

Initiative Measure 348

TO THE PEOPLE

Official Ballot Title:

Shall the new variable motor vehicle fuel tax law be repealed and the previous tax and distribution formula be reinstated?

The Law as it now exists:

The present law imposes an 11 cents per gallon tax on gasoline and other motor vehicle fuels. The tax revenues are used exclusively for highway purposes, including state highways and ferries, county roads and city streets. After January 1, 1978, the tax will fluctuate between 9 cents per gallon and 12 cents per gallon with changes occurring not more often than once every six months. The exact

Statement for

REGRESSIVE

The variable gas tax will seek its highest level as inflation increases. It will go down if and when the price of motor vehicle fuels decreases; it is anticipated it will increase to 12¢ per gallon on January 1, 1978. That 3¢ per gallon will represent a 33½% increase for one year.

WRONG TIME-WRONG KIND-WRONG PRODUCT

The Federal Government is planning an energy policy which will affect the pricing and tax structure on petroleum products, substantially increasing the price of motor vehicle fuels. Applying a variable tax to increasing prices fuels inflation. The Federal Energy Program's objective is to encourage the conservation of petroleum products. The variable gas tax permits a higher tax as consumption decreases, thereby discouraging the incentive to conserve.

UNNECESSARY

The 18th Amendment of the State Constitution was intended to put motor vehicle fuel taxes and license fees into a special fund to be used exclusively for highway purposes. This has become distorted into "highway related" purposes; now the funds for highway maintenance and construction are seriously limited. Construction is one of the most basic of highway purposes. The State of Oregon has a gas tax of 7¢ per gallon. The Interstate highway is virtually complete in Oregon and we are still building. The true purpose of this tax is not for highways, it is to be used to replace "highway purpose" funds diverted to other uses.

CHRONOLOGY OF MOTOR VEHICLE FUEL TAX

1935 - 5.0¢ 1977 - 11.0¢ 1949 - 6.5¢ 1978 - 12.0¢ 1961 - 7.5¢ 1979 - ? 1967 - 9.0¢

Get your 2¢ worth, vote yes on Initiative 348.

Rebuttal of Statement against

Highway bureaucrats can't justify the doubling of revenues in the period between 1966 and 1976. A "yes" vote for Initiative 348 permits collection of adequate funds for highway construction and maintenance. At the same time, 348 requires the highway administrators to more effectively use the taxpayers' money.

You have no guarantee which projects will be funded with your energy tax dollars. Let the Highway Department and the Legislators live within the present budget! Vote yes!

Voters' Pamphlet Statement Prepared by:

HARLEY H. HOPPE, Responsible and Organized Approach to State Taxes (R.O.A.S.T.); MARGARET HURLEY, State Representative.

Advisory Committee: ROBERT BEEZER, Attorney; JENNINGS FELIX, Attorney; ORVILLE ARMSTRONG, Overtaxed, Inc.; BETTY SMITH; DUKE HOUGHTON

amount of the tax will be calculated as a percentage of the average retail price of fuel subject to a ceiling based upon legislative appropriations for highway purposes. Because of this ceiling, higher consumption of fuel may cause a reduction in the tax per gallon. In no case, however, can the tax be less than 9 cents per gallon nor more than 12 cents.

In the year ending June 30, 1977, each cent of tax on motor vehicle fuels produced approximately twenty million dollars in revenues.

The present law authorizes the sale of a sixty million dollar bond issue to pay the cost of new county and city arterial construction and earmarks a portion of the increased revenues from the tax to repay these bonds. Forty-five million dollars from the sale of these bonds will be used for high priority county and city arterial construction in urban areas. Fifteen million dollars of the bond issue will be used for arterial street construction in smaller cities and towns outside of urban areas.

The effect of Initiative 348, if approved into Law:

The tax would revert to the rate of 9 cents per gallon established in 1967. The bond program for construction of county and city arterial roads and streets would be repealed.

NOTE: The ballot title and explanatory statement were written by the Attorney General as required by state law. The complete text of Initiative Measure 348 begins on Page 30.

Statement against

We urge you to say 'NO' to 348. A vote for 348 is a vote for more traffic fatalities, congestion, and rough roads, along with poorer public transportation and a weaker economy.

FIRST INCREASE IN TEN YEARS

Despite spiraling inflation, there's been no gas tax increase since 1967. Legislators enacted the Variable Tax because revenues from the old 9e-a-gallon rate clearly were inadequate to support the wide range of transportation services the tax must fund.

Unlike most states, your gas-tax dollars also help fund city and county roads and bridges, the State Patrol, the ferry system, transit facilities and park roads — in addition to state highway construction and maintenance.

IS IT WORTH A TANK OF GAS?

The added 2¢ tax, which motorists have paid since July, costs the average motorist about \$13 a year. Is it worth the cost of a tank of gas to:

- Help make overdue repairs on city, county and state roadways and bridges?
- -Start more than 200 new street and highway projects to make travel safer for pedestrians and drivers alike?
- -Complete missing links in an Interstate highway system that will total only about 1% of the state's roadways, carry 25% of the traffic, and be four times as safe as other roads?
- Prevent cutbacks in state ferry service and help build 18 transit park-and-ride lots?
- Generate thousands of jobs from these transportation projects?

KEEP WASHINGTON MOVING!

Whether you're a farmer going to market, a trucker moving goods, a vacationing family, or a commuter by car, bus or ferry, your safety and economic well-being depend on a good transportation system.

Rebuttal of Statement for

Highway purposes aren't "distorted"; they're Constitutionally established in response to public concerns. The Variable Tax is to meet these legitimate purposes — not punish or reward motorists!

Oregon intends to raise its vehicle registration fees to double Washington's, and increase its gas tax 2¢ next year. The Variable Tax won't increase 1¢ in January 1978, and can't exceed the 12¢ statutory "ceiling".

This is the *right time* and *right way* to prevent setbacks in transportation services.

