

SENATE BILL REPORT

ESHB 3096

As Reported By Senate Committee On:
Transportation, March 03, 2008

Title: An act relating to financing the state route number 520 bridge replacement project.

Brief Description: Financing the state route number 520 bridge replacement project.

Sponsors: House Committee on Transportation (originally sponsored by Representatives Clibborn and McIntire; by request of Governor Gregoire).

Brief History: Passed House: 2/29/08, 63-30.

Committee Activity: Transportation: 3/03/08 [DPA, DNP, w/oRec].

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass as amended.

Signed by Senators Haugen, Chair; Marr, Vice Chair; Berkey, Eide, Jacobsen, Kastama, Kauffman, Kilmer and Spanel.

Minority Report: Do not pass.

Signed by Senators Swecker, Ranking Minority Member; Pflug.

Minority Report: That it be referred without recommendation.

Signed by Senator King.

Staff: Hayley Gamble (786-7452)

Background: The State Route (SR) 520 bridge is a one and a half mile, 44 year old bridge that carries about 115,000 vehicles and 150,000 people per day, and is reaching the end of its useful life. Various efforts are underway to facilitate a timely replacement of the SR 520 bridge, including a supplemental draft environmental impact statement, a community mediation process, and planning related to a recent grant award from the United States Department of Transportation (USDOT). The SR 520 bridge financing plan required under legislation passed in 2007 was provided to the Legislature in early January 2008.

As a project in the Regional Transportation Investment District (RTID) proposal, the SR 520 bridge would have received state sales tax paid on the project. This sales tax rebate had been considered as revenue to the project. However, given voters recent rejection of the RTID funding package, a sales tax rebate is no longer available to the SR 520 bridge project. Additionally, the project will not receive \$1.1 billion that would have been provided through the RTID funding package.

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.

In 2007 the Washington State Department of Transportation (Department) was awarded a grant from the USDOTs Congestion Initiative, known as the Lake Washington Urban Partnership. The grant provided \$139 million, of which \$86 million was provided for active traffic management (such as traveler information and speed harmonization) and variable tolling on the SR 520 bridge. All but \$1.6 million of the grant is accessible once a variable tolling policy has been approved; legal authority exists for tolling to commence; and variable tolling is implemented on the SR 520 bridge project.

Summary of Bill (Recommended Amendments): The SR 520 finance plan must include certain assumptions, including savings from early construction of certain on-site project elements, early construction of a single string of pontoons, and preconstruction tolling.

An SR 520 tolling implementation committee (Committee) is formed, consisting of three members, one each from the Puget Sound Regional Council, the Department, and the State Transportation Commission. The Committee must evaluate various issues relating to the SR 520 bridge replacement project, including traffic diversion to other state and local roads, tolling technology, partnership opportunities, and also must survey citizens about the project. The committee must confer with mayors and city councils from cities located along the SR 520, SR 522 & Interstate 90 corridors. A report is due from the Committee to the Governor and Legislature by January 2009.

The Department may seek approval from the Legislature to begin tolling on the existing SR 520 bridge and its replacement only after the Committee has submitted its report. The Department must also work with the Federal Highways Administration to determine what steps would be needed to toll the Interstate 90 bridge. The State Transportation Commission must set the toll rates for the facility, and the Department must determine the method of collection.

Payment of state and local sales and use tax applicable to site acquisition, construction, and equipment related to the SR 520 bridge replacement project may be deferred until five years after the project is open to traffic.

EFFECT OF CHANGES MADE BY TRANSPORTATION COMMITTEE (Recommended Amendments): Payment of state and local sales and use tax applicable to site acquisition, construction, and equipment related to the SR 520 bridge replacement project may be deferred until five years after the project is open to traffic.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Engrossed Substitute Bill: PRO: The SR 530 bridge replacement project is a critical infrastructure project. This bill acknowledges the need to work with local officials. The mediation process is going well. The department of transportation would like to deliver this project as soon as possible, and has determined the bridge could be completed by 2014, and the corridor by 2016. It would be good to see early

tolling approved in the next legislative session. This project moves 30,000 more people in a fiscally responsible way. We need a better plan and a new financial plan for this project. Early tolling should be studied and reported back on. It would be preferable if the bill read 'high capacity transportation' rather than 'high capacity transit.

Persons Testifying: PRO: Representative Clibborn, prime sponsor; Secretary Hammond, Department of Transportation; Jennifer Ziegler, Governor's Office; Dick Ford, Transportation Commission; Brad Boswell, Greater Seattle Chamber of Commerce; Genesee Adkins, Transportation Choices; Ashley Probart, Association of Washington Cities.