
Appropriations Committee

HB 2488

Brief Description: Clarifying the use of the Puget Sound taxpayer accountability account to include facilities to improve educational outcomes in early learning, K-12, and higher education.

Sponsors: Representatives Sullivan, Kagi, Pollet, Doglio and Santos.

Brief Summary of Bill

- Allows counties to use funding distributed from the Puget Sound Taxpayer Accountability Account for facilities to improve educational outcomes, in addition to educational services.

Hearing Date: 1/24/18

Staff: James Mackison (786-7104).

Background:

A Regional Transit Authority (RTA) is authorized to use its tax revenues to develop and operate a high capacity transportation system. There is currently one RTA, Sound Transit, which operates light rail, commuter rail service, and express bus service for King, Pierce, and Snohomish counties.

The Puget Sound Taxpayer Accountability Account (PSTAA) was created in 2015 to distribute money to counties within the boundaries of an RTA serving a county with a population of 1.5 million or more. Counties may use money distributed from the PSTAA only for educational services to improve student outcomes in early learning, K-12 and higher education. Funding is to be distributed based on the population of each county served by the RTA.

For any project approved by voters after January 1, 2015, an RTA is required to pay a sales and use tax offset fee (fee) to the Department of Revenue of 3.25 percent of its total construction contractor payments. The fee is for deposit into the PSTAA, until total fees reach \$518 million.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The Sound Transit 3 project, which voters approved in 2016 to make investments in light rail and other transportation services, is required to pay the fee.

Summary of Bill:

Counties may use funds distributed from the Puget Sound Taxpayer Accountability Account for facilities, in addition to educational services, to improve educational outcomes in early learning, K-12 and higher education.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.