
SENATE BILL 6606

State of Washington

66th Legislature

2020 Regular Session

By Senators Lias, Mullet, Hobbs, Dhingra, Kuderer, Conway, Darneille, Keiser, Wilson, C., McCoy, Das, Billig, Saldaña, and Stanford

Read first time 01/24/20. Referred to Committee on Transportation.

1 AN ACT Relating to regional transit authorities; amending RCW
2 82.44.135; reenacting and amending RCW 81.104.160 and 82.44.035;
3 creating a new section; repealing RCW 82.44.038 and 81.112.800;
4 repealing 2020 c 1 ss 9, 10, and 13; repealing 2020 c 1 ss 11 and 16
5 (uncodified); providing a contingent effective date; and declaring an
6 emergency.

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

8 **Sec. 1.** RCW 81.104.160 and 2015 3rd sp.s. c 44 s 319 are each
9 reenacted and amended to read as follows:

10 (1) Regional transit authorities that include a county with a
11 population of more than one million five hundred thousand may submit
12 an authorizing proposition to the voters, and if approved, may levy
13 and collect an excise tax, at a rate approved by the voters, but not
14 exceeding eight-tenths of one percent on the value, under chapter
15 82.44 RCW, of every motor vehicle owned by a resident of the taxing
16 district, solely for the purpose of providing high capacity
17 transportation service. The maximum tax rate under this subsection
18 does not include a motor vehicle excise tax approved before July 15,
19 2015, if the tax will terminate on the date bond debt to which the
20 tax is pledged is repaid. This tax does not apply to vehicles
21 licensed under RCW 46.16A.455 except vehicles with an unladen weight

1 of six thousand pounds or less, RCW 46.16A.425 or 46.17.335(2).
2 (~~Notwithstanding any other provision of this subsection or chapter~~
3 ~~82.44 RCW, a motor vehicle excise tax imposed by a regional transit~~
4 ~~authority before or after July 15, 2015, must comply with chapter~~
5 ~~82.44 RCW as it existed on January 1, 1996, until December 31st of~~
6 ~~the year in which the regional transit authority repays bond debt to~~
7 ~~which a motor vehicle excise tax was pledged before July 15, 2015.~~
8 ~~Motor vehicle taxes collected by regional transit authorities after~~
9 ~~December 31st of the year in which a regional transit authority~~
10 ~~repays bond debt to which a motor vehicle excise tax was pledged~~
11 ~~before July 15, 2015, must comply with chapter 82.44 RCW as it~~
12 ~~existed on the date the tax was approved by voters.)) The motor
13 vehicle excise tax imposed under this subsection (1) must comply with
14 RCW 82.44.035.~~

15 (2) An agency and high capacity transportation corridor area may
16 impose a sales and use tax solely for the purpose of providing high
17 capacity transportation service, in addition to the tax authorized by
18 RCW 82.14.030, upon retail car rentals within the applicable
19 jurisdiction that are taxable by the state under chapters 82.08 and
20 82.12 RCW. The rate of tax may not exceed 2.172 percent. The rate of
21 tax imposed under this subsection must bear the same ratio of the
22 2.172 percent authorized that the rate imposed under subsection (1)
23 of this section bears to the rate authorized under subsection (1) of
24 this section. The base of the tax is the selling price in the case of
25 a sales tax or the rental value of the vehicle used in the case of a
26 use tax.

27 (3) Any motor vehicle excise tax (~~previously~~) imposed under the
28 provisions of (~~RCW 81.104.160(1)~~) subsection (1) of this section
29 before December 5, 2002, shall be repealed, terminated, and expire on
30 December 5, 2002, except for a motor vehicle excise tax for which
31 revenues have been contractually pledged to repay a bonded debt
32 issued before December 5, 2002, as determined by *Pierce County et al.*
33 *v. State*, 159 Wn.2d 16, 148 P.3d 1002 (2006). In the case of bonds
34 that were (~~previously~~) issued before December 5, 2002, the motor
35 vehicle excise tax must comply with (~~chapter 82.44 RCW as it existed~~
36 ~~on January 1, 1996~~) RCW 82.44.035.

37 (4) If a regional transit authority imposes the tax authorized
38 under subsection (1) of this section, the authority may not receive
39 any state grant funds provided in an omnibus transportation

1 appropriations act except transit coordination grants created in
2 chapter 11, Laws of 2015 3rd sp. sess.

3 **Sec. 2.** RCW 82.44.035 and 2010 c 161 s 910 are each reenacted
4 and amended to read as follows:

5 (1) For the purpose of determining any locally imposed motor
6 vehicle excise tax, the value of a truck or trailer shall be the
7 latest purchase price of the vehicle, excluding applicable federal
8 excise taxes, state and local sales or use taxes, transportation or
9 shipping costs, or preparatory or delivery costs, multiplied by the
10 following percentage based on year of service of the vehicle since
11 last sale. The latest purchase year shall be considered the first
12 year of service.

