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KEVIN STOCK  
COUNTY CLERK  
NO: 19-2-11073-8

STATE OF WASHINGTON  
PIERCE COUNTY SUPERIOR COURT

TAYLOR BLACK, ANNE BLACK, JERRY  
KING, RENE KING, ROGER STRUTHERS,  
MARY LOUISE STRUTHERS, AND FRANK  
MAIETTO, individually and on behalf of a class  
of all persons similarly situated,

*Plaintiffs,*

v.

CENTRAL PUGET SOUND REGIONAL  
TRANSIT AUTHORITY, AND STATE OF  
WASHINGTON,

*Defendants.*

COMPLAINT - CLASS ACTION

Plaintiffs allege as follows:

**I. PRELIMINARY STATEMENT**

1. This action seeks to recover unauthorized taxes paid to CPSRTA by vehicle owners in its jurisdiction, and to prevent the collection of such unauthorized taxes in the future.
2. This case is related to *Taylor Black et al. v. Central Puget Sound Regional Transit Authority*, Pierce County No. 18-2-08733-9, currently under consideration by the Washington Supreme Court. However, whereas that case seeks recovery of unauthorized taxes collected pursuant to legislation passed in 2015 ("ST3"), the current case seeks recovery of unauthorized taxes collected pursuant to legislation passed in 1996 ("ST1"), as modified in 1999 and 2010.

1 **II. JURISDICTION AND VENUE**

2 3. This Court has jurisdiction over the subject matter of this lawsuit and over the parties to  
3 the lawsuit.

4 4. Venue is proper in this Court with respect to Defendant Central Puget Sound Regional  
5 Transportation Authority pursuant to RCW 4.12.020.

6 5. Venue is proper in this Court with respect to Defendant State of Washington under RCW  
7 4.92.010.

8 **III. THE PARTIES**

9 6. Defendant Central Puget Sound Regional Transit Authority (“CPSRTA”) is a  
10 Washington municipal corporation with principal administrative offices in King County,  
11 Washington.

12 7. Defendant State of Washington, through the Department of Licensing (“DOL”) and  
13 under contract with CPSRTA, collects motor vehicle excise taxes and remits them in  
14 relevant part to Defendant CPSRTA.

15 **IV. FACTUAL ALLEGATIONS**

16 8. CPSRTA is a regional transit authority created by the laws of the State of Washington.

17 9. In 1992, in ESHB 2610, Chapter 101, Laws of 1992, the Legislature authorized the  
18 formation of a regional transit authority in the central Puget Sound region for the purposes  
19 of designing and implementing a high capacity transportation system.

20 10. In 1993, the county councils of King, Pierce, and Snohomish counties voted to form  
21 CPSRTA.

22 11. CPSRTA is the regional transit authority for the central Puget Sound region.

23 12. CPSRTA plans, builds and operates express bus, light rail and commuter train services.

24 13. CPSRTA serves the urban areas of King, Pierce and Snohomish counties.

25 14. CPSRTA may not levy taxes except pursuant to statutory authorization.

26 15. The State has granted CPSRTA certain specific statutory authorization to seek voter  
27 approval to levy taxes.

- 1 16. After specific statutory authorization has been granted to it, CPSRTA may submit an  
2 authorizing proposition to the voters.
- 3 17. If the proposition is approved by majority vote of voters in the three county area of  
4 CPSRTA, *i.e.*, King, Pierce, and Snohomish counties, CPSRTA may levy and collect an  
5 excise tax, at a rate approved by the voters, on the annual registration of every motor vehicle  
6 owned by a resident of the taxing district.
- 7 18. This tax is called an “MVET.”
- 8 19. The CPSRTA MVET levy is a locally imposed motor vehicle excise tax.
- 9 20. Before beginning collection of MVET, CPSRTA must contract with the Washington State  
10 Department of Licensing (DOL) for the collection of the tax.
- 11 21. MVET is collected by the State of Washington DOL at the time a vehicle owner applies for  
12 State of Washington license plate tabs.
- 13 22. A vehicle owner must pay the MVET as a condition of registering a vehicle.
- 14 23. After collecting MVET, the State holds the proceeds in CPSRTA’s treasury account.
- 15 24. The State periodically remits the relevant portion of the levies it has collected to CPSRTA.
- 16 25. The amount of MVET due annually is calculated by multiplying the tax rate by the value  
17 of the vehicle.
- 18 26. The value of the vehicle is calculated by a statutorily-established formula that multiplies  
19 the initial value (MSRP, purchase price, or MSRP equivalent) by a depreciation schedule  
20 based on the age and type of the vehicle.
- 21 27. In 1990, in SSB 6358, Chapter 42, Laws of 1990, § 303, the legislature established a  
22 statutory vehicle valuation schedule for the purpose of determining motor vehicle excise  
23 tax under Chapter 82.44 RCW.
- 24 28. The statutory vehicle valuation schedule was codified at RCW 82.44.041.
- 25 29. In 1996, RCW 81.104.160 read as follows:
- 26 **81.104.160 Motor vehicle excise tax-Sales and use tax on car rentals.** (1) Cities that  
27 operate transit systems, county transportation authorities, metropolitan municipal  
corporations, public transportation benefit areas, and regional transit authorities may  
submit an authorizing proposition to the voters, and if approved, may levy and collect