Voters' Pamphlet Statement Prepared by:

PAUL H. CONNER, State Representative; AL HENRY, State Senator; JIM MATSON, State Senator.

Advisory Committee: ROBERT C. ANDERSON, Mayor, City of Everett; CONNIE CODY, Citizens' Advisory Committee on Highway Safety; JACK SILVERS, Washington State Grange; ROBERT L. DILGER, Washington State Building and Construction Trades Council; JERRY C. KOPET, Spokane County Commissioner.

prescription to a pharmacist by a practitioner authorized by law of this state or laws of another jurisdiction to issue prescriptions, or (b) upon an oral prescription of such practitioner which is reduced promptly to writing and filed by a duly licensed pharmacist, or (c) by refilling any such written or oral prescription if such refilling is authorized by the prescriber either in the original prescription or by oral order which is reduced promptly to writing and filed by the pharmacist, or (d) physicians or optometrists by way of written directions and specifications for the preparation, grinding, and fabrication of lenses intended to aid or correct visual defects or anomalies of humans.

(24) In respect to the use of returnable containers for beverages and foods, including but not limited to soft drinks, milk, beer, and mixers.

(25) In respect to the use of insulin, prosthetic devices, and medically prescribed oxygen.

(26) In respect to the use of food products for human consumption.

"Food products" include cereals and cereal products, oleomargarine, meat and meat products, fish and fish products, eggs and egg products, vegetables and vegetable products, fruit and fruit products, spices and salt, sugar and sugar products, coffee and coffee substitutes, tea, cocoa and cocoa products.

"Food products" include milk and milk products, milk shakes, malted milks, and any other similar type beverages which are composed at least in part of milk or a milk product and which require the use of milk or a milk product in their preparation.

"Food products" include all fruit juices, vegetable juices, and other beverages except bottled water, spirituous, malt or vinous liquors or carbonated beverages, whether liquid or frozen.

"Food products" do not include medicines and preparations in liquid, powdered, granular, tablet, capsule, lozenge, and pill form sold as dietary supplements or adjuncts.

The exemption of "food products" provided for in this paragraph shall not apply: (a) When the food products are furnished, prepared, or served for consumption at tables, chairs, or counters or from trays, glasses, dishes, or other tableware whether provided by the retailer or by a person with whom the retailer contracts to furnish, prepare, or serve food products to others, or (b) when the food products are ordinarily sold for immediate consumption on or near a location at which parking facilities are provided primarily for the use of patrons in consuming the products purchased at the location, even though such products are sold on a "takeout" or "to go" order and are actually packaged or wrapped and taken from the premises of the retailer, or (c) when the food products are sold for consumption within a place, the entrance to which is subject to an admission charge, except for national and state parks and monuments.

NEW SECTION. Sec. 3. The provisions of this 1977 amendatory act shall take effect July 1, 1978.



COMPLETE TEXT OF

Initiative Measure 348

Relating to transportation taxation; amending section 82.36.010, chapter 15, Laws of 1961 as last amended by section 1, chapter 317, Laws of 1977 1st ex. sess. and RCW 82.36.010; amending section 1, chapter 28, Laws of 1974 ex. sess. as amended by section 2, chapter 317, Laws of 1977 1st ex. sess. and RCW 82.36.020; amending section 82.36.100, chapter 15, Laws of 1961 as last amended by section 3, chapter 317, Laws of 1977 1st ex. sess. and RCW 82.36.100; amending section 3, chapter 22, Laws of 1963 ex. sess. as last amended by section 4, chapter 317, Laws of 1977 1st ex. sess. and RCW 82.37.030; amending section 4, chapter 175, Laws of 1971 ex. sess. as last amended by section 5, chapter 317, Laws of 1977 1st ex. sess. and RCW 82.38.030; amending section 35.77.010, chapter 7, Laws of 1965 as last amended by section 7, chapter 317, Laws of 1977 1st ex. sess. and RCW 35.77.010; amending section 46.68.090, chapter 12, Laws of 1961 as last amended by section 8, chapter 317, Laws of 1977 1st ex. sess. and RCW 46.68.090; amending section 46.68.100, chapter 12, Laws of 1961 as last amended by section 9, chapter 317, Laws of 1977 1st ex. sess. and RCW 46.68.100; amending section 9, chapter 83, Laws of 1967 ex. sess. as amended by section 11, chapter 317, Laws of 1977 1st ex. sess. and RCW 46.68.150; amending section 10, chapter 83, Laws of 1967 ex. sess. as last amended

by section 12, chapter 317, Laws of 1977 1st ex. sess. and RCW 47.26.040; amending section 24, chapter 83, Laws of 1967 ex. sess. as last amended by section 13, chapter 317, Laws of 1977 1st ex. sess. and RCW 47.26.180; amending section 25, chapter 83, Laws of 1967 ex. sess. as last amended by section 14, chapter 317, Laws of 1977 1st ex. sess, and RCW 47.26.190; amending section 30, chapter 83, Laws of 1967 ex. sess. as amended by section 15, chapter 317, Laws of 1977 1st ex. sess. and RCW 47.26.240; amending section 33, chapter 83, Laws of 1967 ex. sess. as amended by section 16, chapter 317, Laws of 1977 1st ex. sess. and RCW 47.26.270; amending section 41, chapter 83, Laws of 1967 ex. sess. as amended by section 17, chapter 317, Laws of 1977 1st ex. sess. and RCW 47.26.405; amending section 45, chapter 83, Laws of 1967 ex. sess. as last amended by section 18, chapter 317, Laws of 1977 1st ex. sess. and RCW 47.26.420; amending section 49, chapter 83, Laws of 1967 ex. sess. as last amended by section 19, chapter 317, Laws of 1977 1st ex. sess. and RCW 47.26.424; amending section 50, chapter 83, Laws of 1967 ex. sess. as amended by section 20, chapter 317, Laws of 1977 1st ex. sess. and RCW 47.26.425; amending section 14, chapter 83, Laws of 1967 ex. sess. as amended by section 22, chapter 317, Laws of 1977 1st ex. sess. and RCW 47.26.080; creating new sections; repealing section 6, chapter 317, Laws of 1977 1st ex. sess. and RCW 82.36....; repealing section 10, chapter 317, Laws of 1977 1st ex. sess. and RCW 46.68...; repealing section 21, chapter 317, Laws of 1977 1st ex. sess. and RCW 47.26.4251; repealing section 23, chapter 317, Laws of 1977 1st ex. sess. (uncodified); and repealing section 24, chapter 317, Laws of 1977 1st ex. sess. (uncodified).

