HOUSE BILL 2209

State of Washington 58th Legislature 2003 Regular Session

By Representatives Murray and Simpson

Read first time 03/05/2003. Referred to Committee on Transportation.

- 1 AN ACT Relating to the authority of regional transportation
- 2 improvement districts; amending RCW 36.120.020, 36.120.030, 36.120.040,
- 3 36.120.050, 36.120.070, 36.120.090, 36.120.110, 36.120.130, and
- 4 47.56.076; and adding a new section to chapter 47.56 RCW.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 **Sec. 1.** RCW 36.120.020 and 2002 c 56 s 102 are each amended to read as follows:
- 8 The definitions in this section apply throughout this chapter 9 unless the context clearly requires otherwise.
- 10 (1) "Board" means the governing body of a regional transportation 11 investment district.
- 12 (2) "Department" means the Washington state department of transportation.
- 14 (3) "Highway of statewide significance" means an existing or 15 proposed state route or federal interstate designated as a highway of 16 statewide significance by the transportation commission, its successor 17 entity, or the legislature.
- 18 (4) "Lead agency" means a public agency that by law can plan,

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- design, and build <u>or deliver</u> a transportation project and has been so designated by the district.
 - (5) "Regional transportation investment district" or "district" means a municipal corporation whose boundaries are coextensive with two or more contiguous counties and that has been created by county legislative authorities and a vote of the people under this chapter to implement a regional transportation investment plan.
 - (6) "Regional transportation investment district planning committee" or "planning committee" means the advisory committee created under RCW 36.120.030 to create and propose to county legislative authorities a regional transportation investment plan to develop, finance, and construct transportation projects.
- 13 (7) "Regional transportation investment plan" or "plan" means a 14 plan to develop, construct, and finance a transportation project or 15 projects.
 - (8) "Transportation project" means((÷
- 17 (a) A capital improvement or improvements to a highway that has
 18 been designated, in whole or in part, as a highway of statewide
 19 significance, including an extension, that:
- 20 (i) Adds a lane or new lanes to an existing state or federal 21 highway; or
- (ii) Repairs or replaces a lane or lanes damaged by an event declared an emergency by the governor before January 1, 2002.
 - (b) A capital improvement or improvements to all or a portion of a highway of statewide significance, including an extension, and may include the following associated multimodal capital improvements:
- 27 (i) Approaches to highways of statewide significance;
- 28 (ii) High-occupancy vehicle lanes;
- 29 (iii) Flyover ramps;
- 30 (iv) Park and ride lots;
- 31 (v) Bus pullouts;

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- 32 (vi) Vans for vanpools;
- 33 (vii) Buses; and
- 34 (viii) Signalization, ramp metering, and other transportation
 35 system management improvements.
- 36 (c) A capital improvement or improvements to all or a portion of a
 37 city street, county road, or existing highway or the creation of a new

highway that intersects with a highway of statewide significance, if all of the following conditions are met:

- (i) The project is included in a plan that makes highway improvement projects that add capacity to a highway or highways of statewide significance;
- (ii) The secretary of transportation determines that the project would better relieve traffic congestion than investing that same money in adding capacity to a highway of statewide significance;
- (iii) Matching money equal to one third of the total cost of the project is provided by local entities, including but not limited to a metropolitan planning organization, county, city, port, or private entity in which a county participating in a plan is located. Local entities may use federal grants to meet this matching requirement;
- (iv) In no case may the cumulative regional transportation investment district contribution to all projects constructed under this subsection (8)(c) exceed ten percent of the revenues generated by the district;
- (v) In no case may the cumulative regional transportation investment district contribution to all projects constructed under this subsection (8)(c) exceed one billion dollars; and
- (vi) The specific projects are included within the plan and submitted as part of the plan to a vote of the people.
- (d) Operations, preservation, and maintenance are excluded from this definition and may not be included in a regional transportation investment plan)) a project or program contained in the transportation plan of the state or of a regional transportation planning organization. Projects may include new or existing highways of statewide significance or local principal arterials of regional significance, rail facilities, monorail facilities, public transportation investments, ferry system capital improvements, and transportation demand management programs. Projects may also include the operation, preservation, and maintenance of these roadways and other facilities.
- (9) "Weighted vote" means a vote that reflects the population each board or planning committee member represents relative to the population represented by the total membership of the board or planning committee. Population will be determined using the federal 2000 census or subsequent federal census data.

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Sec. 2. RCW 36.120.030 and 2002 c 56 s 103 are each amended to 2 read as follows:

Regional transportation investment district planning committees are advisory entities that are created, convened, and empowered as follows:

- (1) A county with a population over one million five hundred thousand persons and any adjoining counties with a population over five hundred thousand persons may create a regional transportation investment district and shall convene a regional transportation investment district planning committee.
- (2) The members of the legislative authorities participating in planning under this chapter shall serve as the district planning committee. Members of the planning committee receive no compensation, but may be reimbursed for travel and incidental expenses as the planning committee deems appropriate.

