



REFERENDUM BILL 49

CHAPTER 321, LAWS OF 1998
PROPOSED TO THE PEOPLE BY THE LEGISLATURE
Vote cast by the 1998 Legislature on final passage:

House: Yeas, 57; Nays, 36 -- Senate: Yeas, 25; Nays, 24.

Note: The ballot title and explanatory statement were written by the Attorney General as required by law. The complete text of Referendum Bill 49 begins on page 20.

Official Ballot Title:

Shall motor vehicle excise taxes be reduced and state revenues reallocated; \$1.9 billion in bonds for state and local highways approved; and spending limits modified?

The law as it now exists:

The State levies a motor vehicle excise tax on the privilege of using a motor vehicle in the state. The tax is payable each year and is based on the value of the vehicle. For passenger vehicles, motorcycles, and trucks weighing up to 6000 pounds, the value is based on the manufacturer's suggested retail price, gradually depreciated over the life of the vehicle according to a schedule set forth in statute.

The law provides a percentage formula for the distribution of revenue from the motor vehicle excise tax to various state funds and accounts. These funds and accounts include: the motor vehicle fund; the Puget Sound capital construction and the Puget Sound ferry operations account in the motor

Statement For

Please join us in voting **yes** on *Referendum 49* to reform our state's auto license tab system and to move ahead on critical transportation projects.

A **yes** vote is a vote for less congestion on our roads, less taxes on our cars and more dollars to fight crime in our communities.

VOTE YES TO REDUCE YOUR LICENSE TAB FEES AND TAXES BY \$30 PER CAR.

Referendum 49 will reduce the license tab fee on each auto by \$30. Your car will *no* longer be taxed at 100% of new value in your second year of ownership.

VOTE YES TO ALLOCATE MORE OF YOUR LICENSE TAB FEES TO TRANSPORTATION IMPROVEMENTS.

Only about one-half of your license tab fees now support transportation projects. R-49 will dedicate most of your license tab fees to transportation — where they belong.

VOTE YES TO PROVIDE MOST OF THE FINANCING FOR A \$2.4 BILLION PLAN TO REDUCE TRAFFIC CONGESTION, MAKE OUR HIGHWAYS SAFER AND MOVE WASHINGTON GOODS TO MARKET.

By dedicating more of our license tab revenues - part of the \$800 million budget surplus - to transportation, \$2.4 billion will be available for transportation improvements. *No* new taxes are needed to provide these funds.

VOTE YES TO HELP COMMUNITIES FIGHT CRIME AND CREATE JOBS.

Local governments face rapidly rising costs for courts and jails. R-49 provides substantial surplus funds to communi-

ties for criminal justice. It also provides new funds to counties with high unemployment to help them with transportation and other economic development needs.

Vote yes because we need transportation solutions now to get our state moving again. Our freeways are dangerously congested. Traffic congestion is so bad, we can't wait any longer. R-49 will get us moving again.

Rebuttal of Statement Against

Under R-49, Washington will have projected reserves more than \$700 million above the voter-approved spending limit. Therefore, education cannot be affected. Not one bit. R-49 will improve transportation and provide healthy rainy-day reserves.

Like R-49, other options would use traditional, low-interest bonds to finance transportation projects. Instead of raising taxes, R-49 simply directs more license tab revenue toward transportation.

R-49 will fund a bipartisan plan to relieve congestion, increase safety, and get Washington moving again!

Voters Pamphlet Statement Prepared by:

KAREN SCHMIDT, State Representative, Chairman, Legislative Transportation Committee; JEANNETTE WOOD, State Senator, Chair, Senate Higher Education Committee; MICHAEL PATRICK, Executive Director, Washington Council of Police and Sheriffs.

Advisory Committee: ED HANSEN, Mayor, City of Everett; MIC DINSMORE, Executive Director, Port of Seattle; LOWELL LANCASTER, Chair, Washington State Horticulture Association; KEN SMITH, President WaferTech; ROB HIGGINS, Executive Vice President, Spokane Association of Realtors.

vehicle fund; county and municipal sales tax equalization accounts; the state general fund; the transportation fund; county and municipal criminal justice assistance accounts; and the county public health account. There is also a distribution to cities and towns for police and fire protection. The law sets maximum amounts that may be deposited in the criminal justice assistance accounts, with any excess revenue deposited in the violence reduction and drug enforcement account.

Initiative 601, enacted by the voters in the 1993 general election, created a state expenditure limit and, with certain exceptions, requires that revenues received in excess of the limit be placed in reserve accounts and not spent. One provision of Initiative 601, codified as RCW 43.135.035, would require the expenditure limit to be lowered to reflect any transfer of money from the general fund to other funds or accounts. Another provision of Initiative 601, codified as RCW 43.135.060, provides that local governments shall be fully reimbursed by specific appropriation by the state for the costs of responsibilities imposed on local governments for new programs or for increases in service levels under existing programs.

Certain municipalities that operate transit agencies may levy a local motor vehicle excise tax which is credited against the state tax. To obtain a distribution from the revenues generated, these

municipalities must match the distribution with other revenues. Local sales taxes specifically imposed to support public transportation systems may not currently be used as matching funds.

The effect of Referendum Bill 49, if approved into law:

The measure would reduce the motor vehicle excise tax; reallocate the revenue from this tax and other revenues; provide for the issuance of \$1.9 billion in state general obligation bonds to finance state and local highway improvements; and make other changes in state and local government funding provisions.

The motor vehicle excise tax would be reduced by a \$30 credit against the tax for each personal-use motor vehicle, truck weighing up to 6000 pounds, or motorcycle. In addition, the statutory depreciation schedule would be changed so that the taxable value of a vehicle would be lowered in the second and third years of its use.

The distribution of revenues from the motor vehicle excise tax to various state funds would be changed in a number of ways. The allocation to the state general fund would be reduced from 57.644% to 13.573% through June 30, 1999, and after that date would be entirely eliminated. The portion allocated to the transportation fund

(continued on page 16)

Statement Against

Referendum 49 is credit card government at its worst. It doesn't solve our transportation crisis, doesn't list the road projects it might finance, and takes money that should go to schools.

VOTE NO ON 25 YEARS OF DEBT FOR 5 YEARS OF PROJECTS

Referendum 49 will plunge the state into the deepest debt in history — credit card debt that will take a generation to pay off. *Taxpayers will pay billions of dollars in interest that should be spent on roads and transit!* In fact, transit spending will be cut by millions. Burdening taxpayers with decades of interest payments for only five years of projects makes no sense.

VOTE NO ON MONEY WITHOUT A PLAN

Referendum 49 says *nothing* about the projects the money will be spent on. No one knows what projects future legislatures, governors, and the Transportation Commission will approve.

VOTE NO ON A PLAN THAT WON'T FIX YOUR STREET'S POTHoles

Referendum 49 won't ease congestion. It provides only pennies to fix potholes on your city streets and county roads! It *cuts* transit funding now and in the future.

VOTE NO ON JEOPARDIZING OUR CHILDREN'S FUTURE

This plan endangers our schools and colleges. If the economy slows, we'll need the state's budget surplus to pay

for education. Referendum 49 means that surplus will pay the interest on our road debt instead.

Referendum 49 makes false promises to relieve traffic congestion, fund local criminal justice and provide a tax cut without harming other programs. Don't believe it! We cannot risk our future with a plan that is too expensive, hurts schools and doesn't fix the problem.

Vote *no* on Referendum 49.

Rebuttal of Statement For

Referendum 49 is risky, irresponsible government at its worst!

- It demands a blank check without saying how it will be spent.
- It takes money that could be spent on schools.
- It will make congestion worse by cutting funds for transit.

Don't be fooled by a politically crafty plan filled with false promises to relieve traffic congestion, fund local criminal justice and provide a tax cut without harming other programs.

Vote *no* on Referendum 49!

Voters Pamphlet Statement Prepared by:

GARY LOCKE, Governor; MARY MARGARET HAUGEN, State Senator; RUTH FISHER, State Representative.

Advisory Committee: PAUL SCHELL, Mayor, Seattle; ELIZABETH PIERINI, President, League of Women Voters of Washington; VALORIA LOVELAND, State Senator; DR. TERRY BERGESON, Superintendent of Public Instruction; DALE NUSSBAUM, President, Amalgamated Transit Union Legislative Council, Spokane.