1 an excise tax, at a rate approved by the voters, but not exceeding eighty one-hundredths  
2 of one percent on the value, under chapter 82.44 RCW, of every motor vehicle owned  
3 by a resident of the taxing district, solely for the purpose of providing high capacity  
4 transportation service. In any county imposing a motor vehicle excise tax surcharge  
5 pursuant to RCW 81.100.060, the maximum tax rate under this section shall be reduced  
6 to a rate equal to eighty one-hundredths of one percent on the value less the equivalent  
7 motor vehicle excise tax rate of the surcharge imposed pursuant to RCW 81.100.060.  
8 This rate shall not apply to vehicles licensed under RCW 46.16.070 except vehicles with  
9 an unladen weight of six thousand pounds or less, RCW 46.16.079, \*46.16.080,  
10 46.16.085, or 46.16.090.

11 30. The foregoing statute gave CPSRTA express statutory authorization to seek voter approval  
12 for an MVET.

13 31. The foregoing statute expressly stated that valuation of vehicles would be governed by  
14 Chapter 82.44 RCW.

15 32. The foregoing statute did not state that the valuation of vehicles subject to a CPSRTA  
16 MVET would be governed by Chapter 82.44 RCW as it existed on any specific date.

17 33. A future Legislature remained free to amend Chapter 82.44 RCW and specifically the  
18 valuation tables for vehicles subject to MVET.

19 34. Any such future change would require CPSRTA and the Department of Licensing to  
20 comply with the amended valuation schedule.

21 35. In 1996, pursuant to express statutory authorization, CPSRTA sought voter approval for a  
22 ballot proposition called "Sound Move."

23 36. In the November 1996 general election, voters approved Sound Move.

24 37. Pursuant to that voter approval, CPSRTA, through the Department of Licensing, levied a  
25 tax of 0.3% of the vehicle value on vehicles registered in the CPSRTA area (the "0.3% ST1  
26 MVET").

27 38. Pursuant to RCW 81.104.160, vehicle valuation for the 0.3% ST1 MVET was governed by  
Chapter 82.44 RCW.

39. In 1998, the Legislature passed EHB 2894, Chapter 321, Laws of 1998.

40. EHB 2984 § 4 amended RCW 82.44.041, and specifically the vehicle valuation table  
governing MVET applied to motor vehicles other than a truck-type power or trailing units.

- 1 41. Specifically, EHB 2984 § 4 lowered the valuation of 2 and 3 year old vehicles, thereby also  
2 lowering the MVET owed for registration of those vehicles.
- 3 42. EHB 2984 § 4 was referred to the voters as part of Referendum 49.
- 4 43. The voters approved EHB 2984 § 4 and Ref. 49 in November 1998.
- 5 44. EHB 2984 § 4 and Ref. 49 took effect on July 1, 1999.
- 6 45. In early 1999, CPSRTA issued certain revenue bonds, the “Series 1999 Bonds.”
- 7 46. In early 1999, CPSRTA pledged its MVET revenue to repay the Series 1999 Bonds,  
8 together with its sales tax and rental car tax revenue.
- 9 47. The last maturity date for the Series 1999 Bonds is 2028.
- 10 48. In the Series 1999 Bonds, CPSRTA acknowledged that, pursuant to the change in state law  
11 effected by Ref. 49, it would lower the statutory vehicle valuation for vehicles of certain  
12 ages subject to the MVET beginning on the effective date of EHB 2984 § 4, July 1, 1999.
- 13 49. In the Series 1999 Bonds, CPSRTA acknowledged that the change in valuation schedules  
14 would result in an estimated 1% to 1.5% reduction in MVET revenue, or around \$700,000  
15 annually.
- 16 50. On or about July 1, 1999, the Department of Licensing began calculating collection of the  
17 CPSRTA MVET according to the revised valuation tables now in state law at RCW  
18 82.44.041 as a result of EHB 2987 § 4 and Ref. 49.
- 19 51. In the November 2002 general election, voters enacted Initiative 776, which, among other  
20 things, purported to remove CPSRTA’s authority to impose the 0.3% ST1 MVET by  
21 repealing RCW 81.104.160.
- 22 52. Initiative 776 also repealed RCW 82.44.041.
- 23 53. During litigation over the passage of Initiative 776, CPSRTA continued to levy the 0.3%  
24 ST1 MVET.
- 25 54. During litigation over the passage of Initiative 776, and pursuant to the pre-initiative text  
26 of RCW 81.104.160, CPSRTA continued to value vehicles according to Chapter 82.44  
27 RCW, relying on the 1999 valuation tables in use on the date of repeal of RCW 82.44.041,

