

SENATE BILL REPORT

HB 2190

As Reported By Senate Committee On:
Transportation, February 22, 1996

Title: An act relating to fees paid by railroad associations that are charitable organizations.

Brief Description: Exempting railroad associations from certain fees.

Sponsors: Representatives Dyer and B. Thomas.

Brief History:

Committee Activity: Transportation: 2/22/96 [DP].

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass.

Signed by Senators Owen, Chair; Heavey, Vice Chair; Goings, Haugen, Morton, Oke, Prentice, Prince, Rasmussen, Schow, Sellar, Thibaudeau and Wood.

Staff: Jeff Doyle (786-7322)

Background: Under current law, all railroad associations pay an annual fee to the Utilities and Transportation Commission to cover the cost of regulation. This fee is in the amount equal to 1.5 percent of the company's intrastate gross operating revenue.

Summary of Bill: Railroad associations that qualify as not-for-profit charitable organizations under the federal Internal Revenue Code section 501(c)(3) are exempt from the fee.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: The railroad organizations exist strictly for educational purposes, rather than for profit. They use volunteers to keep the fares extremely low, and would further benefit from not paying the regulatory fee intended for for-profit railroads.

Testimony Against: None.

Testified: Richard Anderson, Puget Sound Railway Historical Assn. (pro).