
Transportation Committee

HB 2871

Brief Description: Creating a regional transportation commission.

Sponsors: Representatives Murray, Dickerson and Appleton.

Brief Summary of Bill

- The Puget Sound Regional Transportation District is created, comprising at least the urban growth boundaries of King, Pierce, and Snohomish counties.
- A new Regional Transportation Commission (RTC) is created to govern the planning and funding of transportation projects in the Regional Transportation District, to include developing an integrated regional transportation investment plan for both road and transit projects of regional significance in coordination with the Regional Transit Authority (RTA).
- RTA assumes the powers and duties of most local public transportation providers within its boundaries.
- RTA's system planning and ballot measure access functions are assumed by RTC.
- Statute authorizing a Regional Transportation Investment District is repealed in its entirety.

Hearing Date: 1/17/06

Staff: David Bowman (786-7339).

Background:

Overview - Regional Transportation Governance and Planning

Numerous agencies are charged with the planning, funding, development and operation of transportation facilities in the central Puget Sound region. Agencies involved in the planning, funding, and operation of local and regional transportation systems are wholly separate governmental units with few laws or rules requiring coordination of their efforts. There is no overarching governing entity overseeing regional transportation system planning or controlling ballot measures submitted to the people for approval.

The establishment and maintenance of regional governing bodies to oversee and implement transportation planning in metropolitan areas is a prerequisite to the state's receipt of federal transportation funding, including highway funding. Federal law requires that metropolitan areas greater than 50,000 persons have a metropolitan planning organization (MPO) and that designation is made by the Governor and local government officials. State law authorizes local governments to voluntarily form regional transportation planning organizations (RTPOs). In urbanized areas, an RTPO and MPO are one and the same entity.

Metropolitan Planning Organizations and Regional Transportation Planning Organizations

Metropolitan areas greater than 50,000 persons must have a MPO under federal law. This designation is made by the Governor and must have the concurrence of local government officials representing 75 percent of the population within the area, including the central city; or as otherwise provided for by state or local law. The formation of MPOs is a precondition for receiving federal highway and transit funds. There are currently 11 MPOs in Washington.

Federal law requires MPOs to develop a metropolitan transportation plan with a 20 year horizon, and a three-year financially constrained transportation improvement program. Federal law also requires MPOs to have a transportation policy board which includes local elected officials, officials of agencies that administer or operate major modes or transportation systems and appropriate state officials.

State law, meanwhile, authorizes the voluntary association of governments for transportation planning purposes in the form of RTPOs. The federally-mandated MPOs are designated as the RTPOs under the state's 1990 Growth Management Act (GMA). State requirements for regional transportation planning largely mirrored federal requirements and also include a requirement to certify that the transportation elements of local comprehensive plans conform with the GMA and are consistent with the regional transportation plan.

The MPO and RTPO for King, Pierce, Snohomish and Kitsap counties is the Puget Sound Regional Council (PSRC). The PSRC develops a metropolitan transportation plan with a 20-year horizon, and a three-year financially constrained transportation improvement program. Under state law, RTPOs are required to certify that the transportation elements of local comprehensive plans conform with the GMA and are consistent with the regional transportation plan. Pursuant to both Federal and State laws, PSRC has a Transportation Policy Board which includes local elected officials, officials of agencies that administer or operate major modes or transportation systems and appropriate state officials. The PSRC also scores projects for distribution of federal funds for which it is responsible.

Within the PSRC area, transportation planning, funding, development and/or services are provided by numerous public agencies. These include: the Department of Transportation, responsible for state highways within the region; four county governments; over 65 cities; six public transportation agencies including the Seattle Monorail Authority; the three-county regional transit authority (Sound Transit); Washington State Ferries, a division of the Department of Transportation, operating both auto and passenger-only ferry service; and several port districts. In addition, in 2002, a Regional Transportation Investment District (RTID) was authorized for the purpose of planning, funding, and building projects to address highway corridor needs in King, Pierce, and Snohomish counties.

Regional Transportation Investment District

Implementation of the RTID requires at least two contiguous counties forming the district, and requires the establishment of a planning committee to develop a plan for transportation investments in the three-county district and identification of revenue options to fund them. The planning committee comprises the council members of King, Pierce, and Snohomish counties. County council members' votes are weighted proportionally to population. The Secretary of Transportation is a non-voting member.

