

Email regarding Independent Transit Authority (ITA)

Hi Everyone,

County Exec Leggett has proposed the creation of a new taxing authority to fund an Independent Transit Authority which would have jurisdiction over the Corridor Cities Transitway (CCT), the county Bus Rapid Transit (BRT) system and the Ride On buses, a plan revealed publicly only LAST FRIDAY. He is fast tracking it through the State legislature when no one has had an opportunity to do a real analysis of it. A more comprehensive discussion is at <http://www.bethesdanow.com/2015/01/23/moco-moves-toward-its-own-transit-authority-rapid-transit-system/>

Bill Turque, reporter for the Post, on the Transit Authority bill:

http://www.washingtonpost.com/local/md-politics/leggett-seeks-montgomery-transit-authority-for-bus-lanes-other-projects/2015/01/26/e5f19ec6-a591-11e4-a06b-9df2002b86a0_story.html

Full text of the bill: <http://www.montgomerycountydelegation.com/documents/MC24-15stored1-21-15.pdf>

Synopsis of the bill: <http://www.montgomerycountydelegation.com/MC24-15.html>

This is a very complicated bill. The following overview draws from many sources:

- The proposed Independent Transit Authority (ITA) would have the power to raise property taxes beyond the County's Charter limit. Although the Council would have to approve any increase, it would have no authority over the ITA's budget.
- The ITA would set its own capital and operating budgets to fund a new bureaucracy to deal with BRT, property acquisition, parking lots, and garages, and even acquire property by condemnation, when there is already an agency, the County Department of Transportation, currently tasked with these functions.
- The 4 cents per \$100 "mass transit tax" levied as part of our property tax to fund transportation is not enough to fund proposed transit projects to reduce current congestion issues and support all of the density already approved in Master Plans for Montgomery County. A rate increase imposed by an independent authority (similar to WSSC's ability to increase rates) would be likely.
- Because the ITA could also issue bonds and incur debt without it counting against the County's debt ceiling or bond rating, the County could move debt off its books and onto the ITA's - and then increase its own spending and debt. This is not fiscally responsible.
- The ITA debt will be guaranteed by future special taxes it can collect through the new separate property tax, leaving the taxpayer on the hook with no electoral control over ITA decisions and debt.
- Because it is so detailed, the bill severely constrains how the County Council can shape the organization and operation of the ITA if the legislation passes. For instance, the County "may not require the ITA to submit capital or operating budget to County for approval."

Equally important, the legislation eliminates the strong public involvement Montgomery County residents were promised in the law approving the BRT concept. As envisioned in this bill, the ITA does not have the same obligation. There is no reason to fast-track this bill. This bill should be withdrawn in its current form.

Montgomery County's State delegation needs to hear from their constituents that there is no reason to rush to pass this bill without serious review. They can stop it at this stage. Please email our state representatives and ask to stop bill MC24-15 for additional review. (Addresses are included in an attachment above.) In addition, a petition to the State Delegation is available at <https://www.change.org/p/shane-robinson-stop-the-mc-24-15-tax-and-spend-power-grab-now> which you should also sign. A hearing has been scheduled for Friday night at 6:00 in Rockville. If you wish to testify, please see <http://www.montgomerycountydelegation.com/MC24-15.html> .

Please feel free to forward this email.

Best regards,

Donna Baron

Coordinator, The Gaithersburg – North Potomac – Rockville Coalition, online at scale-it-back.com