
Transportation Committee

HB 2675

Brief Description: Concerning eligible toll facilities.

Sponsors: Representatives Clibborn, Armstrong, Eddy and Springer; by request of Department of Transportation.

<p style="text-align: center;">Brief Summary of Bill</p> <ul style="list-style-type: none">• Authorizes the imposition of tolls on the central waterfront section of State Route 99.• Allows an eligible toll facility to be combined with other eligible toll facilities as part of a system of eligible toll facilities after approval by the State Finance Committee.
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Hearing Date: 1/30/12

Staff: Alison Hellberg (786-7152).

Background:

Alaskan Way Viaduct Replacement Project.

The State Route 99 (SR 99) Alaskan Way Viaduct is a major arterial serving freight and passenger vehicles through downtown Seattle. The facility sustained damage during the 2001 Nisqually earthquake, and is susceptible to damage or closure.

Legislation enacted in 2009 required the state to expedite the environmental review and design processes to replace the Alaskan Way Viaduct with a deep bore tunnel under First Avenue from the vicinity of the sports stadiums in Seattle to Aurora Avenue north of the Battery Street Tunnel. In addition, the SR 99 Alaskan Way Viaduct replacement project finance plan must include no more than \$400 million in toll revenue.

Eligible Toll Facilities.

An "eligible toll facility" is defined as a portion of the state highway system specifically identified by the Legislature including transportation corridors, bridges, crossings, interchanges, on-ramps, off-ramps, approaches, bistate facilities, and interconnections between highways. All

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revenue from an eligible toll facility must be used only to construct, improve, preserve, maintain, manage, or operate the eligible toll facility on or in which the revenue is collected. Unless otherwise delegated, the Washington State Transportation Commission is the tolling authority for all state highways.

State Finance Committee.

The State Finance Committee is comprised of the Governor, Lieutenant Governor, and the State Treasurer. It authorizes the issuance and establishes the terms, conditions and manner of the sale of all bonds, notes, and other debt for the state to finance capital projects in the state's capital and transportation budgets.

Summary of Bill:

Findings and Intent.

Findings are made and the intent of the Legislature is declared. The Legislature finds that there is an urgent need to replace the Alaskan Way Viaduct, because it is vulnerable to closure, damage, or catastrophic failure as a result of earthquakes or other events. In 2009 the Legislature determined that the finance plan for the project should include no more than \$400 million in toll funding. It is the Legislature's intent to authorize tolling on the project, both to help finance the project and to help maintain travel time, speed, and reliability on the portion of SR 99 that would be replaced.

Authorization of Tolling.

Tolling is authorized on the central waterfront section of SR 99 between milepost 30 at the north end of the Atlantic Bridge to milepost 32 at the south end of the Mercer Bridge in the City of Seattle. This portion of SR 99 is designated as an eligible toll facility and toll revenue generated from this facility may only be expended as allowed under state law.

In setting toll rates, the tolling authority must set a variable schedule of toll rates to maintain travel time, speed, and reliability on this facility and to generate the necessary revenue. The tolling authority may adjust the variable schedule of toll rates at least annually to reflect inflation and pay for the redemption of bonds and other obligations of the tolling authority.

The Alaskan Way Viaduct Replacement Project Account (Account) is created in the state treasury. Deposits to the Account must include:

- all proceeds of bonds issued for construction of the project, including any capitalized interest;
- all of the tolls and other revenues received from the operation of the toll facility;
- any interest that may be earned from the deposit or investment of those revenues;
- proceeds from the sale of any surplus real property acquired for the purpose of building the project; and
- all damages, liquidated or otherwise, collected under any contract involving the construction of the project.

Subject to the covenants made by the state in the bond proceedings for the construction of the project, toll charges, other revenues, and interest received from the operation of the project as a toll facility may be used to pay allowable costs and repay amounts to the Motor Vehicle Fund.

Eligible Toll Facilities.

For the purposes of tolling, financing, construction, improvement, preservation, maintenance, management, and operation of eligible toll facilities, any eligible toll facility may be added to and combined with one or more other eligible toll facilities as part of a system of eligible toll facilities after approval by the State Finance Committee. To obtain approval, the Department of Transportation must make a request to the State Finance Committee to make a determination by resolution that the addition of eligible toll facilities to an existing system will be consistent with applicable provisions that authorized the issuance of outstanding bonds that are payable from and secured by the toll revenue.

The Toll Facilities Account is created in the state treasury. When eligible toll facilities are combined each separate special account previously created in the state treasury is combined into the Toll Facilities Account.

In addition, several technical changes are made to statutes impacted by previous tolling-related legislation.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.