

HOUSE BILL REPORT

HB 2068

As Reported by House Committee On: Transportation

Title: An act relating to providing discounted toll rates to certain individuals on certain tolled facilities.

Brief Description: Providing discounted toll rates to certain individuals on certain tolled facilities.

Sponsors: Representatives Ortiz-Self and Kloba.

Brief History:

Committee Activity:

Transportation: 2/25/19, 2/27/19 [DPS].

Brief Summary of Substitute Bill

- Requires the Washington State Transportation Commission (WSTC) to conduct a study, in consultation with the Washington State Department of Transportation and the Department of Social and Health Services, of discounted tolls and other similar programs, for low-income drivers, that are provided by other states, countries, or other jurisdictions.
- Requires the WSTC to provide a report on its findings and recommendations for implementing a discounted toll or other appropriate program to the transportation committees of the Legislature by December 1, 2019.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 17 members: Representatives Fey, Chair; Slatter, 2nd Vice Chair; Valdez, 2nd Vice Chair; Wylie, 1st Vice Chair; Chapman, Doglio, Entenman, Gregerson, Irwin, Kloba, Lovick, Mead, Ortiz-Self, Paul, Pellicciotti, Ramos and Riccelli.

Minority Report: Do not pass. Signed by 13 members: Representatives Barkis, Ranking Minority Member; Walsh, Assistant Ranking Minority Member; Young, Assistant Ranking Minority Member; Boehnke, Chambers, Dent, Dufault, Eslick, Goehner, McCaslin, Orcutt, Shea and Van Werven.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Staff: David Munnecke (786-7315).

Background:

State Route 167.

In 2008 the Washington State Department of Transportation (WSDOT) converted one lane each direction of State Route (SR)167 between Renton and Auburn from a high-occupancy vehicle (HOV) lane to a high-occupancy toll (HOT) lane. Solo drivers can use a transponder to enter the lane and pay a toll to travel in the HOT lane during peak periods. If the vehicle has two or more people in it, they may travel in the HOT lane for free. There is currently no photo tolling on the SR 167 HOT lanes. The HOT lanes were initiated as a four-year pilot project through 2012, but tolling authorization has been extended in the transportation budget each biennia since.

Interstate 405.

In 2015 the WSDOT completed a widening and HOV conversion project and began tolling on the express toll lanes (ETLs) on Interstate 405 (I-405) between Bellevue and Lynnwood. Solo drivers can use a transponder to enter the lanes or pay a photo toll to travel in the ETLs during peak periods. If the vehicle has three or more people in it, they may travel in the ETLs for free if they have a transponder set to HOV mode. Some sections of the corridor have one ETL each direction, while some sections have two ETLs each direction.

The 2015 Connecting Washington package funded a similar widening and HOV conversion project for the south half of the I-405 corridor, to construct two ETLs each direction between Renton and Bellevue. The legislative project list funds the project at a \$1.23 billion level, with \$215 million of this expected to be funded by toll revenue. Assuming current law, the south end facility is expected to be open to traffic in 2024.

Puget Sound Gateway.

The Puget Sound Gateway project was funded at \$1.88 billion in the 2015 Connecting Washington package and will construct new segments of SR 167 in Pierce County and SR 509 in King County, simultaneously, over a 16-year period. The legislative project list assumes local contributions of \$130 million and toll funding of \$180 million, with the remaining \$1.57 billion paid with gas tax and other vehicle-related fees.

The SR 167 portion of the Puget Sound Gateway project will complete the remaining four miles of SR 167 between North Meridian Avenue in Puyallup and I-5 in Fife. The SR 509 portion will extend the highway between South 188th Street and I-5 in SeaTac, and also includes a spur from I-5 in Fife to SR 509 in Tacoma. Phase 1 of the project is expected to be open to traffic by 2026, with phase 2 open by 2031. Initial tolling analyses assume all lanes would have variable tolling at three photo toll points.

Temporary Assistance for Needy Families.

The Temporary Assistance for Needy Families (TANF) program, which is administered by the Department of Social and Health Services (DSHS) in Washington, provides federal block grants to states in order to support temporary cash assistance, subsidized childcare, and work programs for families. In fiscal year 2018, the average monthly caseload in Washington for the TANF program was 26,030 people.

Basic Food Program.

The Supplemental Nutrition Assistance Program (SNAP), which is called the Basic Food Program (BFP) in Washington and is administered by the DSHS, provides nutritional support benefits to low-income individuals and families. In fiscal year 2018, the average monthly number of participating persons in Washington in the BFP was 897,220.

Summary of Substitute Bill:

The Washington State Transportation Commission (WSTC) is required to conduct a study, in consultation with the WSDOT and the DSHS, of discounted tolls and other similar programs, for low-income drivers, that are provided by other states, countries, or other jurisdictions.

In conducting the study, the WSTC must, at a minimum, consider the following issues:

- the benefits, requirements, and any potential detriments to the users of a program;
- the most cost-effective way to implement a program given existing financial commitments, shared cost requirements across facilities, and technical requirements to execute and maintain a program; and
- the implications of a program for tolling policies, revenues, costs, operations, and enforcement.

The WSTC is required to provide a report on its findings and recommendations for implementing a discounted toll or other appropriate program to the transportation committees of the Legislature by December 1, 2019.

Substitute Bill Compared to Original Bill:

The entirety of the underlying bill is replaced with a requirement for the WSTC to conduct a study, in consultation with the WSDOT and the DSHS, of discounted tolls and other similar programs, for low-income drivers, that are provided by other states, countries, or other jurisdictions.

In conducting the study, the WSTC must, at a minimum, consider the following issues:

- the benefits, requirements, and any potential detriments to the users of a program;
- the most cost-effective way to implement a program given existing financial commitments, shared cost requirements across facilities, and technical requirements to execute and maintain a program; and
- the implications of a program for tolling policies, revenues, costs, operations, and enforcement.

The WSTC is also required to provide a report on its findings and recommendations for implementing a discounted toll or other appropriate program to the transportation committees of the Legislature by December 1, 2019.

Appropriation: None.

Fiscal Note: Preliminary fiscal note available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) It is a matter of money that decides whether you use the HOT lanes or the general purpose lanes. There is a need to find parity for those who can afford the HOT lanes and those who cannot. There would be a cost in toll dollars, but the administrative costs would be low.

There are four or five different states that already offer discounted tolls.

This bill addresses a real need. It would lessen the burden on those with the greatest need. It should address all the tolled facilities and all communities.

(Opposed) None.

(Other) For every discount that is given, existing toll payers will need to pay more in order to cover the costs of the facilities. There should be a study to look at the implications of a discounted toll policy. It should also look at capabilities and enforcement. The discounts and exemptions on tolled facilities are currently limited.

There is a need in the financial markets for the rate-setting to be handled by an independent entity. There would be concerns if the Legislature superseded the WSTC's role.

The WSDOT is concerned about the timeframe of the bill, since new systems are currently being brought online. Time is also needed to work with the DSHS on implementation.

A recent study said that the tolls on I-405 should be increased.

Persons Testifying: (In support) Representative Ortiz-Self, prime sponsor; and Bryce Yadon, Transportation Choices Coalition.

(Other) Reema Griffith, Washington State Transportation Commission; and Patti Rubstello, Washington State Department of Transportation.

Persons Signed In To Testify But Not Testifying: None.