

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON  
IN AND FOR THE COUNTY OF KING

GARFIELD COUNTY  
TRANSPORTATION AUTHORITY;  
KING COUNTY; CITY OF SEATTLE;  
WASHINGTON STATE TRANSIT  
ASSOCIATION; ASSOCIATION OF  
WASHINGTON CITIES; PORT OF  
SEATTLE; INTERCITY TRANSIT;  
AMALGAMATED TRANSIT UNION  
LEGISLATIVE COUNCIL OF  
WASHINGTON; and MICHAEL  
ROGERS,

Plaintiffs,

v.

STATE OF WASHINGTON,

Defendant.

No. 19-2-30171-6 SEA

PLAINTIFFS' MOTION FOR  
PRELIMINARY INJUNCTION

**I. INTRODUCTION AND REQUESTED RELIEF**

Plaintiffs respectfully request an injunction preventing Initiative No. 976 (“I-976”) from taking effect, because the initiative is unconstitutional and its implementation would cause immediate, devastating, and irreparable impacts statewide. Plaintiffs are a broad coalition from across the state that will suffer substantial and irreversible harm should I-976 be allowed to take

1 effect as scheduled. Specifically, the loss of hundreds of millions of dollars in revenue, grants,  
2 and resources that would result under I-976 would hobble the ability of government entities to  
3 complete vital infrastructure projects, fix dangerous highways, retrofit bridges, fund transit,  
4 expand light rail, maintain ferries, and improve the freight corridors that are the lifeblood of our  
5 economy.  
6

7 Whether the communities are large or small, rural or urban, the damage will be pervasive,  
8 and there is no corner of Washington that avoids harm. That harm will only deepen and spread  
9 with time. For example, the City of Seattle alone faces the loss of \$2,680,000 in revenue in just  
10 the first twenty-seven days of I-976's implementation, which over time could lead to  
11 approximately 175,000 annual transit hours of King County Metro service being cut. Plaintiff  
12 Garfield County Transportation Authority ("GCTA"), providing essential "lifeline" support to  
13 the State's smallest county, would face a cut of more than half its services. Localities from  
14 Bainbridge to Zillah would lose a combined nearly \$60 million in annual revenue for their  
15 Transportation Benefit Districts ("TBDs"). Individuals such as Plaintiff Michael Rogers, who  
16 has cerebral palsy and uses a wheelchair, will face ever-increasing restrictions on their basic  
17 mobility as their public transit options shrink or disappear in inevitable service cuts. All of this  
18 harm is actual, undeniable and cannot be undone by subsequent relief.  
19

20  
21 An injunction is warranted because Plaintiffs are likely to prevail on the merits of their  
22 constitutional claims. Washingtonians were not presented with one clear and constitutional choice  
23 at the ballot box. Instead, as with prior unconstitutional initiatives by the same sponsor, I-976 is a  
24 poorly drafted hodge-podge that violates multiple constitutional provisions. One particularly  
25 startling illustration of this (admitted publicly by the Initiative's sponsor) is that the Initiative  
26 promises the option of voter-approved charges, but instead bars them – a clear violation of multiple  
27

1 provisions of article II, section 19. By combining one seemingly popular subject with other  
2 unrelated ones, the Initiative is also a textbook example of logrolling, a separate violation of article  
3 II, section 19’s requirement of a single subject initiative. Additionally, I-976 violates article II,  
4 section 37 by amending numerous statutes without disclosing those amendments to voters. I-976  
5 further ignores a number of fundamental Constitutional requirements – such as separation of  
6 powers and the assurance that every vote will count. For all these reasons, a preliminary injunction  
7 is necessary so that the Court may fully and fairly consider the substantial issues raised by this  
8 case.  
9

## 10 II. STATEMENT OF FACTS

### 11 A. Local Governments Receive Significant State Funding for Transportation and 12 Transit Through the Multimodal Account and Other Accounts Impacted by I-976.

13 Washington municipalities have limited revenue source options, which are insufficient to  
14 fund fully transit and transportation improvements. To make up some of the difference, the State  
15 funds the Multimodal Account, among others, to provide support for all types of transportation  
16 projects and programs including highway preservation and public transportation. *See*  
17 RCW 47.66.070. This critical account funds local programs such as: Regional Mobility Grant  
18 Program, Rural Mobility Grant Program, Highway Safety, Puget Sound Ferry Operating and  
19 Capital Programs, Washington State Patrol, Rail Capital and Operating, Transportation  
20 Improvement Board, Safe Routes to School, and direct allocations to counties and cities. *See*  
21 Declaration of Matthew Segal (“Segal Decl.”), Ex. E.  
22

23 The major sources contributing to the Multimodal Account include motor vehicle fuel taxes  
24 (the “gas tax”); vehicle-related licenses, fees and permits; driver-related fees and charges; user  
25 charges (ferry fares, tolls); and sales and use tax. *Id.* The Office of Financial Management  
26 (“OFM”) estimates I-976 will have a \$1.5 billion impact over the next six years to this account.  
27

1 That estimate does not include any costs for project delays, restructured or delayed financing, and  
2 importantly, the loss of the .3% motor vehicle sales tax revenue. Declaration of Peter King (“King  
3 Decl.”), Ex. B.

4 Beyond the Multimodal Account, the State has a variety of other accounts it funds to  
5 support transit and transportation improvements. Segal Decl., Ex. E. In the 2017-19 transportation  
6 budget, vehicle license, permits and fees accounted for 15% of the revenue for these other  
7 accounts. *Id.* Overall, if allowed to take effect, I-976 will eliminate substantial sources of funding  
8 for these accounts and impact local communities. *See* Declaration of John Taylor (“Taylor Decl.”),  
9 ¶ 9.

11 **B. More than 60 Transportation Benefit Districts Stand to Lose a Vital Source of**  
12 **Direct Funding for Local Transportation Projects: Local Vehicle Licensing Fees.**

13 Washington cities, towns, and counties are authorized to establish TBDs to generate  
14 revenue for specific transportation projects. *See generally* ch. 36.73 RCW. TBDs utilize factors  
15 including improved safety, air quality, and accessibility for persons with special transportation  
16 needs when selecting transportation improvements. RCW 36.73.020(1). The Legislature has  
17 granted TBDs independent taxing authority, which includes a voted sales tax and local vehicle  
18 license fees. RCW 36.73.040. In Fiscal Year 2018, The State Department of Licensing  
19 (“DOL”) and its agents collected \$58,186,839 in Vehicle License Fee (“VLF”) revenue for local  
20 TBDs.<sup>1</sup> *See* Segal Decl., Ex. F at 6.<sup>2</sup>

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24 <sup>1</sup> DOL collects revenues and processes applications for all vehicle title and registration transactions statewide. *See*  
25 ch. 46.01 RCW. DOL collects all vehicle related fees, including VLFs implemented by TBDs; taxes, including the  
26 motor vehicle excise tax; other general fees and charges, including filing fees, service fees, registration fees, tab  
27 reflectivity fee, license plate technology fee, license service fee; special fees such as outstanding parking surcharge  
fee, license plate transfer fee, electrification fee, and personalized license plate fee; and any sales or use tax due. *See*  
*generally* ch. 46.16A RCW (vehicle registration); ch. 46.17 RCW (vehicle fees). A single registration or renewal  
payment is, therefore, actually a payment for multiple types of charges.

<sup>2</sup> Available at <https://fortress.wa.gov/FNSPublicSearch/GetPDF?packageID=56612>.

1 Local VLF revenue can be initiated in either of two ways: RCW 82.80.140 confers  
2 authority for TBD governing bodies to enact local VLFs of up to \$50 (non-voted), and voter-  
3 approved charges may bring the total up to \$100. TBD-enacted VLFs begin at \$20 and may  
4 increase over time through various mechanisms to \$50. *Id.* More than sixty Washington cities  
5 currently utilize local TBD authority to collect VLFs ranging from \$20 to \$40 per vehicle  
6 registration.<sup>3</sup> As explained below, I-976 would eliminate this funding option.  
7

8 Voter approved charges also provide additional revenue for transportation and transit  
9 services and projects. In 2014, City of Seattle voters chose to increase their own VLFs. In July  
10 2014, the Seattle TBD passed Resolution 12, which resolved to place on the ballot a funding  
11 measure seeking voter authorization for a \$60 VLF and 0.1% sales tax increase to generate over  
12 \$50 million annually to improve transit service and access for six years. Declaration of Rachel  
13 VerBoort (“VerBoort Decl.”), ¶ 3. In November 2014, 62.43 percent of Seattle voters approved  
14 STBD Proposition 1, which funds the purchase of increased Metro service and additional transit  
15 programs for Seattle residents. *Id.* About 45% of the Proposition 1 revenue comes from a \$60  
16 VLF, meaning these voter-approved fees result in revenue of \$24 million per year. *Id.*, ¶ 5.  
17

18 **C. I-976 Purports to Cap Vehicle License Tabs at \$30 – But Does Much More.**

19 The self-proclaimed title of the I-976 is “Bring Back Our \$30 Car Tabs.” I-976, §17.

20 The following operative ballot title was placed before the voters:  
21

22 Initiative Measure No. 976 concerns motor vehicle taxes and fees.

23 This measure would repeal, reduce, or remove authority to impose certain vehicle taxes  
24 and fees; limit annual motor-vehicle-license fees to \$30, except voter-approved charges;  
and base vehicle taxes on Kelley Blue Book value.

25 Segal Decl., Ex. B.  
26

27 <sup>3</sup> <https://www.dol.wa.gov/vehicleregistration/localfees.html>

1           The stated purpose of I-976 based upon its text is to “limit state and local taxes, fees, and  
2 other charges relating to motor vehicles.” Segal Decl., Ex. A at § 1. Specifically, I-976 “limit[s]  
3 annual motor vehicle fees to \$30, except voter approved charges.” *Id.* I-976 adds a new section  
4 to chapter 46.17 RCW that imposes a hard cap on vehicle registration and annual renewal fees:  
5 “State and local motor vehicle license fees may not exceed \$30 per year for motor vehicles,  
6 regardless of year, value, make or model.” *Id.* at § 2(1). The term “state and motor vehicle  
7 license fees’ means **the general license tab fees** paid annually for licensing motor vehicles . . .  
8 **and do not (sic) include charges approved by voters after the effective date of this section.**”  
9 *Id.* at § 2(2) (emphasis added). The \$30 motor vehicle license fee restriction applies to “initial”  
10 registration and each annual “renewal vehicle registration.” *Id.*

11  
12           Sections 3 and 4 of I-976 set the vehicle license fee at \$30 for many non-commercial  
13 vehicles. *Id.* at §§ 3, 4. Although I-976 directly addresses some general license registration fees  
14 in chapter 46.17 RCW, it is silent on others. In addition to limiting the vehicle license fee to \$30  
15 for many vehicles, I-976 also eliminates the electric vehicle mitigation fee established by  
16 RCW 46.17.323. *Id.* at § 5. Under existing law, this mitigation fee was imposed to address “the  
17 impact of vehicles on state roads and highways and for the purpose of evaluating the feasibility  
18 of transitioning from a revenue collection system based on fuel taxes to a road user assessment  
19 system.” RCW 46.17.323 (3)(a). It is “separate and distinct from other vehicle license fees.” *Id.*

20  
21           Under the heading, “Repeal and Remove Authority to Impose Certain Vehicle Taxes and  
22 Charges,” section 6 of I-976 repeals a number of statutes in total. Segal Decl., Ex. A at § 6.  
23 I-976 repeals RCW 46.17.365 and .415, which required payment of a “weight fee in addition to  
24 all other taxes and fees required by law” and authorized WSDOT to adopt rules for determining  
25 the weight of certain vehicles. *Id.* at § 6(1), (2). I-976 also repeals RCW 82.80.130, which  
26  
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1 allowed Public Transportation Benefit Areas to submit a proposed motor vehicle excise tax  
2 (“MVET”) of .4% to voters for passenger ferry service. *Id.* at § 6(3).