The RTID boundaries are coextensive with the boundaries of the contiguous counties that established the district. Currently there is no opportunity for a portion of the district to be exempt from the district, once it is created.

Projects eligible for the RTID funding, and which may be included in a regional transportation investment plan, are capital improvements to: 1) highways of statewide significance including new lanes and earthquake repairs; 2) highways of statewide significance which, may include High Occupancy Vehicle (HOV) lanes and associated multimodal capital improvements which support public transportation, vans, and buses; and 3) under specified conditions, certain city streets, county roads, or highways that intersect with highways of statewide significance; however, not more than 10 percent of district funds nor more than \$1 billion may be expended on local projects and one-third local matching funds for the projects are required. The use of funds for operations, preservation, and maintenance of the RTID projects is prohibited.

The county legislative authorities within the district may certify the plan to the ballot, as a single ballot measure to approve or disapprove the regional transportation investment plan. County legislative authorities are not required to adopt or not adopt, by ordinance, the plan prior to submitting a measure to the voters.

The RTID was initially granted various tax options including, up to: 0.5 percent sales tax; \$100 annual vehicle license fee; 0.3 percent MVET; employer tax; parking fee; and limited tolling authority. In 2003, the RTID was authorized to sell bonds and the RTID, or counties for RTID purposes, were authorized a local option fuel tax at 10 percent of the state fuel tax rate. An RTID and counties, for city and county road purposes, may not impose the tax at the same time. The RTID is authorized to collect tolls on facilities where lanes are added or the lanes are reconstructed by the RTID. Such tolls need not be approved by the state Transportation Commission. The Department of Transportation (DOT) may construct toll facilities that are sponsored by an RTID. An RTID is not authorized to impose a network value pricing charge based on vehicle miles traveled for users in the district.

The RTID executive committee began developing a plan for improvements and adopted a revenue plan in March 2004. This plan identified a \$13.2 billion revenue package, which included a joint ballot proposition with Sound Transit. A draft investment plan was adopted by the executive board in April 2004. After the business community advised the RTID executive committee that it would not support a fall 2004 ballot measure, and Sound Transit did not vote to join the ballot issue, the 2004 plan did not go to the ballot. As of January 2006, the executive board is developing a new plan. No date has been set to go to the ballot.

Regional Transit Authority Governance

Two or more contiguous counties each having a population of four hundred thousand persons or more may establish a regional transit authority (RTA) to develop and operate a high capacity transportation system. A high capacity transportation system is an urban public transportation system that operates principally on exclusive rights of way and provides a substantially higher level of passenger capacity, speed, and service frequency than traditional public transportation systems operating mainly on general purpose roadways.

A RTA must be governed by a board consisting of representatives appointed by the county executive and confirmed by the legislative authority of each member county. Sound Transit is the RTA established by King, Pierce, and Snohomish counties.

One duty of the RTA is to develop and adopt a system and financing plan which, among other things, identifies revenues expected to be generated by corridor and county, phasing of construction and operation of high capacity system facilities, and the degree to which revenues generated within each county will benefit the residents of that county including when such benefits will accrue.

Local Transit Agency Governance

Local transit agencies such as King County Metro, Community Transit, Everett Transit, and Pierce County Transit, are established by and subject to separate statutory provisions. They are not subject to any centralized governance.

City Transportation Authority

In 2002, the Legislature enacted laws allowing the City of Seattle to create a city transportation authority for the development, planning, construction and operation of a public monorail transportation facility. By citizen petition submitted to city voters in 2002, the citizens of Seattle created the Seattle Popular Monorail Authority as the city transportation authority and established a nine-member board to be the governing and policy-making body over the authority.

The Seattle Popular Monorail Authority currently has the power to levy excess levies within constitutional limits, for operating funds, capital outlay funds, and cumulative reserve funds, issue bonds; issue general obligation bonds equal to 1.5 percent of value of taxable property within the authority area, and up to 2.5 percent with approval by three-fifths of voters in the area; issue revenue bonds payable from other revenue sources; levy and collect special excise tax up to 2.5 percent; fix and impose motor vehicle fee of \$100; and impose annual property tax levies equal to one dollar fifty cents or less per thousand dollars of assessed value of property within the authority area.

Planning by Local and Regional Transit Authorities

Legislative authorities of each municipality and the RTA must prepare a six-year transit development plan. Public transportation providers are not required to submit plans, and there is no requirement that the agencies coordinate with each other in developing the plans or that the plans address regional standards.