1 as established by EHB 2987 § 4 and Ref. 49, for purposes of calculating vehicle value under  
2 the 0.3% ST1 MVET.

3 55. In 2006, the Legislature passed SSB 6247, Chapter 318, Laws of 2006, titled “AN ACT  
4 Relating to uniform administration of locally imposed motor vehicle excise taxes.”

5 56. SSB 6247 took effect on June 7, 2006.

6 57. SSB 6247 § 1 added a new section to Chapter 82.44 RCW containing valuation schedules  
7 for the purpose of calculating any locally imposed motor vehicle excise tax.

8 58. The schedules of SSB 6247 § 1 are codified at RCW 82.44.035.

9 59. The 2006 depreciation schedule codified at RCW 82.44.035 establishes the value of a  
10 vehicle subject to MVET for purposes of calculating any locally imposed motor vehicle  
11 excise tax.

12 60. Beginning June 7, 2006, pursuant to the text of RCW 81.104.160 as it had read in 1996 and  
13 in 1999 and prior to I-776, CPSRTA was required to value vehicles according to Chapter  
14 82.44 RCW, using the newly established valuation tables created by SSB 6247 § 1, codified  
15 at RCW 82.44.035, for purposes of calculating vehicle value under the 0.3% ST1 MVET.

16 61. CPSRTA and the Department of Licensing did not begin using the 2006 valuation tables  
17 for purposes of calculating vehicle value under the 0.3% ST1 MVET.

18 62. CPSRTA and the Department of Licensing continued to use the 1999 valuation tables for  
19 purposes of calculating vehicle value under the 0.3% ST1 MVET.

20 63. CPSRTA and the Department of Licensing have never used the 2006 valuation tables for  
21 any purpose, including for purposes of calculating vehicle value under the 0.3% ST1  
22 MVET.

23 64. On December 7, 2006, the Washington Supreme Court issued an opinion in *Pierce County*  
24 *v. State* (“*Pierce County II*”). *Pierce County II* held that the repeal of RCW 81.104.160 was  
25 unconstitutional as to CPSRTA on the grounds that it impermissibly impaired the  
26 contractual obligations between CPSRTA and its bondholders in violation of the state  
27 Constitution’s contract clause.

1 65. On December 7, 2006, the Washington Supreme Court held that a legislative act  
2 compelling CPSRTA to discontinue all MVET collection substantially impaired the  
3 contractual obligations between CPSRTA and its bondholders in violation of the state  
4 Constitution's contract clause because contract counterparties may have relied on three  
5 separate lines of tax revenue as sources of payment for the Series 1999 Bonds.

6 66. On December 7, 2006, the Washington Supreme Court permitted CPSRTA to continue to  
7 levy the 0.3% ST1 MVET for so long as the Series 1999 bonds remain outstanding.

8 67. On March 22, 2010, the Legislature passed SB 6379, Chapter 161, Laws of 2010, titled "AN  
9 ACT Relating to streamlining and making technical corrections to vehicle and vessel  
10 registration and title provisions."

11 68. SB 6379 § 1 stated "This act is intended to streamline and make technical amendments to  
12 certain codified statutes that deal with vehicle and vessel registration and title. Any  
13 statutory changes made by this act should be interpreted as technical in nature and not be  
14 interpreted to have any substantive policy or legal implications."

15 69. SB 6379 § 903 became effective on July 1, 2011.

