
SENATE BILL 6547

State of Washington

65th Legislature

2018 Regular Session

By Senators O'Ban and Angel

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

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 47.56
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) To offset the toll rate increases that would otherwise be
16 necessary to meet increases in future debt service payments, the
17 legislature intends to set forth state contributions in the
18 transportation budget for each fiscal biennium through the life of
19 the debt service plan of up to one hundred twenty-five million
20 dollars in order to maintain tolls at the fiscal year 2018 level and
21 to maintain tolls only until the debt service and deferred sales tax
22 obligation is fully met according to the repayment schedule in place
23 as of the effective date of this section.

24 (5) This section expires June 30, 2032.

25 NEW SECTION. **Sec. 2.** A new section is added to chapter 47.56
26 RCW to read as follows:

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

35 (2) This section expires June 30, 2032.

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