3 For TBDs, I-976 repeals RCW 82.80.140, which authorized a TBD to impose an “annual  
4 vehicle fee” not to exceed \$100 for each vehicle. *Id.* at § 6(4). Contrary to claims in the ballot  
5 title and the I-976 text, the complete repeal of RCW 82.80.140 leaves TBDs *without* the option  
6 to collect any VLF and thus, voters have no means to choose to exceed the I-976 \$30 license fee  
7 cap through a majority vote imposing a higher VLF. Under RCW 36.73.040, a TBD is  
8 authorized only to impose a sales tax under RCW 36.73.065, a vehicle fee under  
9 RCW 82.80.140, fees or charges under RCW 36.73.120 (building fees), and vehicle tolls on  
10 roads. Because I-976 repeals RCW 82.80.140, there is no longer any authorization for the TBD  
11 to obtain funding through vehicle fees, regardless of a public vote.  
12

13  
14 Section 7 amends RCW 82.08.020. The amendment would eliminate an additional .3%  
15 sales tax on vehicle sales. Segal Decl., Ex. A at § 7. Section 8 adds a new section to chapter  
16 82.44 RCW, which states that “any motor vehicle excise tax” must be calculated using the “base  
17 model Kelley Blue book value.” *Id.* at § 8. Section 9 amends RCW 82.44.065 to implement the  
18 use of this new Kelley Blue Book valuation method. *Id.* at § 9.

19 Section 10 amends RCW 81.104.140, which addresses dedicated funding sources for high  
20 capacity transportation services. *Id.* at § 10. The amendments purport to preclude regional  
21 transit authorities (“RTAs”) from levying and collecting the special MVET authorized by  
22 RCW 81.104.160. Section 11 then purports to repeal RCW 82.44.035, which established the  
23 current method of valuing vehicles, and RCW 81.104.160, which authorized RTAs covering  
24 counties with populations exceeding 1.5 million people to collect an excise tax of up to .8%  
25 when approved by voters. *Id.* at § 11. Section 12 adds a new section to chapter 81.112 RCW,  
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1 which states that any RTA collecting taxes under RCW 81.104.160 “must fully retire, defease or  
2 refinance any outstanding bonds” if RCW 81.104.160 revenues are pledged, and defeasement or  
3 retirement is possible under the bond terms. *Id.* at § 12. Although repealed under section 11,  
4 RCW 81.104.160 is also **amended** by section 13 to purportedly reduce the authorized MVET to  
5 .2%. *Id.* at § 13. The question of which section prevails over the other is not clear.  
6

7 Section 14 requires liberal construction “to effectuate the intent, policies, and purposes of  
8 this act.” *Id.* at § 14. Section 15 provides for severability. *Id.* at § 15. Section 16 establishes an  
9 effective date for certain sections of the Initiative. *Id.* at § 16. Under this section, sections 10  
10 and 11 take effect on the date that the RTA complies with section 12 of I-976. *Id.* But section  
11 13 takes effect April 1, 2020, if sections 10 and 11 have not taken effect by March 31, 2020. The  
12 RTA is supposed to inform authorities on effective dates. *Id.*  
13

14 **D. Most Sections of I-976 Will Be Implemented December 5, 2019.**

15 Under article II, section 1(d) of the Constitution, initiatives adopted by the voters “shall be  
16 in operation on and after the thirtieth day after the election at which [they are] approved.” I-976  
17 was approved on November 5, 2019. Except for sections with special effective dates set forth in  
18 section 16, I-976 is scheduled to take effect on December 5, 2019. The State already has informed  
19 one Plaintiff that it intends to stop collecting local VLF revenues upon certification. *See Segal*  
20 *Decl., Ex. G.* Additionally, in light of the pending implementation of I-976, Governor Inslee has  
21 advised WSDOT of the need to postpone all projects not yet underway. *Segal Decl., Ex. H.* With  
22 respect to other state agencies that receive transportation funding, including the Washington State  
23 Patrol and Department of Licensing, this will also include deferring all non-essential spending. *Id.*  
24 According to the Governor, it is “clear that this vote [in favor of I-976] means there will be adverse  
25 impacts on our state transportation system.” *Id.*  
26  
27



1 On November 8, 2019, Plaintiffs made a demand upon Attorney General Bob Ferguson to  
2 investigate the constitutional violations arising from I-976 and to initiate legal proceedings on  
3 behalf of all Washington taxpayers. A copy of this demand is Exhibit A to the Complaint.  
4 Attorney General Ferguson has declined to do so. Segal Decl., Ex. I.

5  
6 DOL is currently re-programming its computers to cease the collection of taxes and fees  
7 impacted by I-976. The “go/no go” date for these changes is December 3, 2019. Declaration of  
8 Dwight Dively (“Dively Dec.”), ¶8. Reversing the effects of the initiative is problematic if an  
9 injunction is issued after this date. *Id.*

10 **E. Plaintiffs Are Governments, Organizations, and Individuals That Provide, and/or**  
11 **Rely on, Crucial Transit and Transportation Services I-976 Puts at Risk.**

12 Plaintiff GCTA provides transit services in Garfield County and relies heavily on state  
13 grants for operations and capital improvements, a revenue source that I-976 eliminates. Decl. of  
14 Justin Dixon in Supp. Pls.’ Mot. Prelim. Inj. (“Dixon Decl.”), ¶¶ 3-4. Without this funding,  
15 GCTA will reduce at least 50 percent of the lifeline transportation services it provides to seniors,  
16 the disabled, and disadvantaged persons, including transporting individuals to and from  
17 healthcare appointments, senior services, among other essential services. *Id.*, ¶¶ 5, 7.

18  
19 Plaintiff King County is a home rule charter county that will be substantially impacted by  
20 I-976, even though it was resoundingly defeated in King County. The County’s Metro Transit  
21 Department (“Metro”) operates the 10<sup>th</sup> largest transit system in the nation with fixed route bus,  
22 light rail, streetcar, Access paratransit and vanpool services. Decl. of Rob Gannon (“Gannon  
23 Decl.”). ¶ 3. In 2018, through its budget of almost \$1 billion, Metro provided 122 million  
24 passenger trips, including about 1 million Access trips. *Id.*, ¶ 4. Through TBD voter approved  
25 VLFs from Seattle, Metro is able to offer an additional 350,000 service hours to its customers.  
26 *Id.*, ¶¶ 7-8. If I-976 is implemented, by December 9, 2019, Metro must eliminate 110,000  
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1 service hours of service due to the loss of some \$32 million in funding; **such a drastic reduction**  
2 **in service hours could not be reversed until September 2020 at the earliest.** *Id.*, ¶ 9. Metro  
3 also will lose additional federal funds (\$2 million). *Id.*, ¶ 10. In addition, due to I-976, Metro  
4 stands to lose an additional \$63 million in state grants and investments in its system. *Id.*, ¶11.  
5 King County also faces significant losses to its Roads Department and its Parks Department, as  
6 well as disruption of its licensing activities. Taylor Decl., ¶ 9; Decl. of Kathryn Terry in Supp.  
7 Pls.’ Mot. Prelim. Inj. (“Terry Decl.”), ¶¶8-17; Dively Decl., ¶ 7. Like transit, the projects King  
8 County undertakes are for the direct and substantial benefit of the public.

10 Plaintiff City of Seattle is a municipal corporation that stands to lose millions of dollars  
11 in direct revenue through local VLFs, as well as likely losses of state grants and funding, with  
12 the resulting myriad service, project and program cuts to transit and transportation in Seattle. If  
13 I-976 is implemented, Seattle will lose \$2,680,000 in VLF revenue for the remainder of 2019  
14 alone. Decl. of David Hennes in Supp. Pls.’ Mot. Prelim. Inj. (“Hennes Decl.”), ¶ 5-6. Two  
15 million dollars of that amount is revenue directly approved by Seattle voters in the 2014 election.  
16 *Id.*; VerBoort Decl., ¶ 3. Not only would the City of Seattle have monetary losses, but I-976  
17 would retroactively overturn the results of a local election, a unique type of harm that impacts a  
18 fundamental right. Seattle’s direct losses of revenue only increase in 2020, with more than \$32.8  
19 million in lost revenue. Losing this funding will affect people every single day in how they  
20 choose to move to, through, and around Seattle, by severely limiting those choices. VerBoort  
21 Decl., ¶ 5. For example, STDB Proposition 1 revenue allows for 8,000 more weekly trips on  
22 King County Metro routes serving Seattle and funds 8 percent of King County Metro’s network.  
23 *Id.*, ¶ 6. Moreover, that revenue provides free ORCA cards to 14,000 students, seniors and low  
24 income housing residents. Eighty-nine percent of the funding for Seattle’s pothole program is  
25  
26  
27

1 also from a different Seattle VLF revenue source. Decl. of Khieng Lo in Supp. Pls.’ Mot.  
2 Prelim. Inj. (“Lo Decl.”), Exs, C, D. The list of programs and projects that are impacted is  
3 extensive, and outlined more fully in the Declarations of Lo, VerBoort, Hennes, Canete, and  
4 Wilkes.

5  
6 Plaintiff Washington State Transit Association (“WSTA”) is a nonprofit corporation that  
7 represents 31 public transit systems in the state that serve rural, small urban, urban, and regional  
8 areas. Decl. of Justin Leighton in Supp. Pls.’ Mot. Prelim. Inj. (“Leighton Decl.”), ¶¶ 3-4. Like  
9 GCTA, many of WSTA’s members rely on state grants to operate their transit systems, including  
10 fixed-route buses, paratransit (door-to-door or shared-ride service), vanpools, light rail, and  
11 commuter rail. *Id.*, ¶¶ 4, 6. I-976, if allowed to take effect, will substantially harm WSTA and  
12 its members by eliminating essential funding necessary for WSTA’s members to provide these  
13 critical transit services. *Id.*, ¶¶ 6-15.

