HOUSE BILL REPORT ESSB 6771

As Reported by House Committee On:

Transportation

Title: An act relating to temporarily eliminating regional transportation investment districts.

Brief Description: Temporarily eliminating regional transportation investment districts.

Sponsors: Senate Committee on Transportation (originally sponsored by Senators Haugen and Murray).

Brief History:

Committee Activity:

Transportation: 2/27/08, 3/3/08 [DPA].

Brief Summary of Engrossed Substitute Bill (As Amended by House Committee)

- Declares the Legislature's intent to determine whether regional financing of state-owned transportation projects and facilities can be successfully implemented by regional transportation investment districts (RTID).
- Directs the Joint Transportation Committee to study regional financing of stateowned facilities by RTIDs, and to submit a report by December 1, 2008.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass as amended. Signed by 18 members: Representatives Clibborn, Chair; Flannigan, Vice Chair; Appleton, Campbell, Dickerson, Eddy, Hudgins, Jarrett, Loomis, Rolfes, Sells, Simpson, Springer, Takko, Upthegrove, Wallace, Williams and Wood.

Minority Report: Do not pass. Signed by 7 members: Representatives Ericksen, Ranking Minority Member; Armstrong, Herrera, Kristiansen, Rodne, Smith and Warnick.

Staff: Kathryn Leathers (786-7114).

Background:

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This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

In 2002 the Legislature authorized the creation of regional transportation investment districts (RTID) for the purpose of planning, selecting, funding, and implementing regional transportation improvements within the central Puget Sound region. Under this authorizing legislation, a RTID was required to include at least two contiguous counties, one of which was required to have a population of over 1.5 million and any adjoining counties were required to have a population over 500,000. The boundaries of the RTID were also encouraged to include at least the contiguous areas within the regional transit authority serving the counties. Subsequently, a three-county RTID planning committee was established in King, Pierce, and Snohomish counties.

Pursuant to legislation enacted during the 2006 legislative session, Sound Transit and the proposed three-county RTID were required to submit a joint ballot measure at the 2007 general election for voter approval of the agencies' respective transit and highway improvement plans. Passage of each measure was made contingent on the passage of the other measure.

The voters did not approve the November 2007 joint ballot measure. As a result, neither plan was approved and the proposed RTID was not formally created. Single-county RTIDs may now be formed by King, Pierce, and Snohomish counties.

A RTID is granted several local voter-approved funding options to fund the improvements, including a sales and use tax, vehicle license fee, parking tax, motor vehicle excise tax, employer tax, local option fuel tax, and vehicle tolls.

Eligible projects include capital improvements to highways of statewide significance, including associated multimodal capital improvements, and, under limited circumstances, certain local street, road, and highway improvements. Additionally, operational expenses (for example, transit services) are allowed for project construction mitigation related to RTID-funded projects.

Summary of Amended Bill:

The Legislature declares its intent to determine whether regional financing of state-owned transportation projects and facilities can be successfully implemented by RTIDs. The Joint Transportation Committee (JTC) is directed to study regional financing of state-owned facilities by RTIDs, and to report its findings to the transportation committees of the Legislature and to the Governor by December 1, 2008. Funding for the study is provided from unexpended funding previously provided to the JTC in the 2007 Transportation Appropriations Act for analyzing transportation governance in the central Puget Sound area.

Amended Bill Compared to Engrossed Substitute Bill:

The temporary elimination of the authority to create a RTID was removed. A declaration of legislative intent to determine whether regional financing of state-owned transportation projects and facilities can be successfully implemented by RTIDs was added. The JTC was

directed to conduct a study of regional financing of state-owned transportation projects and facilities by RTIDs, and to report back to the Legislature and Governor by December 1, 2008. Funding for the study was provided from previously unexpended funds provided to the JTC in the 2007 budget.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of session in

which bill is passed.

Staff Summary of Public Testimony:

(In support) It is premature to repeal the RTID financing tool. In a time of declining state revenues, increasing costs, and fewer available federal funds, keeping local financing options available is important. The RTID provides revenue options that single or multiple counties may want to implement.

(Opposed) None.

Persons Testifying: Duke Schuab, Association of General Contractors.

Persons Signed In To Testify But Not Testifying: None.

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