
SENATE BILL 6754

State of Washington 60th Legislature 2008 Regular Session

By Senators Haugen and Hatfield; by request of Governor Gregoire

Read first time 01/23/08. Referred to Committee on Transportation.

1 AN ACT Relating to financing the state route number 520 bridge
2 replacement project; adding new sections to chapter 47.56 RCW; adding
3 a new section to chapter 47.01 RCW; creating new sections; and
4 providing an expiration date.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** The legislature finds that the replacement
7 of the vulnerable state route number 520 bridge is a matter of urgency
8 for the safety of Washington's traveling public and the needs of the
9 transportation system in central Puget Sound. The state route number
10 520 bridge is forty-four years old and has a useful remaining life of
11 between thirteen and eighteen years. While one hundred fifteen
12 thousand vehicles travel on the bridge each day, there is an ever
13 present likelihood that wind or an earthquake could suddenly destroy
14 the bridge or render it unusable. Therefore, the state must develop a
15 comprehensive approach to fund a state route number 520 bridge
16 replacement to be constructed by 2018.

17 The legislature reaffirms its 2007 finding that the state must take
18 the necessary steps to move forward with a state route number 520
19 bridge replacement project design that provides six total lanes, with

1 four general purpose lanes and two lanes that are for high-occupancy
2 vehicle travel and can accommodate high capacity transportation, and
3 that the bridge shall be designed to accommodate light rail in the
4 future. The legislature further intends that the high-occupancy
5 vehicle lanes in the state route number 520 corridor are for vehicles
6 with three or more occupants, must be able to support a bus rapid
7 transit system, and must be managed in a way that prioritizes
8 maintaining travel time, speed, and reliability.

9 The legislature finds that the financial plan for the bridge
10 assumes a total project cost of no more than four billion dollars and
11 that there is a current funding shortfall of approximately two billion
12 dollars. The legislature further finds that the bridge replacement
13 project requires funding from multiple revenue sources, including a
14 partnership between the state and the users of the bridge.

15 NEW SECTION. **Sec. 2.** A new section is added to chapter 47.56 RCW
16 to read as follows:

17 (1) Following the submission of the report required in section 4 of
18 this act and subsequent approval by the legislature, the department may
19 collect tolls on the existing state route number 520 bridge or on a
20 replacement state route number 520 bridge.

21 (2) The schedule of toll charges must be established by the
22 transportation commission and collected in a manner determined by the
23 commission.

24 NEW SECTION. **Sec. 3.** A new section is added to chapter 47.56 RCW
25 to read as follows:

26 The department shall work with the federal highways administration
27 to determine the necessary actions for receiving federal authorization
28 to toll the interstate 90 floating bridge. The department must
29 periodically report the status of those discussions to the governor and
30 the joint transportation committee.

31 NEW SECTION. **Sec. 4.** (1) The executive director of the Puget
32 Sound regional council, the secretary of the department of
33 transportation or his or her designee, and a member of the state
34 transportation commission from King county shall form a state route
35 number 520 tolling implementation committee.

- 1 (2) The committee must:
- 2 (a) Evaluate the potential diversion of traffic from state route
3 number 520 to other parts of the transportation system when tolls are
4 implemented on state route number 520;
- 5 (b) Evaluate the most advanced tolling technology to ensure an
6 efficient and timely trip for users of the state route number 520
7 bridge;
- 8 (c) Evaluate available active traffic management technology to
9 determine the most effective options for technology that could manage
10 congestion on the state route number 520 bridge;
- 11 (d) Explore opportunities to partner with the business community to
12 reduce congestion and financially contribute to the state route number
13 520 bridge replacement project;
- 14 (e) Conduct public work sessions and open houses to provide
15 information to citizens, including users of the bridge and business and
16 freight interests, regarding implementation of tolls on the state route
17 number 520 bridge and solicit citizen views on the following items:
- 18 (i) Funding a portion of the state route number 520 bridge
19 replacement project with tolls on the existing bridge;
- 20 (ii) Funding the state route number 520 bridge replacement project
21 and improvements on the Interstate 90 bridge with a toll paid by
22 drivers on both bridges;
- 23 (iii) Providing incentives and choices for users of the state route
24 number 520 bridge replacement project to use transit and to carpool;
25 and
- 26 (iv) Implementing variable tolling as a way to reduce congestion on
27 the facility; and
- 28 (f) Provide a report to the governor and the legislature by January
29 2009.
- 30 (3) The department of transportation shall provide staff support to
31 the committee.

32 NEW SECTION. **Sec. 5.** A new section is added to chapter 47.01 RCW
33 to read as follows:

- 34 (1)(a) Any person involved in the construction of the state route
35 number 520 bridge replacement and HOV project may apply for deferral of
36 state and local sales and use taxes on the site preparation for, the

1 construction of, the acquisition of any related machinery and equipment
2 that will become a part of, and the rental of equipment for use in, the
3 project.

4 (b) Application shall be made to the department of revenue in a
5 form and manner prescribed by the department of revenue. The
6 application must contain information regarding estimated or actual
7 costs, time schedules for completion and operation, and other
8 information required by the department of revenue. The department of
9 revenue shall approve the application within sixty days if it meets the
10 requirements of this section.

11 (2) The department of revenue shall issue a sales and use tax
12 deferral certificate for state and local sales and use taxes imposed or
13 authorized under chapters 82.08, 82.12, and 82.14 RCW and RCW
14 81.104.170 on the project.

15 (3) A person granted a tax deferral under this section shall begin
16 paying the deferred taxes in the fifth year after the date certified by
17 the department of revenue as the date on which the project is
18 operationally complete. The project is operationally complete under
19 this section when the replacement bridge is constructed and opened to
20 traffic. The first payment is due on December 31st of the fifth
21 calendar year after the certified date, with subsequent annual payments
22 due on December 31st of the following nine years. Each payment shall
23 equal ten percent of the deferred tax.

24 (4) The department of revenue may authorize an accelerated
25 repayment schedule upon request of a person granted a deferral under
26 this section.

27 (5) Interest shall not be charged on any taxes deferred under this
28 section for the period of deferral, although all other penalties and
29 interest applicable to delinquent excise taxes may be assessed and
30 imposed for delinquent payments under this section. The debt for
31 deferred taxes is not extinguished by insolvency or other failure of
32 any private entity granted a deferral under this section.

33 (6) Applications and any other information received by the
34 department of revenue under this section are not confidential and are
35 subject to disclosure. Chapter 82.32 RCW applies to the administration
36 of this section.

37 (7) For purposes of this section, "person" has the same meaning as
38 in RCW 82.04.030 and also includes the department of transportation.

1 NEW SECTION. **Sec. 6.** Section 4 of this act expires February 1,
2 2009.

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