
Transportation Committee

HB 1284

Brief Description: Addressing voter-approved fuel tax rates in border area jurisdictions.

Sponsors: Representatives Shewmake, Ramel, Ramos and Pollet.

Brief Summary of Bill

- Increases the maximum border area fuel tax rate to 2 cents per gallon in 2021.
- Adjusts the maximum rate annually, by the rate of inflation as measured by the implicit price deflator.

Hearing Date: 2/11/21

Staff: David Munnecke (786-7315).

Background:

Cities and towns within 10 miles of an international border crossing and transportation benefit districts that have an international border crossing within their boundaries, are eligible to impose a border area fuel tax. This tax may be up to 1 cent per gallon on the retail sale of motor vehicle and special fuel, and may be imposed only after it is approved by a majority vote of the registered voters of the jurisdiction.

Other than certain refunds and administration costs, the proceeds of a border area fuel tax may only be used for street maintenance and construction in the border area jurisdiction imposing the tax. The cities of Blaine, Nooksack, Point Roberts, and Sumas impose a border area fuel tax of 1 cent per gallon.

Summary of Bill:

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

The maximum border area fuel tax rate is increased to 2 cents per gallon in 2021. This maximum rate is then adjusted annually, by the rate of inflation as measured by the implicit price deflator.

Appropriation: None.

Fiscal Note: Available.

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