
SENATE BILL 6667

State of Washington 60th Legislature 2008 Regular Session

By Senators Haugen, Pridemore, and Marr

Read first time 01/21/08. Referred to Committee on Transportation.

1 AN ACT Relating to high-capacity transportation service; amending
2 RCW 81.104.015, 81.104.150, 81.104.160, 81.104.170, 81.104.180,
3 81.104.190, and 81.104.030; and adding new sections to chapter 81.104
4 RCW.

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

6 **Sec. 1.** RCW 81.104.015 and 1999 c 202 s 9 are each amended to read
7 as follows:

8 Unless the context clearly requires otherwise, the definitions in
9 this section apply throughout this chapter.

10 (1) "High-capacity transportation corridor area" means a quasi-
11 municipal corporation and independent taxing authority within the
12 meaning of Article VII, section 1 of the state Constitution, and a
13 taxing district within the meaning of Article VII, section 2 of the
14 state Constitution, created by a transit agency governing body.

15 (2) "High-capacity transportation system" means a system of public
16 transportation services within an urbanized region operating
17 principally on exclusive rights-of-way, and the supporting services and
18 facilities necessary to implement such a system, including interim
19 express services and high occupancy vehicle lanes, which taken as a

1 whole, provides a substantially higher level of passenger capacity,
2 speed, and service frequency than traditional public transportation
3 systems operating principally in general purpose roadways.

4 ~~((+2))~~ (3) "Rail fixed guideway system" means a light, heavy, or
5 rapid rail system, monorail, inclined plane, funicular, trolley, or
6 other fixed rail guideway component of a high-capacity transportation
7 system that is not regulated by the Federal Railroad Administration, or
8 its successor. "Rail fixed guideway system" does not mean elevators,
9 moving sidewalks or stairs, and vehicles suspended from aerial cables,
10 unless they are an integral component of a station served by a rail
11 fixed guideway system.

12 ~~((+3))~~ (4) "Regional transit system" means a high-capacity
13 transportation system under the jurisdiction of one or more transit
14 agencies except where a regional transit authority created under
15 chapter 81.112 RCW exists, in which case "regional transit system"
16 means the high-capacity transportation system under the jurisdiction of
17 a regional transit authority.

18 ~~((+4))~~ (5) "Transit agency" means city-owned transit systems,
19 county transportation authorities, metropolitan municipal corporations,
20 and public transportation benefit areas.

21 NEW SECTION. **Sec. 2.** A new section is added to chapter 81.104 RCW
22 to read as follows:

23 (1) A transit agency governing body, if within a county described
24 under RCW 81.104.030, may establish one or more high-capacity
25 transportation corridor areas within all or a portion of the boundaries
26 of the jurisdiction establishing the high-capacity transportation
27 corridor area. A high-capacity transportation corridor area may
28 include all or a portion of a city or town. The members of the transit
29 agency governing body proposing to establish the high-capacity
30 transportation corridor area, acting ex officio and independently,
31 shall constitute the governing body of the high-capacity transportation
32 corridor area.

33 (2) A high-capacity transportation corridor area may establish,
34 finance, and provide high-capacity transportation service within the
35 area in the same manner as authorized for transit agencies under this
36 chapter. However, the combined tax rates imposed by the jurisdiction
37 establishing a high-capacity transportation corridor area, and the

1 high-capacity transportation corridor area or areas within that
2 jurisdiction, may not exceed the maximum rates authorized under RCW
3 81.104.150, 81.104.160, and 81.104.170.

4 (3) A high-capacity transportation corridor area constitutes a body
5 corporate and possesses all the usual powers of a corporation for
6 public purposes as well as all other powers that may be conferred by
7 statute including, but not limited to, the authority to hire employees,
8 staff, and services, to enter into contracts, to acquire, hold, and
9 dispose of real and personal property, and to sue and be sued. Public
10 works contract limits applicable to the jurisdiction that established
11 the high-capacity transportation corridor area apply to the area.

12 (4) A high-capacity transportation corridor area may exercise the
13 power of eminent domain to obtain property for its authorized purposes
14 in the same manner as authorized for the jurisdiction that established
15 the area.