INITIATIVE MEASURE 692 (continued from page 9)

The effect of Initiative Measure 692, if approved into law (continued):

medical condition, that the potential benefits of the medical use of marijuana would likely outweigh the health risks for that patient. Qualifying patients and their primary caregivers would be authorized to acquire and possess marijuana if they possessed no more than a sixty day supply for the patient's personal, medical use and if they could present valid documentation of authorization by a physician. Parents or guardians could possess marijuana solely for the medical use of qualifying patients under eighteen years of age.

The measure would not authorize the acquisition, possession, or use of marijuana for any other purpose. Possession, sale, or use of marijuana for non-medical purposes would remain a crime. It would be a felony to fraudulently produce or to alter any documents relating to the medical use of marijuana. It would be a misdemeanor to use or display medical marijuana in public view. Health insurance providers would not be required to pay claims for the medical use of marijuana. No physician would be required to authorize the use of medical marijuana. The measure would not require the accommodation of any medical use of marijuana in any place of employment, school bus or school grounds, or youth center. No person would be authorized to engage in the medical use of marijuana in such a way as to endanger the health or well-being of any person through the use of a motorized vehicle on a street, road, or highway. The state could not be held liable for any damaging effects from permitted marijuana use.



INITIATIVE MEASURE 694 (continued from page 11)

The effect of Initiative Measure 694, if approved into law (continued):

mother only if no other procedure, including the induction of labor or cesarean section, would suffice to prevent the death of the mother. The measure would not apply to "abortions" as redefined. The measure would provide that in the event of conflict between it and any other law, the provisions of this measure would govern.



REFERENDUM BILL 49 (continued from page 13)

The effect of Referendum Bill 49, if approved into law (continued):

would be increased from 5% to 43.605% through June 30, 1999, and then to 51.203%. The motor vehicle excise tax revenue allocated and distributed to other funds would be increased or decreased by varying amounts. The measure would require transfers from the general fund into two of these funds, the county criminal justice assistance account and the municipal criminal justice assistance account. Beginning with Fiscal Year 2000, the limits on distributions into these accounts would be removed. Part of the reallocated motor vehicle excise tax revenue would be distributed to economically distressed counties through a new account in the treasury.

The measure provides for the issuance and sale of up to \$1.9 billion of general obligation bonds to pay for the location, design, right of way, and construction of state and local highway improvements. No bonds could be offered for sale without additional legislative action. The measure provides that the bonds shall pledge the full faith and credit of the state for payment of the principal and interest when due. The proceeds from the sale of the bonds would be deposited in the motor vehicle fund, and the principal and interest on the bonds would be first payable from revenues from the motor vehicle fuel and special fuel excise taxes.

The measure would modify Initiative 601 (RCW 43.135.035) to provide that the transfer of moneys from the general fund to other funds or accounts as authorized in this measure would not reduce the state expenditure limit. The measure would also modify Initiative 601 (RCW 43.135.060) to allow the state to reimburse local governments for the costs of new programs or increased service levels through increases in state distributions of revenue to local governments.

The measure would authorize certain cities owning and operating municipal public transportation systems to use local public transportation sales tax revenues to match their local motor vehicle excise tax revenues. This authorization would be implemented over a four year period beginning July 1, 1999. After July 1, 2002, 100% of the revenues generated from the local motor vehicle excise tax could be matched by local public transportation sales tax revenues.



INITIATIVE MEASURE 200 (continued from page 15)

The effect of Initiative Measure 200, if approved into law :

Initiative Measure No. 200 would add new provisions to state law. It would prohibit state and local agencies from discriminating against, or granting preferential treatment to, any individual or group on the basis of race, sex, color, ethnicity, or national origin in the operation of public employment, public education, or public contracting. The measure does not define the term "preferential treatment," and does not specify how continued implementation or enforcement of existing laws would be affected if this measure were approved. The effect of the proposed measure would thus depend on how its provisions are interpreted and applied.

The measure would not affect any otherwise lawful classification that (a) is based on sex and is necessary for sexual privacy or medical or psychological treatment; or (b) is necessary for undercover law enforcement or for film, video, audio, or theatrical casting; or (c) provides separate athletic teams for each sex. The measure would not prohibit actions that must be taken to establish or maintain eligibility for federal programs, if ineligibility would result in a loss of federal funds to the state.

This measure would apply to state government, to all state agencies, and publicly supported colleges and universities, and to all counties, cities, school districts, special districts, and political subdivisions of the state. Remedies for violations would be the same as are available for violations of the existing law against discrimination.



COMPLETE TEXT OF Initiative Measure 694 (continued)

(6) The intentional killing of an infant child in the process of birth is infanticide.

(7) Abortion is the termination of a pregnancy by intentionally killing a living human fetus in the uterus or womb before the process of birth begins.

(8) Regulating partial-birth infanticide is not regulating abortion, but rather, is proscribing infanticide by restricting the killing of a live infant who is in the process of birth, that is, who has exited by any means, at least in part, the uterus or womb and has entered by any means, at least in part, the vagina or birth canal.

(9) Although the United States supreme court has declared a right to choose an abortion to terminate a pregnancy, it has never held that there is a fundamental or constitutional right to kill a partially born infant, that is, a child in the process of birth.

(10) Because abortion is the termination of a pregnancy, a prohibition against killing an infant child in the process of birth does not implicate abortion jurisprudence.

(11) This chapter is not intended to stop any abortion performed to terminate a pregnancy, but is intended to stop the killing of partially born infant children and to establish and maintain a clear and impenetrable barrier against partial-birth infanticide.

NEW SECTION. Sec. 2. (1) "Partial-birth infanticide" means the killing of an infant in the process of birth by a person who deliberately and intentionally performs a procedure on the partially born infant that the person knows will terminate the life of the infant and the procedure does terminate the life of the infant.

(2) "Partially born infant" means a child in the process of birth.

(3) "Process of birth" means the pregnancy has ended and the process of being born has begun, that is, the point in time has occurred when the maternal cervix has become dilated, the protective membrane of the amniotic sac has become ruptured, and any part or member of an infant child has passed from the uterus or womb beyond the plane of the cervical os.

NEW SECTION. Sec. 3. It is a felony for a person to perform partial-birth infanticide.

NEW SECTION. Sec. 4. This chapter does not apply to partial-birth infanticide performed to prevent the death of a mother where no other procedure, including the induction of labor or cesarean section, would suffice to prevent the death of the mother.

NEW SECTION. Sec. 5. This chapter does not apply to any abortion performed to terminate a pregnancy, that is, any abortion performed in the uterus or womb prior to the point in time when the pregnancy has ended and the process of birth has begun, that is, any abortion performed in the uterus or womb prior to the point in time when the maternal cervix has become dilated, the protective membrane of the amniotic sac has become ruptured, and any part or member of an infant child has passed from the uterus or womb beyond the plane of the cervical os.

NEW SECTION. Sec. 6. The provisions of this chapter are to be liberally construed to effectuate the policies and purposes of this chapter. In the event of conflict between this chapter and any other provision of law, the provisions of this chapter shall govern.

NEW SECTION. Sec. 7. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 8. Sections 1 through 7 of this act constitute a new chapter in Title 9A RCW.



COMPLETE TEXT OF Referendum Bill 49

AN ACT Relating to the reallocation of motor vehicle excise tax and general fund resources for the purpose of providing transportation funding, local criminal justice funding, and tax reduction; amending RCW 82.44.020, 82.44.041, 82.44.110, 82.44.150, 82.14.045, 82.14.200, 82.14.310, 82.14.330, 43.135.060, 82.50.410, 82.50.510, 35.58.273, 35.58.410, 43.160.070, 43.160.076, 43.160.080, 46.16.068, 70.94.015, 81.100.060, 82.08.020, 82.14.046, 82.44.023, 82.44.025, 82.44.155, 82.44.180, and 84.44.050; amending 1997 c 367 s 10 (uncodified); reenacting and amending RCW 82.14.320, 43.160.210, and 81.104.160; adding a new section to chapter 82.44 RCW; adding a new section to chapter 43.160 RCW; adding a new section to chapter 82.14 RCW; adding a new section to chapter 43.135 RCW; adding new sections to chapter 47.10 RCW; creating new sections; providing effective dates; providing contingent effective dates; providing for submission of certain sections of this act to a vote of the people; and declaring an emergency.

