

FINAL BILL REPORT

SB 6017

C 275 L 24
Synopsis as Enacted

Brief Description: Expanding the use of the border area fuel tax.

Sponsors: Senators Shewmake, King, Liias and Nobles.

Senate Committee on Transportation
House Committee on Transportation

Background: Under current law, cities and towns within ten miles of an international border crossing and any transportation benefit district which has within its boundaries an international border crossing may impose an excise tax on the retail sale of motor vehicle fuel and special fuel within the jurisdiction. The tax is subject to voter approval. The tax rate may not exceed \$0.02 per gallon. For taxes submitted to the ballot after calendar year 2022, the rate may be adjusted to reflect an inflation factor.

The proceeds of the border area fuel tax, after paying specified refunds and administrative expenses, must be used solely for street maintenance and construction.

Summary: Proceeds of a border area fuel tax, imposed by a border area jurisdiction not directly connected to the continental United States—currently the Point Roberts Transportation Benefit District, may be used for broadly defined transportation improvements. Transportation improvements include projects in a state, regional, or local transportation plan, and include both operating and capital improvements.

An intent section is included declaring the Legislature's recognition that the border area fuel tax is not the state gas tax, but rather a local option, voter-approved transportation tax used for local transportation purposes. The section also states that the Legislature finds that because the border area fuel tax is not collected by the state, it is not subject to the 18th Amendment to the Washington Constitution and is therefore not required to be used exclusively for highway purposes.

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.

Votes on Final Passage:

Senate 49 0

House 90 5

Effective: June 6, 2024