

SHB 2990 - S COMM AMD
By Committee on Transportation

ADOPTED 03/07/2018

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** A new section is added to chapter 47.46
4 RCW to read as follows:

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

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

26 (3) The legislature established the Tacoma Narrows bridge work
27 group in 2017 and tasked it with identifying opportunities for long-
28 term toll payer relief from increasing toll rates on the Tacoma
29 Narrows bridge. The work group recommended a request of up to one
30 hundred twenty-five million dollars in state funding from the
31 legislature to offset future debt service payment increases,

1 allocated across the remaining years of tolling at levels that result
2 in maintaining toll rates at fiscal year 2018 levels.

3 (4) Due to the findings aforementioned, an alternative is put
4 forward by the legislature. State contribution loans for each fiscal
5 biennium are to be made through the life of the debt service plan of
6 up to a total of eighty-five million dollars, and will be repaid in
7 annual amounts beginning after the debt service and deferred sales
8 tax are fully repaid. It is the intent of the legislature that the
9 commission will:

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

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

18 (5) To offset part of the toll rate increases that would
19 otherwise be necessary to meet increases in future debt service
20 payments, it is the intent of the legislature that the state
21 treasurer make state contribution loan transfers to the Tacoma
22 Narrows toll bridge account created in RCW 47.56.165 on the first day
23 of each fiscal biennium, beginning in the 2019-2021 fiscal biennium,
24 through the life of the debt service plan. It is the intent of the
25 legislature that the state treasurer make state contribution loan
26 transfers in amounts necessary to ensure debt service payments are
27 made in full after toll revenue from the Tacoma Narrows bridge toll
28 facility is applied to the debt payment amounts and other required
29 costs.

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

31 NEW SECTION. **Sec. 2.** A new section is added to chapter 47.46
32 RCW to read as follows:

33 (1) Through 2031, the commission shall submit to the
34 transportation committees of the legislature on an annual basis a
35 report that includes sufficient information to enable the legislature
36 to determine an adequate amount of contribution from nontoll sources
37 required for each fiscal biennium to maintain tolls at no more than
38 twenty-five cents higher than the toll rates effective at the fiscal
39 year 2018 level, while also maintaining the debt service plan

1 repayment schedule in place as of the effective date of this section.
2 The report must be submitted by January 5th of each year.

3 (2) Beginning in 2031, and until such time as the state
4 contribution loans described in section 1(4) of this act are repaid,
5 the commission shall submit to the transportation committees of the
6 legislature on an annual basis a report that includes information
7 detailing the annual expected toll revenue to be used for repayment
8 of the state contribution loans while maintaining tolls at no more
9 than twenty-five cents higher than the toll rates effective at the
10 fiscal year 2018 level. The report must be submitted by January 5th
11 of each year.

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

13 **Sec. 3.** RCW 47.46.110 and 2002 c 114 s 8 are each amended to
14 read as follows:

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

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

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

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

26 (d) The accounts from which moneys are provided to reduce the
27 debt service according to section 1(5) of this act are fully repaid.

28 (2) This section does not:

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

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

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

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

38 (b) The operation, maintenance, upkeep, and repair of the
39 facility must be paid from funds appropriated for the use of the

1 department for the construction and maintenance of the primary state
2 highways of the state of Washington."

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3 On page 1, line 2 of the title, after "plan;" strike the
4 remainder of the title and insert "amending RCW 47.46.110; and adding
5 new sections to chapter 47.46 RCW."

EFFECT: Provides that sections 1 and 2 do not create a private
right of action.

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