14  
15 Plaintiff Association of Washington Cities (“AWC”) is a nonprofit corporation that  
16 represents Washington’s 281 cities and towns, sixty-two of which have formed their own TBDs  
17 to collect VLFs in order to fund local transportation programs and projects. Decl. of Peter King  
18 in Supp. Pls.’ Mot. Prelim. Inj. (“King Decl.”), ¶¶ 3-4. I-976 will substantially harm AWC and  
19 its members by removing the authority of TBDs to impose these vehicle fees. *Id.*, ¶¶ 7-15.

20  
21 Plaintiff the Port of Seattle (“Port”) has invested nearly \$500 million in transportation  
22 improvements in King County over the past 20 years and works in collaboration with other  
23 partner agencies to leverage investments, develop transportation systems, and maintain freight  
24 mobility. Decl. of Geraldine Poor in Supp. Pls.’ Mot. Prelim. Inj. (“Poor Decl.”), ¶ 5. I-976 will  
25 cause reductions in transit services and road improvement projects, which will impair the Port’s  
26  
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1 ability to move people, freight, and cargo in the region, across the country, and around the world.  
2 *Id.*, ¶ 6.

3 Plaintiff Intercity Transit (“IT”) provides public transportation in Lacey, Olympia,  
4 Tumwater, Yelm, and their surrounding urban growth areas. Decl. of Ann Freeman-Manzanares  
5 in Supp. Pls.’ Mot. Prelim. Inj. (“Freeman-Manzanares Decl.”), ¶ 3. I-976 will substantially  
6 harm IT’s programs and services because it will significantly reduce, if not totally eliminate,  
7 inter-county bus service and reduce capital funding for Special Needs Transportation, fixed  
8 route, vanpool, and much needed capital construction projects. *Id.*, ¶¶ 4-9.

10 Plaintiff Amalgamated Transit Union Legislative Council of Washington (“ATULC”) is a  
11 part of Amalgamated Transit Union International (“ATU”), which is the largest labor union in  
12 the United States and Canada representing employees in the public transit industry. Decl. of  
13 Rick Swartz in Supp. Pls.’ Mot. Prelim. Inj. (“Swartz Decl.”), ¶ 3. The impact of I-976 on ATU  
14 and its members will be significant because the loss of transit funding will result in cuts in  
15 existing services and thus a loss in hours and/or wages for ATU members, including paratransit,  
16 light rail, subway, streetcar, and ferry boat operators, among others. *Id.*, ¶¶ 3, 5-7.

18 Plaintiff Michael Rogers is an individual with cerebral palsy who resides in Lacey,  
19 Washington. Decl. of Michael Rogers in Supp. Pls.’ Mot. Prelim. Inj. (“Rogers Decl.”), ¶¶ 1-2.  
20 Mr. Rogers, who uses a wheelchair, relies on paratransit and transit services to travel to his full-  
21 time and his part-time seasonal jobs, medical appointments, grocery shopping, community  
22 activities, volunteer undertakings, and to visit friends and family. *Id.*, ¶¶ 2-5, 8. The reduction  
23 in transit and paratransit services and service delays due to increased congestion caused by I-976  
24 will have an extremely negative impact on his life. *Id.*, ¶ 10.

1 **F. The State Will Incur I-976 Implementation Costs.**

2 According to the State’s Fiscal Impact Statement for I-976, the State will incur substantial  
3 immediate administrative costs in implementing I-976:

4 The Department of Revenue (DOR) will experience temporary, higher  
5 administrative costs to implement this initiative. The DOR will have costs for  
6 computer updates and administrative costs for rule making, accounting services to  
7 issue refunds and developing new forms. Biennial costs for the agency are **\$105,900**  
8 for computer updates and administrative items in the 2019–21 biennium.

9 Decl. of Peter King in Supp. Pls.’ Mot. Prelim. Inj. (“King Decl.”), ¶ 6, Ex. B.

10 **III. STATEMENT OF ISSUES**

11 Should this Court enter a preliminary injunction enjoining I-976 from taking effect, or  
12 otherwise being enforced, because I-976 is unconstitutional on multiple grounds?

13 **IV. EVIDENCE RELIED UPON**

14 Plaintiffs’ Motion relies upon the Washington State Constitution, the supporting  
15 Declarations of Rob Gannon, Dwight Dively, John Taylor, Kathryn Terry, David Hennes, Ken  
16 Canete, Chloe Wilkes, Khieng Lo, Rachel VerBoort, Justin Leighton, Peter King, Geraldine H.  
17 Poor, Justin Dixon, Ann Freeman Manzanares, Michael Rogers, and Matthew J. Segal, the  
18 exhibits to the Declarations, and the pleadings, papers, and records on file in this matter.

19 **V. ARGUMENT AND AUTHORITY**

20 Plaintiffs are entitled to preliminary injunctive relief that prevents I-976 from taking effect  
21 until the Court can conduct a full hearing on the merits of Plaintiffs’ claims. I-976 violates multiple  
22 clauses of the Washington Constitution because, among other reasons, it was written in a way  
23 misleading and confusing to the voters and without regard to fundamental requirements for  
24 drafting legislation. Immediate implementation of I-976 would take away hundreds of millions of  
25 dollars committed to myriad transportation projects from road to public transportation to ferry  
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1 projects – funding that could not be replaced if an injunction is not granted and I-976 is later found  
2 to be unconstitutional.

3 The purpose of a preliminary injunction is to “preserve the status quo” until a hearing on  
4 the merits. *Nw. Gas Ass’n v. Wash. Utils. & Transp. Comm’n*, 141 Wn. App. 98, 115-16, 168 P.3d  
5 443 (2007). “A party seeking relief through a temporary injunction must show [1] a clear legal or  
6 equitable right, [2] that there is a well-grounded fear of immediate invasion of that right, and [3]  
7 that the acts complained of have or will result in actual and substantial injury.” *Rabon v. City of*  
8 *Seattle*, 135 Wn.2d 278, 284, 957 P.2d 621 (1998). Injunctions are addressed to the equitable  
9 powers of the court and the listed criteria must be examined in light of competing equities,  
10 including “balancing [] the relative interests of the parties and the interests of the public[.]” *Id.* at  
11 284. Courts have previously enjoined initiatives to address their constitutionality. *See City of*  
12 *Burien v. Kiga*, 144 Wn.2d 819, 823-24, 828, 31 P.3d 659 (2001) (addressing constitutionality of  
13 I-722, which had been enjoined); *Pierce Cty. v. State*, 150 Wn.2d 422, 427-29, 78 P.3d 640 (2003)  
14 (“*Pierce Cty. I*”) (addressing constitutionality of I-776, which had been enjoined).  
15  
16

17 Here, Plaintiffs satisfy all of the required elements of a preliminary injunction and the  
18 equities weigh in favor of enjoining I-976 until the Court can fully evaluate whether it violates  
19 the Constitution.

20 **A. Plaintiffs Will Prevail on the Merits Because I-976 Is Unconstitutional.**

21 Plaintiffs satisfy the first element for injunctive relief because they have clear legal rights  
22 that are jeopardized by I-976. Under this prong, courts examine the “likelihood that the moving  
23 party will prevail on the merits.” *Rabon*, 135 Wn.2d at 285. Initiatives, like other legislative  
24 acts, must comply with the Washington Constitution. *Amalgamated Transit Union Local 587 v.*  
25 *State*, 142 Wn.2d 183, 204, 11 P.3d 762 (2000) (“*ATU*”). Thus, even if “an initiative passes by  
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1 the majority of voters, it will be struck down if it runs afoul of Washington’s constitution.”

2 *Kiga*, 144 Wn.2d at 822.

3 In terms of the likelihood of prevailing on the merits, this Court should take note that the  
4 Washington Supreme Court has previously struck down multiple initiatives from the same  
5 sponsor as I-976 on the basis that they violated the Constitution. The Court has struck down  
6 Initiative 695 (“I-695”), *ATU*, 142 Wn.2d at 191-92; I-722 and I-747 (regarding state and local  
7 property taxes), *Kiga*, 144 Wn.2d at 822, and *Wash. Citizens Action of Wash. v. State*, 162  
8 Wn.2d 142, 162, 171 P.3d 486 (2007); and I-1053 and I-1185 (requiring 2/3 Legislature majority  
9 to raise taxes), *League of Educ. Voters v. State*, 176 Wn.2d 808, 828, 295 P.3d 743 (2013).<sup>4</sup> I-  
10 976 is equally if not more flawed than these prior initiatives. Plaintiffs are likely to prevail on  
11 the merits because I-976, on its face, violates multiple requirements of the Washington  
12 Constitution. Indeed, the violations are blatant.

13  
14  
15 **B. I-976 Violates Article II, Section 19 of the Constitution Because It Is Not Limited to**  
16 **a Single Subject and Does Not Comply with the Subject-in-Title Rule.**

17 I-976 violates both components of article II, section 19 of the Constitution. Article II,  
18 section 19 provides that “[n]o bill shall embrace more than one subject, and that shall be  
19 expressed in the title.” Article II, section 19 applies to initiatives. *In re Estate of Thompson*, 103  
20 Wn.2d 292, 294, 692 P.2d 807 (1984). This directive contains “two prohibitions: (1) no bill shall  
21 embrace more than one subject” (the “single-subject rule”) and (2) “that subject shall be  
22 expressed in the title of the bill” (the “subject-in-title rule”). *Retired Pub. Emps. Council of*  
23 *Wash. v. Charles*, 148 Wn.2d 602, 628, 62 P.3d 470 (2003). These prohibitions serve “dual  
24 purpose[s]: (1) to prevent ‘logrolling,’ or pushing legislation through by attaching it to other  
25

26  
27 <sup>4</sup> The Court also held that I-776 was unconstitutional as applied to Sound Transit because it violated the Contract Clause, Const. art. I section 23. *Pierce Cty. v. State*, 159 Wn.2d 16, 39, 148 P.3d 1002 (2006) (“*Pierce Cty. II*”).

1 necessary or desirable legislation, and (2) to assure that the members of the legislature and public  
2 are generally aware of what is contained in proposed new laws.” *Id.* I-976 fails to satisfy either  
3 component of article II, section 19.

4 **1. I-976 Violates the Single-Subject Rule.**

5 **a. The Ballot Title Is Restrictive and Specifies Capping License Fees at \$30**  
6 **and Valuing Vehicles Using Kelley Blue Book Values.**

7 The first step in assessing compliance with article II, section 19’s single subject rule is to  
8 determine if the “ballot title” for the initiative is “general or restrictive.” *Kiga*, 144 Wn.2d at  
9 825. “A general title is broad, comprehensive, and generic as opposed to a restrictive title that is  
10 specific and narrow.” *Id.* Where a general title is used, the single-subject rule is violated if the  
11 general subject and incidental subjects lack “rational unity.” *ATU*, 142 Wn.2d at 209. Where a  
12 restrictive title is used, violations of the single-subject rule are “readily found” where an  
13 initiative’s provisions are “not fairly within” the ballot title. *Id.* at 210-11.

