FINAL BILL REPORT SB 5540

C 280 L 09

Synopsis as Enacted

Brief Description: Establishing high capacity transportation corridor areas.

Sponsors: Senators Pridemore, Hargrove, Marr, Shin and Haugen.

Senate Committee on Transportation House Committee on Transportation

Background: Under current law, certain transit agencies may choose to establish high capacity transportation service. High capacity transportation service is a system of public transportation service within an urbanized region operating principally on exclusive rights of way that provides a substantially higher level of passenger capacity, speed, and service frequency than traditional public transportation systems. Various revenue sources are available to support the service (i.e., employer tax, rental car tax, and sales/use tax), which are all subject to voter approval. Currently, only the regional transit authority in the central Puget Sound region (Sound Transit) finances and operates high capacity transportation service.

Summary: A transit agency located within certain counties bordering a state boundary may establish one or more high capacity transportation corridor areas (HCTCA) within the transit agency's boundaries. A HCTCA is a separate, independent local government with specific taxing authority, established to finance and provide high capacity transportation service. A HCTCA is governed by the members of the transit agency governing body that proposes the HCTCA. A HCTCA may use any of the high capacity transportation revenue options available to transit agencies to finance the service. However, the combined rates between the transit agency proposing the HCTCA, and any HCTCA within that transit agency's boundaries, may not exceed the maximum rates currently allowed. Additionally, an HCTCA has separate, independent authority to issue bonds up to the maximums allowed under the state Constitution.

A HCTCA may not submit a tax measure to voters prior to July 1, 2012, and may only obtain voter-approved taxes one time, even if additional taxing capacity remains after the approval.

Votes on Final Passage:

Senate 30 17

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.

Senate Bill Report - 1 - SB 5540

House 52 45 (House amended) Senate 29 19 (Senate concurred)

Effective: July 26, 2009