

***Transportation Committee***

***HB 1681***

***Brief Description:*** Continuing public-private transportation pilot projects.

***Sponsors:*** Representatives Fisher, Mitchell and Poulsen; by request of The Blue Ribbon Commission on Transportation.

***Brief Summary of Bill***

- *Authorizes continuation of the Public-Private Initiative contract to build and operate the Tacoma Narrows Toll Bridge.*
- *Authorizes the Department of Transportation to continue to solicit other Public-Private Initiative project proposals.*

***Hearing Date:*** 2/12/01

***Staff:*** Paul Neal (786-7315).

***Background:***

*The Blue Ribbon Commission on Transportation (BRCT) delivered its final report to the Governor and the Legislature in December of 2000. Among the recommendations made by the BRCT was recommendation 9 entitled: Use the private sector to deliver projects and transportation services.– Specifically, the BRCT recommendation 9a stated: Continue pilot projects allowing the private sector to provide expertise and financing in developing cost-effective transportation facilities.–*

*The Legislature enacted the Public-Private Initiatives Act (PPI Act) in 1993. The PPI Act authorizes the Secretary of Transportation to select up to six demonstration projects to use the private sector to undertake projects, and possibly project financing, on behalf of the Washington State Department of Transportation (WSDOT). Of the six original demonstration projects presented, the only remaining project is the Tacoma Narrows Bridge. No additional projects are authorized under current law.*

*In June of 1999 the WSDOT entered into an agreement with United Infrastructure Washington, Inc. (UIW) to finance, develop, and operate the Tacoma Narrows Bridge project. The Peninsula Neighborhood Association (PNA) filed an action in Thurston County Superior Court on July 6, 1999 alleging that the PPI Act was unconstitutional and the WSDOT failed to comply with the provisions of the act regarding the advisory election. The Thurston County Superior Court concluded that the PPI Act was constitutional and challenges to the advisory election were barred because PNA waited eight months to challenge the election.*

*The PNA appealed the superior court decision to the Washington State Supreme Court. On November 9, 2000 the Washington State Supreme Court issued a unanimous decision with the following conclusions:*

- 1. The PPI Act is a constitutional delegation of authority to identify toll bridges and set toll rates;*
- 2. The challenge to the advisory election is barred because PNA delayed its challenge; and*
- 3. The agreement between the WSDOT and UIW violates state law because it allows tolls on the existing bridge, it allows a private entity to set tolls instead of the Transportation Commission, and it allows tolls to be used for the maintenance and operation costs of the existing bridge.*

***Summary of Bill:***

*References to toll bridges and toll facilities in the toll bridge authority chapter do not include facilities developed or operated under the PPI Act that have received a legislative appropriation under the PPI Act.*

*Tolls do not have to be set by the Transportation Commission on toll facilities when there are no outstanding bonds on the facility, the facility is a project authorized under the PPI Act, and funds have been appropriated under the PPI Act.*

*The existing Tacoma Narrows Bridge is exempt from the requirement that the WSDOT use highway construction funds for maintenance and operation costs of the bridge. The statute prohibiting tolls on the existing Tacoma Narrows Bridge is repealed.*

*The Transportation Commission is given ongoing authority to solicit proposals for PPI projects.*

***Appropriation:*** *None.*

***Fiscal Note:*** *Requested on February 2, 2001.*

***Effective Date:*** *The bill contains an emergency clause and takes effect immediately.*

