
Transportation Committee

HB 2914

Brief Description: Authorizing bonds for transportation funding.

Sponsors: Representatives Fey and Chapman.

Brief Summary of Bill
<ul style="list-style-type: none">• Authorizes the issuance of \$3.9 billion of general obligation bonds for state transportation projects identified as fish barrier removal projects necessary to comply with a federal court injunction.

Hearing Date: 2/20/20

Staff: Amy Skei (786-7109).

Background:

Washington periodically issues general obligation (GO) bonds to fund transportation capital projects with a long-term expected life span. General obligation bonds pledge the full faith, credit, and taxing power of the state towards payment of debt service; historically, the legislation authorizing the issuance of transportation GO bonds has also pledged repayment first from motor fuel tax proceeds. Legislation authorizing the issuance of bonds requires a 60 percent majority vote in both the House of Representatives and the Senate. The proceeds of the bonds must then be appropriated for transportation projects.

The State Finance Committee (Committee) was created in 1921, and is composed of the Governor, the Lieutenant Governor, and the State Treasurer. The Committee authorizes the issuance and establishes the terms, conditions, and manner of the sale of all bonds, notes, and other debt for the state to finance capital projects in the state's capital and transportation budgets. Article VIII, Section 1(a) of the state Constitution and existing statutes limit the term of state GO bonds to 30 years.

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.

The Washington State Department of Transportation (WSDOT) is subject to a United States District Court injunction (injunction) requiring the removal of fish passage barriers on state highways in a portion of Western Washington by the year 2030. The WSDOT has identified more than 2,000 barriers to fish passage in the state highway system and 1,001 barriers that are subject to the injunction.

Summary of Bill:

The Committee is authorized to issue \$3.9 billion in state GO bonds to finance state transportation projects identified in a transportation budget as fish passage barrier removal projects necessary to comply with a federal court injunction. The bonds are backed by the motor fuels taxes, vehicle-related registration fees imposed to license vehicles for highway purposes, and the full faith and credit of the state.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect on July 1, 2020.