

HOUSE BILL REPORT

HB 1303

As Reported By House Committee On:
Transportation

Title: An act relating to state highway bonds.

Brief Description: Authorizing state highway bonds.

Sponsors: Representatives R. Fisher and Johanson; by request of Department of Transportation.

Brief History:

Reported by House Committee on:
Transportation, February 4, 1993, DPA.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass as amended. Signed by 21 members: Representatives R. Fisher, Chair; Schmidt, Ranking Minority Member; Mielke, Assistant Ranking Minority Member; Brough; Brumsickle; Cothern; Eide; Finkbeiner; Forner; Fuhrman; Hansen; Heavey; Horn; Johanson; J. Kohl; Orr; Quall; Sheldon; Shin; Wood; and Zellinsky.

Staff: Gene Schlatter (786-7316).

Background: The Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) provides federal funding for several transportation programs. The new ISTEA formulas for the Surface Transportation Program (STP) guarantee that each state will receive at least a certain percentage of all federal highway funds. The percentage for Washington State is 2.06 percent.

If a state receives less funding for other programs such as interstate construction, it is entitled to receive more funding in STP in order to meet the minimum 2.06 percent requirement.

The Department of Transportation (DOT) determined that by "turning back" its federal fiscal year 1993 interstate construction apportionment, Washington would receive more STP funding while receiving at least the same amount of interstate completion funding in later years of the ISTEA. The total gain in federal funding over the life of ISTEA was projected to be \$78 million.

The DOT, after consultation with the Legislative Transportation Committee (LTC), took action to turn back its Federal Fiscal Year 1993 interstate construction apportionment. The LTC was advised that a slowdown in work on completing the interstate system in our state may occur unless the state used a provision in federal law called "advance construction." This provision allows a state to proceed with construction using state funds to be reimbursed from federal funds at a later date.

Summary of Amended Bill: Up to \$200 million in bond authority is authorized to be used for continuing the Department of Transportation's interstate completion program using the advanced construction concept. The bond authorization will enable the department to take advantage of additional turnback in fiscal year 1994, assuming the opportunity is available and benefits the state.

Amended Bill Compared to Original Bill: An emergency clause is added.

Fiscal Note: Requested January 25, 1993.

Effective Date of Amended Bill: The bill contains an emergency clause and takes effect immediately.

Testimony For: The bond authorization is necessary for the department to take advantage of additional federal funds for interstate completion.

Testimony Against: None.

Witnesses: Jim Clemen, Department of Transportation.