

HOUSE BILL REPORT

HB 1140

As Reported By House Committee On:
Local Government

Title: An act relating to metropolitan municipal corporations.

Brief Description: Revising provisions relating to metropolitan municipal corporations.

Sponsors: Representatives Locke, Horn, H. Myers, Eide, Valle, Rust, Leonard, Basich, Franklin, Shin, Springer and J. Kohl.

Brief History:

Reported by House Committee on:
Local Government, February 19, 1993, DPS.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 12 members: Representatives H. Myers, Chair; Bray, Vice Chair; Edmondson, Ranking Minority Member; Reams, Assistant Ranking Minority Member; Dunshee; R. Fisher; Horn; Rayburn; Romero; Springer; Van Luven; and Zellinsky.

Staff: Steve Lundin (786-7127).

Background: A metropolitan municipal corporation (metro) is a local government that may be authorized by voters to perform one or more of the following functions: (1) Public transportation; (2) water pollution abatement; (3) water supply; (4) garbage disposal; (5) parks and parkways; and (6) comprehensive planning.

Two metros have been created, the Metropolitan Municipal Corporation of Seattle (Seattle Metro), which has been authorized to provide public transportation and water pollution abatement, and SnoMet in Snohomish County, which has been authorized to engage in comprehensive planning but is inactive.

Metros are governed by a metropolitan council composed of members determined by a formula, including county elected officials, city elected officials, and other persons depending on various circumstances. This scheme of representation was found by Judge Dwyer, Western District of

Washington, United States District Court, to violate the "one person, one vote" doctrine.

Any metro with boundaries that are coterminous with a county with a population of 210,000 or more may be "assumed" by the county if the assumption is approved by a dual voter approval where the voters of both the largest city in the metro and voters of the remainder of the metro approve ballot propositions authorizing the assumption.

Voters in Seattle and in the remainder of King County approved ballot propositions at the November 1992 general election causing Seattle Metro to be assumed by King County. King County voters also approved a charter amendment at that election expanding the size of the King County Council from nine to 13 members. Both measures were contingent on approval of the other measure. The assumption and expansion of the King County Council become effective January 1, 1994.

Metros are granted a unique power to obtain "supplemental income." If a metro fails to balance its budget, the deficit is made up in the form of supplemental income that is taken from the component counties and component cities without authorization by the component counties and component cities.

A metro may incur general indebtedness without voter approval up to an amount equal to 0.75 percent of the value of the taxable property and with voter approval, a total of up to 5 percent of the value of taxable property.

Summary of Substitute Bill: Statutes relating to metros are altered in a number of ways.

Membership on a metropolitan council is altered by replacing the existing formula that allocates council positions with a requirement that the metropolitan council consist of county officials, city officials, and others, as determined by agreement of the county legislative authority of each county included in the metro and at least one quarter of the cities located in the metro having at least 75 percent of the city population in the metro.

Metro statutes are amended to clearly recognize that a metro could be assumed by a county.

The ability is eliminated for a metro performing public transportation to have an appointed commission run this function rather than the metro council.

Except as the result of consolidating two or more metros, the boundaries of a metro may not be expanded to include

territory located in a county that is not already included as part of the metro.

The requirement that a metro appoint a separate advisory committee if it is authorized to provide water pollution abatement, public transportation, water supply, or parks and parkways does not apply to a metro that has been assumed by a county.

The ability of a metro to obtain supplemental income from component counties and component cities is limited to circumstances where the estimated revenues of the metro are insufficient to make all debt service payments on general indebtedness that was issued prior to January 1, 1994.

The ability of a metro is abolished to use proceeds from the sale of general obligation bonds to fund a guaranty fund for its revenue bonds.

A county that has assumed a metro may incur additional non-voter approved general indebtedness beyond its existing limit of up to 0.75 percent of the value of taxable property exclusively for its authorized metro functions. With voter approval, a county that has assumed a metro may incur additional combined general indebtedness beyond its existing indebtedness of up to 2.5 percent of the value of taxable property exclusively for its authorized metro functions.

It is clarified that the 40 percent validation requirement to authorize voter approved general obligation bonds in a metro is 40 percent of the number of voters who voted, rather than votes cast, in the metro at the last state general election.

A metro is authorized to use facsimile signatures for any signatures that are required to be on its revenue bonds.

A metro may invest its moneys in any investment that a city may make, instead of any investment that a mutual savings bank may make.

Substitute Bill Compared to Original Bill: Sections that clarify possible metro powers were deleted. The boundaries of Seattle Metro are clarified as being the same as King County. Instead of deleting a metro's supplemental income authority, this authority is limited. The authority of a county that has assumed the powers of a metro to incur general indebtedness for its authorized metro purposes is clarified.

Fiscal Note: Not requested.

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

Testimony For: This is basically a technical bill facilitating and clarifying the assumption of Seattle Metro by King County.

Testimony Against: None.

Witnesses: (Pro): Representative Gary Locke, prime sponsor; Sharyn Parker, METRO; Dave Arbaugh, Washington PUD Association; and Ron Main, King County. (Pro with concerns): Terry Oxley, Puget Power.