

HOUSE BILL REPORT

HB 2579

As Reported By House Committee On:
Transportation

Title: An act relating to public transportation benefit areas.

Brief Description: Establishing new public transportation benefit areas.

Sponsors: Representatives R. Fisher, Johanson and Shin.

Brief History:

Reported by House Committee on:
Transportation, February 2, 1994, DPS.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 23 members: Representatives R. Fisher, Chair; Brown, Vice Chair; Schmidt, Ranking Minority Member; Mielke, Assistant Ranking Minority Member; Backlund; Brough; Brumsickle; Cothorn; Eide; Finkbeiner; Forner; Hansen; Horn; Johanson; J. Kohl; R. Meyers; Patterson; Quall; Romero; Sheldon; Shin; Wood and Zellinsky.

Staff: Gene Baxstrom (786-7303).

Background: In 1975 the Legislature enabled cities and counties to jointly address public transportation needs in an area through the creation of public transportation benefit areas (PTBAs). This allowed systems to go beyond city boundaries to serve both incorporated and unincorporated areas. PTBAs were authorized to impose, with voter approval, a local sales tax and allow that tax to be used as local match to be eligible to impose an up-to .725 percent motor vehicle excise tax (MVET), with those revenues coming from the state general fund.

PTBAs are governed by a board made up of city mayors and legislative authority members and county legislative authority members. Membership is determined through a process which calls together representatives from county and city governments to consider PTBA formation, boundaries and governing authority. Board size is limited to nine members for a single county system and 15 for a multi-county system.

During the process, cities can withdraw from inclusion in the boundaries.

The 1975 law also authorized cities to impose a sales tax for transit. However, as a means to encourage the development of area-wide transit services, it did not allow cities imposing a sales tax for transit to qualify for the MVET.

Currently there are 18 operating PTBAs and four city transit systems. Two cities' systems, Yakima and Everett, utilize the sales tax for system funding. Yakima is now involved in the process of forming a PTBA in the Yakima valley. Everett operates its own system with most of the remainder of Snohomish County served by Community Transit, a PTBA.

County transportation authorities are county-wide units of government authorized to plan public transportation services and to provide transit service. Two of these agencies have been created, with Grays Harbor Transit providing transit service in that county and Sno-Tran, which is responsible for transit planning in Snohomish County. Sno-Tran is scheduled to sunset in December 1994.

Summary of Substitute Bill: Snohomish County is required to call a conference to consider formation of a new PTBA. The existing process to form the PTBA is retained, except that a city in Snohomish County operating a public transportation system may not opt out of the proposed PTBA, nor is consent of the city council required for acquisition of that city's transit system.

If the county finds it to be in the public interest, the county may put on the ballot: (1) the establishment of a new PTBA to assume the rights, powers, functions, assets, liabilities and obligations of the existing PTBA and the city with respect to public transportation; and (2) approval for the imposition of taxes, at the rate specified, to support public transportation.

The maximum size for a PTBA governing authority in Snohomish County is expanded from nine to 11 members.

Effective January 1, 1995, no county transportation authority may be formed in Snohomish County and such authority is abolished.

A new PTBA established in Snohomish County is directed to submit to the Legislature by July 1, 1996, a proposal for a directly-elected governing authority.

Substitute Bill Compared to Original Bill: The Snohomish County Council is required to call a public transportation improvement conference to consider formation of a PTBA. The requirement is deleted that a new PTBA formed in Snohomish County under the new alternative formation process be county-wide. The current determination of the governing authority for a PTBA, made up of city- and county-elected officials, is retained rather than the county legislative authority being made the governing authority.

The maximum size for a PTBA board, formed in Snohomish County pursuant to the county council placing the question of formation on the ballot, is increased from nine to 11 members. The provision limiting such a new Snohomish PTBA to only that county is deleted.

A new PTBA board must submit to the Legislature, by July 1, 1996, a proposal for a directly-elected governing board.

Fiscal Note: Requested January 25, 1994.

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

Testimony For: It would be more efficient and cost effective to combine the two transit systems in the county. The systems don't connect well in some transportation corridors, and there is duplication of services in others.

Testimony Against: The Everett transit system is providing good service to the citizens of Everett, at a lower sales tax rate and without the city imposing the motor vehicle excise tax. No change is necessary.

Witnesses: Ray Lloyd, Community Transit (pro); Steve Callender, Snohomish County Chamber of Commerce and Snohomish County Committee for Improved Transportation (pro); Jeff Butcher, citizen (pro); Bat Downes, Amalgamated Transit Union (con); and Ken Housden, Everett Transit (con).