

CERTIFICATION OF ENROLLMENT
ENGROSSED SUBSTITUTE SENATE BILL 5457

62nd Legislature
2011 Regular Session

Passed by the Senate April 22, 2011
YEAS 25 NAYS 21

President of the Senate

Passed by the House April 21, 2011
YEAS 50 NAYS 47

Speaker of the House of Representatives

Approved

Governor of the State of Washington

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 5457** as passed by the Senate and the House of Representatives on the dates hereon set forth.

Secretary

FILED

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE SENATE BILL 5457

AS RECOMMENDED BY THE CONFERENCE COMMITTEE

Passed Legislature - 2011 Regular Session

State of Washington

62nd Legislature

2011 Regular Session

By Senate Transportation (originally sponsored by Senators White, Shin, Murray, Kohl-Welles, Harper, Nelson, Keiser, Prentice, Kline, and McAuliffe)

READ FIRST TIME 02/25/11.

1 AN ACT Relating to providing a congestion reduction charge to fund
2 the operational and capital needs of transit agencies; adding a new
3 section to chapter 82.80 RCW; adding a new section to chapter 46.68
4 RCW; creating a new section; and providing an expiration date.

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

6 NEW SECTION. **Sec. 1.** The legislature recognizes that public
7 transportation provides many benefits to the citizens of the state and
8 the environment, including through public transportation's ability to
9 alleviate congestion and offset the burdens placed by general vehicular
10 traffic on the state's transportation infrastructure. In these
11 challenging economic times, many transit agencies find themselves
12 struggling to continue to provide a level of service that reduces
13 congestion.

14 The legislature further recognizes that King county conducted a
15 regional transit task force in 2010 that considered a policy framework
16 for the potential future growth and, if necessary, contraction of King
17 county's transit system. The task force members were selected to
18 represent a broad diversity of interests and perspectives. The task
19 force recommendations, which were unanimously accepted, addressed key

1 elements, such as the adoption of performance measures, controlling
2 operating costs, developing policy guidance for making service
3 reductions, and clear and transparent guidelines for service
4 allocation. As a result of the work done by the task force and King
5 county's commitment to comply with the recommendations, it is the
6 intent of the legislature that King county be provided the opportunity
7 to impose a temporary congestion reduction charge, which is separate
8 and distinct from the base motor vehicle license fee, that can help
9 address its revenue shortfalls during this economic crisis and allow it
10 to continue reducing congestion and the corresponding burdens placed on
11 the highway system on some of the state's most crowded corridors.

12 The legislature recognizes that the title of Initiative Measure No.
13 1053 states that it applies only to tax and fee increases imposed by
14 state government, and that the text of the initiative requires a two-
15 thirds majority only for tax increases. The legislature further
16 recognizes that Initiative Measure No. 1053 does not apply to local
17 government. Despite these facts, this act requires a two-thirds
18 majority of the metropolitan King county council in order to implement
19 a local option fee, in the form of a congestion reduction charge, to
20 help fund King county metro transit service. Faced with the potential
21 loss of hundreds of thousands of hours of vital transit service, it is
22 the intent of the legislature to provide King county with this
23 temporary local option funding mechanism. It is further the intent of
24 the legislature not to expand the parameters of Initiative Measure No.
25 1053 beyond what the voters intended and thus interfere with local
26 control or limit the ability of local governments to provide services
27 to the people of Washington.

28 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.80 RCW
29 to read as follows:

30 (1)(a) Except as provided in subsection (2) of this section, the
31 governing body of a county that has assumed the rights, powers,
32 functions, and obligations of a metropolitan municipal corporation
33 under chapter 36.56 RCW and is operating a public transportation system
34 may impose, if approved by a majority of the voters within that county
35 or a two-thirds majority of the governing body, an annual congestion
36 reduction charge of up to twenty dollars per vehicle registered in the
37 boundaries of the county for each vehicle subject to vehicle license

1 fees under RCW 46.17.350(1) (a), (c), (d), (e), (g), (h), (j), (n),
2 (o), (p), or (q) and for each vehicle subject to gross weight license
3 fees under RCW 46.17.355 with an unladen weight of six thousand pounds
4 or less.