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



**COMPLETE TEXT OF
Referendum Bill 49**
(continued)

NEW SECTION. Sec. 1. The purpose of this act is to reallocate the general fund portion of the state's motor vehicle excise tax revenues among the taxpayers, local governments, and the state's transportation programs. By reallocating motor vehicle excise taxes, the state revenue portion can be dedicated to increased transportation funding purposes. Since the general fund currently has a budget surplus, due to a strong economy, the legislature feels that this reallocation is an appropriate short-term solution to the state's transportation needs and is a first step in meeting longer-term transportation funding needs. These reallocated funds must be used to provide relief from traffic congestion, improve freight mobility, and increase traffic safety.

In reallocating general fund resources, the legislature also ensures that other programs funded from the general fund are not adversely impacted by the reallocation of surplus general fund revenues. The legislature also adopts this act to continue the general fund revenue and expenditure limitations contained in chapter 43.135 RCW after this one-time transfer of funds.

In order to develop a long-term and comprehensive solution to the state's transportation problems, a joint committee will be created to study the state's transportation needs and the appropriate sources of revenue necessary to implement the state's long-term transportation needs as provided in section 22 of this act.

NEW SECTION. Sec. 2. A new section is added to chapter 82.44 RCW to read as follows:

(1) Beginning with motor vehicle registrations that are due or become due in July 1999, a credit is authorized against the tax imposed under RCW 82.44.020(1) on each personal-use motor vehicle equal to the lesser of the tax under RCW 82.44.020(1) or thirty dollars.

(2) For the purposes of this section, "personal-use motor vehicle" means a vehicle registered to a private individual, not owned by a business, and designated in one of the following use classes: (a) Passenger; (b) truck with a weight not to exceed six thousand pounds; or (c) motorcycle.

Sec. 3. RCW 82.44.020 and 1993 sp.s. c 23 s 61 are each amended to read as follows:

(1) An excise tax is imposed for the privilege of using in the state any motor vehicle, except those operated under reciprocal agreements, the provisions of RCW 46.16.160 ~~((as now or hereafter amended))~~, or dealer's licenses. The annual amount of such excise tax shall be two and two-

tenths percent of the value of such vehicle.

~~(2) ((An additional excise tax is imposed, in addition to any other tax imposed by this section, for the privilege of using in the state any such motor vehicle, and the annual amount of such additional excise shall be two tenths of one percent of the value of such vehicle.~~

~~(3) Effective with October 1992 motor vehicle registration expirations,)) A clean air excise tax is imposed in addition to any other tax imposed by this section for the privilege of using in the state any motor vehicle as defined in RCW 82.44.010, except that farm vehicles as defined in RCW 46.04.181 shall not be subject to the tax imposed by this subsection. The ~~((annual amount of the additional excise tax shall be two dollars and twenty-five cents. Effective with July 1994 motor vehicle registration expirations, the))~~ annual amount of additional excise tax shall be two dollars.~~

~~((4)) (3)~~ An additional excise tax is imposed on truck-type power units that are used in combination with a trailer to transport loads in excess of forty thousand pounds combined gross weight. The annual amount of such additional excise tax shall be fifty-eight one-hundredths of one percent of the value of the vehicle.

The department shall distribute the additional tax collected under this subsection as follows:

(a) For each trailing unit subject to subsection ~~((5)) (4)~~ of this section, an amount equal to the clean air excise tax prescribed in subsection ~~((3)) (2)~~ of this section shall be distributed in the manner prescribed in RCW 82.44.110~~((3)) (2)~~;

(b) ~~((f))~~ The remainder of the additional excise tax collected under this subsection ~~((, ten percent shall be distributed in the manner prescribed in RCW 82.44.110(2) and ninety percent))~~ shall be distributed in the manner prescribed in RCW 82.44.110(1). This tax shall not apply to power units used exclusively for hauling logs.

~~((5)) (4)~~ The excise taxes imposed by subsections (1) ~~((through (3))) and (2)~~ of this section shall not apply to trailing units which are used in combination with a power unit subject to the additional excise tax imposed by subsection ~~((4)) (3)~~ of this section. This subsection shall not apply to trailing units used for hauling logs.

~~((6)) (5)~~ In no case shall the total tax be less than two dollars except for proportionally registered vehicles and except for vehicles on which a credit is granted under section 2 of this act.

~~((7)) (6)~~ Washington residents, as defined in RCW 46.16.028, who license motor vehicles in another state or foreign country and avoid Washington motor vehicle excise taxes are liable for such unpaid excise taxes. The department of revenue may assess and collect the unpaid excise taxes under chapter 82.32 RCW, including the penalties and interest provided therein.

Sec. 4. RCW 82.44.041 and 1990 c 42 s 303 are each amended to read as follows:



**COMPLETE TEXT OF
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(continued)

(1) For the purpose of determining the tax under this chapter, the value of a truck-type power or trailing unit shall be the latest purchase price of the vehicle, excluding applicable federal excise taxes, state and local sales or use taxes, transportation or shipping costs, or preparatory or delivery costs, multiplied by the following percentage based on year of service of the vehicle since last sale. The latest purchase year shall be considered the first year of service.

YEAR OF SERVICE	PERCENTAGE
1	100
2	90
3	83
4	75
5	67
6	59
7	52
8	44
9	36
10	28
11	21
12	13
13 or older	10

(2) The reissuance of title and registration for a truck-type power or trailing unit because of the installation of body or special equipment shall be treated as a sale, and the value of the truck-type power or trailing unit at that time, as determined by the department from such information as may be available, shall be considered the latest purchase price.

(3) For the purpose of determining the tax under this chapter, the value of a motor vehicle other than a truck-type power or trailing unit shall be the manufacturer's base suggested retail price of the vehicle when first offered for sale as a new vehicle, excluding any optional equipment, applicable federal excise taxes, state and local sales or use taxes, transportation or shipping costs, or preparatory or delivery costs, multiplied by the applicable percentage listed in this subsection based on year of service of the vehicle.

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

(a) The department shall determine a value using any information that may be available, including any guidebook, report, or compendium of recognized standing in the automotive industry or the selling price and year of sale of the vehicle. The department may use an appraisal by the county assessor. In valuing a vehicle for which the current

value or selling price is not indicative of the value of similar vehicles of the same year and model, the department shall establish a value that more closely represents the average value of similar vehicles of the same year and model.

(b) The value determined in (a) of this subsection shall be divided by the applicable percentage listed in this subsection to establish a value equivalent to a manufacturer's base suggested retail price. The applicable percentage shall be based on the year of service of the vehicle for which the value is determined.

YEAR OF SERVICE	PERCENTAGE
1	100
2	((100)) 95
3	((94)) 89
4	83
5	74
6	65
7	57
8	48
9	40
10	31
11	22
12	14
13 or older	10

(4) For purposes of this chapter, value shall exclude value attributable to modifications of a motor vehicle and equipment that are designed to facilitate the use or operation of the motor vehicle by a handicapped person.

Sec. 5. RCW 82.44.110 and 1997 c 338 s 68 are each amended to read as follows:

The county auditor shall regularly, when remitting license fee receipts, pay over and account to the director of licensing for the excise taxes collected under the provisions of this chapter. The director shall forthwith transmit the excise taxes to the state treasurer.

(1) The state treasurer shall deposit the excise taxes collected under RCW 82.44.020(1) as follows:

(a) ~~((1.60))~~ 1.455 percent into the motor vehicle fund through June 30, 1999, and 1.71 percent beginning July 1, 1999, to defray administrative and other expenses incurred by the department in the collection of the excise tax.

(b) ~~((8.45))~~ 7.409 percent into the Puget Sound capital construction account in the motor vehicle fund through June 30, 1999, and 8.712 percent beginning July 1, 1999.

(c) ~~((4.07))~~ 3.70 percent into the Puget Sound ferry operations account in the motor vehicle fund through June 30, 1999, and 4.351 percent beginning July 1, 1999.