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

NEW SECTION. Section 1. It is the intent of the people to repeal the Variable Gas Tax Bill (chapter 317, Laws of 1977 1st ex. sess.) enacted by the first extraordinary session of the 45th Legislature and restore the tax structure affected thereby to that existing on June 30, 1977.

Sec. 2. Section 82.36.010, chapter 15, Laws of 1961 as last amended by section 1, chapter 317, Laws of 1977 1st ex. sess. and RCW 82.36.010 are each amended to read as follows:

For the purposes of this chapter:

- (1) "Motor vehicle" means every vehicle which is in itself a self-propelled unit, equipped with solid rubber, hollow-cushion rubber((7)) or pneumatic rubber tires and capable of being moved or operated upon a public highway, except motor vehicles used as motive power for or in conjunction with farm implements and machines or implements of husbandry;
- (2) "Motor vehicle fuel" means gasoline or any other inflammable gas((+)) or liquid, by whatsoever name such gasoline, gas or liquid may be known or sold, the chief use of which is as fuel for the propulsion of motor vehicles, or motorboats;
- (3) "Distributor" means every person who refines, manufactures, produces, or compounds motor vehicle fuel and sells, distributes, or in any manner uses it in this state; also every person engaged in business as a bona fide wholesale merchant dealing in motor vehicle fuel who either acquires it within the state from any person refining it within or importing it into the state, on which the tax has not been paid, or imports it into this state and sells, distributes, or in any manner uses it in this state;
- (4) "Service station" means a place operated for the purpose of delivering motor vehicle fuel into the fuel tanks of motor vehicles;
 - (5) "Department" means the department of motor vehicles;
 - (6) "Director" means the director of motor vehicles;
- (7) "Dealer" means any person engaged in the retail sale of liquid motor vehicle fuels;
- (8) "Person" means every natural person, firm, partnership, association, or private or public corporation;
- (9) "Highway" means every way or place open to the use of the public, as a matter of right, for purposes of vehicular travel;
- (10) "Broker" means every person, other than a distributor, engaged in business as a broker, jobber, or wholesale merchant dealing in motor vehicle fuel or other petroleum products used or usable in propelling motor vehicles, or in other petroleum products which may be used in blending, compounding, or manufacturing of motor vehicle fuel;
- (11) "Producer" means every person, other than a distributor, engaged in the business of producing motor vehicle fuel or other petroleum products used in, or which may be used in, the blending, compounding, or manufacturing of motor vehicle fuel;
- (12) "Distribution" means all withdrawals of motor vehicle fuel for delivery to others, to retail service stations, or to unlicensed bulk storage plants;
- (13) "Bulk storage plant" means, pursuant to the licensing provisions of RCW 82.36.070, any plant, under the control of the distributor, used for the

storage of motor vehicle fuel to which no retail outlets are directly connected by pipe lines;

(14) "Marine fuel dealer" means any person engaged in the retail sale of liquid motor vehicle fuel whose place of business and or sale outlet is located upon a navigable waterway((-

(15) "Weighted average retail sales price of motor vehicle fuel" means the average retail sales price excluding any fodoral excise tax of the several grades of motor vehicle fuel (other than special fuels taxed pursuant to chapter 82.38 RCW) sold by service stations throughout the state (loss any state excise taxes on the sale, distribution, or use thereof) weighted to reflect the quantities sold at each different price.

(16) "Aggregate motor vehicle fuel tax revenues" means the amount of excise taxes to be paid by distributors, retailers, and users pursuant to chapters 82:36, 82:37, and 82:38 RCW, as new or hereafter amounded, for any designated fiscal period, whether or not such amounts are actually received by the department of motor vehicles. The phrase does not include fines or penalties assessed for violations:

(17) "Fiscal half-year" means a six month period ending June 30th ar December 31st)).

Sec. 3. Section 1, chapter 28, Laws of 1974 ex. sess. as amended by section 2, chapter 317, Laws of 1977 1st ex. sess. and RCW 82.36.020 are each amended to read as follows:

Every distributor shall pay, in addition to any other taxes provided by law, an excise tax to the director ((at a rate computed in the manner provided in section 6 of this 1977 amendatory act)) of nine cents for each gallon of motor vehicle fuel sold, distributed, or used by him in the state as well as on each gallon upon which he has assumed liability for payment of the tax under the provisions of RCW 82.36.100: PROVIDED, That under such regulations as the director may prescribe sales or distribution of motor vehicle fuel may be made by one licensed distributor to another licensed distributor free of the tax. In the computation of the tax, one-quarter of one percent of the net gallonage otherwise taxable shall be deducted by the distributor before computing the tax due, on account of the losses sustained through handling. ((Any person paying such excise tax who, in turn, sells or distributes such fuel to another, whether or not for use, shall include the tax as part of the selling price of the fuel. Any person thereafter paying a price for such fuel which includes an increment for the tax imposed herounder, and who sequently resells said fuel, shall include the increment so paid as part of the colling price of the fuel. The tax imposed herounder shall be in addition circumstances in which the tax is prohibited by the Constitution or laws of the United States.)) The tax herein imposed shall be collected and paid to the state but once in respect to any motor vehicle fuel. An invoice shall be rendered by a distributor to a purchaser for each distribution of motor vehicle

The proceeds of the ((motor vehicle fuel)) nine cents excise tax collected on the net gallonage after the deduction provided for herein ((and after the deductions for refunds and costs of collection as provided in RCW 46.68.090 as now or hereafter amended;)) shall be distributed as ((provided in RCW 46.68.100, as now or hereafter amended)) follows:

(1) Six and seven-eighths cents shall be distributed between the state, cities, counties, and Puget Sound ferry operations account in the motor vehicle fund under the provisions of RCW 46.68.090 and 46.68.100 as now or hereafter amended.

