

CERTIFICATION OF ENROLLMENT

ENGROSSED SUBSTITUTE HOUSE BILL 1858

Chapter 329, Laws of 2007

60th Legislature
2007 Regular Session

TRANSPORTATION BENEFIT DISTRICTS--FEES

EFFECTIVE DATE: 07/22/07

Passed by the House March 13, 2007
Yeas 61 Nays 35

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 11, 2007
Yeas 32 Nays 17

BRAD OWEN

President of the Senate

Approved May 4, 2007, 4:37 p.m.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Richard Nafziger, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE HOUSE BILL 1858** as passed by the House of Representatives and the Senate on the dates hereon set forth.

RICHARD NAFZIGER

Chief Clerk

FILED

May 7, 2007

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE HOUSE BILL 1858

Passed Legislature - 2007 Regular Session

State of Washington 60th Legislature 2007 Regular Session

By House Committee on Transportation (originally sponsored by Representatives Fromhold, Curtis, Clibborn, Jarrett, Simpson, Springer and Moeller)

READ FIRST TIME 03/05/07.

1 AN ACT Relating to the imposition of fees by transportation benefit
2 districts; and amending RCW 36.73.065, 82.80.140, 36.73.050, and
3 36.73.120.

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

5 **Sec. 1.** RCW 36.73.065 and 2005 c 336 s 17 are each amended to read
6 as follows:

7 (1) Except as provided in subsection (4) of this section, taxes,
8 fees, charges, and tolls may not be imposed by a district without
9 approval of a majority of the voters in the district voting on a
10 proposition at a general or special election. The proposition must
11 include a specific description of the transportation improvement or
12 improvements proposed by the district and the proposed taxes, fees,
13 charges, and the range of tolls imposed by the district to raise
14 revenue to fund the improvement or improvements.

15 (2) Voter approval under this section shall be accorded substantial
16 weight regarding the validity of a transportation improvement as
17 defined in RCW 36.73.015.

18 (3) A district may not increase any taxes, fees, charges, or range

1 of tolls imposed under this chapter once the taxes, fees, charges, or
2 tolls take effect, unless authorized by the district voters pursuant to
3 RCW 36.73.160.

4 (4)(a) A district that includes all the territory within the
5 boundaries of the jurisdiction, or jurisdictions, establishing the
6 district may impose by a majority vote of the governing board of the
7 district the following fees and charges:

8 (i) Up to twenty dollars of the vehicle fee authorized in RCW
9 82.80.140; or

10 (ii) A fee or charge in accordance with RCW 36.73.120.

11 (b) The vehicle fee authorized in (a) of this subsection may only
12 be imposed for a passenger-only ferry transportation improvement if the
13 vehicle fee is first approved by a majority of the voters within the
14 jurisdiction of the district.

15 (c)(i) A district solely comprised of a city or cities shall not
16 impose the fees or charges identified in (a) of this subsection within
17 one hundred eighty days after the effective date of this act, unless
18 the county in which the city or cities reside, by resolution, declares
19 that it will not impose the fees or charges identified in (a) of this
20 subsection within the one hundred eighty-day period; or

21 (ii) A district solely comprised of a city or cities identified in
22 RCW 36.73.020(6)(b) shall not impose the fees or charges until after
23 May 22, 2008, unless the county in which the city or cities reside, by
24 resolution, declares that it will not impose the fees or charges
25 identified in (a) of this subsection through May 22, 2008.

26 (5) If the interlocal agreement in RCW 82.80.140(2)(a) cannot be
27 reached, a district that includes only the unincorporated territory of
28 a county may impose by a majority vote of the governing body of the
29 district up to twenty dollars of the vehicle fee authorized in RCW
30 82.80.140.

31 **Sec. 2.** RCW 82.80.140 and 2005 c 336 s 16 are each amended to read
32 as follows:

33 (1) Subject to the provisions of RCW 36.73.065, a transportation
34 benefit district under chapter 36.73 RCW may fix and impose an annual
35 vehicle fee, not to exceed one hundred dollars per vehicle registered
36 in the district, for each vehicle subject to license tab fees under RCW

1 46.16.0621 and for each vehicle subject to gross weight fees under RCW
2 46.16.070 with an unladen weight of six thousand pounds or less.

3 (2)(a) A district that includes all the territory within the
4 boundaries of the jurisdiction, or jurisdictions, establishing the
5 district may impose by a majority vote of the governing board of the
6 district up to twenty dollars of the vehicle fee authorized in
7 subsection (1) of this section. If the district is countywide, the
8 revenues of the fee shall be distributed to each city within the county
9 by interlocal agreement. The interlocal agreement is effective when
10 approved by the county and sixty percent of the cities representing
11 seventy-five percent of the population of the cities within the county
12 in which the countywide fee is collected.

