
SENATE BILL 5088

State of Washington 63rd Legislature 2013 Regular Session

By Senators Benton, Rivers, Holmquist Newbry, Honeyford, and Becker

Read first time 01/17/13. Referred to Committee on Governmental Operations .

1 AN ACT Relating to the equal distribution of votes within certain
2 taxing districts; amending RCW 81.104.015, 81.104.150, 81.104.160,
3 81.104.180, and 81.104.190; reenacting and amending RCW 81.104.170;
4 creating a new section; and repealing RCW 81.104.200 and 81.104.210.

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

6 NEW SECTION. **Sec. 1.** It is the intent of the legislature that
7 when a transit agency plans to raise revenue that requires a vote of
8 the people for the purpose of creating a high capacity transportation
9 system, the opportunity to vote must be placed before all eligible
10 voters within the boundaries of the transit agency.

11 **Sec. 2.** RCW 81.104.015 and 2009 c 280 s 1 are each amended to read
12 as follows:

13 Unless the context clearly requires otherwise, the definitions in
14 this section apply throughout this chapter.

15 (1) (~~"High capacity transportation corridor area" means a quasi-~~
16 ~~municipal corporation and independent taxing authority within the~~
17 ~~meaning of Article VII, section 1 of the state Constitution, and a~~

1 ~~taxing district within the meaning of Article VII, section 2 of the~~
2 ~~state Constitution, created by a transit agency governing body.~~

3 ~~(2))~~ "High capacity transportation system" means a system of
4 public transportation services within an urbanized region operating
5 principally on exclusive rights-of-way, and the supporting services and
6 facilities necessary to implement such a system, including interim
7 express services and high occupancy vehicle lanes, which taken as a
8 whole, provides a substantially higher level of passenger capacity,
9 speed, and service frequency than traditional public transportation
10 systems operating principally in general purpose roadways.

11 ~~((3))~~ (2) "Rail fixed guideway system" means a light, heavy, or
12 rapid rail system, monorail, inclined plane, funicular, trolley, or
13 other fixed rail guideway component of a high capacity transportation
14 system that is not regulated by the Federal Railroad Administration, or
15 its successor. "Rail fixed guideway system" does not mean elevators,
16 moving sidewalks or stairs, and vehicles suspended from aerial cables,
17 unless they are an integral component of a station served by a rail
18 fixed guideway system.

19 ~~((4))~~ (3) "Regional transit system" means a high capacity
20 transportation system under the jurisdiction of one or more transit
21 agencies except where a regional transit authority created under
22 chapter 81.112 RCW exists, in which case "regional transit system"
23 means the high capacity transportation system under the jurisdiction of
24 a regional transit authority.

25 ~~((5))~~ (4) "Transit agency" means city-owned transit systems,
26 county transportation authorities, metropolitan municipal corporations,
27 and public transportation benefit areas.

28 **Sec. 3.** RCW 81.104.150 and 2009 c 280 s 3 are each amended to read
29 as follows:

30 Cities that operate transit systems, county transportation
31 authorities, metropolitan municipal corporations, public transportation
32 benefit areas, ~~((high capacity transportation corridor areas,))~~ and
33 regional transit authorities may submit an authorizing proposition to
34 the voters and if approved may impose an excise tax of up to two
35 dollars per month per employee on all employers located within the
36 ~~((applicable))~~ agency's jurisdiction, measured by the number of
37 full-time equivalent employees, solely for the purpose of providing

1 high capacity transportation service. The rate of tax shall be
2 approved by the voters. This tax may not be imposed by: (1) A transit
3 agency (~~((or high capacity transportation corridor area))~~) when the
4 county within which it is located is imposing an excise tax pursuant to
5 RCW 81.100.030; or (2) a regional transit authority when any county
6 within the authority's boundaries is imposing an excise tax pursuant to
7 RCW 81.100.030. The agency (~~((or high capacity transportation corridor
8 area))~~) imposing the tax authorized in this section may provide for
9 exemptions from the tax to such educational, cultural, health,
10 charitable, or religious organizations as it deems appropriate.

