

SENATE BILL REPORT

SB 6733

As of February 01, 2006

Title: An act relating to city transportation authorities.

Brief Description: Winding up the monorail transportation authority.

Sponsors: Senators Jacobsen, Prentice, Thibaudeau, Poulsen, Kline and Kohl-Welles.

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: A new Caretaker Board is created to govern the authority during dissolution. The Board is comprised of 5 members and may act as long as a quorum of 3 members is present. Provisions are made for how the seats on the Board are to be filled.

When liquidating an interest in real property that the authority originally acquired by condemnation or threat of condemnation, the authority is required to notify the person from whom the authority acquired the interest. The notice must state the intent to sell the property and provide information on how the person may acquire the property.

Time-lines for notifying potential claimants of the pending dissolution, deadlines for submitting a notice of claim, and the authority's responsibility to reply are provided.

The purpose for which the current MVET levied by the authority may be used is limited for the sole purpose of payment of amounts owed for bonds and for dissolving the authority.

The Caretaker Board is authorized to levy and collect an additional MVET, by a vote of 3 members of the Board. The authority may use the proceeds only for the purpose of winding up and dissolving the authority. At no time may the existing MVET and the new MVET authorized by the Caretaker Board exceed a combined annual rate of 1.4 percent. The authority shall not levy any taxes after the Caretaker Board files a certificate of winding up.

No earlier than two years after the effective date of this act, the Caretaker Board must file a written certificate of winding up with the Secretary of State. Provisions are made for the transfer of residual assets. Once all residual assets have been transferred, the Caretaker Board must file a certificate of dissolution with the Secretary of State, at which time the authority ceases to exist.

The authority is exempted from statutes governing the dissolution of other types of local jurisdictions.

Various statutes are repealed on the effective date of this act and any remaining statutes are repealed in 2009.

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: The City of Seattle's goal is to see an expedited dissolution and end to the MVET. Of the three bills concerning the dissolution of the SPMA, the best vehicle is 6733. It has been difficult to find people willing to serve on the board of an entity being dissolved. This bill reduces the size of the board, thereby making it easier for the board to act.

Testimony Against: None.

Who Testified: PRO: Tim Ceis, Deputy Mayor of Seattle.