
SENATE BILL 6031

State of Washington 60th Legislature 2007 Regular Session

By Senators Kastama, Regala and Franklin

Read first time 02/14/2007. Referred to Committee on Transportation.

1 AN ACT Relating to funding certain regional transportation
2 investment district projects; amending RCW 36.120.130, 82.14.430, and
3 81.100.060; adding a new section to chapter 36.120 RCW; and repealing
4 2006 c 318 s 2.

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

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 36.120 RCW
7 to read as follows:

8 Funding allocated for transportation projects in Pierce county,
9 identified in the regional transportation investment plan submitted to
10 voters at the 2007 general election under RCW 36.120.070(2), must be
11 allocated based upon completing projects in the following priority
12 order:

13 (1) State route number 167 extension stage 1: Connect state route
14 number 509 to Interstate 5 with no high-occupancy vehicle lanes or
15 high-occupancy vehicle lane freeway-to-freeway connections;

16 (2) State route number 704 (Cross-Base Highway); and

17 (3) State route number 167 extension stages 2 and 3: New section
18 of state route number 167 from Interstate 5 to state route number 161
19 in the city of Puyallup, including a connection to Interstate 5, but

1 not to include high-occupancy vehicle lanes or high-occupancy vehicle
2 lane freeway-to-freeway connections. Stage 3 must include an
3 interchange at Valley Avenue.

4 **Sec. 2.** RCW 36.120.130 and 2003 c 372 s 1 are each amended to read
5 as follows:

6 (1)(a) Notwithstanding RCW 39.36.020(1), the district may at any
7 time contract indebtedness or borrow money for district purposes and
8 may issue general obligation bonds or other evidences of indebtedness,
9 secured by the pledge of one or more of the taxes, tolls, charges, or
10 fees authorized to be imposed by the district, in an amount not
11 exceeding, together with any existing indebtedness of the district not
12 authorized by the voters, one and one-half percent of the value of the
13 taxable property within the boundaries of the district.

14 (b) With the assent of three-fifths of the voters voting at an
15 election, a district may contract indebtedness or borrow money for
16 district purposes and may issue general obligation bonds or other
17 evidences of indebtedness as long as the total indebtedness of the
18 district does not exceed five percent of the value of the taxable
19 property within the district, including indebtedness authorized under
20 (a) of this subsection. The bonds shall be issued and sold in
21 accordance with chapter 39.46 RCW.

22 (2) The district may at any time issue revenue bonds or other
23 evidences of indebtedness, secured by the pledge of one or more of the
24 revenues authorized to be collected by the district, to provide funds
25 to carry out its authorized functions without submitting the matter to
26 the voters of the district. These obligations shall be issued and sold
27 in accordance with chapter 39.46 RCW.

28 (3) The district may enter into agreements with the lead agencies
29 or the state of Washington, when authorized by the plan, to pledge
30 taxes or other revenues of the district for the purpose of paying in
31 part or whole principal and interest on bonds issued by the lead agency
32 or the state of Washington. The agreements pledging revenues and taxes
33 shall be binding for their terms, but not to exceed thirty years, and
34 no tax pledged by an agreement may be eliminated or modified if it
35 would impair the pledge made in any agreement.

36 (4) Once construction of projects in the plan has been completed,
37 revenues collected by the district may only be used for the following

1 purposes: (a) Payment of principal and interest on outstanding
2 indebtedness of the district; (b) to make payments required under a
3 pledging agreement; and (c) to make payments for maintenance and
4 operations of toll facilities as may be required by toll bond
5 covenants.

6 (5) As part of the regional transportation investment plan
7 submitted to voters at the 2007 general election under RCW
8 36.120.070(2), the district shall issue general obligation bonds or
9 other evidences of indebtedness, the term of which must be forty years.
10 If bond proceeds received under this subsection (5), in conjunction
11 with all other revenues generated under the plan, are not sufficient to
12 fully fund the projects identified in section 1 of this act, the
13 district may impose an additional sales and use tax of up to 0.1
14 percent, as provided under RCW 82.14.430(4), or an additional motor
15 vehicle excise tax of up to 0.1 percent as provided under RCW
16 81.100.060(4), or both additional taxes, as is necessary to fully fund
17 the projects.

18 **Sec. 3.** RCW 82.14.430 and 2006 c 311 s 17 are each amended to read
19 as follows:

20 (1) If approved by the majority of the voters within its boundaries
21 voting on the ballot proposition, a regional transportation investment
22 district may impose a sales and use tax of up to 0.1 percent of the
23 selling price or value of the article used in the case of a use tax.
24 The tax authorized by this section is in addition to the tax authorized
25 by RCW 82.14.030 and must be collected from those persons who are
26 taxable by the state under chapters 82.08 and 82.12 RCW upon the
27 occurrence of any taxable event within the taxing district. Motor
28 vehicles are exempt from the sales and use tax imposed under this
29 subsection.