11 **Sec. 4.** RCW 81.104.160 and 2010 c 161 s 903 are each amended to
12 read as follows:

13 An agency (~~((and high capacity transportation corridor area))~~) may
14 impose a sales and use tax solely for the purpose of providing high
15 capacity transportation service, in addition to the tax authorized by
16 RCW 82.14.030, upon retail car rentals within the (~~((applicable))~~)
17 agency's jurisdiction that are taxable by the state under chapters
18 82.08 and 82.12 RCW. The rate of tax shall not exceed 2.172 percent.
19 The base of the tax shall be the selling price in the case of a sales
20 tax or the rental value of the vehicle used in the case of a use tax.

21 Any motor vehicle excise tax previously imposed under the
22 provisions of RCW 81.104.160(1) shall be repealed, terminated, and
23 expire on December 5, 2002, except for a motor vehicle excise tax for
24 which revenues have been contractually pledged to repay a bonded debt
25 issued before December 5, 2002, as determined by *Pierce County et al.*
26 *v. State*, 159 Wn.2d 16, 148 P.3d 1002 (2006). In the case of bonds
27 that were previously issued, the motor vehicle excise tax must comply
28 with chapter 82.44 RCW as it existed on January 1, 1996.

29 **Sec. 5.** RCW 81.104.170 and 2009 c 469 s 106 and 2009 c 280 s 5 are
30 each reenacted and amended to read as follows:

31 (1) Cities that operate transit systems, county transportation
32 authorities, metropolitan municipal corporations, public transportation
33 benefit areas, (~~((high capacity transportation corridor areas,))~~) and
34 regional transit authorities may submit an authorizing proposition to
35 the voters and if approved by a majority of persons voting, fix and

1 impose a sales and use tax in accordance with the terms of this
2 chapter, solely for the purpose of providing high capacity
3 transportation service.

4 (2) The tax authorized pursuant to this section shall be in
5 addition to the tax authorized by RCW 82.14.030 and shall be collected
6 from those persons who are taxable by the state pursuant to chapters
7 82.08 and 82.12 RCW upon the occurrence of any taxable event within the
8 taxing district. The maximum rate of such tax shall be approved by the
9 voters and shall not exceed one percent of the selling price (in the
10 case of a sales tax) or value of the article used (in the case of a use
11 tax). The maximum rate of such tax that may be imposed shall not
12 exceed nine-tenths of one percent in any county that imposes a tax
13 under RCW 82.14.340, or within a regional transit authority if any
14 county within the authority imposes a tax under RCW 82.14.340.

15 (3)(a) The exemptions in RCW 82.08.820 and 82.12.820 are for the
16 state portion of the sales and use tax and do not extend to the tax
17 authorized in this section.

18 (b) The exemptions in RCW 82.08.962 and 82.12.962 are for the state
19 and local sales and use taxes and include the tax authorized by this
20 section.

21 **Sec. 6.** RCW 81.104.180 and 2009 c 280 s 6 are each amended to read
22 as follows:

23 Cities that operate transit systems, county transportation
24 authorities, metropolitan municipal corporations, public transportation
25 benefit areas, (~~((high capacity transportation corridor areas,))~~) and
26 regional transit authorities are authorized to pledge revenues from the
27 employer tax authorized by RCW 81.104.150, the (~~((taxes))~~) special motor
28 vehicle tax authorized by RCW 81.104.160, and the sales and use tax
29 authorized by RCW 81.104.170, to retire bonds issued solely for the
30 purpose of providing high capacity transportation service.

31 **Sec. 7.** RCW 81.104.190 and 2009 c 280 s 7 are each amended to read
32 as follows:

33 Cities that operate transit systems, county transportation
34 authorities, metropolitan municipal corporations, public transportation
35 benefit areas, (~~((high capacity transportation corridor areas,))~~) and

1 regional transit systems may contract with the state department of
2 revenue or other appropriate entities for administration and collection
3 of any tax authorized by RCW 81.104.150, 81.104.160, and 81.104.170.

4 NEW SECTION. **Sec. 8.** The following acts or parts of acts are each
5 repealed:

6 (1) RCW 81.104.200 (High capacity transportation corridor areas)
7 and 2009 c 280 s 2; and

8 (2) RCW 81.104.210 (High capacity transportation corridor areas--
9 Issuance of bonds) and 2009 c 280 s 8.

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