14 The “ballot title” of a state initiative has three components: “(a) A statement of the  
15 subject of the measure; (b) a concise description of the measure; and (c) a question in the form  
16 prescribed in this section for the ballot measure in question.” RCW 29A.72.050.<sup>5</sup> Here, the  
17 ballot title for I-976 provides:

18 Initiative Measure No. 976 concerns motor vehicle taxes and fees.

19 This measure would repeal, reduce, or remove authority to impose certain vehicle  
20 taxes and fees; limit annual motor-vehicle-license fees to \$30, except voter-  
21 approved charges; and base vehicle taxes on Kelley Blue Book value. Should this  
22 measure be enacted into law?  
23

24  
25 <sup>5</sup> “Within five days after the receipt of an initiative or referendum the attorney general shall formulate the ballot  
26 title, or portion of the ballot title that the legislature has not provided, required by RCW 29A.72.050 and a summary  
27 of the measure, not to exceed seventy-five words, and transmit the serial number for the measure, complete ballot  
title, and summary to the secretary of state.” RCW 29A.72.060.



1 See Segal Decl., Ex. B. This ballot title is restrictive because it is limited to a particular type of  
2 charge (“motor vehicle taxes and fees”), a specific cap on motor vehicle license fees (\$30) unless  
3 approved by voters, and a particular index of value (“Kelley Blue Book”). See *State v.*  
4 *Broadaway*, 133 Wn.2d 118, 127-28, 942 P.2d 363 (1997) (title was restrictive where it  
5 “carve[d] out an area of criminal offenses, **armed** crime, and limit[ed] its scope to increasing  
6 penalties for armed crime” (emphasis in original)); *State ex rel. Wash. Toll Bridge Auth. v. Yelle*,  
7 32 Wn.2d 13, 27, 200 P.2d 467 (1948) (title referred to the specific subject of toll bridges, rather  
8 than the general subject of a transportation system, and thus title was restrictive).  
9

10 Although the title is restrictive, the body of I-976 contains other very significant subjects  
11 outside the purview of the title, most notably:

- 12 - The **repeal** of the authority for local voters to approve vehicle charges, in direct  
13 contradiction of an express statement in the ballot title that “voter-approved charges”  
14 are excepted (§§; 6, 10, 11)<sup>6</sup>;
- 15 - A specific provision, not mentioned in the ballot title, stating that a regional transit  
16 “authority that imposes a motor vehicle excise tax under RCW 81.104.160 must fully  
17 retire, defease, or refinance any outstanding bonds” under certain specified  
18 conditions, which by its terms is and can only be specifically directed at Sound  
19 Transit (§12);
- 20 - The repeal of an additional .3% **sales tax** on vehicle sales (§7);
- 21 - The contingent repeal of an additional 2.172% **sales and use tax** on retail vehicle  
22 sales (§§11, 16); and  
23  
24  
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<sup>6</sup> This also creates a separate “subject-in-title” violation of article II, section 19. See section V.B.2, *infra*.

- 1           - The repeal of the electric vehicle “mitigation fee,” which addresses the impact of  
2           electric vehicles on state roads and highways given decreased gas tax revenues and  
3           evaluates the feasibility of collecting revenues based on mileage (§5).

4           None of these subjects are “fairly within” the ballot title, rendering them impermissible  
5           additional subjects. First, the title purports to preserve voter approved fees, but it does not  
6           disclose that I-976 actually repeals the authority for voters to approve fees. Second, there is  
7           nothing in the ballot title that reflects the attempt to require a local entity to address its  
8           outstanding bonds; neither RTAs nor bonds are referenced at all. Third, nothing in the ballot title  
9           discloses that the initiative affects Washington’s sales tax, which is a distinct category from  
10          VLFs or MVETs. Finally, the title fails to disclose that it is eliminating a road use mitigation fee  
11          applicable to electric vehicles and completely unrelated to VLFs or MVETs. On any of these  
12          grounds alone, I-976 violates article II, section 19. *See Yelle*, 32 Wn.2d at 27 (single-subject rule  
13          violated where subject of ferries did not come fairly within restrictive title related to toll  
14          bridges); *ATU*, 142 Wn.2d at 210-11 (listing cases).

15           Even if this Court determines that the ballot title for I-976 is general, however, the  
16           Initiative still violates the single-subject rule because it concerns multiple, distinct identifiable  
17           subjects not germane to each other as discussed below.

18                           **b. I-976 Contains Multiple Subjects That Are Not Germane to One Another.**

19           An initiative with a general ballot title also violates the single-subject rule unless  
20           “rational unity” exists among “all matters” addressed in the initiative and expressed “in the title.”  
21           *Kiga*, 144 Wn.2d at 825-26. “Rational unity” means “the matters within the body of the  
22           initiative are germane to the general title” and “they are germane to one another.” *Id.* at 826.  
23             
24             
25             
26             
27

1 This inquiry focuses solely on “the measure itself[.]” *ATU*, 142 Wn.2d at 212. I-976 lacks  
2 rational unity because it concerns multiple vastly different subjects.

3 In *ATU*, the ballot title for Tim Eyman’s first car tab initiative, I-695, asked whether  
4 “voter approval [should] be required for any tax increase,” whether “license tab fees [should] be  
5 \$30 per year for motor vehicles,” and whether “existing vehicle taxes [should] be repealed[.]”  
6 142 Wn.2d at 212. The Court invalidated I-695 because, while the initiative’s “two subjects”  
7 (capping license fees at \$30 and requiring voter approval of all future tax increases) ostensibly  
8 fell under the general topic of “limiting taxation,” there was no rational unity between the two  
9 subjects. *Id.* at 216-17.

11 Similarly, the Court in *Kiga* held that Initiative 722 had a general title pertaining to tax  
12 relief but the measure embraced “at least two purposes”: (1) to “nullify various 1999 tax  
13 increases” and issue a “onetime refund of those taxes,” and (2) to “change the method of  
14 assessing the property taxes[.]” 144 Wn.2d at 827. Although both “the tax refund provision and  
15 the property tax assessment provision” related to the “general topic of tax relief,” the “retroactive  
16 refund” of “utility charges, hospital charges, housing authority rents,” and “numerous other  
17 ‘monetary charges’” was “unrelated to the systematic, ongoing changes in property tax  
18 assessments contemplated in the remainder of the initiative.” *Id.* The Court thus held that the  
19 initiative’s subjects were “not germane to one another” and invalidated the initiative in its  
20 entirety because it was impossible to determine whether “either subject” would have “garnered  
21 popular support standing alone.” *Id.* at 827-28; *see also Wash. Toll Bridge Auth. v. State*, 49  
22 Wn.2d 520, 523-25, 304 P.2d 676 (1956) (single-subject rule violated where initiative’s first  
23 purpose was long-term and “continuing” in nature, i.e., authorization of a state agency to operate  
24  
25  
26  
27

1 all toll roads, whereas second purpose involved a onetime event, i.e., construction of a specific  
2 toll road (emphasis omitted)).

3 Like the measures in *ATU* and *Kiga*, I-976 contains at least two (and in fact more than  
4 two) unrelated subjects. Section 2 of I-976 expressly identifies the first subject of the Initiative:  
5 “State and local motor vehicle license fees may not exceed \$30 per year for motor vehicles,  
6 regardless of year, value, make, or model.” I-976, § 2; *see also ATU*, 142 Wn.2d at 217 (capping  
7 license fees at \$30 is standalone subject); *Pierce Cty. I*, 150 Wn.2d at 431-32 (same). The idea  
8 of “motor vehicle license fees” is straightforward – there is an entire chapter in the Revised  
9 Code (chapter 46.17 RCW) that lists over a dozen VLFs due upon initial registration and annual  
10 renewal. But I-976 is not limited to capping VLFs at \$30.  
11

12 As noted above, section 12 of I-976 contains at least one impermissible separate subject:  
13 the early retirement of bonds secured by revenue from a local MVET. The Washington Supreme  
14 Court’s decision in *Pierce Cty. I* confirms this subject is not rationally related to the \$30 ceiling  
15 on license tab fees contained in section 2 of I-976. In *Pierce Cty. I*, plaintiffs brought a single-  
16 subject challenge to Eyman’s Initiative 776 (“I-776”). 150 Wn.2d at 427-28. The trial court  
17 struck down I-776 as violating the single-subject rule because it both placed a \$30 limit on  
18 license fees and addressed retirement of bonds to which license fees were pledged. The Supreme  
19 Court agreed with the trial court that, like I-976, one of the subjects of I-776 was the placement  
20 of a \$30 ceiling on license fees. *Id.* at 432. It disagreed that Section 7 of I-776 addressing  
21 retirement of bonds was an unconstitutional second subject because of its wording, which is  
22 different than the wording of I-976. I-776 provided:  
23  
24

25 If the repeal of taxes in section 6 of this act affects any bonds previously issued for  
26 any purpose relating to light rail, the people **expect** transit agencies to retire these  
27 bonds using reserve funds including accrued interest, sale of property or equipment,  
new voter approved tax revenues, or any combination of these sources of revenue.

1 Taxing districts **should** abstain from further bond sales for any purpose relating to  
2 light rail until voters decide this measure. The people **encourage** transit agencies  
3 to put another tax revenue measure before voters if they want to continue with a  
4 light rail system dramatically changed from that previously represented to and  
5 approved by voters.

6 150 Wn.2d at 448 (emphasis added). This language was contained in a general intent section of  
7 I-776, entitled “Legislative Intent Relating to Outstanding Bonds.” *Id.*

8 The Court held this was not an unlawful second subject, but **only** because it was located  
9 in an intent section that was not operational and used words like “expect,” “should” and  
10 “encourage” that were merely “precatory” (without any legal effect):

11 Our decision today . . . forecloses the possibility that a bill or initiative could be  
12 declared unconstitutional **solely** on the grounds that its policy expressions raise  
13 other topics. Having determined that precatory language cannot yield additional  
14 ‘subjects’ for article II, section 19 purposes, we conclude that [the plaintiffs] ha[ve]  
15 failed to show beyond a reasonable doubt that I-776 required the people to cast a  
16 single vote on two unrelated, proposed laws.

17 150 Wn.2d at 435-36 (emphasis added).