(d) ~~((5.88))~~ 5.345 percent into the ~~((general fund to be distributed))~~ city police and fire protection assistance account under RCW 82.44.155 through June 30, 1999, and 6.286 percent beginning July 1, 1999.

(e) ~~((4.75))~~ 4.318 percent into the municipal sales and use



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(continued)

tax equalization account ~~((in the general fund))~~ created in RCW 82.14.210 through June 30, 1999, and 5.628 percent beginning July 1, 1999.

(f) ~~((+69))~~ 1.455 percent into the county sales and use tax equalization account ~~((in the general fund))~~ created in RCW 82.14.200 through June 30, 1999, and 1.71 percent beginning July 1, 1999.

(g) ~~((62-6440))~~ 13.573 percent into the general fund through June 30, ~~((+995, and 57.6440 percent into the general fund beginning July 1, 1995))~~ 1999.

(h) ~~((5))~~ 43.605 percent into the transportation fund created in RCW 82.44.180 through June 30, 1999, and 51.203 percent beginning July 1, ~~((+995))~~ 1999.

(i) ~~((5-9686))~~ 5.426 percent into the county criminal justice assistance account created in RCW 82.14.310 through June 30, 1999, and 3.892 percent beginning July 1, 1999.

(j) ~~((+1997))~~ 1.085 percent into the municipal criminal justice assistance account for distribution under RCW 82.14.320 through June 30, 1999, and 0.778 percent beginning July 1, 1999.

(k) ~~((+1997))~~ 1.085 percent into the municipal criminal justice assistance account for distribution under RCW 82.14.330 through June 30, 1999, and 0.778 percent beginning July 1, 1999.

(l) ~~((2-95))~~ 2.682 percent into the county public health account created in RCW 70.05.125 through June 30, 1999, and 3.153 percent beginning July 1, 1999.

(m) 8.862 percent into the motor vehicle fund through June 30, 1999, and 10.422 percent beginning July 1, 1999.

(n) 1.377 percent into the distressed county assistance account under section 10 of this act beginning July 1, 1999.

Notwithstanding (i) through (k) of this subsection, ~~((no more than sixty million dollars shall be deposited into the accounts specified in (i) through (k) of this subsection for the period January 1, 1994, through June 30, 1995. Not more than five percent of the funds deposited to these accounts shall be available for appropriations for enhancements to the state patrol crime laboratory system and the continuing costs related to these enhancements. Motor vehicle excise tax funds appropriated for such enhancements shall not supplant existing funds from the state general fund. For the fiscal year ending June 30, 1998, and))~~ for each fiscal year ~~((thereafter))~~ through fiscal year 1999, the amounts deposited into the accounts specified in (i) through (k) of this subsection shall not increase by more than the amounts deposited into those accounts in the previous fiscal year increased by the implicit price deflator for the previous fiscal year. Any revenues in excess of this amount shall be deposited into the violence reduction and drug enforcement

account.

~~(2) ((The state treasurer shall deposit the excise taxes collected under RCW 82.44.020(2) into the transportation fund:~~

~~(3))~~ The state treasurer shall deposit the excise tax imposed by RCW 82.44.020~~((3))~~ (2) into the air pollution control account created by RCW 70.94.015.

Sec. 6. RCW 82.44.150 and 1995 2nd sp.s. c 14 s 538 are each amended to read as follows:

(1) The director of licensing shall, on the twenty-fifth day of February, May, August, and November of each year, advise the state treasurer of the total amount of motor vehicle excise taxes imposed by RCW 82.44.020 (1) ~~((and (2)))~~ remitted to the department during the preceding calendar quarter ending on the last day of March, June, September, and December, respectively, except for those payable under RCW 82.44.030, from motor vehicle owners residing within each municipality which has levied a tax under RCW 35.58.273, which amount of excise taxes shall be determined by the director as follows:

The total amount of motor vehicle excise taxes remitted to the department, except those payable under RCW 82.44.020~~((3))~~ (2) and 82.44.030, from each county shall be multiplied by a fraction, the numerator of which is the population of the municipality residing in such county, and the denominator of which is the total population of the county in which such municipality or portion thereof is located. The product of this computation shall be the amount of excise taxes from motor vehicle owners residing within such municipality or portion thereof. Where the municipality levying a tax under RCW 35.58.273 is located in more than one county, the above computation shall be made by county, and the combined products shall provide the total amount of motor vehicle excise taxes from motor vehicle owners residing in the municipality as a whole. Population figures required for these computations shall be supplied to the director by the office of financial management, who shall adjust the fraction annually.

(2) On the first day of the months of January, April, July, and October of each year, the state treasurer based upon information provided by the department shall, from motor vehicle excise taxes deposited in the ~~((general fund, under RCW 82.44.110(1)(g)))~~ transportation fund under RCW 82.44.110, make the following deposits:

(a) To the high capacity transportation account created in RCW 47.78.010, a sum equal to four and five-tenths percent of the special excise tax levied under RCW 35.58.273 by those municipalities authorized to levy a special excise tax within each county that has a population of one hundred seventy-five thousand or more and has an interstate highway within its borders; except that in a case of a municipality located in a county that has a population of one hundred seventy-five thousand or more that does not have an interstate highway located within its borders, that sum



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shall be deposited in the passenger ferry account;

(b) To the central Puget Sound public transportation account created in RCW 82.44.180, (~~for revenues distributed after December 31, 1992;~~) within a county with a population of one million or more and a county with a population of from two hundred thousand to less than one million bordering a county with a population of one million or more, a sum equal to the difference between (i) the special excise tax levied and collected under RCW 35.58.273 by those municipalities authorized to levy and collect a special excise tax subject to the requirements of subsections (3) and (4) of this section and (ii) the special excise tax that the municipality would otherwise have been eligible to levy and collect at a tax rate of .815 percent and been able to match with locally generated tax revenues, other than the excise tax imposed under RCW 35.58.273, budgeted for any public transportation purpose. Before this deposit, the sum shall be reduced by an amount equal to the amount distributed under (a) of this subsection for each of the municipalities within the counties to which this subsection (2)(b) applies; however, any transfer under this subsection (2)(b) must be greater than zero; and

(c) To the public transportation systems account created in RCW 82.44.180, (~~for revenues distributed after December 31, 1992;~~) within counties not described in (b) of this subsection, a sum equal to the difference between (i) the special excise tax levied and collected under RCW 35.58.273 by those municipalities authorized to levy and collect a special excise tax subject to the requirements of subsections (3) and (4) of this section and (ii) the special excise tax that the municipality would otherwise have been eligible to levy and collect at a tax rate of .815 percent and been able to match with locally generated tax revenues, other than the excise tax imposed under RCW 35.58.273, budgeted for any public transportation purpose. Before this deposit, the sum shall be reduced by an amount equal to the amount distributed under (a) of this subsection for each of the municipalities within the counties to which this subsection (2)(c) applies; however, any transfer under this subsection (2)(c) must be greater than zero; and

~~(d) To the general fund, for revenues distributed after June 30, 1993, and to the transportation fund, for revenues distributed after June 30, 1995, a sum equal to the difference between (i) the special excise tax levied and collected under RCW 35.58.273 by those municipalities authorized to levy and collect a special excise tax subject to the requirements of subsections (3) and (4) of this section and (ii) the special excise tax that the municipality would otherwise have been eligible to levy and collect at a tax rate of .815 percent~~

notwithstanding the requirements set forth in subsections (3) through (6) of this section, reduced by an amount equal to distributions made under (a), (b), and (c) of this subsection and RCW 82.14.046).

(3) On the first day of the months of January, April, July, and October of each year, the state treasurer, based upon information provided by the department, shall remit motor vehicle excise tax revenues imposed and collected under RCW 35.58.273 as follows:

(a) The amount required to be remitted by the state treasurer to the treasurer of any municipality levying the tax shall not exceed in any calendar year the amount of locally-generated tax revenues, excluding (i) the excise tax imposed under RCW 35.58.273 for the purposes of this section, which shall have been budgeted by the municipality to be collected in such calendar year for any public transportation purposes including but not limited to operating costs, capital costs, and debt service on general obligation or revenue bonds issued for these purposes; and (ii) the sales and use tax equalization distributions provided under RCW 82.14.046; and

(b) In no event may the amount remitted in a single calendar quarter exceed the amount collected on behalf of the municipality under RCW 35.58.273 during the calendar quarter next preceding the immediately preceding quarter, excluding the sales and use tax equalization distributions provided under RCW 82.14.046.

