

HOUSE BILL REPORT

SSB 5700

As Passed House - Amended:
March 5, 2011

Title: An act relating to certain toll facilities.

Brief Description: Concerning certain toll facilities.

Sponsors: Senate Committee on Transportation (originally sponsored by Senators Haugen and King).

Brief History:

Committee Activity:

Transportation: 2/23/11, 2/24/11 [DPA].

Floor Activity:

Passed House - Amended: 3/5/11, 73-25.

**Brief Summary of Substitute Bill
(As Amended by House)**

- Approves the actions taken by the Washington State Transportation Commission (Transportation Commission) to adopt the toll rates for the State Route 520 (SR 520) corridor, the schedule of photo toll charges applicable to the Tacoma Narrows Bridge, and the assessment of administrative fees for toll collection processes.
- Authorizes the Transportation Commission to set and adjust toll rates on the SR 520 corridor in accordance with previously enacted statutory criteria, but limits the adjustments to the toll rates to amounts not greater than those necessary for debt payments or operating costs.
- Reauthorizes the issuance of toll revenue bonds for the reconstruction of the SR 520 corridor.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass as amended. Signed by 20 members: Representatives Clibborn, Chair; Billig, Vice Chair; Liias, Vice Chair; Armstrong, Ranking Minority Member; Angel,

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Asay, Eddy, Finn, Fitzgibbon, Jinkins, Johnson, Ladenburg, Moeller, Moscoso, Reykdal, Rolfes, Ryu, Takko, Upthegrove and Zeiger.

Minority Report: Do not pass. Signed by 7 members: Representatives Hargrove, Assistant Ranking Minority Member; Klippert, Kristiansen, McCune, Overstreet, Rivers and Shea.

Staff: David Munnecke (786-7315).

Background:

The State Route 520 (SR 520) Evergreen Point Bridge is a 1.5 mile, 47-year-old bridge crossing Lake Washington in King County. The bridge is scheduled for replacement due to its vulnerability to seismic activity and storm events. In addition to the deteriorating physical condition, the bridge lacks shoulders for disabled and emergency vehicles and experiences considerable congestion.

The Legislature has authorized tolling on the SR 520 corridor, authorized bonds to finance construction of corridor projects, and committed to continue imposing tolls on the corridor in amounts sufficient to pay the principal and interest on the bonds. The Washington State Department of Transportation (WSDOT) intends to start imposing tolls on the SR 520 corridor in the Spring of 2011 using a new electronic toll collection system that includes photo tolling, which was authorized during the 2010 regular legislative session.

On January 5, 2011, the Washington State Transportation Commission (Transportation Commission) adopted a schedule of toll rates applicable to the SR 520 corridor, and on January 25, 2011, adopted a schedule of photo toll rates applicable to the Tacoma Narrows Bridge. Included in the Transportation Commission's January 5, 2011, action was the adoption of administrative fees for toll collection processes.

On November 2, 2010, Washington voters approved Initiative Measure 1053 (I-1053), which took effect December 2, 2010. Among other requirements, I-1053 provides that "[a] fee may only be imposed or increased in any fiscal year if approved with majority legislative approval in both the House of Representatives and the Senate...." Tolls are generally considered to be fees.

Summary of Amended Bill:

Consistent with the fee provisions of I-1053 and previously enacted statutory toll-related criteria, the Legislature approves the action taken by the Transportation Commission in January to: (1) adopt the schedule of toll rates applicable to the SR 520 corridor; (2) adopt the schedule of photo toll charges applicable to the Tacoma Narrows Bridge; and (3) adopt the assessment of administrative fees for toll collection processes. The Legislature also authorizes the Transportation Commission to set and adjust toll rates on the SR 520 corridor in accordance with previously enacted statutory criteria. The Transportation Commission may adjust the SR 520 toll rates only in amounts not greater than those sufficient to meet the operating costs of the facility and make payments for debt service and other associated financing costs. The Transportation Commission must send a report to the Transportation

committees of the Legislature regarding any increase or decrease to the SR 520 toll rates or the Tacoma Narrows Bridge toll rates, along with a detailed justification of the action.

Corrective language is enacted to reauthorize the issuance of toll revenue bonds applicable to the SR 520 corridor. The definition of toll revenue for bonding purposes applicable to the SR 520 corridor is broadened to include funds received for the benefit of transportation facilities in the state.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: This bill contains an emergency clause and takes effect immediately.

Staff Summary of Public Testimony:

(In support) This bill is important for the continuation of the contracts for the SR 520 replacement project. Without this bill, the WSDOT would face a \$1 billion shortfall on the project.

State Route 520 is an important corridor for commerce between two of the most significant commercial areas in the state. Senate Bill 5700 allows critical infrastructure work on the SR 520 corridor to move forward, which will improve both safety and mobility.

The Transportation Commission conducted extensive outreach in the communities surrounding the project before adopting the toll rates for the corridor. There were very few people who registered any opposition.

This bill is not only about the creation of jobs, it is also about safety because the bridge has reached the end of its useful life and needs to be replaced. That said, the project will also create a multitude of jobs. Tolling is necessary to build the new bridge and preserve the quality of life in the region. A wide variety of companies, governments, and organizations are all in favor of moving the project forward.

(Opposed) None.

Persons Testifying: David Dye, Washington State Department of Transportation; Mike Groesch, Washington Roundtable; Dave Overstreet, Automobile Association of America Washington; Reema Griffiths, Washington State Transportation Commission; and David Johnson, Washington State Building and Construction Trades Council.

Persons Signed In To Testify But Not Testifying: None.