall plan of the district must leverage the  
36 district's financial contributions so that the federal, state, local,  
37 and other revenue sources continue to fund major congestion relief and

1 transportation capacity improvement projects in the district. A  
2 combination of local, state, and federal revenues may be necessary to  
3 pay for transportation projects, and the planning committee shall  
4 consider all of these revenue sources in developing a plan.

5 (4) Before adopting the plan, the planning committee, with  
6 assistance from the department, shall work with the lead agency to  
7 develop accurate cost forecasts for transportation projects. This  
8 project costing methodology must be integrated with revenue forecasts  
9 in developing the plan and must at a minimum include estimated project  
10 costs in constant dollars as well as year of expenditure dollars, the  
11 range of project costs reflected by the level of project design,  
12 project contingencies, identification of mitigation costs, the range of  
13 revenue forecasts, and project and plan cash flow and bond analysis.  
14 The plan submitted to the voters must provide cost estimates for each  
15 project, including reasonable contingency costs. Plans submitted to  
16 the voters must provide that the maximum amount possible of the funds  
17 raised will be used to fund projects in the plan, including  
18 environmental improvements and mitigation, and that administrative  
19 costs be minimized. If actual revenue exceeds actual plan costs, the  
20 excess revenues must be used to retire any outstanding debt associated  
21 with the plan.

22 (5) If a county opts not to adopt the plan or participate in the  
23 regional transportation investment district, but two or more contiguous  
24 counties do choose to continue to participate, then the planning  
25 committee may, within ninety days, redefine the regional transportation  
26 investment plan and the ballot measure to be submitted to the people to  
27 reflect elimination of the county, and submit the redefined plan to the  
28 legislative authorities of the remaining counties for their decision as  
29 to whether to continue to adopt the redefined plan and participate.  
30 This action must be completed within sixty days after receipt of the  
31 redefined plan.

32 (6) Once adopted, the plan must be forwarded to the participating  
33 county legislative authorities to initiate, with the approval of the  
34 county executive of each participating county, the election process  
35 under RCW 36.120.070. The planning committee shall at the same time  
36 provide notice to each city and town within the district, the governor,  
37 the chairs of the transportation committees of the legislature, the

1 secretary of transportation, and each legislator whose legislative  
2 district is partially or wholly within the boundaries of the district.

3 (7) If the ballot measure is not approved, the planning committee  
4 may redefine the selected transportation projects, financing plan, and  
5 the ballot measure. The county legislative authorities may approve the  
6 new plan and ballot measure, and may then submit the revised  
7 proposition to the voters at the next election or a special election.  
8 If no ballot measure is approved by the voters by the third vote, the  
9 planning committee is dissolved.

10 **Sec. 3.** RCW 36.120.050 and 2002 c 56 s 105 are each amended to  
11 read as follows:

12 (1) A regional transportation investment district planning  
13 committee may, as part of a regional transportation investment plan,  
14 recommend the imposition of some or all of the following revenue  
15 sources, which a regional transportation investment district may impose  
16 upon approval of the voters as provided in this chapter:

17 (a) A regional sales and use tax, as specified in RCW 82.14.430, of  
18 up to 0.5 percent of the selling price, in the case of a sales tax, or  
19 value of the article used, in the case of a use tax, upon the  
20 occurrence of any taxable event in the regional transportation  
21 investment district;

22 (b) A local option vehicle license fee, as specified under RCW  
23 82.80.100, of up to one hundred dollars per vehicle registered in the  
24 district. As used in this subsection, "vehicle" means motor vehicle as  
25 defined in RCW 46.04.320. Certain classes of vehicles, as defined  
26 under chapter 46.04 RCW, may be exempted from this fee;

27 (c) A parking tax under RCW 82.80.030;

28 (d) A local motor vehicle excise tax under RCW 81.100.060 and  
29 chapter 81.104 RCW;

30 (e) An employer excise tax under RCW 81.100.030; ~~((and))~~

31 (f) Vehicle tolls on ~~((new or reconstructed facilities))~~ a state  
32 route or federal highway within the boundaries of the district. The  
33 plan must identify the specific location to be tolled and the purpose  
34 of the toll. Unless otherwise specified by law or contract, the  
35 department shall administer the collection of vehicle tolls on  
36 designated facilities, and the state transportation commission, or its  
37 successor, shall be the tolling authority; and

1       (g) A local option fuel tax under section 11 of this act.

