

HOUSE BILL REPORT

HB 2209

As Reported by House Committee On:
Transportation

Title: An act relating to the authority of regional transportation improvement districts.

Brief Description: Revising authority of regional transportation improvement districts.

Sponsors: Representatives Murray and Simpson.

Brief History:

Committee Activity:

Transportation: 3/20/03, 3/24/03 [DPS].

Brief Summary of Substitute Bill

- Expands the type of transportation improvements that a Regional Transportation Investment District (RTID) may expend monies on, including operations and maintenance.
- Includes County Executives in the development of a regional investment plan and the decision of whether a county will participate in the RTID.
- Grants the RTID authority to issue long term bonds; and clarifies tolling authority and provides that tolls may be imposed, with voter approval, on existing highways.
- Authorizes the RTID to impose the local option county fuel tax of 10 percent of state rate.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 18 members: Representatives Murray, Chair; Rockefeller, Vice Chair; Simpson, Vice Chair; Armstrong, Campbell, Clibborn, Cooper, Dickerson, Flannigan, Hankins, Hudgins, Lovick, Romero, Schindler, Sullivan, Wallace, Wood and Woods.

Minority Report: Do not pass. Signed by 9 members: Representatives Ericksen, Ranking Minority Member; Jarrett, Assistant Ranking Minority Member; Anderson, Bailey, Hatfield, Kristiansen, Morris, Nixon and Shabro.

Staff: Gene Baxstrom (786-7303).

Background:

Regional Transportation Investment Districts (RTIDs) were authorized under Chapter 56, Laws 2002 for the purpose of planning, selecting, funding, and implementing projects identified to address transportation needs in King, Pierce, and Snohomish counties. Implementation requires at least two contiguous counties forming the district.

The council members of King, Pierce, and Snohomish counties are the planning committee for development of a plan for transportation investments in the three county district and for identifying revenue options to fund them. County council members' votes are weighted proportionally to population.

Projects eligible for the RTID funding 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 busses; and 3) certain city streets, county roads, or highways that intersect with highways of statewide significance where those improvements are deemed by the Secretary of Transportation as more effective at relieving congestion than investing in highways of statewide significance, however, not more than 10 percent of district funds nor more than \$1 billion may be expended on these 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.

Various revenue options are provided for the funding of projects, including the authority to enter into agreements with state or other local governments to pledge taxes or other revenues of the district for the purpose of paying principal and interest on bonds issued on behalf of the RTID. An RTID is not authorized to issue bonds on its own behalf except for debt of no longer than two years duration.

Article 8, Section 6 of the State Constitution establishes limits on the amount of debt that a municipal corporation may incur. The debt of a municipal corporation may not exceed 1.5 percent of the value of taxable property within the boundaries of the municipal corporation without the assent of three-fifths of the voters. In no case may municipal corporation debt exceed 5 percent of the value of taxable property within the boundaries of the corporation. Debt that is secure by the revenues or tolls derived from the operation of a facility is not included for the purpose of calculating the municipal debt limit.

The RTID is authorized to collect tolls on facilities where lanes are added or the lanes are reconstructed by the RTID. The Department of Transportation may construct toll facilities that are sponsored by an RTID.

Summary of Substitute Bill:

The projects that an RTID may fund are expanded to include investments in highways and local arterials of regional significance, rail facilities, light rail and monorail facilities, public transportation, ferry systems, and transportation demand management programs that are contained in a transportation plan of the state or a regional transportation planning organization. The prohibition on the use of the RTID funds for project maintenance and operations is removed. The local match requirement placed on some RTID projects is eliminated.

The RTID planning committee in developing its investment plan must, rather than may, consider land use criteria and the input of cities and Regional Transportation Planning Organizations and must include input from the county executive from each county.

The placement of the RTID plan on the ballot within each county requires approval of the county's executive.

The authority for roads upon which the RTID may collect tolls is expanded from those facilities which the RTID plan expands or rebuilds to all state or federal highways within the district. The roadways proposed for tolling and the use of the toll revenues must be identified in the plan and must be approved by the voters in the district.

The RTID's are authorized to enter into debt up to amounts provided by constitutional limitations. Revenue bonds may be issued by the district without submission to the voters of the district. With voter approval, the RTID may impose a local fuel tax at 10 percent of the state fuel tax rate. This tax cannot be imposed by both the RTID and by a county within the RTID.

Substitute Bill Compared to Original Bill:

The authority for the RTID to impose a local fuel tax is added. The requirement for the county executive of each county within the RTID to approve the RTID plan before it can be forwarded to the counties for adoption is eliminated. The roads that may be improved by the RTID are clarified and light rail is added to eligible projects.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: This legislation gives local decision makers flexibility to develop a package that will have voter support. Different improvements are needed for different parts of the district. Including the county executives in decision making will improve the plan. The transportation demand management elements will help employers reduce congestion at work sites.

(With concerns) Concern was expressed about the scale of the proposed local option fuel tax.

Testimony Against: None.

Testified: (In support) Ron Sims, King County Executive; Dave Gering, Manufacturing Industrial Council; Donna Ewing, League of Women Voters of Washington; Clifford Traisman, Washington Conservation Voters and Washington Environmental Council; Kevin Shively, Transportation Choices Coalition; Ivy Sager, Washington Public Interest Research Group; Genesee Adkins, 1000 Friends of Washington; Nina Carter, Audubon Society; Steve Broback, Eastside Citizens for Responsible Development; Tim Ceis, City of Seattle; and Dwight Pelz, King County.

(With concerns) David Irons, King County Council; and Greg Hanon, Western States Petroleum Association.