

SENATE BILL REPORT

SHB 1396

As Reported By Senate Committee On:
Transportation, February 23, 1996

Title: An act relating to state highway bonds.

Brief Description: Authorizing highway bonds.

Sponsors: House Committee on Transportation (originally sponsored by Representatives K. Schmidt and R. Fisher).

Brief History:

Committee Activity: Transportation: 2/21/96, 2/23/96 [DP].

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass.

Signed by Senators Owen, Chair; Heavey, Vice Chair; Goings, Haugen, Morton, Prentice, Prince, Rasmussen, Schow, Thibaudeau and Wood.

Staff: Brad Lovaas (786-7307)

Background: The Special Category "C" program was established to finance major highway construction projects that could not be accomplished as part of the regular construction program. The three projects are: 1) Division Street (north-south route) in Spokane; 2) 1st Avenue South Bridge in Seattle; and 3) SR 18 from I-5 to I-90 in southeast King County.

In 1990 the Legislature dedicated 3/4 of 1 cent of the motor vehicle fuel tax to the Special Category "C" program. In 1993 the Legislature authorized the sale of \$240 million of general obligation bonds for the construction of the three projects mentioned above, and pledged the 3/4 of 1 cent to debt service.

Summary of Bill: The bond authorization for the Special Category "C" program is increased by \$60 million, from \$240 to \$300 million. This additional bond authorization is applied to the shortfall in order to fully fund the SR 18 project.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Lower interest rates provide an opportunity to increase bonds within the revenue stream provided for debt service.

Testimony Against: None.

Testified: Helga Morgenstern, WSDOT (pro).