30 (2) If approved by the majority of the voters within its boundaries
31 voting on the ballot proposition, a regional transportation investment
32 district may impose a tax on the use of a motor vehicle within a
33 regional transportation investment district. The tax applies to those
34 persons who reside within the regional transportation investment
35 district. The rate of the tax may not exceed 0.1 percent of the value
36 of the motor vehicle. The tax authorized by this subsection is in
37 addition to the tax authorized under RCW 82.14.030 and must be imposed

1 and collected at the time a taxable event under RCW 82.08.020(1) or
2 82.12.020 takes place. All revenue received under this subsection must
3 be deposited in the local sales and use tax account and distributed to
4 the regional transportation investment district according to RCW
5 82.14.050. The following provisions apply to the use tax in this
6 subsection:

7 (a) Where persons are taxable under chapter 82.08 RCW, the seller
8 shall collect the use tax from the buyer using the collection
9 provisions of RCW 82.08.050.

10 (b) Where persons are taxable under chapter 82.12 RCW, the use tax
11 must be collected using the provisions of RCW 82.12.045.

12 (c) "Motor vehicle" has the meaning provided in RCW 46.04.320, but
13 does not include farm tractors or farm vehicles as defined in RCW
14 46.04.180 and 46.04.181, off-road and nonhighway vehicles as defined in
15 RCW 46.09.020, and snowmobiles as defined in RCW 46.10.010.

16 (d) "Person" has the meaning given in RCW 82.04.030.

17 (e) The value of a motor vehicle must be determined under RCW
18 82.12.010.

19 (f) Except as specifically stated in this subsection (2), chapters
20 82.12 and 82.32 RCW apply to the use tax. The use tax is a local tax
21 imposed under the authority of chapter 82.14 RCW, and chapter 82.14 RCW
22 applies fully to the use tax.

23 (3) In addition to fulfilling the notice requirements under RCW
24 82.14.055(1), and unless waived by the department, a regional
25 transportation investment district shall provide the department of
26 revenue with digital mapping and legal descriptions of areas in which
27 the tax will be collected.

28 (4) If bond proceeds received under RCW 36.120.130(5), in
29 conjunction with all other revenues generated under the regional
30 transportation investment plan submitted to voters at the 2007 general
31 election under RCW 36.120.070(2), are not sufficient to fully fund the
32 projects identified in section 1 of this act, the district may impose
33 an additional sales and use tax under this section of up to 0.1 percent
34 of the selling price or value of the article used in the case of a use
35 tax.

36 **Sec. 4.** RCW 81.100.060 and 2006 c 311 s 15 are each amended to
37 read as follows:

1 (1) A county with a population of one million or more and a county
2 with a population of from two hundred ten thousand to less than one
3 million that is adjoining a county with a population of one million or
4 more, having within their boundaries existing or planned high-occupancy
5 vehicle lanes on the state highway system, or a regional transportation
6 investment district, but only to the extent that the surcharge has not
7 already been imposed by the county, may, with voter approval, impose a
8 local surcharge of not more than three-tenths of one percent in the
9 case of a county, or eight-tenths of one percent in the case of a
10 regional transportation investment district, of the value on vehicles
11 registered to a person residing within the county or investment
12 district and not more than 13.64 percent on the state sales and use
13 taxes paid under the rate in RCW 82.08.020(2) on retail car rentals
14 within the county or investment district. A county may impose the
15 surcharge only to the extent that it has not been imposed by the
16 district. No surcharge may be imposed on vehicles licensed under RCW
17 46.16.070 except vehicles with an unladen weight of six thousand pounds
18 or less, RCW 46.16.079, 46.16.085, or 46.16.090.

19 (2) Counties or investment districts imposing a surcharge under
20 this section shall contract, before the effective date of the
21 resolution or ordinance imposing a surcharge, administration and
22 collection to the state department of licensing, and department of
23 revenue, as appropriate, which shall deduct a percentage amount, as
24 provided by contract, not to exceed two percent of the taxes, for
25 administration and collection expenses incurred by the department. All
26 administrative provisions in chapters 82.03, 82.32, and 82.44 RCW
27 shall, insofar as they are applicable to motor vehicle excise taxes, be
28 applicable to surcharges imposed under this section. All
29 administrative provisions in chapters 82.03, 82.08, 82.12, and 82.32
30 RCW shall, insofar as they are applicable to state sales and use taxes,
31 be applicable to surcharges imposed under this section. A surcharge
32 imposed under this section, or a change to the surcharge, shall take
33 effect no sooner than seventy-five days after the department of
34 licensing or the department of revenue receives notice of the surcharge
35 or change to the surcharge, and shall take effect only on the first day
36 of January, April, July, or October. Unless waived by the department
37 of licensing or the department of revenue, notice includes providing

1 the appropriate department with digital mapping and legal descriptions
2 of areas in which the (~~tax~~) surcharge will be collected.

3 (3) If the tax authorized in RCW 81.100.030 is also imposed, the
4 total proceeds from tax sources imposed under this section and RCW
5 81.100.030 each year shall not exceed the maximum amount which could be
6 collected under this section.

7 (4) If bond proceeds received under RCW 36.120.130(5), in
8 conjunction with all other revenues generated under the regional
9 transportation investment plan submitted to voters at the 2007 general
10 election under RCW 36.120.070(2), are not sufficient to fully fund the
11 projects identified in section 1 of this act, the regional
12 transportation investment district may impose an additional surcharge
13 under this section of up to 0.1 percent of the value on vehicles
14 registered to a person residing within the district.

15 NEW SECTION. Sec. 5. 2006 c 318 s 2 is repealed.

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