
HOUSE BILL 1865

State of Washington 63rd Legislature 2013 Regular Session

By Representatives Sawyer, Fey, Farrell, Ryu, and Jinkins

Read first time 02/13/13. Referred to Committee on Transportation.

1 AN ACT Relating to sales and use tax imposition by public
2 transportation benefit areas; and amending RCW 36.57A.050 and
3 82.14.045.

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

5 **Sec. 1.** RCW 36.57A.050 and 2010 c 278 s 3 are each amended to read
6 as follows:

7 (1) Within sixty days of the establishment of the boundaries of the
8 public transportation benefit area, the members of the county
9 legislative authority and the elected representative of each city
10 within the area shall provide for the selection of the governing body
11 of such area, the public transportation benefit area authority, which
12 shall consist of elected officials selected by and serving at the
13 pleasure of the governing bodies of component cities within the area
14 and the county legislative authority of each county within the area.
15 If at the time a public transportation benefit area authority assumes
16 the public transportation functions previously provided under the
17 Interlocal Cooperation Act (chapter 39.34 RCW) there are citizen
18 positions on the governing board of the transit system, those positions

1 may be retained as positions on the governing board of the public
2 transportation benefit area authority.

3 Within such sixty-day period, any city may by resolution of its
4 legislative body withdraw from participation in the public
5 transportation benefit area. The county legislative authority and each
6 city remaining in the public transportation benefit area may disapprove
7 and prevent the establishment of any governing body of a public
8 transportation benefit area if the composition thereof does not meet
9 its approval.

10 (2) In no case shall the governing body of a single county public
11 transportation benefit area be greater than nine voting members and in
12 the case of a multicounty area, fifteen voting members, unless the
13 governing body of a single county public transportation benefit area
14 finds it necessary to meet the requirements under RCW 82.14.045(1)(b),
15 in which case the governing body may have up to fifteen voting members.
16 Those cities within the transportation benefit area and excluded from
17 direct membership on the authority are hereby authorized to designate
18 a member of the authority who shall be entitled to represent the
19 interests of such city which is excluded from direct membership on the
20 authority. The legislative body of such city shall notify the
21 authority as to the determination of its authorized representative on
22 the authority.

23 (3) There is one nonvoting member of the public transportation
24 benefit area authority. The nonvoting member is recommended by the
25 labor organization representing the public transportation employees
26 within the local public transportation system. If the public
27 transportation employees are represented by more than one labor
28 organization, all such labor organizations shall select the nonvoting
29 member by majority vote. The nonvoting member shall comply with all
30 governing bylaws and policies of the authority. The chair or cochair
31 of the authority shall exclude the nonvoting member from attending any
32 executive session held for the purpose of discussing negotiations with
33 labor organizations. The chair or cochair may exclude the nonvoting
34 member from attending any other executive session. The requirement
35 that a nonvoting member be appointed to the governing body of a public
36 transportation benefit area authority does not apply to an authority
37 that has no employees represented by a labor union.

1 (4) Each member of the authority is eligible to be reimbursed for
2 travel expenses in accordance with RCW 43.03.050 and 43.03.060 and to
3 receive compensation, as set by the authority, in an amount not to
4 exceed forty-four dollars for each day during which the member attends
5 official meetings of the authority or performs prescribed duties
6 approved by the chair of the authority. Except that the authority may,
7 by resolution, increase the payment of per diem compensation to each
8 member from forty-four dollars up to ninety dollars per day or portion
9 of a day for actual attendance at board meetings or for performance of
10 other official services or duties on behalf of the authority. In no
11 event may a member be compensated in any year for more than seventy-
12 five days, except the chair who may be paid compensation for not more
13 than one hundred days: PROVIDED, That compensation shall not be paid
14 to an elected official or employee of federal, state, or local
15 government who is receiving regular full-time compensation from such
16 government for attending meetings and performing prescribed duties of
17 the authority.

18 The dollar thresholds established in this section must be adjusted
19 for inflation by the office of financial management every five years,
20 beginning July 1, 2008, based upon changes in the consumer price index
21 during that time period. "Consumer price index" means, for any
22 calendar year, that year's annual average consumer price index, for
23 Washington state, for wage earners and clerical workers, all items,
24 compiled by the bureau of labor and statistics, United States
25 department of labor. If the bureau of labor and statistics develops
26 more than one consumer price index for areas within the state, the
27 index covering the greatest number of people, covering areas
28 exclusively within the boundaries of the state, and including all items
29 shall be used for the adjustments for inflation in this section. The
30 office of financial management must calculate the new dollar threshold
31 and transmit it to the office of the code reviser for publication in
32 the Washington State Register at least one month before the new dollar
33 threshold is to take effect.

34 A person holding office as commissioner for two or more special
35 purpose districts shall receive only that per diem compensation
36 authorized for one of his or her commissioner positions as compensation
37 for attending an official meeting or conducting official services or

1 duties while representing more than one of his or her districts.
2 However, such commissioner may receive additional per diem compensation
3 if approved by resolution of all boards of the affected commissions.