(4) At the close of each calendar year accounting period, but not later than April 1, each municipality that has received motor vehicle excise taxes under subsection (3) of this section shall transmit to the director of licensing and the state auditor a written report showing by source the previous year's budgeted tax revenues for public transportation purposes as compared to actual collections. Any municipality that has not submitted the report by April 1 shall cease to be eligible to receive motor vehicle excise taxes under subsection (3) of this section until the report is received by the director of licensing. If a municipality has received more or less money under subsection (3) of this section for the period covered by the report than it is entitled to receive by reason of its locally-generated collected tax revenues, the director of licensing shall, during the next ensuing quarter that the municipality is eligible to receive motor vehicle excise tax funds, increase or decrease the amount to be remitted in an amount equal to the difference between the locally-generated budgeted tax revenues and the locally-generated collected tax revenues. In no event may the amount remitted for a calendar year exceed the amount collected on behalf of the municipality under RCW 35.58.273 during that same calendar year excluding the sales and use tax equalization distributions provided under RCW 82.14.046. At the time of the next fiscal audit of each municipality, the state auditor shall verify the accuracy of the report submitted and notify the director of licensing of any discrepancies.



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(5) The motor vehicle excise taxes imposed under RCW 35.58.273 and required to be remitted under this section and RCW 82.14.046 shall be remitted without legislative appropriation.

(6) Any municipality levying and collecting a tax under RCW 35.58.273 which does not have an operating, public transit system or a contract for public transportation services in effect within one year from the initial effective date of the tax shall return to the state treasurer all motor vehicle excise taxes received under subsection (3) of this section.

Sec. 7. RCW 82.14.045 and 1991 c 363 s 158 are each amended to read as follows:

(1) The legislative body of any city pursuant to RCW 35.92.060, of any county which has created an unincorporated transportation benefit area pursuant to RCW 36.57.100 and 36.57.110, of any public transportation benefit area pursuant to RCW 36.57A.080 and 36.57A.090, of any county transportation authority established pursuant to chapter 36.57 RCW, and of any metropolitan municipal corporation within a county with a population of one million or more pursuant to chapter 35.58 RCW, may, by resolution or ordinance for the sole purpose of providing funds for the operation, maintenance, or capital needs of public transportation systems and in lieu of the excise taxes authorized by RCW 35.95.040, submit an authorizing proposition to the voters or include such authorization in a proposition to perform the function of public transportation and if approved by a majority of persons voting thereon, fix and impose a sales and use tax in accordance with the terms of this chapter: PROVIDED, That no such legislative body shall impose such a sales and use tax without submitting such an authorizing proposition to the voters and obtaining the approval of a majority of persons voting thereon: PROVIDED FURTHER, That where such a proposition is submitted by a county on behalf of an unincorporated transportation benefit area, it shall be voted upon by the voters residing within the boundaries of such unincorporated transportation benefit area and, if approved, the sales and use tax shall be imposed only within such area. Notwithstanding any provisions of this section to the contrary, any county in which a county public transportation plan has been adopted pursuant to RCW 36.57.070 and the voters of such county have authorized the imposition of a sales and use tax pursuant to the provisions of section 10, chapter 167, Laws of 1974 ex. sess., prior to July 1, 1975, shall be authorized to fix and impose a sales and use tax as provided in this section at not to exceed the rate so authorized without additional approval of the voters of such

county as otherwise required by this section.

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

(2)(a) In the event a metropolitan municipal corporation shall impose a sales and use tax pursuant to this chapter no city, county which has created an unincorporated transportation benefit area, public transportation benefit area authority, or county transportation authority wholly within such metropolitan municipal corporation shall be empowered to levy and/or collect taxes pursuant to RCW 35.58.273, 35.95.040, and/or 82.14.045, but nothing herein shall prevent such city or county from imposing sales and use taxes pursuant to any other authorization.

(b) In the event a county transportation authority shall impose a sales and use tax pursuant to this section, no city, county which has created an unincorporated transportation benefit area, public transportation benefit area, or metropolitan municipal corporation, located within the territory of the authority, shall be empowered to levy or collect taxes pursuant to RCW 35.58.273, 35.95.040, or 82.14.045.

(c) In the event a public transportation benefit area shall impose a sales and use tax pursuant to this section, no city, county which has created an unincorporated transportation benefit area, or metropolitan municipal corporation, located wholly or partly within the territory of the public transportation benefit area, shall be empowered to levy or collect taxes pursuant to RCW 35.58.273, 35.95.040, or 82.14.045.

(3) Any local sales and use tax revenue collected pursuant to this section by any city or by any county for transportation purposes pursuant to RCW 36.57.100 and 36.57.110 shall not be counted as locally generated tax revenues for the purposes of apportionment and distribution, in the manner prescribed by chapter 82.44 RCW, of the proceeds of the motor vehicle excise tax authorized pursuant to RCW 35.58.273, except that the local sales and use tax revenue collected under this section by a city with a population greater than sixty thousand that as of January 1, 1998, owns and operates a municipal public transportation system shall be counted as locally generated tax revenues for the purposes of apportionment and distribution, in the manner prescribed by chapter 82.44 RCW, of the proceeds of the motor vehicle excise tax authorized under RCW 35.58.273 as follows:



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(a) For fiscal year 2000, revenues collected under this section shall be counted as locally generated tax revenues for up to 25 percent of the tax collected under RCW 35.58.273;

(b) For fiscal year 2001, revenues collected under this section shall be counted as locally generated tax revenues for up to 50 percent of the tax collected under RCW 35.58.273;

(c) For fiscal year 2002, revenues collected under this section shall be counted as locally generated tax revenues for up to 75 percent of the tax collected under RCW 35.58.273; and

(d) For fiscal year 2003 and thereafter, revenues collected under this section shall be counted as locally generated tax revenues for up to 100 percent of the tax collected under RCW 35.58.273.

Sec. 8. RCW 82.14.200 and 1997 c 333 s 2 are each amended to read as follows:

There is created in the state treasury a special account to be known as the "county sales and use tax equalization account." Into this account shall be placed a portion of all motor vehicle excise tax receipts as provided in RCW 82.44.110(~~((+))~~). Funds in this account shall be allocated by the state treasurer according to the following procedure:

(1) Prior to April 1st of each year the director of revenue shall inform the state treasurer of the total and the per capita levels of revenues for the unincorporated area of each county and the state-wide weighted average per capita level of revenues for the unincorporated areas of all counties imposing the sales and use tax authorized under RCW 82.14.030(1) for the previous calendar year.

(2) At such times as distributions are made under RCW 82.44.150, (~~as now or hereafter amended;~~) the state treasurer shall apportion to each county imposing the sales and use tax under RCW 82.14.030(1) at the maximum rate and receiving less than one hundred fifty thousand dollars from the tax for the previous calendar year, an amount from the county sales and use tax equalization account sufficient, when added to the amount of revenues received the previous calendar year by the county, to equal one hundred fifty thousand dollars.

The department of revenue shall establish a governmental price index as provided in this subsection. The base year for the index shall be the end of the third quarter of 1982. Prior to November 1, 1983, and prior to each November 1st thereafter, the department of revenue shall establish another index figure for the third quarter of that year. The department of revenue may use the implicit price deflators for state and

local government purchases of goods and services calculated by the United States department of commerce to establish the governmental price index. Beginning on January 1, 1984, and each January 1st thereafter, the one hundred fifty thousand dollar base figure in this subsection shall be adjusted in direct proportion to the percentage change in the governmental price index from 1982 until the year before the adjustment. Distributions made under this subsection for 1984 and thereafter shall use this adjusted base amount figure.

