

SENATE BILL REPORT

SB 5344

AS OF JANUARY 28, 1993

Brief Description: Authorizing state highway bonds.

SPONSORS: Senators Vognild, Nelson and Skratek; by request of Department of Transportation

SENATE COMMITTEE ON TRANSPORTATION

Staff: Gene Schlatter (786-7316)

Hearing Dates: January 26, 1993

BACKGROUND:

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

If a state receives less funding for a program such as Interstate Construction it would receive more funding in STP.

The Department of Transportation 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 department, after consultation with the Legislative Transportation Committee (LTC), took action to turn back its 1993 Interstate Construction apportionment. LTC was advised that a slowdown in work on completing the interstate system 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 and be reimbursed from federal funds at a later date.

SUMMARY:

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 FY 1994 assuming the opportunity is available and benefits the state.

Appropriation: none

Revenue: none

Fiscal Note: requested