(2) Five-eighths of one cent shall be distributed to the state and expended pursuant to RCW 46.68.150.

(3) Five-eighths of one cent shall be paid into the motor vehicle fund and credited to the urban arterial trust account created by RCW 47.26.080.

(4) Three-eighths of one cent shall be paid into the motor vehicle fund and credited to the Puget Sound reserve account created by RCW 47.60.350.

(5) One-half cent shall be distributed to the cities and towns directly and allocated between them as provided by RCW 46.68.110, subject to the provisions of RCW 35.76.050: PROVIDED, That the funds allocated to a city or town which are attributable to such one-half cent of the additional tax imposed by this 1961 amendatory act shall be used exclusively for the construction, improvement and repair of arterial highways and city streets as those terms are defined in RCW 46.04.030 and 46.04.120, or for the payment of any municipal indebtedness which may be incurred after June 12, 1963 in the construction, improvement and repair of arterial highways and city streets as those terms are defined in RCW 46.04.030 and 46.04.120. All such sums shall first be subject to proper deductions for refunds and costs of collection as provided in RCW 46.68.090.

Sec. 4. Section 82.36.100, chapter 15, Laws of 1961 as last amended by section 3, chapter 317, Laws of 1977 1st ex. sess. and RCW 82.36.100 are each amended to read as follows:

Every person other than a distributor who acquires any motor vehicle fuel within this state upon which payment of tax is required under the provisions of this chapter, or imports such motor vehicle fuel into this state and sells, distributes, or in any manner uses it in this state shall, if the tax has not been paid, apply for a license to carry on such activities, file bond, make reports, comply with all regulations the director may prescribe in respect thereto, and pay ((an excise)) a tax ((at the rate computed in the manner provided in section 6 of this 1977 amendatory act)) of nine cents for each gallon thereof so sold. distributed, or used ((during the fiscal half-year for which such rate applicable)) in the manner provided for distributors, and the director shall issue a license to such person in the manner provided for issuance of licenses to distributors. The proceeds of the tax imposed by this section shall be distributed in the manner provided for the distribution of the motor vehicle fuel ((excise)) tax in RCW 82.36.020 ((ac new or horeafter amended)). However, a distributor licensed under the provisions of this chapter may deliver motor vehicle fuel to an importer in individual quantities of five hundred gallons or less and assume the liability for payment of the tax to this state. Under such conditions, the importer shall be exempt from the requirements of this section. For failure to comply with the terms of this chapter such person shall be subject to the same penalties imposed upon distributors. The director shall pursue against such persons the same procedure and remedies for audits, adjustments, collection, and enforcement of this chapter as is provided with respect to distributors. Nothing herein shall be construed as classifying such persons as distributors.

Sec. 5. Section 3, chapter 22, Laws of 1963 ex. sess. as last amended by section 4, chapter 317, Laws of 1977 1st ex. sess. and RCW 82.37.030 are each amended to read as follows:

In consideration of the use of the public highways of this state, motor carriers who import motor vehicle fuel into the state of Washington in the fuel supply tank or tanks of commercial motor vehicles for use in propelling said vehicles on said highways shall be subject to a tax for such use of the highways as hereinafter provided. A tax at the rate ((computed in the manner provided in section 6 of this 1977 amondatory act)) of nine cents per gallon is hereby imposed upon every motor carrier measured and determined by the number of gallons of motor vehicle fuel so imported and actually used by such motor carrier in its operations within this state ((during the fiscal half-year for which such rate is applicable)).

Sec. 6. Section 4, chapter 175, Laws of 1971 ex. sess. as last amended by section 5, chapter 317, Laws of 1977 1st ex. sess. and RCW 82.38.030 are each amended to read as follows:

(1) There is hereby levied and imposed upon special fuel users a tax ((at the rate computed in the manner provided in section 6 of this 1977 amondatory act)) of nine cents per gallon or each one hundred cubic feet of compressed natural gas measured at standard pressure and temperature on the use (within the meaning of the word use as defined herein) of special fuel in any motor vehicle ((during the fiscal half-year for which such rate is applicable)): PROVIDED, That in order to encourage experimentation with nonpolluting fuels, no tax shall be imposed upon the use of natural gas as herein defined or on liquified petroleum gas, commonly called propane, which is used in any motor vehicle until July 1, 1977.

(2) Said tax shall be collected by the special fuel dealer and shall be paid over to the department as hereinafter provided: (a) With respect to all special fuel delivered by a special fuel dealer into supply tanks of motor vehicles or into storage facilities used for the fueling of motor vehicles at unbonded service stations in this state; or (b) in all other transactions where the purchaser indicates in writing to the special fuel dealer prior to or at the time of the delivery that the entire quantity of the special fuel covered by the delivery is for use by him for a taxable purpose as a fuel in a motor vehicle.

(3) Said tax shall be paid over to the department by the special fuel user as hereinafter provided: (a) With respect to special fuel upon which the tax has not previously been imposed which was acquired in any manner other than by delivery by a special fuel dealer into a fuel supply tank of a motor vehicle in this state; or (b) in all transactions with a special fuel dealer in this state where a written statement has not been furnished to the special fuel dealer as set forth in subsection (2)(b) of this section.

It is expressly provided that delivery of special fuel may be made without collecting the tax otherwise imposed, when such deliveries are made by a bonded special fuel dealer to special fuel users who are authorized by the department as hereinafter provided, to purchase fuel without payment of tax to the bonded special fuel dealer.