16 (5) A high-capacity transportation corridor area may be dissolved
17 by a majority vote of the governing body when all obligations under any
18 general obligation bonds issued by the high-capacity transportation
19 corridor area have been discharged and any other contractual
20 obligations of the high-capacity transportation corridor area have
21 either been discharged or assumed by another governmental entity.

22 **Sec. 3.** RCW 81.104.150 and 1992 c 101 s 26 are each amended to
23 read as follows:

24 Cities that operate transit systems, county transportation
25 authorities, metropolitan municipal corporations, public transportation
26 benefit areas, high-capacity transportation corridor areas, and
27 regional transit authorities may submit an authorizing proposition to
28 the voters and if approved may impose an excise tax of up to two
29 dollars per month per employee on all employers located within the
30 (~~agency's~~) applicable jurisdiction, measured by the number of
31 full-time equivalent employees, solely for the purpose of providing
32 high capacity transportation service. The rate of tax shall be
33 approved by the voters. This tax may not be imposed by: (1) A transit
34 agency or high-capacity transportation corridor area when the county
35 within which it is located is imposing an excise tax pursuant to RCW
36 81.100.030; or (2) a regional transit authority when any county within
37 the authority's boundaries is imposing an excise tax pursuant to RCW

1 81.100.030. The agency or high-capacity transportation corridor area
2 imposing the tax authorized in this section may provide for exemptions
3 from the tax to such educational, cultural, health, charitable, or
4 religious organizations as it deems appropriate.

5 **Sec. 4.** RCW 81.104.160 and 2003 c 1 s 6 are each amended to read
6 as follows:

7 An agency and high-capacity transportation corridor area may impose
8 a sales and use tax solely for the purpose of providing high capacity
9 transportation service, in addition to the tax authorized by RCW
10 82.14.030, upon retail car rentals within the (~~agency's~~) applicable
11 jurisdiction that are taxable by the state under chapters 82.08 and
12 82.12 RCW. The rate of tax shall not exceed 2.172 percent. The base
13 of the tax shall be the selling price in the case of a sales tax or the
14 rental value of the vehicle used in the case of a use tax.

15 Any motor vehicle excise tax previously imposed under the
16 provisions of RCW 81.104.160(1) shall be repealed, terminated and
17 expire on December 5, 2002.

18 **Sec. 5.** RCW 81.104.170 and 1997 c 450 s 5 are each amended to read
19 as follows:

20 Cities that operate transit systems, county transportation
21 authorities, metropolitan municipal corporations, public transportation
22 benefit areas, high-capacity transportation corridor areas, and
23 regional transit authorities may submit an authorizing proposition to
24 the voters and if approved by a majority of persons voting, fix and
25 impose a sales and use tax in accordance with the terms of this
26 chapter, solely for the purpose of providing high capacity
27 transportation service.

28 The tax authorized pursuant to this section shall be in addition to
29 the tax authorized by RCW 82.14.030 and shall be collected from those
30 persons who are taxable by the state pursuant to chapters 82.08 and
31 82.12 RCW upon the occurrence of any taxable event within the taxing
32 district. The maximum rate of such tax shall be approved by the voters
33 and shall not exceed one percent of the selling price (in the case of
34 a sales tax) or value of the article used (in the case of a use tax).
35 The maximum rate of such tax that may be imposed shall not exceed
36 nine-tenths of one percent in any county that imposes a tax under RCW

1 82.14.340, or within a regional transit authority if any county within
2 the authority imposes a tax under RCW 82.14.340. The exemptions in RCW
3 82.08.820 and 82.12.820 are for the state portion of the sales and use
4 tax and do not extend to the tax authorized in this section.

5 **Sec. 6.** RCW 81.104.180 and 1992 c 101 s 29 are each amended to
6 read as follows:

7 Cities that operate transit systems, county transportation
8 authorities, metropolitan municipal corporations, public transportation
9 benefit areas, high-capacity transportation corridor areas, and
10 regional transit authorities are authorized to pledge revenues from the
11 employer tax authorized by RCW 81.104.150, the (~~special motor vehicle~~
12 ~~excise tax~~) taxes authorized by RCW 81.104.160, and the sales and use
13 tax authorized by RCW 81.104.170, to retire bonds issued solely for the
14 purpose of providing high capacity transportation service.