2       (2) Taxes, fees, and tolls may not be imposed without an  
3 affirmative vote of the majority of the voters within the boundaries of  
4 the district voting on a ballot proposition as set forth in RCW  
5 36.120.070. Revenues from these taxes and fees may be used only to  
6 implement the plan as set forth in this chapter. A district may  
7 contract with the state department of revenue or other appropriate  
8 entities for administration and collection of any of the taxes or fees  
9 authorized in this section.

10       (3) Existing statewide motor vehicle fuel and special fuel taxes,  
11 at the distribution rates in effect on January 1, 2001, are not  
12 intended to be altered by this chapter.

13       **Sec. 4.** RCW 36.120.070 and 2002 c 56 s 107 are each amended to  
14 read as follows:

15       Two or more contiguous county legislative authorities, upon receipt  
16 of the regional transportation investment plan under RCW 36.120.040,  
17 may, with the approval of the county executive of each participating  
18 county, certify the plan to the ballot, including identification of the  
19 tax options necessary to fund the plan. County legislative authorities  
20 may draft a ballot title, give notice as required by law for ballot  
21 measures, and perform other duties as required to put the plan before  
22 the voters of the proposed district for their approval or rejection as  
23 a single ballot measure that both approves formation of the district  
24 and approves the plan. Counties may negotiate interlocal agreements  
25 necessary to implement the plan. The electorate will be the voters  
26 voting within the boundaries of the participating counties. A simple  
27 majority of the total persons voting on the single ballot measure to  
28 approve the plan, establish the district, and approve the taxes and  
29 fees is required for approval.

30       **Sec. 5.** RCW 36.120.090 and 2002 c 56 s 109 are each amended to  
31 read as follows:

32       (1) The governing board of a district consists of the members of  
33 the legislative authority of each member county, acting ex officio and  
34 independently. The secretary of transportation or the appropriate  
35 regional administrator of the department, as named by the secretary,  
36 shall also serve as a nonvoting member of the board. The governing

1 board may elect an executive board of seven members to discharge the  
2 duties of the governing board subject to the approval of the full  
3 governing board.

4 (2) A sixty-percent majority of the weighted votes of the total  
5 board membership and the approval of the county executive of each  
6 participating county is required to submit to the counties a modified  
7 plan under RCW 36.120.140 or any other proposal to be submitted to the  
8 voters. The counties may, with majority vote of each county  
9 legislative authority, submit a modified plan or proposal to the  
10 voters.

11 **Sec. 6.** RCW 36.120.110 and 2002 c 56 s 111 are each amended to  
12 read as follows:

13 (1) The governing board of the district is responsible for the  
14 execution of the voter-approved plan. The board shall:

15 (a) Impose taxes and fees authorized by district voters;

16 (b) Enter into agreements with state, local, and regional agencies  
17 and departments as necessary to accomplish district purposes and  
18 protect the district's investment in transportation projects;

19 (c) Accept gifts, grants, or other contributions of funds that will  
20 support the purposes and programs of the district;

21 (d) Monitor and audit the progress and execution of transportation  
22 projects to protect the investment of the public and annually make  
23 public its findings;

24 (e) Pay for services and enter into leases and contracts, including  
25 professional service contracts;

26 (f) Hire no more than ten employees, including a director or  
27 executive officer, a treasurer or financial officer, a project manager  
28 or engineer, a project permit coordinator, and clerical staff; and

29 (g) Exercise other powers and duties as may be reasonable to carry  
30 out the purposes of the district.

31 (2) It is the intent of the legislature that existing staff  
32 resources of lead agencies be used in implementing this chapter. A  
33 district may coordinate its activities with the department, which shall  
34 provide services, data, and personnel to assist as desired by the  
35 regional transportation investment district. Lead agencies for  
36 transportation projects that are not state facilities shall also  
37 provide staff support for the board.



1 (3) A district may not acquire, hold, or dispose of real property.

2 (4) A district may not own, operate, or maintain an ongoing  
3 facility, road, or transportation system.

4 (5) A district may accept and expend or use gifts, grants, or  
5 donations.

6 (6) It is the intent of the legislature that administrative and  
7 overhead costs of a regional transportation investment district be  
8 minimized. For transportation projects costing up to fifty million  
9 dollars, administrative and overhead costs may not exceed three percent  
10 of the total construction and design project costs per year. For  
11 transportation projects costing more than fifty million dollars,  
12 administrative and overhead costs may not exceed three percent of the  
13 first fifty million dollars in costs, plus an additional one-tenth of  
14 one percent of each additional dollar above fifty million. These  
15 limitations apply only to the district, and do not limit the  
16 administration or expenditures of the department or other lead  
17 agencies.