18 Section 12 of I-976 now presents the precise scenario the *Pierce Cty.* I Court had in mind  
19 where article II, section 19 is violated. Like section 7 of I-776, section 12 of I-976 also pertains  
20 to transit agencies retiring bonds secured by revenue from an MVET. Critically, however, I-976  
21 is worded differently:

22 In order to effectuate the policies, purposes, and intent of this act and to ensure that  
23 the motor vehicle excise taxes repealed by this act are no longer imposed or  
24 collected, an authority that imposes a motor vehicle excise tax under  
25 RCW 81.104.160 **must** fully retire, defease, or refinance any outstanding bonds  
26 issued under this chapter if:

- 27 (1) Any revenue collected prior to the effective date of this section from the motor  
vehicle excise tax imposed under RCW 81.104.160 has been pledged to such bonds;  
and  
(2) The bonds, by virtue of the terms of the bond contract, covenants, or similar  
terms, may be retired or defeased early or refinanced.

I-976, § 12 (emphasis added).

1 In determining the meaning of an initiative, the Court “focuses on the language as the  
2 average informed voter” would read it. *ATU*, 142 Wn.2d at 205. The average informed voter  
3 would consider the use of “must” regarding retiring bonds in I-976 to be legally operative, not  
4 precatory. Thus, unlike I-776, I-976 presents at least two subjects for voter approval: perpetual  
5 \$30 license tab fees and a purported directive for the retirement of specific outstanding bonds.  
6 Section 12 of I-976 is, therefore, an unlawful additional subject.  
7

8 Additionally, like the initiative in *Kiga*, I-976 is invalid because it joins a law of general  
9 application that is continuing in nature (\$30 license fees) with a more specific law (retirement of  
10 bonds). *See* 144 Wn.2d at 827; *see also Wash. Toll Bridge Auth.*, 49 Wn.2d at 523-25 (initiative  
11 impermissibly joined dual subjects, one of which was more broad, long term, and continuing  
12 than the other); *Flanders v. Morris*, 88 Wn.2d 183, 188, 558 P.2d 769 (1977) (inclusion of a new  
13 limitation on public assistance eligibility in budget bill was improper logrolling).  
14

15 But this is not all. Section 7 of I-976 contains yet another impermissible additional  
16 subject unrelated to the prior subjects: elimination of the State’s authority to collect a tax on the  
17 retail sale of a motor vehicle under RCW 82.08.020. While the other sections of I-976 relate to  
18 fees and taxes imposed at the time of vehicle licensing, section 7 is the only provision relating to  
19 a tax imposed on vehicle sales. There is no rational relationship between taxes paid at the time  
20 of vehicle purchase and taxes and fees paid at the time of vehicle licensing.  
21

22 Finally, section 8 contains yet another impermissible subject requiring that the Kelley  
23 Blue Book be used as the valuation mechanism for any vehicle tax in the state.<sup>7</sup> This has  
24  
25  
26

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27 <sup>7</sup> Section 11 also repeals an existing vehicle valuation schedule set out in RCW 82.44.035.

1 nothing to do with capping VLFs at \$30. Simply put, if vehicle fees are capped at \$30, vehicle  
2 valuation is irrelevant.<sup>8</sup>

3 In sum, multiple sections of I-976 present additional subjects that are not germane to the  
4 other sections of I-976. The initiative contains a host of unrelated subjects, in an unabashed  
5 exercise of illegal “[I]ogrolling or hodge-podge legislation.” *Wash. Fed’n of State Employees v.*  
6 *State*, 127 Wn.2d 544, 554, 901 P.2d 1028 (1995). Voters were forced to vote on the entire  
7 initiative, and all of its subjects, in order to approve any one of its subjects. This is exactly what  
8 the single-subject clause is designed to prevent. *ATU*, 142 Wn.2d at 207. I-976 violates the  
9 single-subject requirement of article II, section 19 on multiple alternative grounds, and the  
10 remedy is that I-976 is invalid in its entirety. *See, e.g., Kiga*, 144 Wn.2d at 827-28; *ATU*, 142  
11 Wn.2d at 216. The Court should enjoin enforcement of I-976 on this basis alone.

12  
13  
14 **2. I-976 Violates the Subject-in-Title Rule Because the Ballot Title Incorrectly**  
15 **States That Voter-Approved Fees Are Not Affected and Does Not Disclose**  
16 **All of the Initiative’s Additional Subjects.**

17 I-976 also violates the independent, subject-in-title requirement of article II, section 19  
18 because the ballot title substantially misleads voters on the provisions of I-976 and fails to  
19 disclose its multiple subjects.

20 The “purpose” of the subject-in-title requirement is to “notify members of the Legislature  
21 and the public of the subject matter of the measure.” *ATU*, 142 Wn.2d at 207. The “particular  
22 importance” of this requirement in the “context of an initiative” is that voters often do not reach  
23 the “text of a measure or the explanatory statement,” but “instead cast their votes based upon the  
24 ballot title.” *Id.* at 217. To survive constitutional scrutiny, the ballot title must give “notice  
25

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26  
27 <sup>8</sup> To the contrary, the issue of vehicle valuation as applied to RTAs has been the subject of separate legislation.  
*See* Laws of 2015 3rd sp. s. c 44 § 319.

1 which would lead to an inquiry into the body of the act” or indicate “the scope and purpose of  
2 the law to an inquiring mind.” *Id.*

3 In *ATU*, the Washington Supreme Court struck down a section of I-695 under the subject-  
4 in-title rule because the ballot title failed to notify voters that the term “tax” as used in the  
5 offending section did “not have its traditional meaning.” *Id.* at 220-29. The Court explained:  
6 “Nothing about this ballot title gives any notice [that] would indicate to the voters that the  
7 contents of the initiative would include voter approval for charges other than taxes or suggest  
8 inquiry into the act be made to learn the broad meaning of tax.” *Id.* at 227.

9  
10 I-976’s ballot title contains a far more deceitful deficiency that affirmatively misleads  
11 voters on the nature of the act. It expressly states that voter-approved charges in excess of \$30  
12 would be retained, or that at least voters would retain the authority to approve such vehicle  
13 charges: “This measure would . . . limit annual motor-vehicle-license fees to \$30, **except voter-**  
14 **approved charges[.]**” Segal Decl., Ex. B (emphasis added). There is an important variation  
15 from the ballot title in Section 2 of I-976, which allows “state and local motor vehicle license  
16 fees” in excess of \$30 only when such “charges [are] approved by voters **after** the effective date  
17 of this section.” But a voter would not know from reading the ballot title that existing local votes  
18 to exceed \$30 were no longer effective. This is patently misleading in violation of article II,  
19 section 19.

20  
21 The deceit in I-976 does not end here. Despite a ballot title and initiative language  
22 affirmatively telling voters that they will retain the right to vote to exceed \$30 after the effective  
23 date of the initiative, **I-976 actually eliminates any possibility of such a vote by entirely**  
24 **repealing multiple statutes that provide for a public vote.** Section 6 of I-976 repeals portions  
25 of RCW 82.80.140, which refer to RCW 36.73.065(6). RCW 36.73.065(6), in turn, establishes  
26  
27



1 the authority to adopt a voter-approved vehicle fee. By repealing RCW 82.80.140, I-976  
2 eliminates the voter-approved vehicle fees that may be adopted through RCW 36.73.065.  
3 Similarly, section 6 of I-976 repeals RCW 82.80.130, which authorizes public transportation  
4 benefit areas to submit a proposal for an MVET to voters to support passenger-only ferry service.  
5 Likewise, section 10 of I-976 purports to eliminate the “[s]pecial [MVET] as provided in  
6 RCW 81.104.160” and section 11 purports to repeal RCW 81.104.160, which also provide for a  
7 voter-approved MVET. A voter who cast his or her vote based on the ballot title would have no  
8 notice of the broad repeal of local voter control and authority, and would instead have been  
9 affirmatively misled to believe that voters retained their authority. This is not only  
10 unconscionable, it is unconstitutional under article II, section 19.

11  
12 The sponsor of I-976 freely acknowledges this deceit and fatal problem with I-976. In an  
13 interview after the election, Tim Eyman said the clear intent of his measure was to get rid of all  
14 car taxes and fees above \$30, including voter-approved ones. He confirmed, for example, that it  
15 cancels Seattle’s \$60 voter-approved car tab (discussed above) that pays for increased bus  
16 service, that it also bars the city from asking voters to approve any car fees in the future, and also  
17 (attempts) to repeal Sound Transit’s authority to collect voter-approved vehicle taxes. Eyman’s  
18 excuse: **“I didn’t write the ballot title,” he said. “The attorney general’s office did. The**  
19 **attorney general chose to describe it that way.”** *Was the language voters saw on their ballots*  
20 *for Initiative 976 wrong? Sure seems like it*, Seattle Times, Nov 16, 2019 (emphasis added),  
21 attached to Segal Decl., Ex. C.

22  
23 This excuse is equally misleading though, as the offending language in the ballot title is  
24 simply drawn from section 1 of the I-976: “This measure would limit annual motor vehicle  
25 license fees to \$30, except voter-approved charges...” And the draft ballot title is sent by the  
26  
27

1 attorney general to the initiative sponsor in time for a ballot title challenge to be made to fix any  
2 errors. *See* RCW 29A.72.080. Here, Tim Eyman actually challenged the ballot title, but  
3 accepted this wording. *See* Segal Decl., Ex. D (Eyman’s petition was dismissed before hearing).  
4 The use of the language of I-976, as written and accepted by its sponsor, confirms that I-976 was  
5 written in a deceptive way that was then incorporated into the ballot title. Thus, the ballot title  
6 violates its basic constitutional purpose and function of notifying the electorate on exactly what it  
7 is voting upon. The title fails not only to provide notice, but also is misleading to the general  
8 public. By itself, this justifies invalidating I-976 in its entirety.

9  
10 Compounding this subject-in-title violation, there is no reference whatsoever in the I-976  
11 ballot title to the retirement of bonds or a specific tax on vehicle sales or the other subjects that  
12 pollute the initiative. Rather, the I-976 ballot title gives notice only that the initiative would limit  
13 license fees to \$30, repeal certain vehicle taxes and fees, and base vehicle taxes on Kelley Blue  
14 Book value. The title does not mention the words “bond” or “vehicle sales,” or even prompt  
15 inquiry into these topics, and violates the subject-in-title requirement for this additional reason.  
16 *See ATU*, 142 Wn.2d at 220-29 (subject-in-title rule violated even where title referenced the  
17 word “tax” because that term did not carry its ordinary meaning); *see also Yelle*, 32 Wn.2d at 27-  
18 28 (term “ferry connections” in title of the act was “not sufficient to put a reasonably intelligent  
19 person on notice that the” act empowered the state toll bridge authority to “acquire and operate a  
20 general water transportation system”).

