

SENATE BILL REPORT

ESSB 6140

As Reported By Senate Committee On:
Transportation, January 23, 2002

Title: An act relating to the creation of regional transportation investment districts.

Brief Description: Authorizing creation of regional transportation investment districts.

Sponsors: Senate Committee on Transportation (originally sponsored by Senators McDonald, Prentice, Horn, Eide, Johnson, Finkbeiner, Patterson, Shin, Benton, Kastama, Costa, McAuliffe, Rossi, Long, Roach, Zarelli and Oke).

Brief History:

Committee Activity: Transportation: 3/15/01, 4/9/01 [DPS, DNP]; 1/22/02, 1/23/02 [DP2S].

First Special Session: Passed Senate: 5/21/01, 26-20.

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: That Second Substitute Senate Bill No. 6140 be substituted therefor, and the second substitute bill do pass.

Signed by Senators Haugen, Chair; Gardner, Vice Chair; Benton, Eide, Finkbeiner, Horn, Johnson, Kastama, Keiser, McAuliffe, McDonald, Prentice, T. Sheldon, Shin and Swecker.

Staff: Jennifer Ziegler (786-7316)

Background: The Governor and the Legislature created the Blue Ribbon Commission on Transportation (BRCT) in 1998 to do the following: assess the local, regional and state transportation systems; ensure that current and future money is spent wisely; make the system more accountable and predictable; and prepare a 20 year plan for funding and investing in the transportation system. In its final report, the BRCT issued 18 recommendations. Recommendation 6 states that regions be provided with the ability to plan, select, fund, and implement (or contract for the implementation of) projects identified to meet the region's transportation and land use goals.

Summary of Second Substitute Bill: A county with a population over 1.5 million and adjoining counties with a population over 500,000 may create Regional Transportation Investment Districts (RTID). The regional projects to be funded with the regionally raised revenues must be a capital improvement or improvements to a highway of statewide significance that adds a lane or new lanes to an existing state or federal highway including associated approaches, HOV lanes, bus pullouts, flyover ramps, park and ride lots, vans for van pools, buses, and signalization, ramp metering and other transportation system management improvements.

Creation of RTID. To create an RTID, the members of the legislative authorities participating in planning the RTID must form a coordinating committee. The Secretary of

Transportation or the appropriate WSDOT regional administrator serves on the committee as a nonvoting member.

The coordinating committee selects the projects, recommends which revenue choices it will use and sends the plan to the county legislative authorities for their approval. The planning committee is governed by a 60 percent weighted majority vote. The coordinating committee may dissolve itself at any time by a two-thirds weighted majority vote of the total membership of the committee.

The county legislative authority can either approve or disapprove the plan; it cannot alter the plan. If it approves the plan, it must put it on the ballot. If it disapproves the plan, the coordinating committee may revamp the plan for resubmission to the legislative authority. If approved by a majority of voters in the affected counties, the district is created and the members of the coordinating committee automatically become members of the governing board of the district. No ballot measure may be presented to the voters more than three times.

Revenue Options. The planning committee may select from the following list of revenue options to fund the projects: a vehicle license fee of up to \$100 per year; a commercial parking tax on gross proceeds or vehicle stalls; sales and use tax of up to 0.5 percent; and tolls on new improvements. In addition, the following local government funding sources may be used for these projects: a local option motor vehicle excise tax; a local option fuel tax; and an employer excise tax of up to \$2 per employee per month. The local option taxes may only be imposed to the extent those taxes are not already imposed by the county. Sales tax paid on construction materials to build the improvements authorized under this bill are credited to the project to defray costs, pay debt service or to lower the costs of tolls.

Regional Transportation Model Grants. Areas of the state outside of King, Snohomish and Pierce counties are eligible for grants from the state of no more than \$150,000 to study and develop regional transportation models.

Joint Ballot with RTA. The participating counties may choose to impose any remaining high capacity transportation taxes that have not otherwise been used by a regional transit authority. The participating counties may submit a common ballot measure to the voters that creates the district, approves the regional transportation investment plan, implements the taxes, and implements any remaining high capacity transportation taxes within the boundaries of the RTID.

Monorail Funding. A city with a population of 500,000 or more may impose an up to 1 percent city-wide motor vehicle excise tax for the purpose of funding monorail systems.

Highways of Statewide Significance. The Transportation Commission or the Legislature designates state highways of statewide significance. State Route 509 is designated as a state highway of statewide significance.

Second Substitute Bill Compared to Substitute Bill: Regional transportation model grants are added. Provisions are also added to allow participating counties to issue a joint ballot proposition with the regional transit authority. A city with a population of 500,000 or more

may impose a city-wide motor vehicle excise tax for the purpose of funding a monorail system.

Appropriation: None.

Fiscal Note: Requested on January 21, 2002.

Effective Date: The act is null and void if a transportation revenue act containing new or additional revenue does not become law by December 31, 2002.

Testimony For: The legislation has several accountability provisions in it to assure citizens that the revenue will result in specific projects. The performance criteria in the bill is particularly important. This legislation allows the district to present to voters a vision of how the funding will be spent. There are adequate sources of revenue in the bill and the bill is good because it is aggressive.

Testimony Against: The governance process in the legislation is complicated. The legislation should require state matching funds. Snohomish and Pierce County have different needs than King County. The bill should include more options for transit. The bill should permit voluntary participation for those counties that are interested in developing a regional plan. The bill only addresses highways of statewide significance and does not include significant regional corridors. There is no funding provided for transit operating costs.

Testified: PRO: Doug MacDonald, Secretary of WSDOT; Doug Hurley, CHZM Hill; Gary Nelson, Snohomish County Council; Jim Boldt, Clipper Navigations; Terry Finn, Port of Seattle; Rob McKenna, King County Council; Pro w/ concerns: Dwight Pelz, King County Council; Mike Shelton, Island County Council; Bob Drewel, Snohomish County; Ashley Probart, Assn. of WA Cities; Peter Thein, WA State Transit Assn.; Amber Balch, Assn. of WA Business; CON: Steve Stuart, 1000 Friends of WA; Bill LaBorde, Transportation Choices Coalition.