16 70. SB 6379 § 903 reads as follows:

17 RCW 81.104.160 and 2009 c 280 s 4 are each amended to read as follows:

18 An agency and high capacity transportation corridor area may impose a sales and use tax  
19 solely for the purpose of providing high capacity transportation service, in addition to  
20 the tax authorized by RCW 82.14.030, upon retail car rentals within the applicable  
21 jurisdiction that are taxable by the state under chapters 82.08 and 82.12 RCW. The rate  
22 of tax shall not exceed 2.172 percent. The base of the tax shall be the selling price in the  
23 case of a sales tax or the rental value of the vehicle used in the case of a use tax.

24 Any motor vehicle excise tax previously imposed under the provisions of RCW  
25 81.104.160(1) shall be repealed, terminated, and expire on December 5, 2002, except for  
26 a motor vehicle excise tax for which revenues have been contractually pledged to repay  
27 a bonded debt issued before December 5, 2002, as determined by *Pierce County et al. v.*  
*State*, 159 Wn.2d 16, 148 P.3d 1002 (2006). In the case of bonds that were previously  
issued, the motor vehicle excise tax must comply with chapter 82.44 RCW as it existed  
on January 1, 1996.

25 71. On March 22, 2010, the 0.3% ST1 MVET did not comply with chapter 82.44 RCW as it  
26 existed on January 1, 1996.

- 1 72. Chapter 82.44 RCW as it existed on January 1, 1996 contained valuation schedules that  
2 valued 2 and 3 year old vehicles higher as compared to the schedules actually in use by  
3 CPSRTA and the Department of Licensing for the 0.3% ST1 MVET on March 22, 2010.
- 4 73. CPSRTA and the Department of Licensing were obliged by SSB 6379 § 903 to raise  
5 valuations and thereby raise taxes on 2 and 3 year old vehicles as of July 1, 2011.
- 6 74. This increase in taxable value and therefore in taxes owed by registrants of 2 and 3 year old  
7 vehicles was a substantive policy change.
- 8 75. SSB 6379 § 903 did not streamline vehicle and vessel registration and title provisions.
- 9 76. SSB 6379 § 903 did not make technical corrections to vehicle and vessel registration and  
10 title provisions.
- 11 77. The title of SSB 6379 did not give notice of its content, specifically, the tax increase of  
12 § 903, so as to reasonably lead to an inquiry into those contents.
- 13 78. The title of SSB 6379 would lead a reasonable reader to conclude that the contents effected  
14 no substantive policy change.
- 15 79. The title of SSB 6379 would not lead a reasonable reader to conclude that it included a tax  
16 increase.
- 17 80. The tax increase of SSB 6379 § 903 is outside the subject of the act.
- 18 81. The tax increase of SSB 6379 § 903 is not expressed in the title of the act.
- 19 82. SSB 6379 § 903 violates Art. II § 19 of the Washington Constitution.
- 20 83. SSB 6379 § 903 did not repeal a statute.
- 21 84. SSB 6379 § 903 did not repeal a section of a statute.
- 22 85. SSB 6379 § 903 did not repeal an act.
- 23 86. SSB 6379 § 903 did not repeal RCW 82.44.035.
- 24 87. SSB 6379 § 903 did not adopt a prior act by reference.
- 25 88. SSB 6379 § 903 did not supplement a prior act.
- 26 89. SSB 6379 § 903 did not repeal the MVET valuation schedule codified at RCW 82.44.035.
- 27



- 1 90. SSB 6379 § 903 did not reference the MVET valuation schedule codified at RCW  
2 82.44.035.
- 3 91. SSB 6379 § 903 did not set forth at full length RCW 82.44.035.
- 4 92. SSB 6379 § 903 as codified at RCW 81.104.160 renders an existing statute erroneous.
- 5 93. SSB 6379 § 903 as codified at RCW 81.104.160 renders RCW 82.44.035 erroneous.
- 6 94. SSB 6379 § 903 as codified at RCW 81.104.160 violates Art. II § 37 of the Washington state  
7 constitution.
- 8 95. In revenue projections created in about April 2017, CPSRTA projected that use of the 2006  
9 schedules instead of the 1999 schedules in use would reduce MVET revenue by  
10 approximately 25%.
- 11 96. Those projections are attached hereto as Exhibit A.
- 12 97. From April 1, 1997 through March 31, 1998, CPSRTA collected \$208,592,638 in sales tax,  
13 MVET, and car rental tax, all of which it pledged for repayment of the Series 1999 Bonds.
- 14 98. In 1999, CPSRTA's debt service for the Series 1999 bonds was \$11,442,592.
- 15 99. EHB 2984 § 4 and Ref. 49 which lowered certain vehicle valuations did not substantially  
16 impair the Series 1999 Bond contracts.
- 17 100. Reducing MVET revenue by 1% from July 1, 1999 forward did not substantially impair the  
18 Series 1999 Bond contracts.
- 19 101. In 2006, CPSRTA's debt service for the Series 1999 bonds was \$21,348,488.
- 20 102. In 2006, CPSRTA collected \$259,164,000 in sales tax revenue.
- 21 103. In 2006, CPSRTA collected \$70,202,000 in MVET revenue.
- 22 104. In 2006, CPSRTA collected \$2,427,000 in car rental tax revenue.
- 23 105. In 2007, CPSRTA's debt service for the Series 1999 bonds was \$ 21,349,188.
- 24 106. In 2007, CPSRTA collected \$280,263,000 in sales tax revenue.
- 25 107. In 2007, CPSRTA collected \$72,403,000 in MVET revenue.
- 26 108. In 2007, CPSRTA collected \$2,531,000 in car rental tax revenue.
- 27