Sec. 7. Section 35.77.010, chapter 7, Laws of 1965 as last amended by section 7, chapter 317, Laws of 1977 1st ex. sess. and RCW 35.77.010 are each amended to read as follows:

(1) Prior to July 1, 1968, the legislative body of each city and town, pursuant to one or more public hearings thereon, shall prepare and adopt a comprehensive street program for the ensuing six calendar years and shall file the same with the director of highways not more than thirty days after its adoption. Annually thereafter the legislative body of each city and town shall review the work accomplished under the program and determine current city street needs. Based on these findings each such legislative body ((prior to July 1st of each year)) shall prepare and after public hearings thereon adopt a revised and extended comprehensive street program, and each one year extension and revision shall be filed with the director of highways not more than thirty days after its adoption. The purpose of this section shall be to assure that perpetually each city and town shall have available advanced plans, looking to the future for not less than six years as a guide in carrying out a coordinated street construction program. Such program may at any time be revised by a majority of the legislative body of a city or town, but only after a public hearing.

The six year program of each city lying within an urban area shall contain a separate section setting forth the six year program for arterial street construction based upon its long range construction plan and formulated in accordance with regulations of the urban arterial board. The six year program for arterial street construction shall be submitted to the urban arterial board forthwith after its annual revision and adoption by the legislative body of the city. The six year program for arterial street construction shall be based upon estimated revenues available for such construction together with such additional sums as the legislative authority may request for urban arterials only from the urban arterial trust account for the six year period. The arterial street construction program shall provide for a more rapid rate of completion of the long range construction needs of major arterial streets than for secondary and collector arterial streets, pursuant to regulations of the urban arterial board((: PROVIDED; That urban arterial trust funds made available to the group of incorporated cities lying outside the boundaries of federally proved urban areas within each region need not be divided between functional classes of arterials but shall be available for any designated arterial stroot)).

(2) On and after July 1, 1976((-)) each six year program forwarded to the director in compliance with subsection (1) of this section shall contain information as to how a city or town will expend its moneys, including funds made available pursuant to chapter 47.30 RCW, for bicycle, pedestrian, and equestrian purposes.

Sec. 8. Section 46.68.090, chapter 12, Laws of 1961 as last amended by section 8, chapter 317, Laws of 1977 1st ex. sess. and RCW 46.68.090 are each amended to read as follows:

All moneys which have accrued or may accrue to the motor vehicle fund from the motor vehicle fuel tax and ((special)) use fuel tax shall be first expended for the following purposes:

- (1) For payment of refunds of motor vehicle fuel tax and ((special)) use fuel tax which has been paid and is refundable as provided by law;
- (2) For payment of amounts to be expended pursuant to appropriations for the administrative expenses of the offices of state treasurer, state auditor((-)) and the department of motor vehicles of the state of Washington in the administration of the motor vehicle fuel tax and the ((special)) use fuel tax, said sums to be distributed monthly.

The amount accruing to the motor vehicle fund by virtue of the motor vehicle fuel tax and the ((special)) use fuel tax and remaining after payments as provided in subsections (1) and (2) above shall, for the purposes of this chapter, be referred to as the "net tax amount."

Sec. 9. Section 46.68.100, chapter 12, Laws of 1961 as last amended by section 9, chapter 317, Laws of 1977 1st ex. sess. and RCW 46.68.100 are each amended to read as follows:

From the net tax amount in the motor vehicle fund there shall be paid ((menthly as funds accrue the following)) sums as follows:

- (1) ((To the cities and towns, to be distributed as provided by RGW 46.68.110, sums equal to six and ninety two hundredths percent of the net tax amounts
- (2) To the cities and towns, to be expanded as provided by section 10 of this 1077 amendatory act, sums equal to four and sixty one hundredths persont of the net tax amount;
- (3) To the counties, sums equal to twenty-two and seventy-eight hundredths percent of the net tax amount out of which there shall be distributed from time to time, as directed by the highway commission, those

sums as may be necessary to sarry out the provisions of RCW 47.56.725, with the balance of such county share to be distributed monthly as the same accrues for distribution in assordance with RCW 46.68.120.

- (4) To the urban arterial trust account in the motor vehicle fund, sums equal to seven and twelve hundredths percent of the not tax amounts
- (5) To the state, to be expended as provided by RCW 46.68.120, sums equal to forty-five and twenty-six hundredths percent of the net text executive.
- (6) To the state, to be expended as provided by RCW 46.68.150 as new or horoafter amended, sums equal to six and ninety-five hundredths percent of the net tax amount:
- (7) To the Puget Sound reserve account in the motor vehicle fund sums
 equal to three and twenty-one hundredths percent of the not tax
 amounts
- (8) To the Puget Sound ferry operations account in the motor vehicle fund sums equal to three and fifteen hundredths percent of the net tax amount)). There shall be paid to the cities and towns of the state sums equal to ten and forty-four hundredths percent of the net tax amount to be paid monthly as the same accrues;
- (2) To the counties of the state there shall be paid sums equal to thirty-two and sixty-one hundredths percent of the net tax amount out of which there shall be distributed from time to time, as directed by the highway commission, those sums as may be necessary to carry out the provisions of RCW 47.56.725 as now or hereafter amended, with the balance of such county share to be distributed monthly as the same accrues for distribution in accordance with RCW 46.68.120:
- (3) To the state there shall be paid to be expended as provided by RCW 46.68.130, sums equal to fifty-five and five-tenths percent of the net tax amount to be paid monthly as the same accrues.
- (4) There shall be paid to the Puget Sound ferry operations account sums equal to one and forty-five hundredths percent of the net tax amount to be paid monthly as the same accrues.

Nothing in this section or in RCW 46.68.090 ((as now or hereafter amended)) or 46.68.130 shall be construed so as to violate any terms or conditions contained in any highway construction bond issues now or hereafter authorized by statute and whose payment is by such statute pledged to be paid from any excise taxes on motor ((and special)) vehicle fuels.