(3) Subsequent to the distributions under subsection (2) of this section and at such times as distributions are made under RCW 82.44.150, (~~as now or hereafter amended;~~) the state treasurer shall apportion to each county imposing the sales and use tax under RCW 82.14.030(1) at the maximum rate and receiving less than seventy percent of the state-wide weighted average per capita level of revenues for the unincorporated areas of all counties as determined by the department of revenue under subsection (1) of this section, an amount from the county sales and use tax equalization account sufficient, when added to the per capita level of revenues for the unincorporated area received the previous calendar year by the county, to equal seventy percent of the state-wide weighted average per capita level of revenues for the unincorporated areas of all counties determined under subsection (1) of this section, subject to reduction under subsections (6) and (7) of this section. When computing distributions under this section, any distribution under subsection (2) of this section shall be considered revenues received from the tax imposed under RCW 82.14.030(1) for the previous calendar year.

(4) Subsequent to the distributions under subsection (3) of this section and at such times as distributions are made under RCW 82.44.150, (~~as now or hereafter amended;~~) the state treasurer shall apportion to each county imposing the sales and use tax under RCW 82.14.030(2) at the maximum rate and receiving a distribution under subsection (2) of this section, a third distribution from the county sales and use tax equalization account. The distribution to each qualifying county shall be equal to the distribution to the county under subsection (2) of this section, subject to the reduction under subsections (6) and (7) of this section. To qualify for the total distribution under this subsection, the county must impose the tax under RCW 82.14.030(2) for the entire calendar year. Counties imposing the tax for less than the full year shall qualify for prorated allocations under this subsection proportionate to the number of months of the year during which the tax is imposed.

(5) Subsequent to the distributions under subsection (4) of this section and at such times as distributions are made under RCW 82.44.150, (~~as now or hereafter amended;~~) the state treasurer shall apportion to each county imposing the sales and use tax under RCW 82.14.030(2) at the maximum rate and receiving a distribution under subsection (3) of this section, a fourth distribution from the county sales and use



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tax equalization account. The distribution to each qualifying county shall be equal to the distribution to the county under subsection (3) of this section, subject to the reduction under subsections (6) and (7) of this section. To qualify for the distributions under this subsection, the county must impose the tax under RCW 82.14.030(2) for the entire calendar year. Counties imposing the tax for less than the full year shall qualify for prorated allocations under this subsection proportionate to the number of months of the year during which the tax is imposed.

(6) Revenues distributed under subsections (2) through (5) of this section in any calendar year shall not exceed an amount equal to seventy percent of the state-wide weighted average per capita level of revenues for the unincorporated areas of all counties during the previous calendar year. If distributions under subsections (3) through (5) of this section cannot be made because of this limitation, then distributions under subsections (3) through (5) of this section shall be reduced ratably among the qualifying counties.

(7) If inadequate revenues exist in the county sales and use tax equalization account to make the distributions under subsections (3) through (5) of this section, then the distributions under subsections (3) through (5) of this section shall be reduced ratably among the qualifying counties. At such time during the year as additional funds accrue to the county sales and use tax equalization account, additional distributions shall be made under subsections (3) through (5) of this section to the counties.

(8) If the level of revenues in the county sales and use tax equalization account exceeds the amount necessary to make the distributions under subsections (2) through (5) of this section, at such times as distributions are made under RCW 82.44.150, the state treasurer shall apportion an amount to the county public health account created in RCW 70.05.125 equal to the adjustment under RCW 70.05.125(2)(b).

(9) If the level of revenues in the county sales and use tax equalization account exceeds the amount necessary to make the distributions under subsections (2) through (5) and (8) of this section, then the additional revenues shall be credited and transferred ~~((to the state general fund))~~ as follows:

(a) Fifty percent to the public facilities construction loan revolving account under RCW 43.160.080; and

(b) Fifty percent to the distressed county public facilities construction loan account under section 9 of this act, or so much thereof as will not cause the balance in the account to exceed twenty-five million dollars. Any remaining funds

shall be deposited into the public facilities construction loan revolving account.

NEW SECTION. Sec. 9. A new section is added to chapter 43.160 RCW to read as follows:

The distressed county public facilities construction loan account is created in the state treasury. All funds provided under RCW 82.14.200 shall be deposited in the account. Moneys in the account may be spent only after appropriation. Moneys in the account shall only be used to provide financial assistance under this chapter to distressed counties that have experienced extraordinary costs due to the location of a major new business facility or the substantial expansion of an existing business facility in the county.

For purposes of this section, the term "distressed counties" includes any county in which the average level of unemployment for the three years before the year in which an application for financial assistance is filed exceeds the average state employment for those years by twenty percent.

NEW SECTION. Sec. 10. A new section is added to chapter 82.14 RCW to read as follows:

(1) The distressed county assistance account is created in the state treasury. Into this account shall be placed a portion of all motor vehicle excise tax receipts as provided in RCW 82.44.110. At such times as distributions are made under RCW 82.44.150, the state treasurer shall distribute the funds in the distressed county assistance account to each county imposing the sales and use tax authorized under RCW 82.14.370 in the same proportions as distributions of the tax imposed under RCW 82.14.370 for the previous quarter.

(2) Funds distributed from the distressed county assistance account shall be expended by the counties for criminal justice and other purposes.

Sec. 11. RCW 82.14.310 and 1995 c 398 s 11 are each amended to read as follows:

(1) The county criminal justice assistance account is created in the state treasury. Beginning in fiscal year 2000, the state treasurer shall transfer into the county criminal justice assistance account from the general fund the sum of twenty-three million two hundred thousand dollars divided into four equal deposits occurring on July 1, October 1, January 1, and April 1. For each fiscal year thereafter, the state treasurer shall increase the total transfer by the fiscal growth factor, as defined in RCW 43.135.025, forecast for that fiscal year by the office of financial management in November of the preceding year.

(2) The moneys deposited in the county criminal justice assistance account for distribution under this section, less any moneys appropriated for purposes under ~~((RCW 82.44.110))~~ subsection (4) of this section, shall be distributed at such times as distributions are made under RCW 82.44.150 and on the relative basis of each county's funding



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factor as determined under this subsection.

(a) A county's funding factor is the sum of:

- (i) The population of the county, divided by one thousand, and multiplied by two-tenths;
- (ii) The crime rate of the county, multiplied by three-tenths; and
- (iii) The annual number of criminal cases filed in the county superior court, for each one thousand in population, multiplied by five-tenths.

(b) Under this section and RCW 82.14.320 and 82.14.330:

- (i) The population of the county or city shall be as last determined by the office of financial management;
- (ii) The crime rate of the county or city is the annual occurrence of specified criminal offenses, as calculated in the most recent annual report on crime in Washington state as published by the Washington association of sheriffs and police chiefs, for each one thousand in population;
- (iii) The annual number of criminal cases filed in the county superior court shall be determined by the most recent annual report of the courts of Washington, as published by the office of the administrator for the courts;
- (iv) Distributions and eligibility for distributions in the 1989-91 biennium shall be based on 1988 figures for both the crime rate as described under (ii) of this subsection and the annual number of criminal cases that are filed as described under (iii) of this subsection. Future distributions shall be based on the most recent figures for both the crime rate as described under (ii) of this subsection and the annual number of criminal cases that are filed as described under (iii) of this subsection.

(3) Moneys distributed under this section shall be expended exclusively for criminal justice purposes and shall not be used to replace or supplant existing funding. Criminal justice purposes are defined as activities that substantially assist the criminal justice system, which may include circumstances where ancillary benefit to the civil justice system occurs, and which includes domestic violence services such as those provided by domestic violence programs, community advocates, and legal advocates, as defined in RCW 70.123.020. Existing funding for purposes of this subsection is defined as calendar year 1989 actual operating expenditures for criminal justice purposes. Calendar year 1989 actual operating expenditures for criminal justice purposes exclude the following: Expenditures for extraordinary events not likely to reoccur, changes in contract provisions for criminal justice services, beyond the control of the local jurisdiction receiving the services, and major nonrecurring capital expenditures.

(4) Not more than five percent of the funds deposited to the

county criminal justice assistance account shall be available for appropriations for enhancements to the state patrol crime laboratory system and the continuing costs related to these enhancements. Funds appropriated from this account for such enhancements shall not supplant existing funds from the state general fund.

