

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
Legislative	Chow/x4-4652	n/a

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title:

AN ORDINANCE related to the Seattle Transportation Benefit District (STBD); authorizing a \$40 vehicle license fee pursuant to RCW 36.73.065 and 82.80.140; and ratifying and confirming certain prior acts.

Summary and background of the Legislation:

This legislation would raise the current twenty-dollar vehicle license fee to a forty-dollar vehicle license fee as authorized by state law. This legislation is anticipated to raise approximately \$7.2 million annually for transportation related improvements. The legislation anticipates that the Washington State Department of Licensing (DOL) would take six months to implement the vehicle license fee increase, resulting in approximately \$3.6 million of revenue in 2021. Appropriations related to this revenue source would be provided in separate budget legislation.

In 2010, the City of Seattle created the Seattle Transportation Benefit District (STBD), and established a twenty-dollar vehicle license fee to fund transportation improvements as defined in RCW 36.73.015 through STBD Resolution 1. In 2016, the City of Seattle assumed the rights, powers, immunities, functions, and obligations of the STBD as authorized by Chapter 36.74 RCW.

In 2019, Washington voters approved Initiative 976 which was subsequently found to be unconstitutional by the Washington State Supreme Court and invalidated. Had it been upheld, Initiative 976 would have eliminated the state authorization for local vehicle license fees.

State law allows the City of Seattle to raise the vehicle license fee to forty-dollars if a twenty-dollar fee has been in effect for twenty-four months.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ___ Yes X No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? ___ Yes X No

Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

No other financial impacts identified.

Is there financial cost or other impacts of *not* implementing the legislation?

If this legislation is not implemented, the City would forego a source of transportation revenue.

4. OTHER IMPLICATIONS

a. Does this legislation affect any departments besides the originating department?

This legislation would affect the Seattle Department of Transportation (SDOT), the City Budget Office (CBO) and the Department of Finance and Administrative Services (FAS). This legislation raises revenue for transportation purposes as authorized by future budget action. FAS would be responsible for receiving VLF funds from DOL.

b. Is a public hearing required for this legislation?

No.

c. Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?

No.

d. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No.

e. Does this legislation affect a piece of property?

No.

f. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?

This legislation would increase the annual VLF from \$20 per vehicle to \$40 per vehicle. Lower-income vehicle owners would pay proportionally more of their income towards this increase than higher-income vehicle owners.

The VLF is collected by the DOL through annual vehicle license registration and renewal. The DOL is responsible for language accessibility and translation to the public for their programs.

- g. If this legislation includes a new initiative or a major programmatic expansion:
What are the specific long-term and measurable goal(s) of the program? How will
this legislation help achieve the program's desired goal(s)?**

This legislation would increase the amount of revenue available for transportation purposes authorized under state law. Specific program spending and outcomes would be evaluated as part of future budget decisions.

List attachments/exhibits below:

None.