18 (7) A district may use the design-build procedure for  
19 transportation projects developed by it. As used in this section  
20 "design-build procedure" means a method of contracting under which the  
21 district contracts with another party for that party to both design and  
22 build the structures, facilities, and other items specified in the  
23 contract. The requirements and limitations of RCW 47.20.780 and  
24 47.20.785 do not apply to the transportation projects under this  
25 chapter.

26 **Sec. 7.** RCW 36.120.130 and 2002 c 56 s 113 are each amended to  
27 read as follows:

28 ~~((The district may borrow money, but may not issue any debt of its  
29 own for more than two years' duration. A district may issue notes or  
30 other evidences of indebtedness with a maturity of not more than two  
31 years. A district may, when authorized by the plan, enter into  
32 agreements with the state or lead agencies to pledge taxes or other  
33 revenues of the district for the purpose of paying in part or whole  
34 principal and interest on bonds issued by the lead agency. The  
35 contracts pledging revenues and taxes are binding for the term of the  
36 agreement, but not to exceed twenty five years, and no tax pledged by~~

1 ~~an agreement may be eliminated or modified if it would impair the~~  
2 ~~pledge of the agreement.))~~

3 (1)(a) Notwithstanding RCW 39.36.020(1), the district may at any  
4 time contract indebtedness or borrow money for district purposes and  
5 may issue general obligation bonds or other evidences of indebtedness,  
6 secured by the pledge of one or more of the taxes, tolls, charges, or  
7 fees authorized to be imposed by the district, in an amount not  
8 exceeding, together with any existing indebtedness of the district not  
9 authorized by the voters, one and one-half percent of the value of the  
10 taxable property within the boundaries of the district.

11 (b) With the approval of three-fifths of the voters voting at an  
12 election, a district may contract indebtedness or borrow money for  
13 district purposes and may issue general obligation bonds or other  
14 evidences of indebtedness as long as the total indebtedness of the  
15 district does not exceed five percent of the value of the taxable  
16 property within the district, including indebtedness authorized under  
17 (a) of this subsection. The bonds must be issued and sold in  
18 accordance with chapter 39.46 RCW.

19 (2) The district may at any time issue revenue bonds or other  
20 evidences of indebtedness, secured by the pledge of one or more of the  
21 revenues authorized to be collected by the district, to provide funds  
22 to carry out its authorized functions without submitting the matter to  
23 the voters of the district. These obligations must be issued and sold  
24 in accordance with chapter 39.46 RCW.

25 (3) The district may enter into agreements with the lead agencies  
26 or the state of Washington, when authorized by the plan, to pledge  
27 taxes or other revenues of the district for the purpose of paying in  
28 part or whole principal and interest on bonds issued by the lead agency  
29 or the state of Washington. The agreements pledging revenues and taxes  
30 must be binding for their terms, but not to exceed thirty years, and no  
31 tax pledged by an agreement may be eliminated or modified if it would  
32 impair the pledge made in any agreement.

33 **Sec. 8.** RCW 47.56.076 and 2002 c 56 s 403 are each amended to read  
34 as follows:

35 Upon approval of a majority of the voters within its boundaries  
36 voting on the ballot proposition, and only for the purposes authorized  
37 in RCW 36.120.050(1)(f), a regional transportation investment district

1 may impose vehicle tolls on a state ((~~routes where improvements~~  
2 ~~financed in whole or in part by a regional transportation investment~~  
3 ~~district add additional lanes to, or reconstruct lanes on, a highway of~~  
4 ~~statewide significance))~~ or federal highway within the boundaries of  
5 the district. The department shall administer the collection of  
6 vehicle tolls on designated facilities unless otherwise specified in  
7 law or by contract, and the state transportation commission, or its  
8 successor, shall ~~((be the tolling authority))~~ set and impose the tolls  
9 in amounts sufficient to implement the plan and issue bonds and  
10 maintain and operate the toll facility within the scope and intent of  
11 the regional transportation investment plan.

