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**SUBSTITUTE SENATE BILL 6547**

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**State of Washington**

**65th Legislature**

**2018 Regular Session**

**By** Senate Transportation (originally sponsored by Senators O'Ban and Angel)

READ FIRST TIME 02/06/18.

1 AN ACT Relating to establishing an equitable debt service  
2 repayment plan for the Tacoma Narrows bridge; adding new sections to  
3 chapter 47.56 RCW; and providing expiration dates.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 47.56  
6 RCW to read as follows:

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

15 (2) The Tacoma Narrows bridge facility debt service structure  
16 resulted, in part, from a decision by the legislature to fund  
17 construction of the bridge without drawing from state tax dollars. As  
18 a result, toll revenue was committed to fund ninety-nine percent of  
19 bridge construction costs, as well as the associated interest  
20 payments and other associated debt service costs. This is not the  
21 standard more recently utilized by the legislature, as is the case of

1 the state route 520 bridge's construction, seventy-two percent of  
2 which is to be paid for with toll revenues. In light of the maximum  
3 burden for bridge construction that was placed on Tacoma Narrows  
4 bridge toll ratepayers, there is no equitable reason that the burden  
5 of future debt service payment increases should be borne by these  
6 same toll ratepayers.

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

15 (4) Due to the findings aforementioned, an alternative is put  
16 forward by the legislature to set forth state contribution loans for  
17 each fiscal biennium through the life of the debt service plan of up  
18 to seventy-five million dollars in order to maintain tolls at no more  
19 than twenty-six cents higher than the blended rate effective for the  
20 fiscal year 2018 level and to maintain steady tolls until the debt  
21 service and deferred sales tax obligation is fully met according to  
22 the repayment schedule in place as of the effective date of this  
23 section. To offset part of the toll rate increases that would  
24 otherwise be necessary to meet increases in future debt service  
25 payments, the state treasurer shall transfer the following amounts on  
26 the following dates from the multimodal transportation account  
27 created in RCW 47.66.070:

28 (a) On July 1, 2019, for 2019-2021 fiscal biennium costs,  
29 seventeen million six hundred seventy-two thousand dollars to the  
30 Tacoma Narrows toll bridge account created in RCW 47.56.165;

31 (b) On July 1, 2021, for 2021-2023 fiscal biennium costs, eight  
32 million one hundred fifty-one thousand dollars to the Tacoma Narrows  
33 toll bridge account created in RCW 47.56.165;

34 (c) On July 1, 2023, for 2023-2025 fiscal biennium costs,  
35 thirteen million nine hundred sixteen thousand dollars to the Tacoma  
36 Narrows toll bridge account created in RCW 47.56.165;

37 (d) On July 1, 2025, for 2025-2027 fiscal biennium costs, twelve  
38 million sixty-four thousand dollars to the Tacoma Narrows toll bridge  
39 account created in RCW 47.56.165;

1 (e) On July 1, 2027, for 2027-2029 fiscal biennium costs, twenty  
2 million one hundred seventy-three thousand dollars to the Tacoma  
3 Narrows toll bridge account created in RCW 47.56.165; and

4 (f) On July 1, 2029, for 2029-2031 fiscal biennium costs, two  
5 million four hundred fourteen thousand dollars to the Tacoma Narrows  
6 toll bridge account created in RCW 47.56.165.

7 (5) The transportation commission shall determine the optimal  
8 timeline for repayment of these state contribution loans, which shall  
9 be fully repaid by June 30, 2032.

10 (6) This section expires July 1, 2032.

11 NEW SECTION. **Sec. 2.** A new section is added to chapter 47.56  
12 RCW to read as follows:

13 (1) The transportation commission shall submit to the  
14 transportation committees of the legislature on a biennial basis a  
15 report that includes sufficient information to enable the legislature  
16 to determine if the amount of contribution from nontoll sources  
17 required for each fiscal biennium as laid out in section 1(4) of this  
18 act to maintain tolls at no more than twenty-six cents higher than  
19 the blended rate effective for the fiscal year 2018 level is  
20 adequate, while also maintaining the debt service plan repayment  
21 schedule in place as of the effective date of this section. The  
22 report must be submitted by January 5th of each odd-numbered year.

23 (2) This section expires July 1, 2032.

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