- 1 109. Had CPSRTA complied with SSB 6247 § 1 as required by law, its MVET revenue would  
2 have declined by approximately 25% beginning on June 7, 2006.
- 3 110. Had CPSRTA complied with SSB 6247 § 1 as required by law, its MVET revenue would  
4 have been approximately \$54,302,250 in 2007.
- 5 111. Had CPSRTA complied with SSB 6247 § 1 as required by law, it would have collected  
6 approximately \$337,096,250 in revenue pledged to the Series 1999 Bonds during 2007.
- 7 112. Collecting \$337,096,250 instead of \$355,197,000 in revenue pledged to the Series 1999  
8 Bonds during 2007 would not have substantially impaired the Series 1999 Bond contracts.
- 9 113. During 2007, complying with RCW 81.104.160 as it had been written in 1996 and existed  
10 1999 when the Series 1999 Bonds were issued, including by continuing to follow legislative  
11 changes in Chapter 82.44 RCW as required by that statute, would not have substantially  
12 impaired the Series 1999 Bond contracts.
- 13 114. In 2010, CPSRTA's debt service for the Series 1999 bonds was \$21,310,585.
- 14 115. In 2010, CPSRTA collected \$504,101,000 in sales tax revenue.
- 15 116. In 2010, CPSRTA collected \$65,788,000 in MVET revenue.
- 16 117. In 2010, CPSRTA collected \$2,409,000 in car rental tax revenue.
- 17 118. Had CPSRTA complied with SSB 6247 § 1 as required by law, its MVET revenue would  
18 have been approximately \$49,341,000 in 2010.
- 19 119. Had CPSRTA complied with SSB 6247 § 1 as required by law, it would have collected  
20 approximately \$555,851,000 in revenue pledged to the Series 1999 Bonds during 2010.
- 21 120. Collecting \$555,851,000 instead of \$572,298,000 in revenue pledged to the Series 1999  
22 Bonds during 2010 would not have substantially impaired the Series 1999 Bond contracts.
- 23 121. During 2010, complying with RCW 81.104.160 as it had been written in 1996 and existed  
24 1999 when the Series 1999 Bonds were issued, including by continuing to follow legislative  
25 changes in Chapter 82.44 RCW as required by that statute, would not have substantially  
26 impaired the Series 1999 Bond contracts.
- 27 122. In 2011, CPSRTA's debt service for the Series 1999 bonds was \$21,298,918.

- 1 123. In 2011, CPSRTA collected \$528,022,000 in sales tax revenue.
- 2 124. In 2011, CPSRTA collected \$65,893,000 in MVET revenue.
- 3 125. In 2011, CPSRTA collected \$1,958,000 in car rental tax revenue.
- 4 126. Had CPSRTA complied with SSB 6247 § 1 as required by law, its MVET revenue would  
5 have been approximately \$49,419,750 in 2011.
- 6 127. Had CPSRTA complied with SSB 6247 § 1 as required by law, it would have collected  
7 approximately \$579,399,750 in revenue pledged to the Series 1999 Bonds during 2011.
- 8 128. Collecting \$579,399,750 instead of \$595,873,000 in revenue pledged to the Series 1999  
9 Bonds during 2011 would not have substantially impaired the Series 1999 Bond contracts.
- 10 129. During 2011, complying with RCW 81.104.160 as it had been written in 1996 and existed  
11 1999 when the Series 1999 Bonds were issued, including by continuing to follow legislative  
12 changes in Chapter 82.44 RCW as required by that statute, would not have substantially  
13 impaired the Series 1999 Bond contracts.
- 14 130. In 2012, CPSRTA's debt service for the Series 1999 bonds was \$ 21,288,891.
- 15 131. In 2012, CPSRTA collected \$551,898,000 in sales tax revenue.
- 16 132. In 2012, CPSRTA collected \$65,944,000 in MVET revenue.
- 17 133. In 2012, CPSRTA collected \$2,527,000 in car rental tax revenue.
- 18 134. Had CPSRTA complied with SSB 6247 § 1 as required by law, its MVET revenue would  
19 have been approximately \$49,458,000 in 2012.
- 20 135. Had CPSRTA complied with SSB 6247 § 1 as required by law, it would have collected  
21 approximately \$603,883,000 in revenue pledged to the Series 1999 Bonds during 2012.
- 22 136. Collecting \$603,883,000 instead of \$620,369,000 in revenue pledged to the Series 1999  
23 Bonds during 2012 would not have substantially impaired the Series 1999 Bond contracts.
- 24 137. During 2012, complying with RCW 81.104.160 as it had been written in 1996 and existed  
25 1999 when the Series 1999 Bonds were issued, including by continuing to follow legislative  
26 changes in Chapter 82.44 RCW as required by that statute, would not have substantially  
27 impaired the Series 1999 Bond contracts.

