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INITIATIVE 267

I, Sam Reed, Secretary of State of the State of Washington and custodian of its seal, hereby certify that, according to the records on file in my office, the attached copy of Initiative Measure No. 267 to the Legislature is a true and correct copy as it was received by this office.

1 AN ACT Relating to transportation improvement; amending RCW 82.08.020,
2 82.12.045 and 46.61.165; adding new sections to chapter 43.09 RCW; and
3 creating new sections.

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

5 POLICIES AND PURPOSES

6 NEW SECTION. **Sec. 1.** During these tough economic times, the voters
7 deserve a common sense, mainstream proposal to improve Washington's
8 transportation system by better utilizing existing public resources.

9 This measure would require vehicle sales and use taxes be deposited in
10 the motor vehicle fund and used for road construction and maintenance;
11 require performance audits on transportation agencies; and open carpool
12 lanes during off-peak hours.

13 Initiatives, referendums, and bills must all comply with the single
14 subject rule; this measure's title is "AN ACT Relating to

1 transportation improvement." This measure and its policies have
2 rationale unity and concern transportation improvement.

3 In order to improve transportation, it is essential that more of the
4 state's existing tax revenues go toward fixing our transportation
5 infrastructure. Vehicle purchases generate billions of dollars in
6 sales tax revenue. But instead of fixing our roads, these tax revenues
7 subsidize the general fund. That makes no sense. People who buy
8 vehicles should have their taxes go toward fixing our roads, streets,
9 and highways. Besides, there won't be any tax revenues for any other
10 spending programs unless we improve Washington's transportation system.
11 This measure requires vehicle sales and use taxes be deposited in the
12 motor vehicle fund and used for road construction and maintenance at
13 the state and local level.

14 In order to improve transportation, it is essential that state and
15 local transportation agencies establish credibility with taxpayers by
16 implementing long-overdue performance audits to ensure accountability
17 and guarantee that their tax dollars are spent as cost-effectively as
18 possible. Are politicians spending our current transportation tax
19 revenues as cost-effectively as possible? Voters don't know because
20 politicians have repeatedly blocked our state auditor from conducting
21 independent, comprehensive performance audits on transportation
22 agencies. Gary Locke even vetoed "baby step" performance audits this
23 year. It is absurd for politicians to think voters will blindly accept
24 massive tax increases without first learning if we're getting the
25 biggest bang for the buck from our current tax revenues. This measure
26 requires the state auditor to conduct independent, comprehensive
27 performance audits on Washington's transportation system, as well as
28 major state and local transportation agencies. These audits will
29 identify solutions to our transportation problems and will save
30 billions of tax dollars.

31 In order to improve transportation, existing road capacity must be
32 utilized to maximize its' effectiveness and to save money that can be
33 used for transportation improvements. In some areas in the Puget
34 Sound, geographic obstacles make adding new lanes to existing roads and
35 highways to be extremely expensive, limiting tax dollars for other
36 transportation improvements. How can we save billions in tax dollars
37 but still increase road capacity to our most congested roadways? By
38 allowing our carpool lanes to be open to all during off-peak hours. We

1 all pay taxes for our carpool lanes, so everyone should be allowed to
2 use them at least some of the time. The politicians' strict 24 hours
3 a day, 7 days a week prohibition is extreme. This measure strikes a
4 reasonable balance by allowing our carpool lanes to be open to all
5 during off-peak hours (this measure defines peak hours as 6:00 a.m.
6 through 9:00 a.m and 3:00 p.m. through 6:00 p.m. Monday through
7 Friday). This will quickly, significantly, and cost-effectively
8 relieve traffic congestion on our most congested roadways and will
9 illustrate that increased road capacity results in decreased traffic
10 congestion.

11 Year after year, Washington voters have repeatedly rejected the
12 business-as-usual, the-only-solution-is-a-tax-increase mentality.
13 During these tough economic times, the people deserve a common sense,
14 mainstream proposal to improve Washington's transportation system by
15 better utilizing existing public resources.