The secretary of transportation, or the appropriate regional administrator of the department, as named by the secretary, shall serve on the committee as a nonvoting member.

- (3) A regional transportation investment district planning committee may be entitled to state funding, as appropriated by the legislature, for start-up funding to pay for salaries, expenses, overhead, supplies, and similar expenses ordinarily and necessarily incurred in selecting transportation projects and funding for those transportation projects under this chapter. Upon creation of a regional transportation investment district, the district shall within one year reimburse the state for any sums advanced for these start-up costs from the state.
- (4) The planning committee shall conduct its affairs and formulate a regional transportation investment plan as provided under RCW 36.120.040, except that it shall elect an executive board of seven members to discharge the duties of the planning committee and formulate a regional transportation investment plan, subject to the approval of the full committee.
- (5) At its first meeting, a regional transportation investment district planning committee may elect officers and provide for the adoption of rules and other operating procedures.
- 36 (6) Governance of and decisions by a regional transportation 37 investment district planning committee must be by a sixty-percent

- weighted majority vote of the total membership <u>and have the approval of</u>
 the county executive of each participating county.
- 3 (7) The planning committee may dissolve itself at any time by a 4 two-thirds weighted majority vote of the total membership of the 5 planning committee.
- **Sec. 3.** RCW 36.120.040 and 2002 c 56 s 104 are each amended to 7 read as follows:
 - (1) A regional transportation investment district planning committee shall adopt a regional transportation investment plan providing for the development, construction, and financing of transportation projects. The planning committee ((may)) shall consider the following factors in formulating its plan:
 - (a) Land use planning criteria;

- (b) The input of cities located within a participating county; and
- (c) The input of regional transportation planning organizations in which a participating county is located. A regional transportation planning organization in which a participating county is located shall review its adopted regional transportation plan and submit, for the planning committee's consideration, its list of transportation improvement priorities.
- (2) The planning committee may coordinate its activities with the department, which shall provide services, data, and personnel to assist in this planning as desired by the planning committee. In addition, the planning committee may coordinate with affected cities, towns, and other local governments that engage in transportation planning.
 - (3) The planning committee shall:
- (a) Conduct public meetings that are needed to assure active public participation in the development of the plan;
- (c) Recommend sources of revenue authorized by RCW 36.120.050 and a financing plan to fund selected transportation projects. The overall plan of the district must leverage the district's financial contributions so that the federal, state, local, and other revenue

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sources continue to fund major congestion relief and transportation capacity improvement projects in the district. A combination of local, state, and federal revenues may be necessary to pay for transportation projects, and the planning committee shall consider all of these revenue sources in developing a plan.

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- Before adopting the plan, the planning committee, assistance from the department, shall work with the lead agency to develop accurate cost forecasts for transportation projects. project costing methodology must be integrated with revenue forecasts in developing the plan and must at a minimum include estimated project costs in constant dollars as well as year of expenditure dollars, the range of project costs reflected by the level of project design, project contingencies, identification of mitigation costs, the range of revenue forecasts, and project and plan cash flow and bond analysis. The plan submitted to the voters must provide cost estimates for each project, including reasonable contingency costs. Plans submitted to the voters must provide that the maximum amount possible of the funds raised will be used to fund projects in the plan, environmental improvements and mitigation, and that administrative costs be minimized. If actual revenue exceeds actual plan costs, the excess revenues must be used to retire any outstanding debt associated with the plan.
- (5) If a county opts not to adopt the plan or participate in the regional transportation investment district, but two or more contiguous counties do choose to continue to participate, then the planning committee may, within ninety days, redefine the regional transportation investment plan and the ballot measure to be submitted to the people to reflect elimination of the county, and submit the redefined plan to the legislative authorities of the remaining counties for their decision as to whether to continue to adopt the redefined plan and participate. This action must be completed within sixty days after receipt of the redefined plan.
- (6) Once adopted, the plan must be forwarded to the participating county legislative authorities to initiate, with the approval of the county executive of each participating county, the election process under RCW 36.120.070. The planning committee shall at the same time provide notice to each city and town within the district, the governor,

the chairs of the transportation committees of the legislature, the secretary of transportation, and each legislator whose legislative district is partially or wholly within the boundaries of the district.