Sec. 12. RCW 82.14.320 and 1995 c 398 s 12 and 1995 c 312 s 84 are each reenacted and amended to read as follows:

(1) The municipal criminal justice assistance account is created in the state treasury. Beginning in fiscal year 2000, the state treasurer shall transfer into the municipal criminal justice assistance account for distribution under this section from the general fund the sum of four million six hundred thousand dollars divided into four equal deposits occurring on July 1, October 1, January 1, and April 1. For each fiscal year thereafter, the state treasurer shall increase the total transfer by the fiscal growth factor, as defined in RCW 43.135.025, forecast for that fiscal year by the office of financial management in November of the preceding year.

(2) No city may receive a distribution under this section from the municipal criminal justice assistance account unless:

(a) The city has a crime rate in excess of one hundred twenty-five percent of the state-wide average as calculated in the most recent annual report on crime in Washington state as published by the Washington association of sheriffs and police chiefs;

(b) The city has levied the tax authorized in RCW 82.14.030(2) at the maximum rate or the tax authorized in RCW 82.46.010(3) at the maximum rate; and

(c) The city has a per capita yield from the tax imposed under RCW 82.14.030(1) at the maximum rate of less than one hundred fifty percent of the state-wide average per capita yield for all cities from such local sales and use tax.

(3) The moneys deposited in the municipal criminal justice assistance account for distribution under this section, less any moneys appropriated for purposes under ~~((RCW 82.44.110))~~ subsection (7) of this section, shall be distributed at such times as distributions are made under RCW 82.44.150. The distributions shall be made as follows:

(a) Unless reduced by this subsection, thirty percent of the moneys shall be distributed ratably based on population as last determined by the office of financial management to those cities eligible under subsection (2) of this section that have a crime rate determined under subsection (2)(a) of this section which is greater than one hundred seventy-five percent of the state-wide average crime rate. No city may receive more than fifty percent of any moneys distributed under this subsection (a) but, if a city distribution is reduced as a result of exceeding the fifty percent limitation, the amount not distributed shall be distributed under (b) of this subsection.

(b) The remainder of the moneys, including any moneys



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not distributed in subsection (2)(a) of this section, shall be distributed to all cities eligible under subsection (2) of this section ratably based on population as last determined by the office of financial management.

(4) No city may receive more than thirty percent of all moneys distributed under subsection (3) of this section.

(5) Notwithstanding other provisions of this section, the distributions to any city that substantially decriminalizes or repeals its criminal code after July 1, 1990, and that does not reimburse the county for costs associated with criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in which the city is located.

(6) Moneys distributed under this section shall be expended exclusively for criminal justice purposes and shall not be used to replace or supplant existing funding. Criminal justice purposes are defined as activities that substantially assist the criminal justice system, which may include circumstances where ancillary benefit to the civil justice system occurs, and which includes domestic violence services such as those provided by domestic violence programs, community advocates, and legal advocates, as defined in RCW 70.123.020, and publications and public educational efforts designed to provide information and assistance to parents in dealing with runaway or at-risk youth. Existing funding for purposes of this subsection is defined as calendar year 1989 actual operating expenditures for criminal justice purposes. Calendar year 1989 actual operating expenditures for criminal justice purposes exclude the following: Expenditures for extraordinary events not likely to reoccur, changes in contract provisions for criminal justice services, beyond the control of the local jurisdiction receiving the services, and major nonrecurring capital expenditures.

(7) Not more than five percent of the funds deposited to the municipal criminal justice assistance account shall be available for appropriations for enhancements to the state patrol crime laboratory system and the continuing costs related to these enhancements. Funds appropriated from this account for such enhancements shall not supplant existing funds from the state general fund.

Sec. 13. RCW 82.14.330 and 1995 c 398 s 13 are each amended to read as follows:

(1) Beginning in fiscal year 2000, the state treasurer shall transfer into the municipal criminal justice assistance account for distribution under this section from the general fund the sum of four million six hundred thousand dollars divided into four equal deposits occurring on July 1, October 1, January 1, and April 1. For each fiscal year thereafter, the

state treasurer shall increase the total transfer by the fiscal growth factor, as defined in RCW 43.135.025, forecast for that fiscal year by the office of financial management in November of the preceding year. The moneys deposited in the municipal criminal justice assistance account for distribution under this section, less any moneys appropriated for purposes under (~~RCW 82.44.110~~) subsection (4) of this section, shall be distributed to the cities of the state as follows:

(a) Twenty percent appropriated for distribution shall be distributed to cities with a three-year average violent crime rate for each one thousand in population in excess of one hundred fifty percent of the state-wide three-year average violent crime rate for each one thousand in population. The three-year average violent crime rate shall be calculated using the violent crime rates for each of the preceding three years from the annual reports on crime in Washington state as published by the Washington association of sheriffs and police chiefs. Moneys shall be distributed under this subsection (1)(a) ratably based on population as last determined by the office of financial management, but no city may receive more than one dollar per capita. Moneys remaining undistributed under this subsection at the end of each calendar year shall be distributed to the criminal justice training commission to reimburse participating city law enforcement agencies with ten or fewer full-time commissioned patrol officers the cost of temporary replacement of each officer who is enrolled in basic law enforcement training, as provided in RCW 43.101.200.

(b) Sixteen percent shall be distributed to cities ratably based on population as last determined by the office of financial management, but no city may receive less than one thousand dollars.

The moneys deposited in the municipal criminal justice assistance account for distribution under this subsection shall be distributed at such times as distributions are made under RCW 82.44.150.

Moneys distributed under this subsection shall be expended exclusively for criminal justice purposes and shall not be used to replace or supplant existing funding. Criminal justice purposes are defined as activities that substantially assist the criminal justice system, which may include circumstances where ancillary benefit to the civil justice system occurs, and which includes domestic violence services such as those provided by domestic violence programs, community advocates, and legal advocates, as defined in RCW 70.123.020. Existing funding for purposes of this subsection is defined as calendar year 1989 actual operating expenditures for criminal justice purposes. Calendar year 1989 actual operating expenditures for criminal justice purposes exclude the following: Expenditures for extraordinary events not likely to reoccur, changes in contract provisions for criminal justice services, beyond the control of the local jurisdiction receiving the services, and major nonrecurring capital expenditures.



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(2) In addition to the distributions under subsection (1) of this section:

(a) Fourteen percent shall be distributed to cities that have initiated innovative law enforcement strategies, including alternative sentencing and crime prevention programs. No city may receive more than one dollar per capita under this subsection (2)(a).

(b) Twenty percent shall be distributed to cities that have initiated programs to help at-risk children or child abuse victim response programs. No city may receive more than fifty cents per capita under this subsection (2)(b).

(c) Twenty percent shall be distributed to cities that have initiated programs designed to reduce the level of domestic violence within their jurisdictions or to provide counseling for domestic violence victims. No city may receive more than fifty cents per capita under this subsection (2)(c).

(d) Ten percent shall be distributed to cities that contract with another governmental agency for a majority of the city's law enforcement services.

Moneys distributed under this subsection shall be distributed to those cities that submit funding requests under this subsection to the department of community, trade, and economic development based on criteria developed under RCW 82.14.335. Allocation of funds shall be in proportion to the population of qualified jurisdictions, but the distribution to a city shall not exceed the amount of funds requested. Cities shall submit requests for program funding to the department of community, trade, and economic development by November 1 of each year for funding the following year. The department shall certify to the state treasurer the cities eligible for funding under this subsection and the amount of each allocation.

The moneys deposited in the municipal criminal justice assistance account for distribution under this subsection, less any moneys appropriated for purposes under ((RCW 82.44.110)) subsection (4) of this section, shall be distributed at the times as distributions are made under RCW 82.44.150. Moneys remaining undistributed under this subsection at the end of each calendar year shall be distributed to the criminal justice training commission to reimburse participating city law enforcement agencies with ten or fewer full-time commissioned patrol officers the cost of temporary replacement of each officer who is enrolled in basic law enforcement training, as provided in RCW 43.101.200.

If a city is found by the state auditor to have expended funds received under this subsection in a manner that does not comply with the criteria under which the moneys were received, the city shall be ineligible to receive future

distributions under this subsection until the use of the moneys are justified to the satisfaction of the director or are repaid to the state general fund. The director may allow noncomplying use of moneys received under this subsection upon a showing of hardship or other emergent need.