21  
22  
23 While the presence of a severability clause may in some instances allow portions of an  
24 initiative to survive when there is solely a single subject-in-title violation, here the violations of  
25 both requirements of article II, section 19 are so pervasive that severability is simply impossible.  
26 Even as to the subject-in-title violations standing alone, “a severability clause is not necessarily  
27

1 dispositive on the question of whether the legislative body would have enacted the remainder of  
2 the act.” *ATU*, 142 Wn.2d at 228 A court cannot sever when “it could not be believed that the  
3 legislature would have passed one without the other; or where the part eliminated is so intimately  
4 connected with the balance of the act as to make it useless to accomplish the purposes of the  
5 legislature.” *State v. Abrams*, 163 Wn.2d 277, 285-86, 178 P.3d 1021 (2008). Here, the foremost  
6 issue is that the title affirmatively dupes voters into the premise that their authority to adopt  
7 vehicle charges is retained, where the opposite is true. Since voters are understood to often cast  
8 their vote based on the ballot title, *ATU*, 142 Wn.2d at 217, there is no way to cure this violation  
9 by severance. Thus, the remedy for the subject-in-title violations here should be invalidation.  
10  
11 Plaintiffs are likely to prevail on the merits for this additional, independent reason.

12 **C. I-976 Violates Article II, Section 37 of the Washington Constitution Because It Does**  
13 **Not Fully Set Forth All Amendments to Existing Statutes, as Required.**

14 I-976 is also unconstitutional because it amends existing statutes without setting them  
15 forth in full, contravening article II, section 37 of the Washington Constitution. That  
16 constitutional mandate provides, “No act shall ever be revised or amended by mere reference to  
17 its title, but the act revised or the section amended shall be set forth at full length.” The purpose  
18 of this requirement is to “avoid confusion, ambiguity, and uncertainty” by disclosing the “effect  
19 of the new legislation” and its “impact on existing laws.” *ATU*, 142 Wn.2d at 245-46 (internal  
20 quotations and alterations omitted). Like article II, section 19, article II, section 37 “applies to  
21 initiatives.” *ATU*, 142 Wn.2d at 247.

22  
23  
24 The Supreme Court recently considered article II, section 37 and the two-prong test for  
25 determining whether legislation violates the clause. *El Centro De La Raza v. State*, 192 Wn.2d  
26 103, 128-29, 428 P.3d 1143 (2018). Under the first prong, the Court examined “whether the new  
27 enactment [is] such a complete act that the scope of the rights or duties created or affected by the

1 legislative action can be determined without referring to any other statute or enactment.” *Id.* at  
2 129 (internal quotations omitted). Under the second prong, the Court asked whether “a  
3 straightforward determination of the scope of rights or duties under the existing statutes [would]  
4 be rendered erroneous by the new enactment.” *Id.* “This prong of the test ensures that the  
5 legislature [or here, the people, are] aware of the legislation’s impact on existing laws.” *Id.*  
6

7 In *ATU*, the Court held that a section of I-695 providing that “any tax increase imposed  
8 by the state [would] require voter approval” violated article II, section 37. 142 Wn.2d at 193,  
9 253 (internal quotations and alterations omitted). The section was “not complete” because other  
10 statutes, such as one authorizing port districts to levy taxes for industrial development purposes,  
11 contained a “voter approval requirement, which specifically describe[d] how and when a special  
12 election is to be held, and what percentage of voters must approve.” *Id.* at 253-54. The Court  
13 held that I-695 “clearly” impacted these existing statutes “since [I-695] encompass[e]d voter  
14 approval for all taxes,” and yet the “impact [wa]s not at all clear” because I-695 did “not set forth  
15 the existing statute which [wa]s affected.” *Id.* at 253-54. Thus, because I-695 did not “disclose  
16 its effect” on, let alone “repeal or mention,” the existing statute, the Court invalidated the  
17 offending section. *Id.* at 253-54, 256. Along the same lines, in *El Centro*, 192 Wn.2d at 132, the  
18 Court held that a new act greatly restricting the existing bargaining rights of public school  
19 employees violated article II, section 37 because it did not “explicitly show how [the new act]  
20 relates to statutes it amends.”  
21  
22

23 I-976 similarly violates article II, section 37 because it is not a complete act, it amends  
24 other statutes, and its effect cannot be understood without reference to other statutes, which it  
25 fails to identify. For example, Section 6 of I-976 completely repeals RCW 82.80.140 regarding  
26 vehicle fees imposed by TBDs. RCW 82.80.140, however, states that it is subject to  
27

1 RCW 36.73.065. *See* RCW 82.80.140(1) (“Subject to the provisions of RCW 36.73.065 . . .”).<sup>9</sup>  
2 RCW 36.73.065 also grants TBDs the authority to impose vehicle fees, in addition to other  
3 charges, taxes, and tolls. *See also* RCW 36.73.040 (authorizing districts to impose vehicle fees).  
4 I-976, however, fails to set out RCW 36.73.065 or RCW 36.73.040 in full or disclose its  
5 amendment of these statutes. Like I-695, I-976’s impact on TBDs’ ability to impose vehicle fees  
6 is not clear because I-976 fails even to mention RCW 36.73.065 or RCW 36.73.040. *See ATU*,  
7 142 Wn.2d at 253-54.  
8

9 I-976 also seemingly amends but fails to disclose its effect on many provisions of chapter  
10 46.17 RCW. Again, section 2 of I-976 purports to cap vehicle license fees at \$30 by adding a  
11 new section to chapter 46.17 RCW. The language of section 2 suggests that \$30 means \$30  
12 (except for the illusory promise of public elections to exceed the \$30 cap). Yet, chapter 46.17  
13 RCW imposes numerous additional vehicle fees that are not specifically referenced in sections 2,  
14 3, 4, or 5 of I-976, but are apparently capped by Section 2. For example, RCW 46.17.015  
15 imposes a \$.25 license plate technology fee and RCW 46.17.030 imposes a \$15 outstanding  
16 parking ticket surcharge. Indeed, more than 15 other vehicle fees are found in RCW 46.17.<sup>10</sup> To  
17  
18

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19 <sup>9</sup> A district that includes all the territory within the boundaries of the jurisdiction, or jurisdictions, establishing the  
20 district may impose by a majority vote of the governing board of the district the following fees and charges:

- 21 (i) Up to twenty dollars of the vehicle fee authorized in RCW 82.80.140;  
22 (ii) Up to forty dollars of the vehicle fee authorized in RCW 82.80.140 if a vehicle fee of twenty dollars has  
23 been imposed for at least twenty-four months;  
24 (iii) Up to fifty dollars of the vehicle fee authorized in RCW 82.80.140 if a vehicle fee of forty dollars has  
25 been imposed for at least twenty-four months and a district has met the requirements of subsection (6) of  
26 this section; or  
27 (iv) A fee or charge in accordance with RCW 36.73.120.

RCW 36.73.065(4)(a).

<sup>10</sup> RCW 46.17.025 (\$.50 license service fee), RCW 46.17.040(1)(b) (agent or subagent fee of \$8), RCW 46.17.200  
(initial registration and licensing fees of \$10 (original issue fee), \$2 (reflectivity), \$20 (license plate retention fee),  
\$10 (license plate transfer fee)), RCW 46.17.210 (personalized license plate fees of \$52 initially, and \$42 for  
renewal), RCW 46.17.220 (specialized license plate fees of \$5-40 for initial registration, and \$0-30 for renewals),  
RCW 46.17.250 (\$36 fee for initial combination trailer registration), RCW 46.17.305 (\$3 boat trailer aquatic weed  
fee due on registration), RCW 46.17.310 (\$1 change of class fee), RCW 46.17.315 (\$16 commercial vehicle safety  
enforcement fee), RCW 46.17.320 (\$1.25 duplicate registration fee), RCW 46.17.324 (\$75 electrification fee), RCW  
46.17.325 (\$5 farm exempt decal fee), RCW 46.17.340 (\$15 vehicle-for-hire seating capacity fee), RCW 46.17.375

1 effectuate the \$30 cap, I-976 effectively repeals these fees, but without even a reference.

2 Moreover, to the extent the Initiative preserves any of these various fees, such as the \$4.50 filing  
3 fee under RCW 46.17.005, the initiative's promise of capping license fees at \$30 is misleading  
4 and raises other constitutional issues. *See* section V.B.1, *supra*.

5  
6 Finally, I-976 violates article II, section 37 as it is unclear whether voters still have  
7 authority to enact vehicle fees in excess of the \$30 cap. *See* section V.B.2, *supra*. In the same  
8 way that I-695 created confusion about how voters could approve taxes and fees and thus  
9 violated article II, section 37, I-976 creates confusion by purporting to allow voter enacted  
10 vehicle fees, while at the same time repealing the authority for local voters to impose such fees.

11 As with the article II, section 19 violations above, there is also no basis for severability of  
12 I-976 under article II, section 37. Given that the above provisions either seek to eliminate taxes  
13 or fees that facilitate the \$30 ceiling on car tabs or relate to the contingent application of other  
14 sections of I-976, the sections are not severable. Thus, the entirety of I-976 is invalid on this  
15 alternative ground. *See ATU*, 142 Wn.2d at 256 (invalidating I-695 in full under article II,  
16 section 37); *Abrams*, 163 Wn.2d at 285-86.

17  
18 **D. A Statewide Election Cannot Undo Local Election Results.**

19 As described above, I-976 would negate locally voted VLFs. Thus, I-976 presents the  
20 unique situation of a statewide vote overturning an earlier local election. This is wrong.

21  
22 In November 2014, Seattle voters overwhelmingly decided to impose additional VLFs on  
23 themselves to fund additional bus service and other transportation needs through 2021. VerBoot  
24 Decl., ¶ 3. This vote is consistent with the deep respect accorded local government by our

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27 \_\_\_\_\_  
(\$3 recreational vehicle sanitary disposal fee), RCW 46.17.380 (\$6 abandoned RV disposal fee), RCW 46.17.410  
(\$5 off-road vehicle registration transfer fee), and RCW 46.17.420 (\$5 snowmobile registration transfer fee).

1 constitution, which encourages local citizens to determine local solutions to their own problems.  
2 I-976 would retroactively invalidate the results of this vote and infringe the self-determination  
3 rights of Seattle residents. Specifically, by repealing RCW 82.80.140, local TBDs (such as  
4 Seattle’s) would no longer have the authority to collect voter-approved VLF revenue, which  
5 would nullify the vote cast by 139,222 Seattle residents in favor of an additional \$60 VLF for a  
6 six-year period (through December 31, 2020).<sup>11</sup> These types of decisions are intended to be left  
7 to local voters, as the Legislature found that “respond[ing] to the need for transportation  
8 improvements on state highways, county roads, and city streets [...] can be better achieved by  
9 allowing cities, towns and counties to establish” TBDs to allow for necessary improvements to  
10 the transportation system and to improve performance of the existing system. RCW 36.73.010.  
11

12 The Washington Constitution “specifically confers upon its citizens the right to “free and  
13 equal elections” without state interference, which means that our state constitution “goes further  
14 to safeguard this right” than the federal constitution, although both recognize voting as a  
15 fundamental right. *Foster v. Sunnyside Valley Irrigation Dist.*, 102 Wn.2d 395, 405, 687 P.2d  
16 841 (1984). The embrace of local control of local issues is also enshrined in the Constitution.  
17 For example, local voters have the right to create their own form of local home rule, through their  
18 own locally elected legislature and executive. *See, e.g.*, Const. art. XI, § 4 (providing for county  
19 home rule charters); art. XI, § 10 (providing for incorporation of municipalities).<sup>12</sup> Additionally,  
20 the Washington Constitution prevents the state Legislature from **imposing** local taxes for local  
21 matters. Const., art. XI, § 12 (“The legislature shall have no power to impose taxes upon  
22 counties, cities, [or] towns ... or upon the inhabitants or property thereof, for county, city, [or]  
23  
24

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25  
26 <sup>11</sup> The Initiative sponsor was well-aware of the option to have delayed effective dates for portions of the Initiative,  
27 yet chose not to delay effectiveness of the repeal of RCW 82.80.140 (the statute authorizing the voter-approved VLF  
charges) until January 1, 2021, when the mandate of the 2014 Seattle vote would have expired per the terms of the  
vote.

