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**SSB 5488** - H AMD TO H AMD (H-2981.1/22) **1375**

By Representative Young

**NOT ADOPTED 03/08/2022**

On page 1, line 20 of the striking amendment, after "bridge;" strike "and"

On page 1, line 25 of the striking amendment, after "subsection" strike "is $130,000,000" and insert "(f) is $130,000,000; and

(g) By the last day of July 2027, the state treasurer shall transfer $57,593,000 from the general fund as an additional contribution to the account"

On page 4, after line 6 of the striking amendment, insert the following:

"NEW SECTION. **Sec. 3.** In the 2027-2029 biennium, the legislature shall appropriate $57,593,000, or as much thereof as may be necessary, from the Tacoma Narrows toll bridge account to the department of transportation for the purpose of making full payment of deferred sales taxes under RCW 47.46.060 regarding construction of the Tacoma Narrows public-private initiative project under chapter 47.46 RCW.

NEW SECTION. **Sec. 4.** (1) The legislature recognizes the following facts with respect to making additional contributions for the payment of deferred sales taxes pursuant to section 2 of this act regarding the Tacoma Narrows toll bridge project under RCW 47.56.165:

(a) Washington state sales tax may not be forgiven due to federal rules and must therefore be paid;

(b) Though the Tacoma Narrows toll bridge project may not be paid off early due to its unique financing structure, including noncallable bonds, the state portion of the deferred sales taxes may be paid off early without penalty;

(c) While the state is, in effect, both taxing itself in transportation budget appropriations and paying itself in the omnibus operating appropriations act, should the omnibus operating appropriations act transfer money back to the Tacoma Narrows toll bridge account following payment of the deferred sales tax through transportation budget appropriations, the following would be achieved:

(i) Satisfaction of federal rules;

(ii) Forgiveness of the deferred sales tax; and

(iii) Imposition of a net zero fiscal impact to the state.

(2) The legislature finds that by planning the transaction beyond the budgetary cumulative forecast required under RCW 43.88A.020, the transaction is secured with a more technically accurate fiscal impact of zero cost, that:

(a) Directs taxes generated by transportation projects toward funding transportation projects; and

(b) Directs Tacoma Narrows toll bridge revenue toward Tacoma Narrows toll bridge payments for debt service.

(3) The legislature also finds that paying the state portion of the deferred sales taxes earlier than required under RCW 47.46.060 brings another level of equity to a toll payer project that received no upfront state investments, unlike other state tolling projects that received substantial state support of approximately 30 percent of project costs, and therefore:

(a) Makes an additional contribution to correct a wrong; and

(b) Prudently pays off the deferred sales tax toll debt earlier than scheduled."

Renumber the remaining section consecutively and correct any internal references accordingly.

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|  | EFFECT:  Makes the following changes to the striking amendment:   * Transfers $57.6 million from the General Fund to the Tacoma Narrows bridge toll account, for the purposes of making an additional state contribution, by July 2027. * Directs the Legislature to appropriate $57.6 million from the Tacoma Narrows bridge toll account to WSDOT in the 2027-29 biennium to make full payment of the deferred sales tax. * Provides recognitions, findings, and intent in regards to the payment of deferred sales tax. |

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