12 NEW SECTION. Sec. 9. A new section is added to chapter 47.56 RCW  
13 to read as follows:

14 Notwithstanding any provision to the contrary in this chapter, a  
15 regional transportation investment district may impose vehicle tolls on  
16 either Lake Washington bridge upon approval of a majority of the voters  
17 voting on a regional transportation investment plan ballot measure  
18 within its boundaries as authorized in chapter 36.120 RCW and RCW  
19 47.56.076.

20 **Sec. 10.** RCW 82.80.010 and 1998 c 176 s 86 are each amended to  
21 read as follows:

22 (1) For purposes of this section:

23 (a) "Distributor" means every person who imports, refines,  
24 manufactures, produces, or compounds motor vehicle fuel and special  
25 fuel as defined in RCW 82.36.010 and 82.38.020, respectively, and sells  
26 or distributes the fuel into a county;

27 (b) "Person" has the same meaning as in RCW 82.04.030.

28 (2) Subject to the conditions of this section, any county may levy,  
29 by approval of its legislative body and a majority of the registered  
30 voters of the county voting on the proposition at a general or special  
31 election, additional excise taxes equal to ten percent of the statewide  
32 motor vehicle fuel tax rate under RCW 82.36.025 on each gallon of motor  
33 vehicle fuel as defined in RCW 82.36.010 and on each gallon of special  
34 fuel as defined in RCW 82.38.020 sold within the boundaries of the  
35 county. Vehicles paying an annual license fee under RCW 82.38.075 are  
36 exempt from the county fuel excise tax. An election held under this

1 section must be held not more than twelve months before the date on  
2 which the proposed tax is to be levied. The ballot setting forth the  
3 proposition shall state the tax rate that is proposed. The county's  
4 authority to levy additional excise taxes under this section includes  
5 the incorporated and unincorporated areas of the county. The  
6 additional excise taxes are subject to the same exceptions and rights  
7 of refund as applicable to other motor vehicle fuel and special fuel  
8 excise taxes levied under chapters 82.36 and 82.38 RCW. The proposed  
9 tax shall not be levied less than one month from the date the election  
10 results are certified by the county election officer. The commencement  
11 date for the levy of any tax under this section shall be the first day  
12 of January, April, July, or October.

13 ~~((2) Every person subject to the tax shall pay, in addition to any  
14 other taxes provided by law, an additional excise tax to the director  
15 of licensing at the rate levied by a county exercising its authority  
16 under this section.))~~

17 (3) The local option motor vehicle fuel tax on each gallon of motor  
18 vehicle fuel and on each gallon of special fuel is imposed upon the  
19 distributor of the fuel.

20 (4) A taxable event for the purposes of this section occurs upon  
21 the first distribution of the fuel within the boundaries of a county to  
22 a retail outlet, bulk fuel user, or ultimate user of the fuel.

23 (5) All administrative provisions in chapters 82.01, 82.03, and  
24 82.32 RCW, insofar as they are applicable, apply to local option fuel  
25 taxes imposed under this section.

26 (6) Before the effective date of the imposition of the fuel taxes  
27 under this section, a county shall contract with the department of  
28 revenue for the administration and collection of the taxes. The  
29 contract must provide that a percentage amount, not to exceed one  
30 percent of the taxes imposed under this section, will be deposited into  
31 the local tax administration account created in the custody of the  
32 state treasurer. The department of revenue may spend money from this  
33 account, upon appropriation, for the administration of the local taxes  
34 imposed under this section.

35 (7) The state treasurer shall distribute monthly to the levying  
36 county and cities contained therein the proceeds of the additional  
37 excise taxes collected under this section, after the deductions for

1 payments and expenditures as provided in RCW 46.68.090(1) (a) and  
2 ~~((+2))~~ (b) and under the conditions and limitations provided in RCW  
3 82.80.080.

4 ~~((+4))~~ (8) The proceeds of the additional excise taxes levied  
5 under this section shall be used strictly for transportation purposes  
6 in accordance with RCW 82.80.070.

7 ~~((+5) The department of licensing shall administer and collect the  
8 county fuel taxes. The department shall deduct a percentage amount, as  
9 provided by contract, for administrative, collection, refund, and audit  
10 expenses incurred. The remaining proceeds shall be remitted to the  
11 custody of the state treasurer for monthly distribution under RCW  
12 82.80.080.))~~

13 (9) A county may not levy the tax under this section if they are a  
14 member of a regional transportation investment district levying the tax  
15 in section 11 of this act.