(3) Notwithstanding other provisions of this section, the distributions to any city that substantially decriminalizes or repeals its criminal code after July 1, 1990, and that does not reimburse the county for costs associated with criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in which the city is located.

(4) Not more than five percent of the funds deposited to the municipal criminal justice assistance account shall be available for appropriations for enhancements to the state patrol crime laboratory system and the continuing costs related to these enhancements. Funds appropriated from this account for such enhancements shall not supplant existing funds from the state general fund.

NEW SECTION. Sec. 14. A new section is added to chapter 43.135 RCW to read as follows:

(1) Initiative Measure No. 601 (chapter 43.135 RCW, as amended by chapter . . . , Laws of 1998 (this act) and the amendatory changes enacted by section 6, chapter 2, Laws of 1994) is hereby reenacted and reaffirmed. The legislature also adopts this act to continue the general fund revenue and expenditure limitations contained in this chapter 43.135 RCW after this one-time transfer of funds.

(2) RCW 43.135.035(4) does not apply to sections 5 through 13, chapter . . . , Laws of 1998 (sections 5 through 13 of this act).

Sec. 15. RCW 43.135.060 and 1994 c 2 s 5 are each amended to read as follows:

(1) After July 1, 1995, the legislature shall not impose responsibility for new programs or increased levels of service under existing programs on any political subdivision of the state unless the subdivision is fully reimbursed ((by specific appropriation)) by the state for the costs of the new programs or increases in service levels. Reimbursement by the state may be made by: (a) A specific appropriation; or (b) increases in state distributions of revenue to political subdivisions occurring after January 1, 1998.

(2) If by order of any court, or legislative enactment, the costs of a federal or local government program are transferred to or from the state, the otherwise applicable state expenditure limit shall be increased or decreased, as the case may be, by the dollar amount of the costs of the program.

(3) The legislature, in consultation with the office of financial management or its successor agency, shall determine the costs of any new programs or increased levels of service under existing programs imposed on any political subdivision or transferred to or from the state.



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(continued)

(4) Subsection (1) of this section does not apply to the costs incurred for voting devices or machines under RCW 29.04.200.

NEW SECTION. Sec. 16. In order to provide funds necessary for the location, design, right of way, and construction of state and local highway improvements, there shall be issued and sold upon the request of the Washington state transportation commission a maximum of one billion nine hundred million dollars of general obligation bonds of the state of Washington.

NEW SECTION. Sec. 17. Upon the request of the transportation commission, the state finance committee shall supervise and provide for the issuance, sale, and retirement of the bonds authorized by sections 16 through 21 of this act in accordance with chapter 39.42 RCW. Bonds authorized by sections 16 through 21 of this act shall be sold in such manner, at such time or times, in such amounts, and at such price as the state finance committee shall determine. No such bonds may be offered for sale without prior legislative appropriation of the net proceeds of the sale of the bonds.

The state finance committee shall consider the issuance of short-term obligations in lieu of long-term obligations for the purposes of more favorable interest rates, lower total interest costs, and increased marketability and for the purpose of retiring the bonds during the life of the project for which they were issued.

NEW SECTION. Sec. 18. The proceeds from the sale of bonds authorized by sections 16 through 21 of this act shall be deposited in the motor vehicle fund. The proceeds shall be available only for the purposes enumerated in section 16 of this act, for the payment of bond anticipation notes, if any, and for the payment of bond issuance costs, including the costs of underwriting.

NEW SECTION. Sec. 19. Bonds issued under the authority of sections 16 through 21 of this act 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 the bonds shall be first payable in the manner provided in sections 16 through 21 of this act from the proceeds of the state excise taxes on motor vehicle

and special fuels imposed by chapters 82.36 and 82.38 RCW. Proceeds of such excise taxes are hereby pledged to the payment of any bonds and the interest thereon issued under the authority of sections 16 through 21 of this act, and the legislature agrees to continue to impose these 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 authority of sections 16 through 21 of this act.

NEW SECTION. Sec. 20. Both principal and interest on the bonds issued for the purposes of sections 16 through 21 of this act shall be payable from the highway bond retirement fund. The state finance committee may provide that a special account be created in the fund to facilitate payment of the principal and interest. The state finance committee shall, on or before June 30th of each year, certify to the state treasurer the amount required for principal and interest on the bonds in accordance with the bond proceedings. The state treasurer shall withdraw revenues from the motor vehicle fund and deposit in the highway bond retirement fund, or a special account in the fund, such amounts, and at such times, as are required by the bond proceedings.

Any funds required for bond retirement or interest on the bonds authorized by sections 16 through 21 of this act shall be taken from that portion of the motor vehicle fund that results from the imposition of excise taxes on motor vehicle and special fuels and which is, or may be, appropriated to the department of transportation for state highway purposes. Funds required shall never constitute a charge against any other allocations of motor vehicle fuel and special fuel tax revenues to the state, counties, cities and towns unless the amount arising from excise taxes on motor vehicle and special fuels distributed to the state in the motor vehicle fund proves insufficient to meet the requirements for bond retirement or interest on any such bonds.

Any payments for bond retirement or interest on the bonds taken from other revenues from the motor vehicle fuel or special fuel taxes that are distributable to the state, counties, cities, and towns, shall be repaid from the first revenues from the motor vehicle fuel or special fuel taxes distributed to the motor vehicle fund not required for bond retirement or interest on the bonds.

NEW SECTION. Sec. 21. Bonds issued under the authority of sections 16 through 20 of this act and this section and any other general obligation bonds of the state of Washington that have been or that may be authorized and that pledge motor vehicle and special fuels excise taxes for the payment of principal and interest thereon shall be an equal charge against the revenues from such motor vehicle and special fuels excise taxes.



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(continued)

NEW SECTION. Sec. 44. Sections 16 through 21 of this act are each added to chapter 47.10 RCW.

NEW SECTION. Sec. 45. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 46. (1) Sections 1 through 3, 5 through 21, 44, and 45 of this act take effect January 1, 1999.

(2) Section 4 of this act takes effect July 1, 1999, and applies to registrations that are due or become due in July 1999, and thereafter.

PLEASE NOTE

Sections 22 through 43, and 47 through 50 of Chapter 231, Laws of 1998 were not referred to the voters by the Legislature as part of Referendum Bill 49.



COMPLETE TEXT OF Initiative Measure 200

AN ACT Relating to prohibiting government entities from discriminating or granting preferential treatment based on race, sex, color, ethnicity, or national origin; and adding new sections to chapter 49.60 RCW.

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

NEW SECTION. Sec. 1. (1) The state shall not discriminate against, or grant preferential treatment to, any individual or group on the basis of race, sex, color, ethnicity, or national origin in the operation of public employment, public education, or public contracting.

(2) This section applies only to action taken after the effective date of this section.

(3) This section does not affect any law or governmental action that does not discriminate against, or grant preferential treatment to, any individual or group on the basis of race, sex, color, ethnicity, or national origin.

(4) This section does not affect any otherwise lawful classification that:

(a) Is based on sex and is necessary for sexual privacy or medical or psychological treatment; or

(b) Is necessary for undercover law enforcement or for film, video, audio, or theatrical casting; or

(c) Provides for separate athletic teams for each sex.

(5) This section does not invalidate any court order or consent decree that is in force as of the effective date of this section.

(6) This section does not prohibit action that must be taken to establish or maintain eligibility for any federal program, if ineligibility would result in a loss of federal funds to the state.

(7) For the purposes of this section, "state" includes, but is not necessarily limited to, the state itself, any city, county, public college or university, community college, school district, special district, or other political subdivision or governmental instrumentality of or within the state.

(8) The remedies available for violations of this section shall be the same, regardless of the injured party's race, sex, color, ethnicity, or national origin, as are otherwise available for violations of Washington anti-discrimination law.

(9) This section shall be self-executing. If any part or parts of this section are found to be in conflict with federal law, the United States Constitution, or the Washington state Constitution, the section shall be implemented to the maximum extent that federal law, the United States Constitution, and the Washington state Constitution permit. Any provision held invalid shall be severable from the remaining portions of this section.

NEW SECTION. Sec. 2. This act shall be known and cited as the Washington State Civil Rights Act.

NEW SECTION. Sec. 3. Sections 1 and 2 of this act are each added to chapter 49.60 RCW.