

REGIONAL TRANSPORTATION AUTHORITY ACT - LOCAL OPTION SALES TAX

- ▶ The legislation is an amendment to the existing Regional Public Transportation Authority Act (RPTA) that re-establishes the act as the Regional Transportation Authority Act (RTA).
- ▶ With a 66-2/3 approval by voters within the RTA's service boundaries, the RTA Board of Directors may levy a local option sales tax for two purposes: (1) to finance the construction and maintenance of highways under the jurisdiction of counties, cities, highway districts & the Idaho Transportation Department within the geographic boundaries of the Authority in amounts above and beyond all other existing sources of financing available to such governmental units, and;(2) to finance, construct, operate and maintain public transportation systems.
- ▶ The RTA Board of Directors are required to develop a long-range transportation financing plan that must be approved by voters within the RTA's service boundaries in any election where voters decide whether to allow for the imposition of a local option sales tax.
- ▶ 100% of the sales tax revenue collected can only be allocated by the RTA Board of Directors to counties, cities, highway districts and the Idaho Transportation Department based upon the transportation financing plan.
- ▶ The RTA Board of Directors consists of only elected public officials from the cities, counties and highway districts located within the service boundaries of any RTA and shall serve as the Metropolitan Planning Organization (MPO) for those areas of the state so designated pursuant to federal law. The member of the Idaho Transportation Department Board within whose district the RTA exists shall also serve on the RTA Board of Directors.
- ▶ Decisions of the RTA Board of Directors to adopt the transportation financing plan, set budgets, allocate sales tax revenues and establish sales tax rates must be made by a majority of Directors present and voting as well as such Directors who represent counties and cities collectively that includes at least a majority of the population within the region (county population not included within city populations).
- ▶ "Public Transportation Systems" include systems and services designed to transport customers on local and regional routes, including buses, vanpools, demand response services, rail, rail corridor, park and ride and so forth, which are compatible with adopted state, regional or local transportation plans.
- ▶ The corporate powers have been expanded to provide the power and authority to accomplish the types of transactions contemplated by the statute. Those transactions include levying the tax, entering into the financial agreements necessary to build and operate an integrated transportation system that includes highways and public transportation and issuing bonds.
- ▶ The ballot question to levy such a sales tax can only be on the ballot at an election in May or November of any year. The legislation authorizes a sales tax of not less than 0.1 percent or more than .75 percent in the initial election. The tax may be imposed in amounts necessary to finance the transportation funding plan and related budgets. The maximum tax authorized may not exceed 1.00 percent.
- ▶ The sales tax sunsets after 20 years unless it is reauthorized by a subsequent 66-2/3 voter approval. The sales tax collections may continue until existing bonded indebtedness is retired.