

SENATE BILL REPORT

SB 6872

As of February 01, 2006

Title: An act relating to transportation services provided by local governments.

Brief Description: Modifying transportation services provided by local governments.

Sponsors: Senators Kohl-Welles, Poulsen and Kline.

Brief History:

Committee Activity: Transportation: 2/1/06.

SENATE COMMITTEE ON TRANSPORTATION

Staff: Kim Johnson (786-7346)

Background: The 2002 Legislature authorized certain cities to create, with voter approval, a city transportation authority (CTA) to develop and operate a public monorail transportation system. The enabling legislation provided that a governing body of the monorail authority be established.

In November 2002, the voters of Seattle created a CTA, the Seattle Popular Monorail Authority (SPMA), and approved a plan to develop a 14 mile long first phase of a monorail system. The primary funding source for the approved monorail system is a 1.4 percent motor vehicle excise tax (MVET) imposed on motor vehicles owned by Seattle residents when vehicles are relicensed.

In November of 2005, the voters of Seattle did not approve Proposition 1, which provided a modified plan to build the monorail. The ballot measure specified that if the measure did not pass then no new monorail would be built. The SPMA Board has reduced the staff to four and begun the process of dissolving the SPMA.

Summary of Bill: Dissolution procedures are provided and include the following:

- Upon the governing body's approval of the dissolution of the authority, the authority continues to exist solely for the purposes of continuing to levy and collect the MVET to repay debt, liquidate assets, and wind up the authority;
- Procedures are specified to dispose of claims against the authority; and
- The authority is required to cease levying the MVET once all debts have been paid, obligations satisfied, and the period for claims has passed.

A city with a population over 560,000, a county with a population over 1,000,000, or a regional transit authority may, with voter approval, levy an MVET on every motor vehicle owned by a resident of a city with a population over 560,000. The MVET revenue is limited to the sole purpose of building a high capacity rapid transportation facility in the city, located

west of both a major interstate and a high capacity rapid transportation facility. All three jurisdictions may also levy, with voter approval, a sales and use tax on retail car rentals within the city or a per-vehicle licensing fee on vehicles registered within the city.

All city transportation statutes are repealed, except for the sections concerning taxing authority for high capacity rapid transit purposes, as of January 1, 2008.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: The bill contains several effective dates. Please refer to the bill.

Testimony For: Any change in the governing body of the SPMA now would put at risk the early retirement of the debt and the cessation of the MVET. The current board is actively dissolving the authority. My intent with this bill is to preserve in statute, for potential future use, a revenue source to build a high capacity transit facility in the western corridor of Seattle. When the Viaduct is under construction, thousands of vehicles will be forced onto the city streets and I-5. Seattle needs better high capacity transit service.

Testimony Against: None.

Who Testified: PRO: Senator Jeannie Kohl-Welles, prime sponsor.