Urban Corridor Planning

The state Department of Transportation may carry out special transportation planning studies to resolve specific issues with the development of the state transportation system, including

conducting multimodal corridor analyses on major congested corridors where needed improvements are likely to cost in excess of \$100 million. Regional transportation governing entities are not currently entitled to participate in urban corridor planning.

Audit of Transportation Planning Entities

Currently there is no requirement that the State Auditor conduct a finance and performance audit specifically of regional transportation planning and funding agencies such as the RTA or an RTID.

Coordination of Regional Transportation Governance and Planning

The number of agencies involved in transportation planning and delivery of services has significantly added to the complexity of transportation programs. Public polling and focus group results indicate public confusion regarding transportation decision making, planning, and funding, and public concern over ensuring efficiency, accountability, and coordinated action among transportation planning entities.

Currently, agencies involved in transportation planning, funding, and operation are separately governed and not required to coordinate their development of regional transportation investment plans or submission of ballot measures to the people.

Summary of Bill:

Regional Transportation District

The Puget Sound Regional Transportation District (District) is created, comprising at a minimum the urban growth boundaries of King, Pierce, and Snohomish counties.

Boundaries of District

At a minimum, and as may be modified by the newly established Regional Transportation Commission, the District's boundaries are coextensive with the urban growth boundaries of King, Pierce, and Snohomish counties, adding those of Kitsap County if by ordinance it decides to opt in. The area of Pierce County located on the peninsula, including Gig Harbor, may be exempt.

Regional Transportation Commission

The Regional Transportation Commission is created to govern the Puget Sound Regional Transportation District.

The Commission is comprised of nine commissioners, initially appointed by the governor, including three seats comprising the county executives of King, Pierce, and Snohomish counties. By January 1, 2008, the county legislative authorities of King, Pierce, Snohomish and Kitsap counties are required to define commission districts within the region, based on equal populations. Six commissioner positions are thereafter elected to four year terms, beginning with three seats in 2008 and three in 2010. The commission chair and vice chair are to be designated by the Commission from among the nine commissioners.

Commissioners may not be an elected officer of the state or a local government. Vacancies, disqualification, and commissioner replacement procedures are specified. Commissioner salaries are established.

Commission's powers and duties are to:

- assume the RTPO and (at such time when federal redesignation requirements are met) MPO functions of the PSRC;
- contract for the construction of transportation facilities and services that serve regionally significant corridors or are regionally significant;
- plan, develop, and contract for the operation of local and regional public transportation services, including investment, service, fare policies, and coordination and approval of each transit systems six-year plan;
- plan, develop, and enforce standards for the coordination of regional traffic operations on state and local roads of regional significance;
- govern the planning, development, construction, and financing of broadly-defined list of transportation projects;
- govern the Regional Transit Authority;
- impose taxes and fees authorized by district voters;
- perform multimodal urban corridor planning in coordination with the Department of Transportation and have right to prioritize projects of regional significance to be contained in any multimodal corridor analysis of areas within the district;
- enter necessary agreements, accept and expend contributions of funds, pay for services, and hire an administrative staff to implement the regional transportation investment plan;
- appoint any advisory committees it deems necessary; and
- exercise other powers and carry out such duties to effectuate the purposes of the district.

Joint Plan

Among the Commission's duties in governing the planning, development, construction, and financing of transportation projects is to develop and adopt, in coordination with the RTA, a regional transportation investment plan (Plan), which must (i) identify transportation projects to be funded, (ii) recommend sources of revenue from among available revenue options, and (iii) apply specific criteria to improve transportation system performance. Before plan adoption, the board must identify projects pursuant to specified criteria, recommend a financing plan, and hold public meetings.

Until January 2009, the Commission must transmit the Plan to the county legislative authorities, which must act by ordinance within 90 days to either approve or disapprove the Plan. If a county declines to participate, the plan is reformulated by the Commission to include the remaining county or counties. After the Plan is ultimately approved by the county legislative authorities, or, beginning in January 2009 without any such approval being a prerequisite, the county legislative authorities *must* put the Plan before the voters.

Transportation Project Eligibility

Any projects contained in the Plan that are of statewide or regional significance are eligible. Eligible projects may include, but are not necessarily limited to:

- high capacity transportation and public transportation projects;
- multimodal highway improvements, including capital improvements to highways of statewide significance, approaches to such highways, HOV lanes, flyover ramps, park and

- ride lots, bus pullouts, vanpool vans, buses, and signals, ramp metering, and other transportation demand management improvements; and
- operation, preservation, and maintenance of these facilities and programs.