1 town ... purposes.”). Instead, the Legislature “may, by general laws, vest in the corporate  
2 authorities thereof, the power to assess and collect taxes for such purposes.” *Id.* In other  
3 words, the Legislature can authorize local taxes, but it cannot impose them directly and it cannot  
4 interfere with a locally imposed tax. Here, local voters made the choice to impose local taxes for  
5 a six-year period, *which has not yet elapsed*, and the results of that vote must be honored in  
6 compliance with the dictates of article I, section 19.  
7

8 There are mechanisms for allowing voters to take up a previously decided issue before the  
9 next prescribed period for considering the issue and none of those mechanisms apply or were used  
10 here. For example, the Constitution offers ways to nullify an election through recall in article 1,  
11 sections 33 and 34. Importantly, the recall provisions acknowledge the necessity of having the  
12 same set of voters weigh in on the issue, by requiring that the recall petition contain signatures of  
13 a percentage of qualified electors, and that percentage is “required to be computed from the total  
14 number of votes cast for all candidates for his said office to which he was elected at the  
15 preceding election.” Const. art. I, § 33. Similarly, the right to a referendum established in article  
16 II, section 1, allows for those governed by an act of the state Legislature to challenge that law.  
17 Again, the size of the impacted class remains the same. Nowhere does our law provide for an  
18 election whereby the voters of the state get to override the election results of a locality prior to  
19 the time those election results are up for reconsideration at the ballot box. If anything, the Court  
20 has allowed for the reverse. *Foster*, 102 Wn.2d at 405-11 (under article I, section 19, owners of  
21 subdivided land could not be excluded entirely from irrigation district board elections, although  
22 residents who bore a greater burden of the district’s assessments could be given more voting  
23 power).  
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1 Finally, it should be noted that any statute that infringes on or burdens the fundamental  
2 right to vote is subject to strict scrutiny, meaning it must be narrowly tailored to further a  
3 compelling state interest. *City of Seattle v. State*, 103 Wn.2d 663, 670, 694 P.2d 641 (1985). As  
4 amply demonstrated above, I-976 is anything but narrowly tailored. Nor does the initiative  
5 identify any compelling **state** interest to invalidate a **local** vote to address purely local issues  
6 with an entirely local fee.  
7

8 I-976 impairs the rights of local voters. A preliminary injunction is necessary to allow  
9 full consideration of this issue.

10 **E. I-976 Violates Separation of Powers Principles By Intruding on Administrative**  
11 **Matters.**

12 The Washington Constitution incorporates foundational separation of powers principles.  
13 *Zylstra v. Piva*, 85 Wn.2d 743, 754, 539 P.2d 823 (1975) (Utter, J. concurring; cited with  
14 approval by *Matter of Salary of Juvenile Dir.*, 87 Wn.2d 232, 240, 552 P.2d 163 (1976)).  
15 Separation of powers is violated when “the activity of one branch threatens the independence or  
16 integrity or invades the prerogatives of another.” *Auto. United Trades Org. v. State*, 183 Wn.2d  
17 842, 859, 357 P.3d 615 (2015). In addition, “[t]he Legislature is prohibited from delegating its  
18 purely legislative functions” to other branches of government. *Id.* Through initiatives, the  
19 people have reserved the right to legislate subject to the same constitutional restrictions that  
20 confine the Legislature. *ATU*, 142 Wn.2d at 241. “The people in exercising their reserved  
21 powers must conform to the constitution, just as the Legislature must do when enacting  
22 legislation.” *Id.* at 232. Here, I-976 violates the separation of powers by addressing  
23 administrative matters properly left for the executive branch and by improperly delegating  
24 legislative powers on effective dates to the executive of local agencies.  
25  
26  
27

1 An action is administrative “if it furthers (or hinders) a plan the local government or  
2 some power superior to it has previously adopted.” *City of Port Angeles v. Our Water-Our*  
3 *Choice!*, 170 Wn.2d 1, 10, 239 P.3d 589 (2010). A key question is “whether the proposition is  
4 one to make new law or declare a new policy, or merely to carry out and execute law or policy  
5 already in existence.” *Id.* (internal quotations omitted). In *Bidwell v. City of Bellevue*, 65 Wn.  
6 App. 43, 46-47, 827 P.2d 339 (1992), Division One further pointed out that “[a]ctions relating to  
7 subjects of a permanent and general character are usually regarded as legislative, and those  
8 providing for subjects of a temporary and special character are regarded as administrative.”

9  
10 I-976 violates separation of powers principles by intruding on multiple local legislatively  
11 approved projects that are in the administrative stage and forcing the executive branch of local  
12 government to address the consequences of each intrusion. Three cases illustrate the point. In  
13 *Ruano*, 81 Wn.2d at 825, an initiative provision sought to halt the Kingdome Stadium project.  
14 The project had been approved legislatively and was ongoing. The initiative purported to direct  
15 the executive to take necessary action to halt the project and any ongoing financial commitments.  
16 The Supreme Court held that this initiative was invalid because it exceeded the legislative  
17 function of the initiative power: “We hold that, under the facts of this case, only administrative  
18 decisions remained in connection with the stadium project, decisions not subject to the initiative  
19 process.” *Id.* Prior legislative enactments had determined to build a stadium, finance its bonds,  
20 and repay those bonds, but the execution of those laws, including the repayment of bonds, was  
21 an administrative action outside the proper scope of an initiative. *Id.* at 824-25.

22  
23  
24 Similarly, in *City of Port Angeles*, the Supreme Court rejected an initiative that sought to  
25 block fluoridation of the city water supply. Because laws related to fluoridation were well  
26 established, it was beyond the initiative power to dictate how those laws were to be executed.  
27

1 See 170 Wn.2d at 14 (“These are not details of a new policy or plan, indicative of a legislative  
2 act; these are modifications of a plan already adopted by the legislative body itself, or some  
3 power superior to it, indicative of an administrative act.” (internal quotations omitted)).

4 Finally, in *Bidwell*, 65 Wn. App. at 45-46, the city adopted four ordinances that  
5 established the framework for building a convention center, including financing and the issuance  
6 of bonds. An initiative filed with the city sought an amendment to the city charter that would  
7 require voter approval prior to issuance of any negotiable bonds or notes. *Id.* The court held that  
8 the proposed initiative exceeded the scope of the initiative power because it addressed  
9 administrative matters. *Id.* at 48.

10  
11 Not only does I-976 violate separation of powers concerns related to interfering with  
12 administrative matters, it also violates separation of powers by unconstitutionally delegating  
13 legislative authority on effective dates for certain sections of I-976. It is unconstitutional to  
14 delegate or transfer legislative authority to others. *Brower v. State*, 137 Wn.2d 44, 54, 969 P.2d  
15 42 (1998). Determining the effective date of an act is part of the legislative authority. The  
16 Legislature is free to make the effective date of an enactment contingent on “a future event  
17 specified by the Legislature,” even when the event arises at the discretion of others. *Diversified*  
18 *Inv. Partnership v. Department of Soc. & Health Servs.*, 113 Wash.2d 19, 28, 775 P.2d 947  
19 (1989) (emphasis added). However, for purposes of determining an unconstitutional delegation  
20 of legislative authority, the Supreme Court has distinguished between “conditioning the  
21 operative effect of a statute upon the happening of a future specified event” versus “transfer[ring]  
22 the power to render *judgement* on an issue to a federal legislative or administrative body.” 113  
23 Wn.2d at 28 (emphasis added). The Legislature cannot “delegate the power to repeal a statute”  
24 because in such a circumstance it “necessarily transfers its power to render judgment as to the  
25  
26  
27

1 continued expediency of the statute.” *Id.* at 30. The convoluted effective dates set forth in I-976  
2 section 16 represent an unconstitutional delegation of legislative authority because an entity  
3 other than the Legislature is granted the ability to set the timing of compliance based on its  
4 judgment, rather than on the happening of a future event specified in the initiative. The exercise  
5 of such judgment has significant impacts on the specified statutes. Separation of powers does  
6 not permit such an unconstitutional delegation of legislative authority.  
7

8 Plaintiffs’ declarations demonstrate that numerous ongoing projects that are presently  
9 being administered statewide will be eliminated or impacted by I-976. Such action is beyond the  
10 scope of the initiative power and a fundamental intrusion on separation of powers.

11 **F. I-976 Impairs Existing Contracts in Violation of the Contracts Clause.**

12 I-976 also raises significant claims regarding impairment of existing contracts across the  
13 state. The Washington Constitution provides: “no law...impairing the obligation of contracts  
14 shall ever be passed.” Const. art. I, § 23. The test for contract impairment is well established:  
15 “(1) does a contractual relationship exist, (2) does the legislation substantially impair the  
16 contractual relationship, and (3) if there is a substantial impairment, is it reasonable and  
17 necessary to serve a legitimate public purpose.” *Tyropak v. Daniels*, 124 Wn.2d 146, 152, 874  
18 P.2d 1374 (1994); *Caritas Services, Inc. v. Dept. of Social and Health Svcs.*, 123 Wn.2d 391,  
19 403, 869 P.2d 28 (1994). Where legislation impairs a government’s own bond contracts, the law  
20 will “face more stringent examination under the Contract Clause than would laws regulating  
21 contractual relationships between private parties.” *Tyropak*, 124 Wn.2d at 151 (internal  
22 quotations omitted).  
23  
24

25 In *Pierce Cty.* II, the Washington Supreme Court held that previous Eyman initiative I-  
26 776 unconstitutionally impaired bond contracts. 159 Wn.2d at 39; *see also, e.g., Bidwell*, 65 Wn.  
27

1 App. at 44-45 (initiative requiring public vote on revenue bonds to finance convention center  
2 impaired preexisting operations and lease agreements); *Continental Illinois Nat'l Bank & Trust*  
3 *Co. of Chicago v. State of Wash.*, 696 F.2d 692, 694 (9th Cir. 1983) (initiative  
4 “unconstitutionally impaired existing contractual obligations to finance and complete nuclear  
5 power plants”); *United States v. Manning*, 434 F. Supp. 2d 988, 1023 (E.D. Wash. 2006)  
6 (impairment of federal contracts by Initiative 297), *aff'd*, 527 F.3d 828 (9th Cir. 2008). *Tyrpak*  
7 further emphasizes that outstanding bonds are impaired by the reduction of a pledged tax even  
8 where the remaining security might be sufficient for repayment. *Tyrpak*, 124 Wn.2d at 154-55;  
9 *see also Pierce Cty. II*, 159 Wn.2d at 36; *Muni. of Metro. Seattle v. O'Brien*, 86 Wn.2d 339, 351,  
10 544 P.2d 729 (1976) (although contracted-for security substantially exceeded municipality’s debt  
11 service requirements, the excess was an important reason for favorable bond ratings and thus an  
12 important factor in bondholders’ decision to purchase the bonds).

