

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
Legislative	Whitson/615-1674	

** 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 relating to the Seattle Transportation Benefit District (STBD); authorizing a \$10 increase to the vehicle license fee to a total fee of \$50, pursuant to RCW 36.73.065 and 82.80.140.

Summary and Background of the Legislation:

This legislation would raise the current \$40 vehicle license fee (VLF) to a \$50 VLF as authorized by state law. This legislation is anticipated to raise approximately \$4 million annually for transportation-related improvements. Under RCW 82.80.140 the Washington State Department of Licensing (DOL) would start collecting the increased VLF starting on July 1, 2023. In 2023, the legislation would result in approximately \$1.96 million of additional transportation revenue. Starting in 2024, the legislation is anticipated to result in approximately \$4 million a year of revenue.

In 2010, The City of Seattle created the Seattle Transportation Benefit District (STBD) and established a \$20 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 2020, The City of Seattle adopted Ordinance 126234, which increased the fee to \$40.

State law allows The City of Seattle to raise the VLF to \$50 if a \$40 fee has been imposed 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?

As described above, the City could collect an additional \$1.96 million in 2023 and approximately \$4 million a year in following years through the increase in the VLF rate.

Are there financial costs 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). The 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. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

Yes, pursuant to RCW 36.73.065 (6), The City of Seattle is required to publish notice of its intention to collect a \$50 VLF in one or more newspapers of general circulation by April 1.

d. Does this legislation affect a piece of property?

No.

e. 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?

The City's portion of the VLF is a flat fee and thus is not a progressive funding source. Low-income households will pay a larger share of their income in VLF fees per vehicle than higher-income households.

DOL would collect the increased fees. No City communications to the public are anticipated apart from those required by law.

f. Climate Change Implications

1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?

No. The \$10 VLF will contribute a small portion of the total Transportation budget and is a relatively small portion of the total costs of owning a car.

2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.

No.

- 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)?**

Not applicable.

Summary Attachments: None.