

SENATE BILL REPORT

SB 6464

As Reported By Senate Committee On:
Transportation, February 11, 2002

Title: An act relating to city transportation authority.

Brief Description: Authorizing the creation of a city transportation authority.

Sponsors: Senators Jacobsen, Horn and Kohl-Welles.

Brief History:

Committee Activity: Transportation: 2/5/02, 2/11/02 [DPS, DNP].

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: That Substitute Senate Bill No. 6464 be substituted therefor, and the substitute bill do pass.

Signed by Senators Haugen, Chair; Gardner, Vice Chair; Eide, Jacobsen, Kastama, Keiser, McAuliffe, Prentice, Shin and Swecker.

Minority Report: Do not pass.

Signed by Senators Finkbeiner, Horn, Johnson and McDonald.

Staff: Tami Neilson (786-7452)

Background: The original monorail runs for a mile between the Seattle Center and downtown Seattle. In 1997, voters in the state of Washington approved a study of an expanded monorail system. In 2000, voters in the state of Washington approved an initiative for the Elevated Transportation Company to develop a monorail expansion plan, which included \$6 million in funding. The city of Seattle also has a bus service that is run by King County Metro.

Summary of Substitute Bill: A city with a population over 300,000 can create a city transportation authority to perform a public transportation function if a majority of voters within the city approves it. The authority can acquire public transportation facilities and may lease, construct, add to, improve, replace, repair, maintain, operate, and regulate the use of certain public transportation facilities, including monorails, trams, and trolleys. It is authorized to fix rates, tolls, fares, and charges for the use of facilities and may establish routes and classes of service. The authority area is limited to city boundaries.

The authority adopts a public transportation plan which must be approved by the city council prior to which public hearings are held.

To pay for and to implement the plan, the city public transportation authority may levy excess levies on property and issue revenue and general obligation bonds. Any number of the following taxes must also be approved by voters:

- “ An excise tax on the value of motor vehicles within the city not exceeding 2.5 percent.
- “ A sales and use tax on retail car rentals within the city not exceeding 1.944 percent of the base of the tax, if the motor vehicle excise tax is implemented.
- “ A vehicle license tax not exceeding \$100 for each car within the city.
- “ Annual property tax levies of \$1.50 or less per thousand dollars of property value, in addition to existing property taxes.

Substitute Bill Compared to Original Bill: Many technical changes were made. The territory outside of the city cannot be incorporated into the authority area. The authority may not obtain public transportation facilities without the consent of the owners. Vendors may be contracted with for services, including construction. The sales and use tax on retail car rentals is not deducted from state taxes, but is in addition to state taxes. The licensing tab fee has been changed to a re-licensing fee.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: It would give taxing authority for the monorail, and it is approved by the voters. It is a Seattle project, paid for by Seattle voters.

Testimony Against: (Concerns) The MVET should be paid at the time of relicensing, not licensing one's car.

Testified: Senator Jacobsen, prime sponsor; Harold Robertson, Elevated Transportation Company; Jim Kelley, Elevated Transportation Company; Jim Boldt, Washington Auto Dealers.