# SENATE BILL REPORT SB 5540

As Amended by House, April 17, 2009

**Title**: An act relating to high capacity transportation service.

**Brief Description**: Establishing high capacity transportation corridor areas.

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

### **Brief History:**

Committee Activity: Transportation: 2/09/09, 2/24/09 [DP, DNP].

Passed Senate: 3/05/09, 30-17. Passed House: 4/17/09, 52-45.

#### SENATE COMMITTEE ON TRANSPORTATION

## Majority Report: Do pass.

Signed by Senators Haugen, Chair; Marr, Vice Chair; Eide, Jacobsen, Jarrett, Kastama, Kauffman, Kilmer and Ranker.

## **Minority Report**: Do not pass.

Signed by Senators Swecker, Ranking Minority Member; Becker, Delvin and King.

Staff: Kelly Simpson (786-7403)

**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 of Bill**: 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

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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.

**Appropriation**: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

**Effective Date**: Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony**: PRO: This bill provides more options for local transit agencies in urban areas to finance and operate high capacity transportation service. Specifically, the bill would help facilitate high capacity transportation service as part of the Columbia River Crossing bridge project. Vancouver is suffering more and more congestion and could use this bill to help alleviate its congestion problems. The bill ensures that only voters in the urban core are voting on revenue measures to support high capacity transportation service.

**Persons Testifying**: PRO: Senator Pridemore, prime sponsor; Jeff Hann, C-TRAN; Jim Irish, Mayor of La Center; Bill Fromhold, Columbia River Crossing Coalition.

**House Amendment(s)**: Reduces the authorized general obligation bond maturity period from a maximum of 40 years to a maximum of 25 years.

Provides that an HCTCA may only obtain voter-approved taxes one time, even if additional taxing capacity remains after the approval.

Prohibits an HCTCA from submitting a tax measure to voters prior to July 1, 2012.

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