
Transportation Committee

SB 5769

Brief Description: Authorizing bond authority for regional transportation investment districts.

Sponsors: Senators Horn, Haugen, Swecker, Esser and Kline.

Brief Summary of Bill

- Authorizes a Regional Transportation Investment District (RTID) to issue bonds up to constitutional limitations.
- Limits the use of RTID revenues to bond payment once projects are completed.

Hearing Date: 4/26/03

Staff: Gene Baxstrom (786-7303).

Background:

Regional Transportation Investment Districts (RTIDs) were authorized under Chapter 56, Laws 2002 (E2SSB 6140) for the purpose of planning, selecting, funding and implementing projects identified to meet the region's transportation and land use goals. Various revenue options were provided for the funding of such projects, including the authority to enter into agreements with the 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 was not permitted to issue long-term bonds on its own behalf, however, it would issue 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 one and 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.

Summary of Bill:

RTIDs are authorized to enter into debt up to amounts provided by the constitutional limitations. Revenue bonds may be issued by the district without submission to the voters of the district. Once construction of projects in the RTID plan has been completed, district revenues may only be used to make payments on the outstanding bonds, make payments required under pledging agreements, and provide for the maintenance and operations of toll facilities as may be required by toll bond covenants.

Appropriation: None.

Fiscal Note: Not Requested.

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