Revenue Options

The Commission may select from the following list of revenue options to fund the Plan:

- a sales and use tax of up to 0.2 percent;
- vehicle license fee of up to \$100 per year;
- motor vehicle excise tax of up to 0.6 percent, to be administered by the Department of Licensing coordinating with the Department of Revenue to implement a schedule that reflects the market value of vehicles and allows a valuation appeal procedure;
- network value-pricing charge based upon vehicle miles traveled and possibly other factors;
- tolls on local or regional arterials or state or federal highways within the boundaries of the district, if such tolls are approved by the State Transportation Commission or its successor, identified in the Plan, and administered by the Department of Transportation.
- revenue sources authorized under the RTA law. The RTA, however, retains its revenue authority.
- bonding authority: The District is authorized to enter into debt subject to constitutional limitations. It may issue secured general obligation bonds without voter approval, unsecured general obligation bonds up to five percent of the value of taxable property within the District if approved by three-fifths of voters voting at an election, and secured revenue bonds at any time without submission to the voters to carry out its authorized functions.

Once projects in the Plan have been completed, district revenues must be used to make payments on the outstanding bonds, make payments required under pledging agreements, and provide for the maintenance and operations of toll facilities as may be required by bond covenants.

Specific Criteria for Improving Transportation System Performance

The Plan must consider these and other specific criteria the Commission may adopt, to address system performance:

- reduce risk of system failure and improve safety;
- improve travel time;
- improve air quality;
- increase daily and peak period trip capacity;
- improved modal connectivity and freight mobility;
- cost-effectiveness;
- optimal performance over time;

Plan Modification and Accountability

The projects in a Plan or revenues sources may be modified with voter approval. If changes are only within one county, the Commission may modify the Plan under certain conditions including voter approval in that county. Annual reports are required to show project cost projections, revenues, and schedules.

Repeal of RTID

Chapter 36.120 RCW, including the authority to create a Regional Transportation Investment District, is repealed in its entirety.

Regional Transit Authority Governance

After January 1, 2007, the RTA's system planning and ballot measure authority requires approval of the Commission, and the exercise of the RTA's powers must be in accordance with a Commission-approved regional transportation investment plan. RTA retains its revenue authority in connection with projects contained in the Plan.

Regional Transit Authority - Modified Powers & Duties

Within one year, the planning and funding authority of all local public transit agencies that are currently wholly or partly within the RTA, except the City Transportation Authority (Monorail), are taken over by the RTA. Agencies to be so folded into RTA include King County Metro, Everett Transit, Community Transit, and Pierce County Transit. Such local agencies would continue to operate their systems but would be governed by RTA concerning planning and funding. Relating to the transfer of these planning and funding functions, the RTA is required to form an advisory committee of cities within its jurisdiction.

During such time as the Regional Transportation Commission is determining appropriate modification of boundaries of the RTA and the District, and until the Plan is approved by voters, the RTA is required to maintain, at existing levels, public transportation facilities and services for citizens of the acquired local transportation systems who reside outside the boundaries of the authority but within the local transportation system area.

The duty of the RTA to include in a system and finance plan the identification of revenues expected to be generated by corridor and county, phasing of construction and operation of high capacity system facilities, and the degree to which revenues generated within each county will benefit the residents of that county including when such benefits will accrue, is eliminated.

City Transportation Authority Revenue

The RTA also assumes the revenue authority of the City Transportation Authority within the RTA's boundaries, to be used strictly for nonmonorail high capacity transportation projects, and except such revenue authority needed by the City Transportation Authority to retire its existing debt.

Commission Involvement in Urban Corridor Planning

The state Department of Transportation's authority to carry out multimodal corridor analyses on major congested corridors where needed improvements are likely to cost in excess of \$100 million is modified. The Department must act jointly with the Regional Transportation Commission to conduct multimodal corridor analyses on areas within the District. The Commission has the power to prioritize projects of regional significance within any such corridor analysis.

State Auditor to Conduct Audits

The state auditor is directed to conduct a performance audit and evaluation of the Regional Transportation Commission and the Regional Transit Authority every four years. Specific items for review are provided.

Appropriation: None.

Fiscal Note: Requested on January 16, 2006.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.