15 **Sec. 7.** RCW 81.104.190 and 1992 c 101 s 30 are each amended to
16 read as follows:

17 Cities that operate transit systems, county transportation
18 authorities, metropolitan municipal corporations, public transportation
19 benefit areas, high-capacity transportation corridor areas, and
20 regional transit systems may contract with the state department of
21 revenue or other appropriate entities for administration and collection
22 of any tax authorized by RCW 81.104.150, 81.104.160, and 81.104.170.

23 NEW SECTION. **Sec. 8.** A new section is added to chapter 81.104 RCW
24 to read as follows:

25 (1) To carry out the purposes of this chapter, a high-capacity
26 transportation corridor area may issue general obligation bonds, not to
27 exceed an amount, together with any other outstanding nonvoter-approved
28 general obligation indebtedness, equal to one and one-half percent of
29 the value of the taxable property within the area, as the term "value
30 of the taxable property" is defined in RCW 39.36.015. A high-capacity
31 transportation corridor area may also issue general obligation bonds
32 for capital purposes only, together with any outstanding general
33 obligation indebtedness, not to exceed an amount equal to five percent
34 of the value of the taxable property within the area, as the term

1 "value of the taxable property" is defined in RCW 39.36.015, when
2 authorized by the voters of the area pursuant to Article VIII, section
3 6 of the state Constitution.

4 (2) General obligation bonds with a maturity in excess of forty
5 years shall not be issued. The governing body of the high-capacity
6 transportation corridor area shall by resolution determine for each
7 general obligation bond issue the amount, date, terms, conditions,
8 denominations, maximum fixed or variable interest rate or rates,
9 maturity or maturities, redemption rights, registration privileges,
10 manner of execution, manner of sale, callable provisions, if any,
11 covenants, and form, including registration as to principal and
12 interest, registration as to principal only, or bearer. Registration
13 may include, but not be limited to: (a) A book entry system of
14 recording the ownership of a bond whether or not physical bonds are
15 issued; or (b) recording the ownership of a bond together with the
16 requirement that the transfer of ownership may only be effected by the
17 surrender of the old bond and either the reissuance of the old bond or
18 the issuance of a new bond to the new owner. Facsimile signatures may
19 be used on the bonds and any coupons. Refunding general obligation
20 bonds may be issued in the same manner as general obligation bonds are
21 issued.

22 (3) Whenever general obligation bonds are issued to fund specific
23 projects or enterprises that generate revenues, charges, user fees, or
24 special assessments, the high-capacity transportation corridor area may
25 specifically pledge all or a portion of the revenues, charges, user
26 fees, or special assessments to refund the general obligation bonds.
27 The high-capacity transportation corridor area may also pledge any
28 other revenues that may be available to the area.

29 (4) In addition to general obligation bonds, a high-capacity
30 transportation corridor area may issue revenue bonds to be issued and
31 sold in accordance with chapter 39.46 RCW.

32 **Sec. 9.** RCW 81.104.030 and 1995 2nd sp.s. c 14 s 541 are each
33 amended to read as follows:

34 (1) In any county that has a population of one hundred seventy-five
35 thousand or more (~~(and has an interstate highway within its borders)~~),
36 except for any county having a population of more than one million or
37 a county that has a population more than four hundred thousand and is

1 adjacent by land to a county with a population of more than one
2 million, transit agencies may elect to establish high capacity
3 transportation service. Such agencies shall form a regional policy
4 committee with proportional representation based upon population
5 distribution within the designated service area and a representative of
6 the department of transportation, or such agencies may use the
7 designated metropolitan planning organization as the regional policy
8 committee.

9 Transit agencies participating in joint regional policy committees
10 shall seek voter approval within their own service boundaries of a high
11 capacity transportation system plan and financing plan. For transit
12 agencies in counties adjoining state or international boundaries where
13 the high capacity transportation system plan and financing plan propose
14 a bi-state or international high capacity transportation system, such
15 voter approval shall be required from only those voters residing within
16 the service area in the state of Washington.

17 (2) Transit agencies in counties adjoining state or international
18 boundaries are authorized to participate in the regional high capacity
19 transportation programs of an adjoining state or Canadian province.

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