1 138. Had CPSRTA complied with SSB 6247 § 1 (as had been required by law to do beginning  
2 years earlier) beginning July 1, 2011, its MVET revenue would have declined by  
3 approximately 25% beginning on July 1, 2011.

4 139. Reducing MVET revenue by 25% from July 1, 2011 forward would not have substantially  
5 impaired the Series 1999 Bond contracts.

6 140. Use of the 2006 valuation schedules now codified at RCW 82.44.035 instead of either the  
7 1999 schedules or the 1996 schedules for the 0.3% ST1 MVET would not substantially  
8 impair the Series 1999 Bond contracts.

9 **V. CLASS ALLEGATIONS**

10 141. As authorized by CR 23(b)(2), Plaintiffs bring this action on behalf of a class consisting of  
11 all persons who paid the 0.3% ST1 MVET to CPSRTA via the Department of Licensing  
12 during the period of time beginning three years before the filing date of this complaint and  
13 continuing to the present.

14 142. Plaintiffs allege that at least a portion of the 0.3% ST1 MVET collected by the State from  
15 ST1 Class members and remitted to CPSRTA was collected without constitutionally  
16 adequate statutory authorization, and therefore, should not have been collected in the past  
17 and should not be collected in the future.

18 143. Plaintiffs seek refunds of 0.3% ST1 MVET paid in excess of the amount that was authorized  
19 by constitutionally valid legislation.

20 144. Plaintiffs seek injunctions prohibiting future collections and impositions of unauthorized  
21 amounts of the 0.3% ST1 MVET.

22 145. The Class is identifiable through Defendants' business records.

23 **NUMEROSITY OF CLASS MEMBERS**

24 146. On information and belief, the potential class members of the Class number over one  
25 million.

26 147. Joinder of all members of the Class is impracticable.

1 **COMMONALITY**

2 148. All class members in the Class have in common the question of whether SSB 6379 § 903  
3 complied with Art. II § 19 of the state constitution.

4 149. All class members in the Class have in common the question of whether SSB 6379 § 903  
5 complied with Art. II § 37 of the state constitution.

6 **TYPICALITY**

7 150. The Blacks' claims are typical of those of the class. They have paid at least one annual  
8 MVET in King County within the past three years, imposed as a result of the 0.3% ST1  
9 MVET, and remitted to CPSRTA.

10 151. The Kings' claims are typical of those of the class. They have paid at least one annual  
11 MVET in Pierce County within the past three years, imposed as a result of the 0.3% ST1  
12 MVET, and remitted to CPSRTA.

13 152. The Struthers' claims are typical of those of the class. They have paid at least one annual  
14 MVET in Snohomish County within the past three years, imposed as a result of the 0.3%  
15 ST1 MVET, and remitted to CPSRTA.

16 153. Maietto's claims are typical of those of the class. He has paid at least one annual MVET in  
17 Snohomish County within the past three years, imposed as a result of the 0.3% ST1 MVET,  
18 and remitted to CPSRTA.

19 **ADEQUACY OF REPRESENTATION**

20 154. The Blacks have been fully informed of the responsibilities of being a class representative  
21 and have agreed to fully and fairly represent the class. The Blacks' interests do not conflict  
22 with the interests of the Class.