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- (7) If the ballot measure is not approved, the planning committee may redefine the selected transportation projects, financing plan, and the ballot measure. The county legislative authorities may approve the new plan and ballot measure, and may then submit the revised proposition to the voters at the next election or a special election. If no ballot measure is approved by the voters by the third vote, the planning committee is dissolved.
- **Sec. 4.** RCW 36.120.050 and 2002 c 56 s 105 are each amended to 12 read as follows:
 - (1) A regional transportation investment district planning committee may, as part of a regional transportation investment plan, recommend the imposition of some or all of the following revenue sources, which a regional transportation investment district may impose upon approval of the voters as provided in this chapter:
 - (a) A regional sales and use tax, as specified in RCW 82.14.430, of up to 0.5 percent of the selling price, in the case of a sales tax, or value of the article used, in the case of a use tax, upon the occurrence of any taxable event in the regional transportation investment district;
 - (b) A local option vehicle license fee, as specified under RCW 82.80.100, of up to one hundred dollars per vehicle registered in the district. As used in this subsection, "vehicle" means motor vehicle as defined in RCW 46.04.320. Certain classes of vehicles, as defined under chapter 46.04 RCW, may be exempted from this fee;
 - (c) A parking tax under RCW 82.80.030;
- 29 (d) A local motor vehicle excise tax under RCW 81.100.060 and 30 chapter 81.104 RCW;
 - (e) An employer excise tax under RCW 81.100.030; and
 - (f) Vehicle tolls on ((new or reconstructed facilities)) a state route or federal highway within the boundaries of the district. The plan must identify the specific location to be tolled and the purpose of the toll. Unless otherwise specified by law or contract, the department shall administer the collection of vehicle tolls on

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designated facilities, and the state transportation commission, or its successor, shall be the tolling authority.

- (2) Taxes, fees, and tolls may not be imposed without an affirmative vote of the majority of the voters within the boundaries of the district voting on a ballot proposition as set forth in RCW 36.120.070. Revenues from these taxes and fees may be used only to implement the plan as set forth in this chapter. A district may contract with the state department of revenue or other appropriate entities for administration and collection of any of the taxes or fees authorized in this section.
- 11 (3) Existing statewide motor vehicle fuel and special fuel taxes, 12 at the distribution rates in effect on January 1, 2001, are not 13 intended to be altered by this chapter.
- **Sec. 5.** RCW 36.120.070 and 2002 c 56 s 107 are each amended to read as follows:

Two or more contiguous county legislative authorities, upon receipt of the regional transportation investment plan under RCW 36.120.040, may, with the approval of the county executive of each participating county, certify the plan to the ballot, including identification of the tax options necessary to fund the plan. County legislative authorities may draft a ballot title, give notice as required by law for ballot measures, and perform other duties as required to put the plan before the voters of the proposed district for their approval or rejection as a single ballot measure that both approves formation of the district and approves the plan. Counties may negotiate interlocal agreements necessary to implement the plan. The electorate will be the voters voting within the boundaries of the participating counties. A simple majority of the total persons voting on the single ballot measure to approve the plan, establish the district, and approve the taxes and fees is required for approval.

- **Sec. 6.** RCW 36.120.090 and 2002 c 56 s 109 are each amended to read as follows:
- 33 (1) The governing board of a district consists of the members of 34 the legislative authority of each member county, acting ex officio and 35 independently. The secretary of transportation or the appropriate 36 regional administrator of the department, as named by the secretary,

- shall also serve as a nonvoting member of the board. The governing board may elect an executive board of seven members to discharge the duties of the governing board subject to the approval of the full governing board.
- 5 (2) A sixty-percent majority of the weighted votes of the total 6 board membership and the approval of the county executive of each 7 participating county is required to submit to the counties a modified 8 plan under RCW 36.120.140 or any other proposal to be submitted to the 9 voters. The counties may, with majority vote of each county 10 legislative authority, submit a modified plan or proposal to the 11 voters.
- 12 **Sec. 7.** RCW 36.120.110 and 2002 c 56 s 111 are each amended to 13 read as follows:
- 14 (1) The governing board of the district is responsible for the 15 execution of the voter-approved plan. The board shall:
 - (a) Impose taxes and fees authorized by district voters;

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- (b) Enter into agreements with state, local, and regional agencies and departments as necessary to accomplish district purposes and protect the district's investment in transportation projects;
- (c) Accept gifts, grants, or other contributions of funds that will support the purposes and programs of the district;
- (d) Monitor and audit the progress and execution of transportation projects to protect the investment of the public and annually make public its findings;
- (e) Pay for services and enter into leases and contracts, including professional service contracts;
 - (f) Hire no more than ten employees, including a director or executive officer, a treasurer or financial officer, a project manager or engineer, a project permit coordinator, and clerical staff; and
- (g) Exercise other powers and duties as may be reasonable to carry out the purposes of the district.
 - (2) It is the intent of the legislature that existing staff resources of lead agencies be used in implementing this chapter. A district may coordinate its activities with the department, which shall provide services, data, and personnel to assist as desired by the regional transportation investment district. Lead agencies for

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transportation projects that are not state facilities shall also provide staff support for the board.

