
HOUSE BILL 2990

State of Washington 65th Legislature 2018 Regular Session

By Representatives Fey, Young, and Muri

Read first time 02/15/18. Referred to Committee on Transportation.

1 AN ACT Relating to the Tacoma Narrows bridge debt service payment
2 plan; amending RCW 47.46.110; and adding new sections to chapter
3 47.46 RCW.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 47.46
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. State contribution loans for each fiscal
17 biennium are to be made through the life of the debt service plan of
18 up to a total of eighty-five million dollars, and will be repaid in
19 annual amounts beginning in fiscal year 2032. It is the intent of the
20 legislature that the commission will:

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

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

29 (5) To offset part of the toll rate increases that would
30 otherwise be necessary to meet increases in future debt service
31 payments, it is the intent of the legislature that the state
32 treasurer make state contribution loan transfers to the Tacoma
33 Narrows toll bridge account created in RCW 47.56.165 on the first day
34 of each fiscal biennium, beginning in the 2019-2021 fiscal biennium,
35 through the life of the debt service plan. It is the intent of the
36 legislature that the state treasurer make state contribution loan
37 transfers in amounts necessary to ensure debt service payments are
38 made in full after toll revenue from the Tacoma Narrows bridge toll
39 facility is applied to the debt payment amounts.

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

3 (1) Through 2031, the commission shall submit to the
4 transportation committees of the legislature on an annual basis a
5 report that includes sufficient information to enable the legislature
6 to determine an adequate amount of contribution from nontoll sources
7 required for each fiscal biennium to maintain tolls at no more than
8 twenty-five cents higher than the toll rates effective at the fiscal
9 year 2018 level, while also maintaining the debt service plan
10 repayment schedule in place as of the effective date of this section.
11 The report must be submitted by January 5th of each year.

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

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

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

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

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

32 (c) The motor vehicle fund is fully repaid under RCW 47.46.140;
33 and

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

36 (2) This section does not:

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

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

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

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

7 (b) The operation, maintenance, upkeep, and repair of the
8 facility must be paid from funds appropriated for the use of the
9 department for the construction and maintenance of the primary state
10 highways of the state of Washington.

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