4 **Sec. 2.** RCW 82.14.045 and 2008 c 86 s 102 are each amended to read
5 as follows:

6 (1)(a) The legislative body of any city pursuant to RCW 35.92.060,
7 of any county which has created an unincorporated transportation
8 benefit area pursuant to RCW 36.57.100 and 36.57.110, of any public
9 transportation benefit area pursuant to RCW 36.57A.080 and 36.57A.090,
10 of any county transportation authority established pursuant to chapter
11 36.57 RCW, and of any metropolitan municipal corporation within a
12 county with a population of one million or more pursuant to chapter
13 35.58 RCW, may, by resolution or ordinance for the sole purpose of
14 providing funds for the operation, maintenance, or capital needs of
15 public transportation systems or public transportation limited to
16 persons with special needs under RCW 36.57.130 and 36.57A.180, and in
17 lieu of the excise taxes authorized by RCW 35.95.040, submit an
18 authorizing proposition to the voters or include such authorization in
19 a proposition to perform the function of public transportation or
20 public transportation limited to persons with special needs under RCW
21 36.57.130 and 36.57A.180, and if approved by a majority of persons
22 voting thereon, impose a sales and use tax in accordance with the terms
23 of this chapter. Where an authorizing proposition is submitted by a
24 county on behalf of an unincorporated transportation benefit area, it
25 shall be voted upon by the voters residing within the boundaries of
26 such unincorporated transportation benefit area and, if approved, the
27 sales and use tax shall be imposed only within such area.
28 Notwithstanding any provisions of this section to the contrary, any
29 county in which a county public transportation plan has been adopted
30 pursuant to RCW 36.57.070 and the voters of such county have authorized
31 the imposition of a sales and use tax pursuant to the provisions of
32 section 10, chapter 167, Laws of 1974 ex. sess., prior to July 1, 1975,
33 shall be authorized to fix and impose a sales and use tax as provided
34 in this section at not to exceed the rate so authorized without
35 additional approval of the voters of such county as otherwise required
36 by this section.

1 (b)(i) The governing body of any public transportation benefit area
2 with a population of more than two hundred thousand, which also meets
3 the requirements of (b)(ii) of this subsection, pursuant to RCW
4 36.57A.080 and 36.57A.090 may, for the sole purpose of providing funds
5 for the operation, maintenance, or capital needs of public
6 transportation systems or public transportation limited to persons with
7 special needs under RCW 36.57.130 and 36.57A.180, and in lieu of the
8 excise taxes authorized by RCW 35.95.040, impose by a majority weighted
9 vote a sales and use tax in accordance with the terms of this chapter.

10 (ii) The governing body of any public transportation benefit area
11 that wishes to impose a sales and use tax pursuant to this subsection
12 (1)(b) must contain one or more members that represents each portion of
13 the territory of the public transportation benefit area as an elected
14 official. When voting to impose a sales and use tax pursuant to this
15 subsection (1)(b), there must be at least one elected official
16 representing each portion of the territory of the public transportation
17 benefit area present and voting on the resolution.

18 (iii) For purposes of this subsection (1)(b), "weighted vote" means
19 a vote that reflects the population each member of the governing body
20 represents relative to the population represented by the total
21 membership of the governing body. Population must be determined using
22 the federal 2010 census or subsequent federal census data.

23 (c) The tax authorized by this section shall be in addition to the
24 tax authorized by RCW 82.14.030 and shall be collected from those
25 persons who are taxable by the state under chapters 82.08 and 82.12 RCW
26 upon the occurrence of any taxable event within such city, public
27 transportation benefit area, county, or metropolitan municipal
28 corporation as the case may be. The rate of such tax shall be one-
29 tenth, two-tenths, three-tenths, four-tenths, five-tenths, six-tenths,
30 seven-tenths, eight-tenths, or nine-tenths of one percent of the
31 selling price (in the case of a sales tax) or value of the article used
32 (in the case of a use tax). The rate of such tax shall not exceed the
33 rate authorized by the voters unless such increase shall be similarly
34 approved.

35 (2)(a) In the event a metropolitan municipal corporation imposes a
36 sales and use tax pursuant to this chapter no city, county which has
37 created an unincorporated transportation benefit area, public
38 transportation benefit area authority, or county transportation

1 authority wholly within such metropolitan municipal corporation shall
2 be empowered to impose and/or collect taxes under RCW 35.95.040 or this
3 section, but nothing herein shall prevent such city or county from
4 imposing sales and use taxes pursuant to any other authorization.

5 (b) In the event a county transportation authority imposes a sales
6 and use tax under this section, no city, county which has created an
7 unincorporated transportation benefit area, public transportation
8 benefit area, or metropolitan municipal corporation, located within the
9 territory of the authority, shall be empowered to impose or collect
10 taxes under RCW 35.95.040 or this section.

11 (c) In the event a public transportation benefit area imposes a
12 sales and use tax under this section, no city, county which has created
13 an unincorporated transportation benefit area, or metropolitan
14 municipal corporation, located wholly or partly within the territory of
15 the public transportation benefit area, shall be empowered to impose or
16 collect taxes under RCW 35.95.040 or this section.

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