Sec. 10. Section 9, chapter 83, Laws of 1967 ex. sess. as amended by section 11, chapter 317, Laws of 1977 1st ex. sess. and RCW 46.68.150 are each amended to read as follows:

The ((sums)) proceeds of five-eighths of one cent of motor vehicle fuel tax and use fuel tax distributed to the state pursuant to RCW ((46.68.100(6) as new or hereafter amended)) 82.36.020(2), after proper deductions for refunds and costs of collection as provided in RCW 46.68.090, and the proceeds of bonds issued and sold pursuant to RCW 47.26.400 through 47.26.407 shall be expended by the state highway commission for construction and improvement of state highways in urban areas as provided for in RCW 47.26.040 through 47.26.070 or for payment of principal and interest on bonds issued pursuant to RCW 47.26.400 through 47.26.407(e-PROVIDED, That at the end of each fiscal quarter the state treasurer shall e the amount, if any, that the sums distributed to the state pursuant to RCW 46.68.100(6) as now or hereafter amended exceed an equivalent to the proceeds of five eighths of one cent motor vehicle special fuel excise tax collected on the not gallonage after the deductions evided for in RCW 82.36.020 for the preceding fiscal guarter. The amount ascertained shall be available first to ropay the counties, cities, and towns any moneys derived from excise taxes on motor vehicle and special fuels but as a result of the pledge and debt service payment provisions contained RCW 17:26:401 and 17:26:405 and as certified by the state nittee have been used to repay state urban bonds (and interest thereon) orized by RCW-17:26:400 through 17:26:407, and after such sums have in full, then for expenditure as previded in RCW

Sec. 11. Section 10, chapter 83, Laws of 1967 ex. sess. as last amended by section 12, chapter 317, Laws of 1977 1st ex. sess. and RCW 47.26.040 are each amended to read as follows:

The term "urban area" means every area of this state designated as an urban area by the state highway commission with the approval of the federal department of the secretary of transportation or the federal highway administrator in accordance with federal law, ((hereafter referred to as federally approved urban areas,)) or areas within incorporated cities as determined by the office of program planning and fiscal management.

Sec. 12. Section 24, chapter 83, Laws of 1967 ex. sess. as last amended by section 13, chapter 317, Laws of 1977 1st ex. sess. and RCW 47.26.180 are each amended to read as follows:

Arterial designation and classification, as provided for by this chapter, shall be required to be an integral and coordinated portion of its planning process as authorized by chapters 35.63 or 36.70 RCW. The legislative authority of each county and city lying within or having within its boundaries an urban area shall with the advice and assistance of its chief engineer and its planning office divide all of its roads or streets into arterial roads or streets and access roads or streets and shall further subdivide the arterials into three functional classes to be known as major arterials, secondary arterials, and collector arterials, all in accordance with uniform standards established by the urban arterial board((-PROVIDED, That incorporated cities lying outside federally approved urban areas shall not be required to subdivide arterials into functional classes)). Upon receipt of the classification plans of the several counties and cities, the urban arterials board shall review and revise the classification for the urban arterials as necessary to conform with its uniform standards for classifying urban arterials.

Sec. 13. Section 25, chapter 83, Laws of 1967 ex. sess. as last amended by section 14, chapter 317, Laws of 1977 1st ex. sess. and RCW 47.26.190 are each amended to read as follows:

(((1) At the beginning of each bionnium the urban arterial board shall establish apportionment percentages for)) Once each calendar quarter, the urban arterial board, shall apportion funds credited to the urban arterial trust account, including the proceeds from motor vehicle fuel tax revenues, bond sales, anticipatory notes and interfund loans, which are available for the construction and improvement of urban arterials among the five regions defined in RCW 47.26.050 in the manner prescribed in RCW 47.26.060 ((fee that bionnium,)) relating to the apportionment of state urban funds except calculation((+)) of needs shall be based upon a projection of needs for the ensuing six year period as determined by the state highway commission. ((Except as otherwise provided in subsection (3) of this section, such apportionment percentages shall be used once each calendar quarter by the urban arterial board to apportion funds credited to the urban arterial trust account which are available for expenditure for urban arterial projects. The funds so apportioned shall remain apportioned until expended on construction rojects in accordance with rules and regulations of the urban arterial

(2) All amounts credited to the urban arterial trust account, except those provided for in subsection (3) of this section and except proceeds from the sale of first authorization bonds and any funds that may be required to repay such bonds or the interest thereon when due, after apportionment to each region, shall be divided on the basis of relative population established at the beginning of each biennium by the office of program planning and fiscal management between (a) the group of cities and that portion of those counties within federally approved urban areas and (b) the group of incorporated cities outside the boundaries of federally approved urban areas. Within each region, funds divided between the groups identified under (a) and (b) above shall then be allocated by the urban arterial board to incorporated cities and counties, as the case may be, for the construction of specific urban arterial projects in accordance with the procedures set forth in RCW 47.26.240.

(3) At the beginning of each biennium the urban arterial board shall establish apportionment percentages for each of the five regions for the apportionment of the proceeds from the sale of fifteen million dollars of series II bonds authorized by RGW 47,26,420, as now or hereafter amended, in the retio which the population of the incorporated cities and towns lying outside the boundaries of federally approved urban areas of each region bears to the total population of all incorporated cities and towns of the state lying outside the boundaries of federally approved urban areas, as such populations are determined at the beginning of each biennium by the office of program planning and fiscal management. Such apportionment percentages shall be sed once each calendar quarter by the urban arterial board to apportion funds credited to the urban arterial trust account which are available for expenditure for urban arterial projects. The funds so apportioned shall remain apportioned until expended on construction projects in accordance with rules and regulations of the urban arterial board. Funds apportioned to each region shall be allocated by the urban arterial board to incorporated cities lying outside the boundaries of fedorally approved urban areas, for the construction of specific urban arterial projects in accordance with the procedures set forth RCW 47.26.240.))