23 155. The Kings have been fully informed of the responsibilities of being a class representative  
24 and have agreed to fully and fairly represent the class. The Kings' interests do not conflict  
25 with the interests of the Class.  
26  
27

1 156. The Struthers have been fully informed of the responsibilities of being a class  
2 representative and have agreed to fully and fairly represent the class. The Struthers'  
3 interests do not conflict with the interests of the Class.

4 157. Maietto has been fully informed of the responsibilities of being a class representative and  
5 has agreed to fully and fairly represent the class. Maietto's interests do not conflict with  
6 the interests of the Class.

7 158. Class counsel is experienced in class action litigation and will vigorously represent the  
8 interests of the class.

9 **CERTIFICATION UNDER CR 23(B)(2)**

10 159. The actions of Defendants CPSRTA and the State of Washington have affected all  
11 members of the class in a substantially identical way. Plaintiffs' claims and any defenses  
12 asserted by Defendants are generally applicable to the class as a whole and to Plaintiffs.

13 160. Common questions of law and fact predominate over questions affecting only individual  
14 class members.

15 161. A class action is the superior method for fair and efficient adjudication of the controversy.

16 162. The only individual issue that will require resolution concerns the identification of class  
17 members, which will be ascertainable from records maintained by Defendant and/or its  
18 agents.

19 **VI. CAUSES OF ACTION**

20 **FIRST CAUSE OF ACTION: DECLARATORY JUDGMENT**

21 163. Plaintiffs incorporate the foregoing Paragraphs as if fully restated herein.

22 164. Plaintiffs seek a judicial declaration that SSB 6379 § 903 is unconstitutional for failing to  
23 comply with Art. II § 19 of the Washington state constitution in that it falls outside the  
24 scope of the title and subject of SSB 6379.

25 165. Plaintiffs seek a judicial declaration that SSB 6379 § 903 is unconstitutional for failing to  
26 comply with Art. II § 37 of the Washington state constitution in that it purported to amend  
27 existing statutory provisions without setting them out in full.

1                                   **SECOND CAUSE OF ACTION: DECLARATORY JUDGMENT**

2 166. Plaintiffs incorporate the foregoing Paragraphs as if fully restated herein.

3 167. Plaintiffs seek a judicial declaration that Defendants CPSRTA and the State of Washington  
4 are not authorized to collect MVET in excess of 0.3 percent of value calculated according  
5 to RCW 82.44.035.

6                                   **THIRD CAUSE OF ACTION: INJUNCTIVE RELIEF**

7 168. Plaintiffs incorporate the foregoing Paragraphs as if fully restated herein.

8 169. The State of Washington, acting through its Department of Licensing, has been collecting  
9 the 0.3% ST1 MVET using valuation schedules that are not authorized by any statute.

10 170. On information and belief, the State intends to continue collecting the 0.3% ST1 MVET  
11 but begin using the higher valuation schedules purportedly authorized by SSB 6379 § 903  
12 unless enjoined by this Court.

13 171. Plaintiffs seek an injunction preventing this tax increase and a mandate from this Court that  
14 CPSRTA and the State may only collect the 0.3% ST1 MVET using the valuation schedules  
15 established by SSB 6247 and codified at RCW 82.44.035.

16 172. No legal remedy can adequately provide relief to Plaintiffs and the class.

17                                   **FOURTH CAUSE OF ACTION: TAX REFUND**

18 173. Plaintiffs incorporate the foregoing Paragraphs as if fully restated herein.

19 174. Neither Defendant has any right to the proceeds collected pursuant to the 0.3% ST1 MVET  
20 in excess of the amounts that would have been collected using the valuation schedules of  
21 RCW 82.44.035, and Plaintiffs seek a judicial declaration that those proceeds should be  
22 refunded to taxpayers.

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VII. PRAYER FOR RELIEF

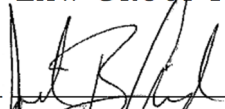
WHEREFORE, on behalf of Plaintiffs and all class members, Plaintiffs pray for the following relief:

- 1. For a declaratory judgment that SSB 6379 § 903, as codified at RCW 81.104.160, is unconstitutional for failure to comply with Art. II § 19 of the state constitution.
- 2. For a declaratory judgment that SSB 6379 § 903, as codified at RCW 81.104.160, is unconstitutional for failure to comply with Art. II § 37 of the state constitution.
- 3. For a declaratory judgment that the portion of the 0.3% ST1 MVET collected in reliance on SSB 6379 § 903 is void.
- 4. For injunctive relief prohibiting future collections of the 0.3% ST1 MVET collected in reliance on SSB 6379 § 903.
- 5. For a refund of portion of the 0.3% ST1 MVET collected in reliance on SSB 6379 § 903.
- 6. For an award of Plaintiffs' and the class' costs of this suit and attorney's fees.
- 7. For all other relief the Court may deem just and proper.


