
Transportation Committee

HB 1962

Brief Description: Revising laws on city monorail authorities.

Sponsors: Representatives Murray, Jarrett and Hudgins.

Brief Summary of Bill

- Makes the Monorail Authority a nine member board, seven members appointed by the Mayor and two members elected in November 2003.
- Reduces the requirements for a petition to dissolve the monorail and allows taxes to remain in place to retire debt.
- Provides a civil penalty for Seattle residents registering their vehicles outside the city in order to avoid taxes.

Hearing Date: 2/26/03

Staff: Gene Baxstrom (786-7303).

Background:

In 1997 voters in the city of Seattle approved a study of an expanded monorail system. In 2000 voters approved an initiative for the Elevated Transportation Company to develop a monorail expansion plan, which included \$6 million in funding. Members of the governing authority for this planning effort were appointed or confirmed by the Seattle City Council. This governing authority is termed the Interim Monorail Board.

The Legislature in 2002 authorized cities over 300,000 in population to create, with voter approval, a city transportation authority to develop and operate a public monorail transportation system. The state authorizing legislation provided that a governing body of the monorail authority be established and required that a majority of the governing body could not consist of officers of any single city government.

The voters of Seattle in November 2002 approved a plan to develop a 14 mile long first phase of a monorail system and approved a 1.4 percent motor vehicle excise tax to fund it. The proposition which the voters approved, identified the first monorail board that was to be

in place as early as 90 days and not later than 14 months after the election. This 9 member monorail board set forth in the proposition will consist of 5 members nominated by the Interim Monorail Board, and two by the mayor and two by the city council. Nominees of the Interim Monorail Board are confirmed by the city council and nominees of the mayor and the city council are confirmed by the board. One of the positions nominated by the mayor and one by the city council will revert to an elected position and be elected in November, 2003. Between November 2005 and November 2009, the first monorail board is to submit to the voters a proposal that will define a permanent monorail board that must have a majority of its members directly elected.

The primary funding source for the approved monorail system is a 1.4 percent motor vehicle excise tax imposed on motor vehicles owned by Seattle residents when vehicle are re-licensed. The Department of Licensing does not track the home address of vehicle owners. Concerns have been raised regarding the potential for residents to register their vehicles elsewhere.

Statutes governing a monorail authority provide that it may be dissolved by a vote of those living within its area if the if the authority is faced with significant financial problems. The requirement for a dissolution proposition is the collection of signatures on a petition representing 15 percent of the voters living within the area. The petitioner has 90 days to collect the signatures.

It is argued that the uncertainty of tax collections should the authority be dissolved is of concern to potential bond holders. Similarly, the potential for residents to avoid vehicle registration fees by registering their vehicles elsewhere is of concern.

Summary of Bill:

Effective the first Monday of January, 2004, the governing authority of a city transportation authority is specified to be nine members, with seven members appointed by the Mayor, confirmed by the city legislative authority, and two members elected in November, 2003 to a two and four-year term.

It is a violation for a resident of a monorail authority to register a motor vehicle, owned by the resident, outside the area for the purpose of evading the motor vehicle excise tax. The penalty for such violation is a civil penalty equal to three times the amount of the evaded tax. The authority is given power to enforce these provisions.

The requirements for a petition for dissolution of a city transportation authority faced with significant financial problems is reduced from 15 percent of registered voters to 10 percent of voters having voted in the last mayoral election, and the time permitted to collect signatures is extended from 90 days to 180 days.

An exception is made to the dissolution provisions, allowing an authority to sign an agreement with bond holders that the authority will continue to exist solely to collect taxes necessary to repay debt.

Appropriation: None.

Fiscal Note: Requested on February 18, 2003.

Effective Date: This bill contains an emergency clause and takes effect immediately.