H-1221.1

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**HOUSE BILL 1928**

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**State of Washington 66th Legislature 2019 Regular Session**

**By** Representatives Kilduff, Leavitt, Caldier, and Appleton

AN ACT Relating to providing toll relief for users of the Tacoma Narrows bridge; amending RCW 47.46.110, 47.46.190, and 47.46.200; creating a new section; and declaring an emergency.

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

NEW SECTION. **Sec.**  The legislature finds that the users of the Tacoma Narrows bridge need true toll relief. The current plan for tolls on the bridge is to provide loans every two years in order to keep the toll rates at roughly the same level as today. All of these loans would then be repaid by extending the term of the tolls. The users of the Tacoma Narrows bridge deserve an equitable plan to address the rapidly escalating costs of debt service used to finance construction of the bridge. Rather than loans, the state should simply provide the funds to keep the tolls exactly where they are today, thus keeping the promises that the state made regarding the term of the tolls on the Tacoma Narrows bridge and providing an appropriate amount of toll relief to the users of the bridge.

**Sec.**  RCW 47.46.110 and 2018 c 195 s 3 are each amended to read as follows:

(1) The commission shall retain toll charges on any existing and future facilities constructed under this chapter and financed primarily by bonds issued by the state until:

(a) All costs of investigation, financing, acquisition of property, and construction advanced from the motor vehicle fund have been fully repaid, except as provided in subsection (2)(b) of this section;

(b) Obligations incurred in constructing that facility have been fully paid; and

(c) The motor vehicle fund is fully repaid under RCW 47.46.140((~~; and~~

~~(d) The accounts from which moneys are provided to reduce the debt service according to RCW 47.46.190(5) are fully repaid~~)).

(2) This section does not:

(a) Prohibit the use of toll revenues to fund maintenance, operations, or management of facilities constructed under this chapter except as prohibited by RCW 47.56.245;

(b) Require repayment of funds specifically appropriated as a nonreimbursable state financial contribution to a project.

(3) Notwithstanding the provisions of subsection (2)(a) of this section, upon satisfaction of the conditions enumerated in subsection (1) of this section:

(a) The facility must be operated as a toll-free facility; and

(b) The operation, maintenance, upkeep, and repair of the facility must be paid from funds appropriated for the use of the department for the construction and maintenance of the primary state highways of the state of Washington.

**Sec.**  RCW 47.46.190 and 2018 c 195 s 1 are each amended to read as follows:

(1) The legislature finds funding of the Tacoma Narrows bridge facility to be distinct from other Washington state tolling facilities due to its increasing debt service costs, which is the primary driver of the facility's escalating costs. Washington state has since recommended and established financing structures with steadier levels of debt service payments for subsequent tolled transportation facilities, supporting better management of the state's debt burden and a lower financial burden for toll ratepayers.

(2) The Tacoma Narrows bridge facility debt service structure resulted, in part, from a decision by the legislature to fund construction of the bridge without drawing from state tax dollars. As a result, toll revenue was committed to fund ninety-nine percent of bridge construction costs, as well as the associated interest payments and other associated debt service costs. This is not the standard more recently utilized by the legislature, as is the case of the state route 520 bridge's construction, seventy-two percent of which is to be paid for with toll revenues. In light of the maximum burden for bridge construction that was placed on Tacoma Narrows bridge toll ratepayers, there is no equitable reason that the burden of future debt service payment increases should be borne by these same toll ratepayers.

(3) The legislature established the Tacoma Narrows bridge work group in 2017 and tasked it with identifying opportunities for long-term toll payer relief from increasing toll rates on the Tacoma Narrows bridge. The work group recommended a request of up to one hundred twenty-five million dollars in state funding from the legislature to offset future debt service payment increases, allocated across the remaining years of tolling at levels that result in maintaining toll rates at fiscal year 2018 levels.

(4) Due to the findings aforementioned, ((~~an~~)) this alternative to the current tolling plan is put forward by the legislature. State contributions ((~~loans~~)) for ((~~each~~)) the 2019-2021 and 2021-2023 fiscal ((~~biennium~~)) biennia are to be made ((~~through the life of the debt service plan of~~)) up to a total of ((~~eighty-five~~)) thirty million dollars((~~, and will be repaid in annual amounts beginning after the debt service and deferred sales tax are fully repaid~~)). It is the intent of the legislature that the commission will((~~:~~

~~(a)~~)) maintain tolls at no more than toll rates effective at the fiscal year 2018 level until ((~~fiscal year 2022; and~~

~~(b) Maintain tolls at no more than twenty-five cents higher than the toll rates effective at the fiscal year 2018 level beginning in fiscal year 2022 until~~)) such time as the debt service and deferred sales tax obligation is fully met according to the repayment schedule in place as of June 7, 2018((~~, and until any state contribution loans are fully repaid~~)).

(5) To offset ((~~part of~~)) the toll rate increases that would otherwise be necessary to meet increases in future debt service payments, it is the intent of the legislature that the state treasurer make state contributions ((~~loan transfers~~)) to the Tacoma Narrows toll bridge account created in RCW 47.56.165 on the first day of each fiscal biennium, beginning in the 2019-2021 fiscal biennium((~~,~~)) and continuing through the ((~~life of the debt service plan~~)) 2021-2023 fiscal biennium. It is the intent of the legislature that the state treasurer make state contributions ((~~loan transfers~~)) in amounts necessary to ensure debt service payments are made in full for the 2019-2021 and 2021-2023 fiscal biennia, after toll revenue from the Tacoma Narrows bridge toll facility is applied to the debt payment amounts and other required costs.

(6) This section does not create a private right of action.

**Sec.**  RCW 47.46.200 and 2018 c 195 s 2 are each amended to read as follows:

(1) Through 2031, the commission shall submit to the transportation committees of the legislature on an annual basis a report that includes sufficient information to enable the legislature to determine an adequate amount of contribution from nontoll sources required for each fiscal biennium to maintain tolls ((~~at no more than twenty-five cents higher than the toll rates effective~~)) at the fiscal year 2018 level, while also maintaining the debt service plan repayment schedule in place as of June 7, 2018. Beginning in 2023, the report shall also include recommendations for further opportunities for toll payer relief through 2031, which must be made in conjunction with a reconstituted Tacoma Narrows bridge work group. The report must be submitted by January 5th of each year.

(2) ((~~Beginning in 2031, and until such time as the state contribution loans described in RCW 47.46.190(4) are repaid, the commission shall submit to the transportation committees of the legislature on an annual basis a report that includes information detailing the annual expected toll revenue to be used for repayment of the state contribution loans while maintaining tolls at no more than twenty-five cents higher than the toll rates effective at the fiscal year 2018 level. The report must be submitted by January 5th of each year.~~

~~(3)~~)) This section does not create a private right of action.

NEW SECTION. **Sec.**  This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

**--- END ---**