

SENATE BILL REPORT

SB 5130

As Passed Senate, June 5, 2001

Title: An act relating to toll bridges.

Brief Description: Clarifying toll procedures in public-private initiatives.

Sponsors: Senators Oke, B. Sheldon, T. Sheldon, Horn, Haugen, Swecker, McCaslin, Morton, Snyder, Hale, Kastama, Prentice, Regala, Jacobsen, Hargrove, Spanel, West, Finkbeiner, Long, McDonald, Winsley, McAuliffe and Costa.

Brief History:

Committee Activity: Transportation: 1/23/01, 1/25/01 [DP].

Passed Senate: 2/14/01, 38-10.

First Special Session: Passed Senate: 5/1/01, 40-4.

Second Special Session: Passed Senate: 6/5/01, 42-3.

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass.

Signed by Senators Haugen, Chair; Eide, Finkbeiner, Horn, Jacobsen, Johnson, Kastama, McDonald, Oke, Prentice, Shin, T. Sheldon and Swecker.

Minority Report: Do not pass.

Signed by Senator Benton.

Staff: Jennifer Ziegler (786-7316)

Background: The Legislature enacted the Public-Private Initiatives Act (PPI Act) in 1993. The PPI Act authorizes the Secretary of Transportation to select up to six demonstration projects to use the private sector to undertake projects on behalf of the Washington State Department of Transportation (WSDOT). In June of 1999, the WSDOT entered into an agreement with United Infrastructure Washington, Inc. (UIW) to finance, develop, and operate the Tacoma Narrows Bridge project.

The Peninsula Neighborhood Association (PNA) filed an action in Thurston County Superior Court on July 6, 1999, alleging that the PPI Act was unconstitutional and the WSDOT failed to comply with the provisions of the act regarding the advisory election. The Thurston County Superior Court concluded that the PPI Act was constitutional and challenges to the advisory election were barred because PNA waited eight months to challenge the election.

The PNA appealed the Superior Court decision to the Washington State Supreme Court. On November 9, 2000, the Washington State Supreme Court issued a unanimous decision with the following conclusions:

1. The PPI Act is a constitutional delegation of authority to identify toll bridges and set toll rates;
2. The challenge to the advisory election is barred because PNA delayed its challenge; and
3. The agreement between the WSDOT and UIW violates state law because it allows tolls on the existing bridge, it allows a private entity to set tolls instead of the Transportation Commission, and it allows tolls to be used for the maintenance and operation costs of the existing bridge.

Summary of Bill: References to toll bridges and toll facilities in the toll bridge authority chapter do not include facilities developed or operated under the PPI Act that have received a legislative appropriation under the PPI Act.

Tolls do not have to be set by the Transportation Commission on toll facilities when there are no outstanding bonds on the facility, the facility is a project authorized under the PPI Act, and funds have been appropriated under the PPI Act.

The existing Tacoma Narrows Bridge is exempt from the requirement that the WSDOT use highway construction funds for maintenance and operation costs of the bridge. The statute prohibiting tolls on the existing Tacoma Narrows Bridge is repealed.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Testimony For: The bridge is the main artery to the Kitsap Peninsula. Further delay in construction will only increase the actual cost. The congestion on the bridge is choking the economic life out of the Kitsap Peninsula. The second bridge is a safety solution that is necessary for the area. Delaying or prohibiting the project poses a great risk to the Peninsula. The bridge is not safe today and this bill is the only legislation that provides for timely completion of the bridge. Surveys indicate that the majority of people in the community support the bridge. Cuts in ferry service and increase in ferry rates make the bridge even more necessary.

Testimony Against: The Supreme Court decision has provided the Legislature with the opportunity to build a second bridge at lower tolls and lower costs. There are not many people who would dispute the need for a second bridge, the issue is whether there is a method of financing that would result in a less expensive bridge and less expensive tolls. The solution to the Tacoma Narrows Bridge should be part of a statewide transportation plan. Other public-private projects have been eliminated and this project is being kept alive to keep the public-private initiatives act alive. The bridge is only ranked 30th in the state for accident rates. Public financing of the bridge should be reconsidered. The legislation eliminates public oversight of toll rates. Think about the costs of the tolls to an average family of four. People with children may have to make several trips a day and this is a tremendous expense.

Testified: PRO: Senator Oke, prime sponsor; Senator Betti Sheldon, secondary sponsor; Larry Claiborne, Fire Chief, Gig Harbor; Rhonda Hauter, President, Gig Harbor Chamber of Commerce; Linda Niebanck, Kitsap Regional Economic Development Council; Barbara Sessions, Kitsap County Realtors; Cheryl Borden, citizen; Larry Archer, International Order of Operating Engineers Local 612; Walt Smith, Association of Washington Business; Lynn Horton, Mayor of Bremerton; Roger Boatwright, Washington State Building & Construction Trades Council; Van Collins, Associated General Contractors. CON: Judy Olsen, Peninsula Neighborhood Association (PNA); Jo Simmons, PNA; Dave Folsom, PNA; John Mayers, PNA; Shawn Newman, PNA attorney; Gretchen Wilbert, Mayor of Gig Harbor; Randy Boss, Con-Sol Group; Fred McConkey, Mayor of Hunts Point; Thomas Morgan, Mayor Pro Tem of Medina; Andrew Clarke, citizen.