5 (b) Prior to the imposition of a congestion reduction charge
6 authorized under (a) of this subsection, a governing body must complete
7 a congestion reduction plan indicating the proposed expenditures of the
8 proceeds of the congestion reduction charge.

9 (c) If a governing body that imposes a congestion reduction charge
10 authorized under (a) of this subsection completed a regional transit
11 task force evaluating system improvements and efficiencies within two
12 years prior to the imposition of the charge, the proceeds from the
13 charge must be expended in a manner consistent with the recommendations
14 of the regional transit task force.

15 (d) A governing body that imposes a congestion reduction charge
16 authorized under (a) of this subsection must complete a report by July
17 1, 2012, detailing the expenditures of the proceeds of the congestion
18 reduction charge through June 1, 2012.

19 (e) A governing body that imposes a congestion reduction charge
20 authorized under (a) of this subsection must complete a report by June
21 1, 2014, detailing the expenditures of the proceeds of the congestion
22 reduction charge.

23 (2) The governing body of a county that has assumed the rights,
24 powers, functions, and obligations of a metropolitan municipal
25 corporation under chapter 36.56 RCW and is operating a public
26 transportation system may not impose a congestion reduction charge
27 authorized under subsection (1)(a) of this section for a passenger-only
28 ferry transportation improvement, unless the charge is first approved
29 by a majority of the voters within that county.

30 (3) The governing body of a county that has assumed the rights,
31 powers, functions, and obligations of a metropolitan municipal
32 corporation under chapter 36.56 RCW and is operating a public
33 transportation system shall contract with the department of licensing
34 as provided under section 3 of this act for the collection of the
35 congestion reduction charge.

36 (4) A congestion reduction charge imposed under this section may
37 not be assessed until six months after approval.

1 (5) A congestion reduction charge imposed under this section
2 applies only for vehicle registration renewals and is effective upon
3 the registration renewal date as provided by the department of
4 licensing.

5 (6) The following vehicles are exempt from the congestion reduction
6 charge imposed under this section:

7 (a) Farm tractors or farm vehicles as defined in RCW 46.04.180 and
8 46.04.181;

9 (b) Off-road vehicles as defined in RCW 46.04.365;

10 (c) Nonhighway vehicles as defined in RCW 46.09.310;

11 (d) Vehicles registered under chapter 46.87 RCW and the
12 international registration plan; and

13 (e) Snowmobiles as defined in RCW 46.04.546.

14 (7) The authority to impose a congestion reduction charge
15 authorized in subsection (1)(a) of this section expires with vehicle
16 registrations that expire two years after the imposition of the charge
17 or no later than June 30, 2014, whichever comes first.

18 (8) A congestion reduction charge authorized under subsection
19 (1)(a) of this section may only be imposed after June 30, 2014, if
20 approved by a majority of the voters within a county that has assumed
21 the rights, powers, functions, and obligations of a metropolitan
22 municipal corporation under chapter 36.56 RCW and is operating a public
23 transportation system.

24 (9) This section expires December 31, 2014.

25 NEW SECTION. **Sec. 3.** A new section is added to chapter 46.68 RCW
26 to read as follows:

27 Whenever the department enters into a contract with the governing
28 body of a county that has assumed the rights, powers, functions, and
29 obligations of a metropolitan municipal corporation under chapter 36.56
30 RCW and is operating a public transportation system for the collection
31 of congestion reduction charges authorized under section 2 of this act:

32 (1) The contract must require that the governing body provide any
33 information specified by the department to identify the vehicle owners
34 who owe the congestion reduction charges, and must specify that it is
35 the responsibility of the governing body to ensure that the congestion
36 reduction charges are appropriately applied;

1 (2) The department is not responsible for the collection of
2 congestion reduction charges until a date agreed to by both parties as
3 specified in the contract;

4 (3) The department shall deduct a percentage amount as provided in
5 the contract, not to exceed three percent of the charges collected,
6 necessary to reimburse the department for the costs incurred for the
7 collection of the congestion reduction charges; and

8 (4) The department shall remit remaining proceeds to the custody of
9 the state treasurer. The state treasurer shall distribute the proceeds
10 to the governing body on a monthly basis.

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