Sec. 14. Section 30, chapter 83, Laws of 1967 ex. sess. as amended by section 15, chapter 317, Laws of 1977 1st ex. sess. and RCW 47.26.240 are

each amended to read as follows:

Upon receipt of a county's or city's revised six year program, the urban arterial board as soon as practicable shall review and may revise the construction program as it relates to urban arterials for which urban arterial trust account moneys are requested as necessary to conform to (1) the priority rating of the proposed project, based upon the factors in RCW 47.26.220, in relation to proposed projects in all other urban arterial construction programs submitted by the cities and counties in the same region, and ((within each region, projects proposed by the group of cities and counties within federally approved urban areas shall be evaluated separately from the projects proposed by the group of incorporated cities outside the boundaries of federally approved urban areas; and)) (2) the amount of urban arterial trust account funds which the urban arterial board estimates will be apportioned to the region((, and further divided between the group of cities and counties within federally approved urban areas and the group of incorporated cities outside the boundaries of federally approved urban areas,)) in the ensuing six year period.

Sec. 15. Section 33, chapter 83, Laws of 1967 ex. sess. as amended by section 16, chapter 317, Laws of 1977 1st ex. sess. and RCW 47.26.270 are each amended to read as follows:

Counties and cities receiving funds from the urban arterial trust account for construction of arterials shall provide such matching funds as shall be established by regulations recommended by the urban arterial board subject to review, revision((+)) and final approval by the state highway commission. Matching requirements shall be established after appropriate studies by the board taking into account (1) financial resources available to counties and cities to meet arterial needs, (2) the amounts and percentages of funds available for road or street construction traditionally expended by counties and cities on arterials, (3) in the case of counties, the relative needs of arterials lying outside urban areas, and (4) the requirements necessary to avoid diversion of funds traditionally expended for arterial construction to other street or road purposes or to nonhighway purposes((- PROVIDED HOWEVER; That for projects funded subsequent to the effective date of this 1977 amendatory act, and prior to July 1, 1983, cities and counties may use as matching funds any moneys received from any source, except such moneys which by law may not be used for the purposes set forth in this

Sec. 16. Section 41, chapter 83, Laws of 1967 ex. sess. as amended by section 17, chapter 317, Laws of 1977 1st ex. sess. and RCW 47.26.405 are each amended to read as follows:

Any funds required to repay such bonds, or the interest thereon when due, subject to the proviso of this section, shall be taken from that portion of the motor vehicle fund which results from the imposition of excise taxes on motor vehicle ((and special)) fuels and which is distributed to the state under the provisions of RCW ((46.68.100(6) as now or hereafter amended)) 82.36.020(2) for construction of state highways in urban areas, and shall never constitute a charge against any allocations of any other such funds to the state, counties, cities((--)) and towns unless and until the amount of the motor vehicle fund arising from the excise taxes on motor vehicle ((and special)) fuels and available to the state for construction of state highways in urban areas proves insufficient to meet the requirements for bond retirement or interest on any such bonds.

Sec. 17. Section 45, chapter 83, Laws of 1967 ex. sess. as last amended by section 18, chapter 317, Laws of 1977 1st ex. sess. and RCW 47.26.420 are each amended to read as follows:

In order to provide funds necessary to meet the urgent construction needs on county and city arterials within urban areas, there ((are hereby authorized for issuance)) shall be issued and sold general obligation bonds of the state of Washington((, the first authorization of which shall be)) in the sum of two hundred million dollars((, and the second authorization of which, to be known as series II bonds, shall be in the sum of sixty million dollars which shall be issued and sold in such amounts)) or such amount thereof and at such times as determined to be necessary by the state highway commission. The amount of such bonds issued and sold under the provisions of RCW 47.26.420 through 47.26.427 in any biennium shall not exceed the amount of a specific appropriation therefor, from the proceeds of such bonds, for the construction of county and city arterials in urban areas. The issuance, sale((-)) and retirement of said bonds shall be under the supervision and control of the state finance committee which, upon request being made by the state highway commission, shall provide for the issuance, sale(f;)) and retirement of coupon or registered bonds to be dated, issued, and sold from time to time in such amounts as shall be requested by the state highway commission.

Sec. 18. Section 49, chapter 83, Laws of 1967 ex. sess. as last amended by section 19, chapter 317, Laws of 1977 1st ex. sess. and RCW 47.26.424 are each amended to read as follows:

Bonds issued under the provisions of RCW 47.26.420 through 47.26.427 shall distinctly state that they are a general obligation of the state of Washington, shall pledge the full faith and credit of the state to the payment of the principal thereof and the interest thereon((¬)) and shall contain an unconditional promise to pay such principal and interest as the same shall become due. The principal and interest on such bonds shall be first payable in the manner provided in RCW 47.26.420 through 47.26.427 from the proceeds of state excise taxes on motor vehicle ((and special)) fuels imposed by chapter ((๑)) 82.36((¬82.37, and 82.38)) RCW and chapter 82.40 RCW. The proceeds of such excise taxes are hereby pledged to the payment of any bonds and the interest thereon issued under the provisions of RCW 47.26.420 through 47.26.427, and the legislature hereby agrees to continue to impose the same excise taxes on motor vehicle ((and special)) fuels in amounts sufficient to pay, when due, the principal and interest on all bonds issued under the provisions of RCW 47.26.420 through 47.26.427.