16 NEW SECTION. Sec. 11. A new section is added to chapter 82.80 RCW  
17 to read as follows:

18 (1) For purposes of this section:

19 (a) "Distributor" means every person who imports, refines,  
20 manufactures, produces, or compounds motor vehicle fuel and special  
21 fuel as defined in RCW 82.36.010 and 82.38.020, respectively, and sells  
22 or distributes the fuel into a county;

23 (b) "Person" has the same meaning as in RCW 82.04.030;

24 (c) "District" means a regional transportation investment district  
25 under chapter 36.120 RCW.

26 (2) A regional transportation investment district under chapter  
27 36.120 RCW, subject to the conditions of this section, may levy  
28 additional excise taxes equal to ten percent of the statewide motor  
29 vehicle fuel tax rate under RCW 82.36.025 on each gallon of motor  
30 vehicle fuel as defined in RCW 82.36.010 and on each gallon of special  
31 fuel as defined in RCW 82.38.020 sold within the boundaries of the  
32 district. The additional excise tax is subject to the approval of a  
33 majority of the voters within the district boundaries. Vehicles paying  
34 an annual license fee under RCW 82.38.075 are exempt from the  
35 district's fuel excise tax. The additional excise taxes are subject to  
36 the same exceptions and rights of refund as applicable to other motor  
37 vehicle fuel and special fuel excise taxes levied under chapters 82.36

1 and 82.38 RCW. The proposed tax may not be levied less than one month  
2 from the date the election results are certified. The commencement  
3 date for the levy of any tax under this section will be the first day  
4 of January, April, July, or October.

5 (3) The local option motor vehicle fuel tax on each gallon of motor  
6 vehicle fuel and on each gallon of special fuel is imposed upon the  
7 distributor of the fuel.

8 (4) A taxable event for the purposes of this section occurs upon  
9 the first distribution of the fuel within the boundaries of the  
10 district to a retail outlet, bulk fuel user, or ultimate user of the  
11 fuel.

12 (5) All administrative provisions in chapters 82.01, 82.03, and  
13 82.32 RCW, insofar as they are applicable, apply to local option fuel  
14 taxes imposed under this section.

15 (6) Before the effective date of the imposition of the fuel taxes  
16 under this section, a district shall contract with the department of  
17 revenue for the administration and collection of the taxes. The  
18 contract must provide that a percentage amount, not to exceed one  
19 percent of the taxes imposed under this section, will be deposited into  
20 the local tax administration account created in the custody of the  
21 state treasurer. The department of revenue may spend money from this  
22 account, upon appropriation, for the administration of the local taxes  
23 imposed under this section.

24 (7) The state treasurer shall distribute monthly to the district  
25 levying the tax as part of the regional transportation investment  
26 district plan, after the deductions for payments and expenditures as  
27 provided in RCW 46.68.090(1) (a) and (b).

28 (8) The proceeds of the additional taxes levied by a district in  
29 this section, to be used as a part of a regional transportation  
30 investment district plan, must be used in accordance with chapter  
31 36.120 RCW, but only for those areas that are considered "highway  
32 purposes" as that term is construed in Article II, section 40 of the  
33 state Constitution.

34 (9) A district may not levy the tax in this section if a member  
35 county is levying the tax in RCW 82.80.010.

36 **Sec. 12.** RCW 82.36.440 and 1991 c 173 s 4 are each amended to read  
37 as follows:

1       The tax levied in this chapter is in lieu of any excise, privilege,  
2 or occupational tax upon the business of manufacturing, selling, or  
3 distributing motor vehicle fuel, and no city, town, county, township or  
4 other subdivision or municipal corporation of the state shall levy or  
5 collect any excise tax upon or measured by the sale, receipt,  
6 distribution, or use of motor vehicle fuel, except as provided in  
7 chapter 82.80 RCW (~~(82.80.010)~~) and RCW 82.47.020.

8       **Sec. 13.** RCW 82.38.280 and 1991 c 173 s 5 are each amended to read  
9 as follows:

10       The tax levied in this chapter is in lieu of any excise, privilege,  
11 or occupational tax upon the business of manufacturing, selling, or  
12 distributing special fuel, and no city, town, county, township or other  
13 subdivision or municipal corporation of the state shall levy or collect  
14 any excise tax upon or measured by the sale, receipt, distribution, or  
15 use of special fuel, except as provided in chapter 82.80 RCW  
16 (~~(82.80.010)~~) and RCW 82.47.020.

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