16 **IMPROVING TRANSPORTATION BY REQUIRING VEHICLE SALES**
17 **AND USE TAXES BE DEPOSITED IN THE MOTOR VEHICLE FUND**
18 **AND USED FOR ROAD CONSTRUCTION AND MAINTENANCE**

19 **Sec. 2.** RCW 82.08.020 and 2000 2nd sp.s. c 4 s 1 are each amended to
20 read as follows:

21 (1) There is levied and there shall be collected a tax on each retail
22 sale in this state equal to six and five-tenths percent of the selling
23 price. {+ In order to improve transportation, it is essential that
24 more of the state's existing tax revenues go toward fixing our
25 transportation infrastructure. Therefore, the state sales tax levied
26 and collected on each motor vehicle retail sale in this state shall be
27 deposited in the motor vehicle fund created in RCW 46.68.070 and used
28 for road, street, and highway construction and maintenance at the state
29 and local level. For the purpose of this section, "motor vehicle" has
30 the meaning provided in RCW 82.12.045(2). +}

31 (2) There is levied and there shall be collected an additional tax on
32 each retail car rental, regardless of whether the vehicle is licensed
33 in this state, equal to five and nine-tenths percent of the selling
34 price. The revenue collected under this subsection shall be deposited
35 in the multimodal transportation account created in RCW 47.66.070.

36 (3) The taxes imposed under this chapter shall apply to successive
37 retail sales of the same property.

1 (4) The rates provided in this section apply to taxes imposed under
2 chapter 82.12 RCW as provided in RCW 82.12.020.

3 **Sec. 3.** RCW 82.12.045 and 1996 c 149 s 19 are each amended to read
4 as follows:

5 (1) In the collection of the use tax on motor vehicles, the department
6 of revenue may designate the county auditors of the several counties of
7 the state as its collecting agents. Upon such designation, it shall be
8 the duty of each county auditor to collect the tax at the time an
9 applicant applies for the registration of, and transfer of title to,
10 the motor vehicle, except in the following instances:

11 (a) Where the applicant exhibits a dealer's report of sale showing
12 that the retail sales tax has been collected by the dealer;

13 (b) Where the application is for the renewal of registration;

14 (c) Where the applicant presents a written statement signed by the
15 department of revenue, or its duly authorized agent showing that no use
16 tax is legally due; or

17 (d) Where the applicant presents satisfactory evidence showing that
18 the retail sales tax or the use tax has been paid by him on the vehicle
19 in question.

20 (2) The term "motor vehicle," as used in this section means and
21 includes all motor vehicles, trailers and semitrailers used, or of a
22 type designed primarily to be used, upon the public streets and
23 highways, for the convenience or pleasure of the owner, or for the
24 conveyance, for hire or otherwise, of persons or property, including
25 fixed loads, facilities for human habitation, and vehicles carrying
26 exempt licenses.

27 (3) It shall be the duty of every applicant for registration and
28 transfer of certificate of title who is subject to payment of tax under
29 this section to declare upon his application the value of the vehicle
30 for which application is made, which shall consist of the consideration
31 paid or contracted to be paid therefor.

32 (4) Each county auditor who acts as agent of the department of revenue
33 shall at the time of remitting license fee receipts on motor vehicles
34 subject to the provisions of this section pay over and account to the
35 state treasurer for all use tax revenue collected under this section,
36 after first deducting as his collection fee the sum of two dollars for
37 each motor vehicle upon which the tax has been collected. All revenue
38 received by the state treasurer under this section shall be (({-

1 credited to the general fund -})) {+ deposited in the motor vehicle
2 fund created in RCW 46.68.070 and used for road, street, and highway
3 construction and maintenance at the state and local level +}. The
4 auditor's collection fee shall be deposited in the county current
5 expense fund. A duplicate of the county auditor's transmittal report
6 to the state treasurer shall be forwarded forthwith to the department
7 of revenue.

8 (5) Any applicant who has paid use tax to a county auditor under this
9 section may apply to the department of revenue for refund thereof if he
10 has reason to believe that such tax was not legally due and owing. No
11 refund shall be allowed unless application therefor is received by the
12 department of revenue within the statutory period for assessment of
13 taxes, penalties, or interest prescribed by RCW 82.32.050(3). Upon
14 receipt of an application for refund the department of revenue shall
15 consider the same and issue its order either granting or denying it and
16 if refund is denied the taxpayer shall have the right of appeal as
17 provided in RCW 82.32.170, 82.32.180 and 82.32.190.

18 (6) The provisions of this section shall be construed as cumulative
19 of other methods prescribed in chapters 82.04 to 82.32 RCW, inclusive,
20 for the collection of the tax imposed by this chapter. The department
21 of revenue shall have power to promulgate such rules as may be
22 necessary to administer the provisions of this section. Any duties
23 required by this section to be performed by the county auditor may be
24 performed by the director of licensing but no collection fee shall be
25 deductible by said director in remitting use tax revenue to the state
26 treasurer.

