

5674

Sponsor(s): Senators Finkbeiner, Prentice, Esser, Haugen and Horn

Brief Description: Modifying regional transit authority provisions.

**SB 5674 - DIGEST**

(SUBSTITUTED FOR - SEE 1ST SUB)

Provides that, after July 1, 2003, for financing and project purposes, any area annexed shall be included in the most appropriate subarea of the five subareas identified in the authority's system plan adopted in May 1996. When annexed, taxes from an area joining the authority must be used only for projects, facilities, and services within that subarea.

Requires that authority tax revenue must be allocated proportionally to the subareas based on the share of tax revenues each subarea generates. This determination shall be made according to a reasonable method which may require estimates or other approximate methods. The tax revenue allocated to a subarea shall be used to finance costs incurred for projects within the subarea.

Provides that, after July 1, 2003, revenue bonds may be issued only to fund projects within one subarea and shall pledge only revenue derived within the subarea.

Provides that, after July 1, 2003, the proceeds from the issuance of general obligation bonds must be used to finance projects, services, or facilities within one chosen subarea. As part of the bond financing plan, the authority shall indicate how the proceeds from the issuance of general obligation bonds will be apportioned between the five subareas. The authority shall maintain five separate accounts for the deposit of proceeds that are to be used in the five subareas.

Provides that, after July 1st, special assessment or revenue bonds may be issued only to fund projects within one subarea as identified in an authority's system plan adopted in May 1996 and shall pledge only revenue derived within the subarea.