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**SENATE BILL 6547**

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**State of Washington 65th Legislature 2018 Regular Session**

**By** Senators O'Ban and Angel

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

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

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

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

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

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

(4) To offset the toll rate increases that would otherwise be necessary to meet increases in future debt service payments, the legislature intends to set forth state contributions in the transportation budget for each fiscal biennium through the life of the debt service plan of up to one hundred twenty-five million dollars in order to maintain tolls at the fiscal year 2018 level and to maintain tolls only until the debt service and deferred sales tax obligation is fully met according to the repayment schedule in place as of the effective date of this section.

(5) This section expires June 30, 2032.

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

(1) The transportation commission shall submit to the transportation committees of the legislature on a biennial basis a report that includes sufficient information to enable the legislature to determine the amount of contribution from nontoll sources required for each fiscal biennium to maintain tolls at the fiscal year 2018 level, while also maintaining the debt service plan repayment schedule in place as of the effective date of this section. The report must be submitted by January 5th of each odd-numbered year.

(2) This section expires June 30, 2032.

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