13  
14  
15 Here, I-976 is likely to impair a wide range of contracts statewide, the full extent of  
16 which cannot be known at this early stage. To the extent, for example, that it removes revenue  
17 pledged to existing bonds, which would be a substantial impairment. *See, e.g., King Decl.*, ¶¶  
18 13, 15 & Exs. D, F. There is also no justification offered for these impairments other than a  
19 purported “change in tax policy,” which the Court held “has been soundly rejected for over a  
20 century.” *Pierce Cty. II*, 159 Wn.2d at 37-38.

21  
22 **G. Plaintiffs Will Suffer Immediate and Irreparable Harm if I-976 Is Allowed to Take  
23 Effect as Scheduled.**

24 Virtually all of I-976 is scheduled to take effect on December 5. *See* section II.C., *supra*.  
25 As noted above, the State has also confirmed it intends to change its collection procedures once  
26 the initiative takes effect. *See* Segal Decl., Ex. G. Thus, once the initiative takes effect,  
27

1 substantial and immediate harm will occur statewide. Plaintiffs, therefore, also satisfy the  
2 second and third prongs of the injunction test.

3       Cities, towns, counties, and transit agencies will experience major reductions in funding  
4 for transit services, roads, and other transportation projects, as detailed in the declarations  
5 submitted with this motion. I-976 will cause a total revenue loss of \$1.9 billion to the state in the  
6 next six years, of which \$1.4 billion would come from the state's Multimodal Transportation  
7 Account. Leighton Decl., ¶ 6. This account funds all modes of transportation projects  
8 including public transportation, rail, and bicycle/pedestrian projects, through grant programs  
9 including the Regional Mobility Grant, Tiered Project List, Special Needs Transportation  
10 Grant, and Consolidated Grant Programs. *Id.* This significant reduction in the Multimodal  
11 Account likely will substantially reduce the transit grants provided to local governments and  
12 transit agencies by the State, totaling nearly \$250 million in the 2019-2021 biennium. *Id.*  
13 Plaintiffs GCTA, IT, King County, the City of Seattle, and many of AWC's and WSTA's  
14 members depend on these grants to operate their transit systems. Dixon Decl., ¶ 4; Freeman-  
15 Manzanares Decl., ¶¶ 4, 7-9; Gannon Decl., ¶ 11; Canete Decl., Exs. A, B; King Decl., ¶ 16;  
16 Leighton Decl., ¶ 6. The harmful impacts on Plaintiffs will vary, ranging from the need to  
17 defer or completely eliminate major capital projects to potential service cuts upwards of 75  
18 percent to the elimination of lifeline transportation services and paratransit and vanpool  
19 programs utilized by disadvantaged populations of individuals. Dixon Decl., ¶¶ 4-8; Freeman-  
20 Manzanares Decl., ¶¶ 4, 7-9; Gannon Decl., ¶ 11; King Decl., ¶ 16; Leighton Decl., ¶¶ 6-15.

21  
22  
23  
24       I-976 will also substantially harm Plaintiffs King County, City of Seattle, and AWC's  
25 members by removing the authority of TBDs to impose vehicle fees that provide vital funding  
26 for critical transportation improvements, as well as expansions and access to transit services.  
27

1 Gannon Decl., ¶ 11; King Decl., ¶ 7. In 2018, TBDs using vehicle fees across the state collected  
2 more than \$58 million. King Decl., ¶ 7. This revenue would be eliminated as soon as I-976  
3 takes effect. King Decl., ¶ 7. In addition to the \$60 VLF Seattle’s TBD sought and received via  
4 voter authorization, an existing \$20 VLF brings in revenue totaling \$32.8 million a year. Hennes  
5 Decl., ¶¶ 7-8. Revenue from TBD vehicle fees is dedicated to local transportation needs,  
6 including directly funding transit projects, meeting the state transportation funding local program  
7 match requirements, and pledging repayment of debt on local transportation projects. King  
8 Decl., ¶ 5. This loss of revenue resulting from I-976 will harm cities of all sizes statewide. King  
9 Decl., ¶¶ 8-15.

11 Further, I-976 will harm many other individuals, governments, and organizations who  
12 rely on transit services and efficient and effective transportation to conduct their daily business.  
13 For instance, due to the significant reduction in funding for services that Plaintiff Rogers relies  
14 on, his basic mobility in his daily life will be rendered extremely difficult if not impossible.  
15 Rogers Decl., ¶ 10; Freeman-Manzanares Decl., ¶ 4. Other individuals with special needs will  
16 also be unable to continue to live independently as a result of I-976’s effect and resulting  
17 reduction in services. *See, e.g.*, Dixon Decl., ¶¶ 5-8. Lower income individuals will also be hit  
18 hard by the loss of transit options. *See generally* VerBoort Decl. Additionally, the reduction or  
19 complete elimination of services will lead to a corresponding loss in pay for the 8,000 members  
20 of Plaintiff ATU that work for various transit agencies. Swartz Decl., ¶¶ 3, 5-6. It will harm  
21 parks and alternate methods of regional mobility. *See generally* Terry Decl. Finally, because of  
22 the reductions in transit services and road improvement projects, I-976 will impair Plaintiff the  
23 Port’s ability to move people, freight, and cargo in the region, across the country, and around the  
24  
25  
26  
27

1 world. Poor Decl., ¶ 6. These are just a sampling of the impacts that will commence and worsen  
2 absent an injunction as this case remains pending.

3 In sum, there is an extensive and indisputable record before this Court showing Plaintiffs  
4 have a well-grounded fear that there will be an extraordinary disruption of funding and resulting  
5 services, as of December 5, and that immediate and substantial harm will occur as a result.

6  
7 **H. The Balance of Equities Weighs Heavily in Favor of Granting Injunctive Relief**

8 Finally, the Court should consider the balance of the equities at stake here, including the  
9 equities as they apply to the public. *See Rabon*, 135 Wn.2d at 284. As discussed in the previous  
10 section and in the Plaintiffs’ declarations, if this Court fails to enter a preliminary injunction,  
11 transportation projects and transit services would face devastating cuts harming communities  
12 across the state, and critical revenues would be irretrievably lost. In contrast, if the Court grants a  
13 preliminary injunction and I-976 is ultimately upheld, members of the public will be entitled to  
14 automatic refunds for any overpayments made during the pendency of the injunction. *See RCW*  
15 *46.68.010(1)* (“A person who has paid all or part of a vehicle license fee under this title is entitled  
16 to a refund if the amount was paid in error...”); *RCW 4.68.010(2)* (“The department [of licensing]  
17 **shall** refund overpayments of vehicle license fees and motor vehicle excise taxes under Title 82  
18 *RCW* that are ten dollars or more. A request for a refund is not required.” (emphasis added)).

19  
20 In balancing the equities in determining whether or not to enter an injunction, courts also  
21 consider “society’s strong interest in efficient tax collection.” *Tyler Pipe Indus., Inc. v. State*  
22 *Department of Revenue*, 96 Wn.2d 785, 797, 638 P.2d 1213 (1982). In *Tyler Pipe*, a taxpayer  
23 challenged the assessment of a tax and sought a preliminary injunction rather than pre-paying the  
24 tax and litigating its claims in a refund action. *Id.* at 787-87. The Supreme Court held that the  
25 taxpayer was not entitled to injunctive relief in light of “[s]ociety’s strong interest in the collection  
26  
27



1 of taxes.” *Id.* at 796. The Court cited the value in allowing “revenue collection to continue during  
2 litigation so that essential public services dependent on the funds are not unnecessarily interrupted”  
3 and recognized that “[a]ny delay in the proceedings of the officers, upon whom the duty is  
4 devolved of collecting the taxes, may derange the operations of government, and thereby cause  
5 serious detriment to the public.” *Id.* at 797 (internal quotation omitted). That reasoning applies  
6 here in favor of granting an injunction, as the “detriment to the public” that would result from even  
7 a temporary loss of the revenues at issue cannot be overstated. *See id.*

8  
9 Moreover, if the Court grants a preliminary injunction and I-976 is subsequently  
10 invalidated, a preliminary injunction will save the State considerable administrative expenses by  
11 allowing the State to avoid implementation altogether. *See* section II.F., *supra* (describing  
12 administrative costs outlined in Fiscal Impact Statement for I-976). At the same time, if the Court  
13 grants a preliminary injunction and I-976 is ultimately implemented, the State will be in no worse  
14 a position than if no injunction had been entered; it will simply incur the administrative costs  
15 associated with implementation at a later date. Accordingly, equitable considerations, including  
16 the relative interests of the parties and the public, weigh heavily in favor of a preliminary  
17 injunction.  
18

## 19 VI. CONCLUSION

20 Plaintiffs are likely to prevail on the merits of their claims that I-976 violates the  
21 Washington Constitution in multiple, alternative ways. Plaintiffs have shown that absent an  
22 injunction, they and the public will suffer immediate, substantial and irreparable harm. The  
23 balance of the equities favors an injunction where a monetary refund remedy exists in the event  
24 the injunction is later dissolved. Plaintiffs respectfully request that the Court grant their motion  
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26  
27

1 and temporarily enjoin implementation of I-976 to allow a full and fair consideration of its  
2 constitutionality.

3 DATED this 18<sup>th</sup> day of November, 2019.

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1 *Transit, Amalgamated Transit Union*  
2 *Legislative Council of Washington, and*  
3 *Michael Rogers*

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1 **CERTIFICATE OF SERVICE**

2 I am and at all times hereinafter mentioned was a citizen of the United States, over the  
3 age of 21 years and not a party to this action. On the 18th day of November, 2019, I caused to be  
4 served, via the King County E-Service filing system, and via electronic mail per agreement of  
the parties, a true copy of the foregoing document upon the parties listed below:

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DATED this 18th day of November, 2019.



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Sydney Henderson