

SENATE BILL REPORT

ESHB 1140

AS REPORTED BY COMMITTEE ON GOVERNMENT OPERATIONS, APRIL 2, 1993

Brief Description: Revising provisions relating to metropolitan municipal corporations.

SPONSORS: House Committee on Local Government (originally sponsored by Representatives Locke, Horn, H. Myers, Eide, Valle, Rust, Leonard, Basich, Franklin, Shin, Springer and J. Kohl)

HOUSE COMMITTEE ON LOCAL GOVERNMENT

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Majority Report: Do pass as amended.

Signed by Senators Haugen, Chairman; Drew, Vice Chairman; Loveland, Owen, and Winsley.

Staff: Rod McAulay (786-7754)

Hearing Dates: March 31, 1993; April 2, 1993

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.

A metro is 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 ruled to be an unconstitutional violation of 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. Each measure of the metro was contingent on approval of the other measure. The assumption and expansion of the council are 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 cities without their authorization.

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:

Statutes relating to metros are amended in a number of ways.

Membership on a metropolitan council is amended 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.

It is made clear that a metro may be assumed by a county.

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

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 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 a metro has been assumed by a county and the estimated revenues of the metro are insufficient to make all debt service payments on general indebtedness that was issued prior to the assumption of the metro. When a metro has been assumed by a county, the county adopts a budget estimate by the third Monday in each June and adopts a budget for the metro at the time the normal county budget is adopted.

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

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.

SUMMARY OF PROPOSED SENATE AMENDMENT:

Metro is required to fix wholesale pricing in time for the budget process.

Appropriation: none

Revenue: none

Fiscal Note: none requested

TESTIMONY FOR:

Will facilitate the efficient operation of Metro. Needs a minor amendment to coordinate the budgeting process.

TESTIMONY AGAINST: None

TESTIFIED: Ron Main, King County; Ian MacGowen, Sewer & Water Assn.