27 **IMPROVING TRANSPORTATION BY**
28 **REQUIRING INDEPENDENT, COMPREHENSIVE PERFORMANCE AUDITS**
29 **ON TRANSPORTATION AGENCIES**

30 NEW SECTION. **Sec. 4.** A new section is added to chapter 43.09 RCW to
31 read as follows:

32 In order to improve transportation, it is essential that state and
33 local transportation agencies establish credibility with taxpayers by
34 implementing long-overdue performance audits to ensure accountability
35 and to learn if their tax dollars are being spent as cost effectively
36 as possible. Therefore, the state auditor shall conduct an
37 independent, comprehensive performance audit on the state's

1 transportation system and major local transportation agencies,
2 including, but not limited to, the department of transportation, the
3 ferry system, and public transit agencies, especially Sound Transit.
4 Transportation funds from each state and local transportation agency,
5 account and program shall be used for the cost of each audit. The
6 audit reports shall be submitted to the legislature and made available
7 to the public on or before one year from the effective date of this
8 act.

9 NEW SECTION. **Sec. 5.** A new section is added to chapter 43.09 RCW to
10 read as follows:

11 In order to improve transportation, follow-up performance audits on
12 any major state and local transportation agency, account and program
13 may be conducted when determined necessary by the state auditor.
14 Transportation funds from each state and local transportation agency,
15 account and program shall be used for the cost of each follow-up audit.

16 **IMPROVING TRANSPORTATION BY**
17 **OPENING CARPOOL LANES TO ALL DURING OFF-PEAK HOURS**

18 **Sec. 6.** RCW 46.61.165 and 1999 c 206 s 1 are each amended to read as
19 follows:

20 The state department of transportation and the local authorities are
21 authorized to reserve all or any portion of any highway under their
22 respective jurisdictions {+ as carpool lanes +}, including any
23 designated lane or ramp, for the exclusive or preferential use of
24 public transportation vehicles or private motor vehicles carrying no
25 fewer than a specified number of passengers when such limitation will
26 increase the efficient utilization of the highway or will aid in the
27 conservation of energy resources. Regulations authorizing such
28 exclusive or preferential use of a highway facility (({- may be
29 declared to be -})) {+ are +} effective (({- at all times or at
30 specified times of day or on specified days -})) {+ only at the
31 specified times of day and on the specified days designated in this
32 section. In order to improve transportation, existing road capacity
33 must be utilized to maximize its effectiveness. Therefore, as of the
34 effective date of this act, all carpool lanes shall be opened during
35 off-peak hours for use by all vehicles otherwise lawfully abiding by
36 the rules of the road of this state. For the purposes of opening

1 carpool lanes to all during off-peak hours, "carpool lanes" are high
2 occupancy vehicle lanes including express lanes but not including ramp-
3 meter bypass lanes. For the purposes of opening carpool lanes to all
4 during off-peak hours, "peak hours" are 6:00 a.m. through 9:00 a.m. and
5 3:00 p.m. through 6:00 p.m. Monday through Friday and "off-peak hours"
6 are days and hours not specified as "peak hours." Nothing in this
7 section is intended to restrict the operation of RCW 46.44.080,
8 46.61.100, or 46.61.135, thus continuing restricted truck usage of city
9 streets. +} Violation of a restriction of highway usage prescribed by
10 the appropriate authority under this section is a traffic infraction.

11

CONSTRUCTION CLAUSE

12 NEW SECTION. **Sec. 7.** The provisions of this act are to be liberally
13 construed to effectuate the intent, policies and purposes of this act.

14

SEVERABILITY CLAUSE

15 NEW SECTION. **Sec. 8.** If any provision of this act of its application
16 to any person or circumstance is held invalid, the remainder of the act
17 or the application of the provision to other persons or circumstances
18 is not affected.

19

LEGISLATIVE INTENT

20 NEW SECTION. **Sec. 9.** The people have made clear through the passage
21 of numerous initiatives and referenda that taxes need to be reasonable
22 and tax increases should always be a last resort. However, politicians
23 throughout the state of Washington continue to ignore these repeated
24 mandates.

25 Politicians are reminded:

26 (1) All political power is vested in the people, as stated in Article
27 I, section 1 of the Washington state Constitution.

28 (2) The first power reserved by the people is the initiative, as
29 stated in Article II, section 1 of the Washington state Constitution.

30 (3) The people expect the legislature to adopt any additional
31 legislation necessary to effectuate the intent, policies and purposes
32 of this act.

1 (4) When voters approve initiatives, politicians have a moral,
2 ethical, and constitutional obligation to fully implement them. When
3 politicians ignore this obligation, they corrupt the term "public
4 servant."

5 (5) Any attempt to violate the clear intent and spirit of this measure
6 undermines the trust of the people in their government and will
7 increase the likelihood of future tax limitation measures.

- END -