13	YEAR OF SERVICE	PERCENTAGE
14	1	100
15	2	81
16	3	67
17	4	55
18	5	45
19	6	37
20	7	30
21	8	25
22	9	20
23	10	16
24	11	13
25	12	11
26	13	9
27	14	7
28	15	3
29	16 or older	0

30 (2) The reissuance of a certificate of title and registration
31 certificate for a truck or trailer because of the installation of
32 body or special equipment shall be treated as a sale, and the value
33 of the truck or trailer at that time, as determined by the department

1 from such information as may be available, shall be considered the
2 latest purchase price.

3 (3) For the purpose of determining any locally imposed motor
4 vehicle excise tax, the value of a vehicle other than a truck or
5 trailer shall be eighty-five percent of the manufacturer's base
6 suggested retail price of the vehicle when first offered for sale as
7 a new vehicle, excluding any optional equipment, applicable federal
8 excise taxes, state and local sales or use taxes, transportation or
9 shipping costs, or preparatory or delivery costs, multiplied by the
10 applicable percentage listed in this subsection (3) based on year of
11 service of the vehicle.

12 If the manufacturer's base suggested retail price is unavailable
13 or otherwise unascertainable at the time of initial registration in
14 this state, the department shall determine a value equivalent to a
15 manufacturer's base suggested retail price as follows:

16 (a) The department shall determine a value using any information
17 that may be available, including any guidebook, report, or compendium
18 of recognized standing in the automotive industry or the selling
19 price and year of sale of the vehicle. The department may use an
20 appraisal by the county assessor. In valuing a vehicle for which the
21 current value or selling price is not indicative of the value of
22 similar vehicles of the same year and model, the department shall
23 establish a value that more closely represents the average value of
24 similar vehicles of the same year and model. The value determined in
25 this subsection (3)(a) shall be divided by the applicable percentage
26 listed in (b) of this subsection (3) to establish a value equivalent
27 to a manufacturer's base suggested retail price and this value shall
28 be multiplied by eighty-five percent.

29 (b) The year the vehicle is offered for sale as a new vehicle
30 shall be considered the first year of service.

31	YEAR OF SERVICE	PERCENTAGE
32	1	100
33	2	81
34	3	72
35	4	63
36	5	55
37	6	47
38	7	41

1	8	36
2	9	32
3	10	27
4	11	26
5	12	((24)) 16
6	13	((23)) 12
7	14	((24)) 12
8	15	((16)) 12
9	16 or older	10

10 (4) For purposes of this chapter, value shall exclude value
 11 attributable to modifications of a vehicle and equipment that are
 12 designed to facilitate the use or operation of the vehicle by a
 13 person with a disability.

14 **Sec. 3.** RCW 82.44.135 and 2006 c 318 s 9 are each amended to
 15 read as follows:

16 (1) Before a local government subject to this chapter may impose
 17 a motor vehicle excise tax, the local government must contract with
 18 the department for the collection of the tax. ((The)) Except as
 19 otherwise provided in this section, the department may charge a
 20 reasonable amount, not to exceed one percent of tax collections, for
 21 the administration and collection of the tax.

22 (2) Any contract entered into with a regional transit authority
 23 for the collection of a motor vehicle excise tax must provide that
 24 the department receives full reimbursement for the administration and
 25 collection of the tax, including those costs related to customer
 26 service and information technology.

27 NEW SECTION. **Sec. 4.** The following acts or parts of acts are
 28 each repealed:

29 (1) RCW 82.44.038 (Valuation of vehicles—Use of Kelley Blue Book
 30 value) and 2020 c 1 s 8 (Initiative Measure No. 976);

31 (2) RCW 81.112.800 (Motor vehicle excise tax—Outstanding bonds—
 32 Retirement, defeasement, and refinancing) and 2020 c 1 s 12
 33 (Initiative Measure No. 976);

34 (3) 2020 c 1 (Initiative Measure No. 976) s 9;

35 (4) 2020 c 1 (Initiative Measure No. 976) s 10;

1 (5) 2020 c 1 (Initiative Measure No. 976) s 11 (uncodified);
2 (6) 2020 c 1 (Initiative Measure No. 976) s 13; and
3 (7) 2020 c 1 (Initiative Measure No. 976) s 16 (uncodified).

4 NEW SECTION. **Sec. 5.** Section 4 of this act takes effect
5 immediately upon a court of final jurisdiction holding that chapter 1
6 (Initiative Measure No. 976), Laws of 2020 is no longer enjoined from
7 effectiveness.

8 NEW SECTION. **Sec. 6.** The department of revenue must provide
9 written notice of the effective date of section 4 of this act to
10 affected parties, the chief clerk of the house of representatives,
11 the secretary of the senate, the office of the code reviser, and
12 others as deemed appropriate by the department.

13 NEW SECTION. **Sec. 7.** Section 5 of this act is necessary for the
14 immediate preservation of the public peace, health, or safety, or
15 support of the state government and its existing public institutions,
16 and takes effect immediately.

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