

SENATE BILL REPORT

HB 1892

As of February 24, 2014

Title: An act relating to modifying certain provisions regarding transportation benefit districts.

Brief Description: Modifying certain provisions regarding transportation benefit districts.

Sponsors: Representatives Reykdal, S. Hunt, Lias, Ryu and Fey.

Brief History: Passed House: 3/09/13, 57-41; 2/13/14, 55-41.

Committee Activity: Transportation: 3/19/13, 4/02/13 [DP, DNP]; 2/26/14.

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass.

Signed by Senators Eide, Co-Chair; King, Co-Chair; Hobbs, Vice Co-Chair; Fain, Budget Leadership Cabinet; Billig, Litzow, Mullet, Rolfes, Sheldon, Harper and Schlicher.

Minority Report: Do not pass.

Signed by Senators Benton, Vice Co-Chair; Brown and Smith.

Staff: Amanda Cecil (786-7429)

Background: A transportation benefit district (TBD) is a quasi-municipal corporation and independent taxing authority that may be established by a county or city for the purpose of acquiring, constructing, improving, providing, and funding transportation improvements within the district. Various revenue options are available to a TBD in order to finance the improvements, most of which are subject to voter approval. Voter approval is not required for a TBD governing board to impose a vehicle fee of up to \$20 per vehicle, but only if the TBD includes all the territory within the boundaries of the jurisdiction(s) establishing the TBD. When imposing this fee, if the TBD is countywide, the revenues must be distributed to each city within the county by interlocal agreement.

Summary of Bill: The authority of an eligible TBD to impose up to \$20 of the vehicle fee without a vote of the people is revised to exclude territory in which a vehicle fee is currently collected. If the TBD is countywide, or less than countywide, the revenues must be distributed to each city within the county by interlocal agreement, which must be effective prior to imposition of the fee.

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.

The definition of transportation improvement eligible to receive TBD funds is clarified to indicate projects that include, but are not limited to, certain transportation projects and programs of local, regional, or statewide significance.

Appropriation: None.

Fiscal Note: Available.

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: There are many local transportation needs in Thurston County, but there is already a \$20 TBD fee in place in Olympia, which had the unintentional effect of preventing the rest of the county from joining forces to implement a vehicle fee. The little municipalities do not find the creation of a TBD worthwhile because of the administrative costs. This bill would allow the county and the other municipalities within the county to band together to create a district that does not include Olympia. Regional problems can cross city boundaries, and the transportation system does not stop at the city limits. This bill would allow Thurston County to access this important tool for projects, such as the repair of main streets that are also state highways and are thus both locally and regionally significant. A tentative interlocal agreement to allow implementation of a TBD is already drafted and is waiting on the passage of this bill.

Persons Testifying: PRO: Dennis McVey, City of Rainier; Andy Ryder, City of Lacey; Brent Payton, Thurston County.