Sec. 19. Section 50, chapter 83, Laws of 1967 ex. sess. and amended by section 20, chapter 317, Laws of 1977 1st ex. sess. and RCW 47.26.425 are each amended to read as follows:

Any funds required to repay ((the first authorization of two hundred million dollars of)) such bonds ((authorizad by RCW 47.26.420, as amended by section 18 of this 1977 amendatory act)) or the interest thereon when due, subject to the proviso of this section, shall be taken from that portion of the motor vehicle fund which results from the imposition of excise taxes on motor vehicle ((and special)) fuels and which is distributed to the urban arterial trust account in the motor vehicle fund, and shall never constitute a charge against any allocations of any other such funds in the motor vehicle fund to the state, counties, cities((7)) and towns unless and until the amount of the motor vehicle fund arising from the excise tax on motor vehicle ((and special)) fuels and distributed to the urban arterial trust account proves insufficient to meet the requirements for bond retirement or interest on any such bonds.

Sec. 20. Section 14, chapter 83, Laws of 1967 ex. sess. as amended by section 22, chapter 317, Laws of 1977 1st ex. sess. and RCW 47.26.080 are each amended to read as follows:

There is hereby created in the motor vehicle fund the urban arterial trust account. All moneys deposited in the motor vehicle fund to be credited to the urban arterial trust account shall be expended for the construction and improvement of city arterial streets and county arterial roads within urban areas, for expenses of the urban arterial board, or for the payment of principal or interest on bonds issued for the purpose of constructing or improving city arterial streets and county arterial roads within urban areas((, or for reimbursement to the state, counties, cities, and towns in accordance with section 21 of this 1977 amendatory act, the amount of any payments made on principal or interest on urban arterial trust account bonds from motor vehicle or special fuel tax revenues which were distributable to the state, counties, cities, and towns)).

NEW SECTION. Sec. 21. The following acts or parts of acts are each hereby repealed:

- Section 6, chapter 317, Laws of 1977 1st ex. sess. and RCW 82.36.____;
- (2) Section 10, chapter 317, Laws of 1977 1st ex. sess. and RCW 46.68 ...:
- (3) Section 21, chapter 317, Laws of 1977 1st ex. sess. and RCW 47.26.4251;
- (4) Section 23, chapter 317, Laws of 1977 1st ex. sess. (uncodified); and
 - (5) Section 24, chapter 317, Laws of 1977 1st ex. sess. (uncodified).



COMPLETE TEXT OF

Referendum Measure 39

NEW SECTION. Sec. 6. In all counties, all voters shall be registered in accordance with the provisions of this chapter. For the purpose of this chapter, "county auditor" shall have the meaning ascribed to that term by RCW 29.04.095(1). The county auditor shall be responsible for the conduct

of voter registration within the county and shall be the custodian of all official voter registration records for that county.

NEW SECTION. Sec. 7. The secretary of state shall design a unified voter registration form, compatible with existing records, which will permit the applicant to conveniently prepare, on a single card, an original registration, an initiative signature card as required by section 14 of this 1977 amendatory act, and a cancellation of any prior registration in this state. The applicant shall enter the required information, other than his or her signature, no more than one time. The form shall also contain instructions on its use, a notification of filing deadlines specified by section 16 of this 1977 amendatory act, a warning to the applicant of the penalty for knowingly supplying false information, and space for the county auditor to enter the voter's precinct identification, taxing district identification, and registration number. The reverse side of the form shall be printed to permit mailing to the county auditor.

NEW SECTION. Sec. 8. Registration forms necessary to carry out the registration of voters as provided by this chapter shall be furnished by the secretary of state without cost to the respective counties.

NEW SECTION. Sec. 9. The original voter registration records for all precincts within each county shall be filed alphabetically without regard to precincts in the office of the county auditor and shall not be open to public inspection. The information from such records, with the exception of date of birth, shall be available for public inspection and copying as provided in RCW 29.04.100 and 29.04.110.

NEW SECTION. Sec. 10. Each county auditor shall maintain a computer file on magnetic tape or disk, punched cards, or other form of data storage containing the records of all registered voters within the county. Where it is necessary or advisable, the auditor may provide for the maintenance of such files by private contract or through interlocal agreement as provided by chapter 39.34 RCW, as now or hereafter amended. The computer file shall include, but not be limited to, each voter's name, residence address, sex, date of registration, applicable taxing district and precinct codes, and the last five consecutive dates on which the individual has voted: PROVIDED, That if the voter has not voted at least five times since establishing his or her current registration record, only the available dates shall be included. The county auditor shall subsequently record each consecutive date upon which the individual votes and retain at least the last five such consecutive dates. The computer file of voter registration records shall be arranged so that individual precinct lists of registered voters may be prepared containing only the names, and other information required by this section, listed alphabetically by the surnames of the voters in that precinct.

NEW SECTION. Sec. 11. There is established in the state general fund an account, entitled the voter registration assistance account, to be used to compensate county auditors in counties with fewer than twelve thousand registered voters at the time of the most recent state general election, for unrecoverable costs incident to the maintenance of voter registration records on electronic data processing systems. The secretary of state shall administer the voter registration assistance account and authorize the payments therefrom under such rules as he may prescribe. County auditors in counties entitled to this compensation shall be paid annually an amount equal to thirty cents for each registered voter in that county at the time of the most recent state general election.

NEW SECTION. Sec. 12. The expense of voter registration and the maintenance of voter registration records shall be apportioned between the county and the cities and towns within that county according to the number of voters registered in all rural areas of the county and in each city and town, respectively, at the time of the last state general election.

NEW SECTION. Sec. 13. The county auditor shall be responsible for the distribution of voter registration forms by which a person may register to vote and cancel any previous registration in the state. Registrations submitted on such voter registration forms need not be subscribed to by the county auditor or a deputized registrar. The county auditor shall keep an adequate supply of voter registration forms in his or her office at all times for political parties and others interested in assisting in voter registration, and he or she shall make every effort to make these forms generally available to the public through government offices, businesses, labor union offices, schools, and any other locations necessary to extend registration opportunities to all areas of the county. After the initial distribution of voter registration forms to a given location, it shall be the duty of a representative designated at that location by that office, business, union, school, firm, or other establishment to notify the county auditor of the need for additional supplies of voter registration forms.