13 (b) A district may not impose a fee under this subsection (2):

14 (i) For a passenger-only ferry transportation improvement unless
15 the vehicle fee is first approved by a majority of the voters within
16 the jurisdiction of the district; or

17 (ii) That, if combined with the fees previously imposed by another
18 district within its boundaries under RCW 36.73.065(4)(a)(i), exceeds
19 twenty dollars.

20 If a district imposes or increases a fee under this subsection (2)
21 that, if combined with the fees previously imposed by another district
22 within its boundaries, exceeds twenty dollars, the district shall
23 provide a credit for the previously imposed fees so that the combined
24 vehicle fee does not exceed twenty dollars.

25 (3) The department of licensing shall administer and collect the
26 fee. The department shall deduct a percentage amount, as provided by
27 contract, not to exceed one percent of the fees collected, for
28 administration and collection expenses incurred by it. The department
29 shall remit remaining proceeds to the custody of the state treasurer.
30 The state treasurer shall distribute the proceeds to the district on a
31 monthly basis.

32 ~~((+3))~~ (4) No fee under this section may be collected until six
33 months after approval ((by the district voters)) under RCW 36.73.065.

34 ~~((+4))~~ (5) The vehicle fee under this section applies only when
35 renewing a vehicle registration, and is effective upon the registration
36 renewal date as provided by the department of licensing.

37 ~~((+5))~~ (6) The following vehicles are exempt from the fee under
38 this section:

- 1 (a) Farm tractors or farm vehicles as defined in RCW 46.04.180 and
- 2 46.04.181;
- 3 (b) Off-road and nonhighway vehicles as defined in RCW 46.09.020;
- 4 (c) Vehicles registered under chapter 46.87 RCW and the
- 5 international registration plan; and
- 6 (d) Snowmobiles as defined in RCW 46.10.010.

7 **Sec. 3.** RCW 36.73.050 and 2005 c 336 s 5 are each amended to read
8 as follows:

9 (1) The legislative authorities proposing to establish a district,
10 or to modify the boundaries of an existing district, or to dissolve an
11 existing district shall conduct a hearing at the time and place
12 specified in a notice published at least once, not less than ten days
13 before the hearing, in a newspaper of general circulation within the
14 proposed district. Subject to the provisions of RCW 36.73.170, the
15 legislative authorities shall make provision for a district to be
16 automatically dissolved when all indebtedness of the district has been
17 retired and anticipated responsibilities have been satisfied. This
18 notice shall be in addition to any other notice required by law to be
19 published. The notice shall, where applicable, specify the functions
20 or activities proposed to be provided or funded, or the additional
21 functions or activities proposed to be provided or funded, by the
22 district. Additional notice of the hearing may be given by mail, by
23 posting within the proposed district, or in any manner the legislative
24 authorities deem necessary to notify affected persons. All hearings
25 shall be public and the legislative authorities shall hear objections
26 from any person affected by the formation, modification of the
27 boundaries, or dissolution of the district.

28 (2)(a) Following the hearing held pursuant to subsection (1) of
29 this section, the legislative authorities may establish a district,
30 modify the boundaries or functions of an existing district, or dissolve
31 an existing district, if the legislative authorities find the action to
32 be in the public interest and adopt an ordinance providing for the
33 action.

34 (b) The ordinance establishing a district shall specify the
35 functions (~~(or activities)~~) and transportation improvements described
36 under RCW 36.73.015 to be exercised or funded and establish the
37 boundaries of the district. Subject to the provisions of RCW

1 36.73.160, functions or ((activities)) transportation improvements
2 proposed to be provided or funded by the district may not be expanded
3 beyond those specified in the notice of hearing, unless additional
4 notices are made, further hearings on the expansion are held, and
5 further determinations are made that it is in the public interest to so
6 expand the functions or ((activities)) transportation improvements
7 proposed to be provided or funded.

8 **Sec. 4.** RCW 36.73.120 and 2005 c 336 s 11 are each amended to read
9 as follows:

10 (1) Subject to the provisions in RCW 36.73.065, a district may
11 impose a fee or charge on the construction or reconstruction of
12 ((residential buildings,)) commercial buildings, industrial buildings,
13 or on any other commercial or industrial building or building space or
14 appurtenance, or on the development, subdivision, classification, or
15 reclassification of land for commercial purposes, only if done in
16 accordance with chapter 39.92 RCW.

17 (2) Any fee or charge imposed under this section shall be used
18 exclusively for transportation improvements constructed by a district.
19 The fees or charges imposed must be reasonably necessary as a result of
20 the impact of development, construction, or classification or
21 reclassification of land on identified transportation needs.

22 (3) If a county or city within the district area is levying a fee
23 or charge for a transportation improvement, the fee or charge shall be
24 credited against the amount of the fee or charge imposed by the
25 district.

26 ((4) Developments consisting of less than twenty residences are
27 exempt from the fee or charge under this section.))

Passed by the House March 13, 2007.

Passed by the Senate April 11, 2007.

Approved by the Governor May 4, 2007.

Filed in Office of Secretary of State May 7, 2007.