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September 27, 2019.

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**Ex.**

**A**

**MVET Revenue Loss - Loss of .3% and 2006 Schedule for .8%**

\*Elimination of .3% ST2 MVET tax 2017-2028 as a result of defeasance of 1999 bonds  
 \*ST3 MVET tax base (2017 to 2028) is reduced by approximately 2.5% to match 2006 year depreciation schedule.  
 \*ST3 MVET tax base (2029 to 2041) is unchanged from ST3 forecast, which already anticipated change to 2006 schedule in 2029.

**Baseline Revenue vs MVET Revenue Loss**

YOE in 000s	Total 2017-2041											
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Baseline MVET Revenues	\$ 217,339	\$ 320,156	\$ 328,970	\$ 337,655	\$ 347,152	\$ 357,150	\$ 368,163	\$ 379,542	\$ 391,902	\$ 405,344	\$ 419,657	\$ 434,470
MVET Revenue Loss Scenario	\$ 108,808	\$ 174,618	\$ 179,429	\$ 184,171	\$ 189,355	\$ 194,814	\$ 200,827	\$ 207,039	\$ 213,788	\$ 221,127	\$ 228,941	\$ 237,029
<b>Difference</b>	<b>\$ 1,974,153</b>	<b>\$ 145,539</b>	<b>\$ 149,541</b>	<b>\$ 153,485</b>	<b>\$ 157,797</b>	<b>\$ 162,336</b>	<b>\$ 167,336</b>	<b>\$ 172,502</b>	<b>\$ 178,114</b>	<b>\$ 184,217</b>	<b>\$ 190,715</b>	<b>\$ 197,442</b>

\*Note: Adjustments are made to tax base, and are adjusted from accrual to cash basis.

**Summary Sources and Uses - 2017-2041, YOES in Millions**

Baseline		Scenario with MVET Revenue Loss		Variance	
	Total		Total		Total
<b>Sources</b>					
Tax Revenue	\$ 59,705	Tax Revenue	\$ 57,731	Tax Revenue	\$ (1,974)
Grant Revenue	\$ 7,738	Grant Revenue	\$ 7,738	Grant Revenue	\$ -
Bond Proceeds	\$ 10,360	Bond Proceeds	\$ 16,274	Bond Proceeds	\$ 5,914
TIFIA Proceeds	\$ 3,320	TIFIA Proceeds	\$ 3,320	TIFIA Proceeds	\$ -
Fares & Other	\$ 5,985	Fares & Other	\$ 5,985	Fares & Other	\$ -
Interest Earnings	\$ 441	Interest Earnings	\$ 499	Interest Earnings	\$ 57
<b>Total Sources</b>	<b>\$ 87,549</b>	<b>Total Sources</b>	<b>\$ 91,547</b>	<b>Total Sources</b>	<b>\$ 3,997</b>
<b>Uses</b>					
Total Capital	\$ 46,451	Total Capital	\$ 46,451	Total Capital	\$ -
Total O&M	\$ 21,639	Total O&M	\$ 21,627	Total O&M	\$ (12)
SOGR Spending	\$ 6,422	SOGR Spending	\$ 6,422	SOGR Spending	\$ -
Debt Service	\$ 9,679	Debt Service	\$ 13,730	Debt Service	\$ 4,051
TIFIA Debt Service	\$ 2,568	TIFIA Debt Service	\$ 2,568	TIFIA Debt Service	\$ -
Bond Reserve	\$ 750	Bond Reserve	\$ 1,178	Bond Reserve	\$ 428
O&M Reserve Cont.	\$ 188	O&M Reserve Cont.	\$ 188	O&M Reserve Cont.	\$ 0
Cap. Reserve Cont.	\$ -	Cap. Reserve Cont.	\$ -	Cap. Reserve Cont.	\$ -
Sys Activities	\$ -	Sys Activities	\$ -	Sys Activities	\$ -
Change in Cash	\$ (149)	Change in Cash	\$ (618)	Change in Cash	\$ (470)
<b>Total Uses</b>	<b>\$ 87,549</b>	<b>Total Uses</b>	<b>\$ 91,547</b>	<b>Total Uses</b>	<b>\$ 3,997</b>

Baseline financial plan is consolidated ST3 and SM/ST2 Financial Plans.  
 Scenario with MVET loss subtracts MVET revenue from Baseline Plan, then resolves debt issuance to continue to finance capital program.