- (3) A district may not acquire, hold, or dispose of real property.
- (4) A district may not own, operate, or maintain an ongoing facility, road, or transportation system.
- (5) A district may accept and expend or use gifts, grants, or donations.
- (6) It is the intent of the legislature that administrative and overhead costs of a regional transportation investment district be minimized. For transportation projects costing up to fifty million dollars, administrative and overhead costs may not exceed three percent of the total construction and design project costs per year. For transportation projects costing more than fifty million dollars, administrative and overhead costs may not exceed three percent of the first fifty million dollars in costs, plus an additional one-tenth of one percent of each additional dollar above fifty million. These limitations apply only to the district, and do not limit the administration or expenditures of the department or other lead agencies.
 - (7) A district may use the design-build procedure for transportation projects developed by it. As used in this section "design-build procedure" means a method of contracting under which the district contracts with another party for that party to both design and build the structures, facilities, and other items specified in the contract. The requirements and limitations of RCW 47.20.780 and 47.20.785 do not apply to the transportation projects under this chapter.
- **Sec. 8.** RCW 36.120.130 and 2002 c 56 s 113 are each amended to 29 read as follows:
 - ((The district may borrow money, but may not issue any debt of its own for more than two years' duration. A district may issue notes or other evidences of indebtedness with a maturity of not more than two years. A district may, when authorized by the plan, enter into agreements with the state or lead agencies to pledge taxes or other revenues of the district for the purpose of paying in part or whole principal and interest on bonds issued by the lead agency. The contracts pledging revenues and taxes are binding for the term of the

agreement, but not to exceed twenty-five years, and no tax pledged by an agreement may be eliminated or modified if it would impair the pledge of the agreement.))

- (1)(a) Notwithstanding RCW 39.36.020(1), the district may at any time contract indebtedness or borrow money for district purposes and may issue general obligation bonds or other evidences of indebtedness, secured by the pledge of one or more of the taxes, tolls, charges, or fees authorized to be imposed by the district, in an amount not exceeding, together with any existing indebtedness of the district not authorized by the voters, one and one-half percent of the value of the taxable property within the boundaries of the district.
- (b) With the approval of three-fifths of the voters voting at an election, a district may contract indebtedness or borrow money for district purposes and may issue general obligation bonds or other evidences of indebtedness as long as the total indebtedness of the district does not exceed five percent of the value of the taxable property within the district, including indebtedness authorized under (a) of this subsection. The bonds must be issued and sold in accordance with chapter 39.46 RCW.
- (2) The district may at any time issue revenue bonds or other evidences of indebtedness, secured by the pledge of one or more of the revenues authorized to be collected by the district, to provide funds to carry out its authorized functions without submitting the matter to the voters of the district. These obligations must be issued and sold in accordance with chapter 39.46 RCW.
- (3) The district may enter into agreements with the lead agencies or the state of Washington, when authorized by the plan, to pledge taxes or other revenues of the district for the purpose of paying in part or whole principal and interest on bonds issued by the lead agency or the state of Washington. The agreements pledging revenues and taxes must be binding for their terms, but not to exceed thirty years, and no tax pledged by an agreement may be eliminated or modified if it would impair the pledge made in any agreement.
- **Sec. 9.** RCW 47.56.076 and 2002 c 56 s 403 are each amended to read 35 as follows:
 - Upon approval of a majority of the voters within its boundaries voting on the ballot proposition, and only for the purposes authorized

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in RCW 36.120.050(1)(f), a regional transportation investment district 1 2 may impose vehicle tolls on \underline{a} state ((routes where improvements financed in whole or in part by a regional transportation investment 3 district add additional lanes to, or reconstruct lanes on, a highway of 4 statewide significance)) or federal highway within the boundaries of 5 the district. The department shall administer the collection of 6 vehicle tolls on designated facilities unless otherwise specified in 7 law or by contract, and the state transportation commission, or its 8 successor, shall ((be the tolling authority)) set and impose the tolls 9 in amounts sufficient to implement the plan and issue bonds and 10 maintain and operate the toll facility within the scope and intent of 11 12 the regional transportation investment plan.

NEW SECTION. Sec. 10. A new section is added to chapter 47.56 RCW to read as follows:

Notwithstanding any provision to the contrary in this chapter, a regional transportation investment district may impose vehicle tolls on either Lake Washington bridge upon approval of a majority of the voters voting on a regional transportation investment plan ballot measure within its boundaries as authorized in chapter 36.120 RCW and RCW 47.56.076.

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