
HOUSE BILL 2238

State of Washington 61st Legislature 2009 Regular Session

By Representatives Rodne, Anderson, Roach, and Ericksen

Read first time 02/17/09. Referred to Committee on Transportation.

1 AN ACT Relating to establishing a financing policy to build the
2 state route number 520 floating bridge first using previously allocated
3 funding; amending RCW 47.56.785, 47.01.412, and 47.01.417; amending
4 2008 c 270 s 1 (uncodified); adding a new section to chapter 47.01 RCW;
5 adding a new section to chapter 47.56 RCW; and declaring an emergency.

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

7 **Sec. 1.** 2008 c 270 s 1 (uncodified) is amended to read as follows:

8 The legislature finds that the replacement of the vulnerable state
9 route number 520 bridge is a matter of urgency for the safety of
10 Washington's traveling public and the needs of the transportation
11 system in central Puget Sound. The state route number 520 bridge is
12 forty-four years old and has a useful remaining life of between
13 thirteen and eighteen years. While one hundred fifteen thousand
14 vehicles travel on the bridge each day, there is an ever present
15 likelihood that wind or an earthquake could suddenly destroy the bridge
16 or render it unusable. Therefore, the state must ~~((develop a
17 comprehensive approach to fund a state route number 520 bridge
18 replacement to be constructed by 2018))~~ use funding identified for the

1 state route number 520 bridge to replace the floating bridge first and
2 have the bridge open to traffic by 2014 as promised by the governor
3 during the 2008 legislative session.

4 NEW SECTION. Sec. 2. A new section is added to chapter 47.01 RCW
5 to read as follows:

6 (1) The department shall utilize funding of one billion nine
7 hundred fifty-five million dollars for the state route number 520
8 bridge replacement and HOV project to construct the floating bridge
9 replacement section of the project first using the design identified in
10 RCW 47.01.408.

11 (2) Any remaining funding after construction of the floating bridge
12 section must be used to finance remaining portions of the project.

13 NEW SECTION. Sec. 3. A new section is added to chapter 47.56 RCW
14 to read as follows:

15 (1) The legislature declares that only postconstruction tolls will
16 be used to finance in part the remaining portions of the state route
17 number 520 project after construction of the floating bridge. Any
18 tolls authorized by the legislature and collected on state route number
19 520 are subject to the conditions in subsection (2) of this section.

20 (2) All revenue from tolling the replacement state route number 520
21 bridge must be used only on state route number 520 between Interstate
22 5 and Interstate 405 for highway purposes consistent with Article II,
23 section 40 of the state Constitution.

24 **Sec. 4.** RCW 47.56.785 and 2008 c 270 s 4 are each amended to read
25 as follows:

26 (1) Following the submission of the report required in section 6,
27 chapter 270, Laws of 2008, the department may seek authorization from
28 the legislature to collect tolls (~~on the existing state route number~~
29 ~~520 bridge or~~) on a replacement state route number 520 bridge.

30 (2) The schedule of toll charges must be established by the
31 transportation commission and collected in a manner determined by the
32 department.

33 **Sec. 5.** RCW 47.01.412 and 2008 c 270 s 7 are each amended to read
34 as follows:

1 (1)(a) Any person involved in the construction of the state route
2 number 520 bridge replacement and HOV project may apply for ((deferral
3 of)) an exemption from state and local sales and use taxes on the site
4 preparation for, the construction of, the acquisition of any related
5 machinery and equipment that will become a part of, and the rental of
6 equipment for use in, the project.

7 (b) Application shall be made to the department of revenue in a
8 form and manner prescribed by the department of revenue. The
9 application must contain information regarding estimated or actual
10 costs, time schedules for completion and operation, and other
11 information required by the department of revenue. The department of
12 revenue shall approve the application within sixty days if it meets the
13 requirements of this section.

14 (2) The department of revenue shall issue a sales and use tax
15 ((deferral)) exemption certificate for state and local sales and use
16 taxes imposed or authorized under chapters 82.08, 82.12, and 82.14 RCW
17 and RCW 81.104.170 on the project.

18 ~~(3) ((A person granted a tax deferral under this section shall
19 begin paying the deferred taxes in the fifth year after the date
20 certified by the department of revenue as the date on which the project
21 is operationally complete. The project is operationally complete under
22 this section when the replacement bridge is constructed and opened to
23 traffic. The first payment is due on December 31st of the fifth
24 calendar year after the certified date, with subsequent annual payments
25 due on December 31st of the following nine years. Each payment shall
26 equal ten percent of the deferred tax.~~

27 ~~(4) The department of revenue may authorize an accelerated
28 repayment schedule upon request of a person granted a deferral under
29 this section.~~

30 ~~(5) Interest shall not be charged on any taxes deferred under this
31 section for the period of deferral, although all other penalties and
32 interest applicable to delinquent excise taxes may be assessed and
33 imposed for delinquent payments under this section. The debt for
34 deferred taxes is not extinguished by insolvency or other failure of
35 any private entity granted a deferral under this section.~~

36 ~~(6))~~ Applications and any other information received by the
37 department of revenue under this section are not confidential and are

1 subject to disclosure. Chapter 82.32 RCW applies to the administration
2 of this section.

3 ~~((7))~~ (4) For purposes of this section, "person" has the same
4 meaning as in RCW 82.04.030 and also includes the department of
5 transportation.

6 **Sec. 6.** RCW 47.01.417 and 2008 c 270 s 3 are each amended to read
7 as follows:

8 The state route number 520 bridge replacement and HOV project
9 finance plan must include:

10 (1) Recognition of revenue sources that include: One billion
11 ~~((seven))~~ nine hundred fifty-five million dollars in state and federal
12 funds allocated to the project; ~~((one billion five hundred million
13 dollars to two billion dollars in tolling revenue, including early
14 tolls that could begin in late 2009; eighty five million dollars in
15 federal urban partnership grant funds))~~ tolling revenue; and other
16 contributions from private and other government sources; and

17 (2) Recognition of savings to be realized from:

18 (a) Potential early construction of traffic improvements from the
19 eastern Lake Washington shoreline to 108th Avenue Northeast in
20 Bellevue;

21 (b) Early construction of a ~~((single))~~ string of pontoons to
22 support two lanes that are for transit and high-occupancy vehicle
23 travel ~~((and))~~ four general purpose lanes, and additional capacity in
24 the future without additional retrofitting or construction; and

25 (c) ~~((Preconstruction tolling to reduce total financing costs; and
26 (d) A deferral))~~ An exemption of the sales taxes paid on
27 construction costs.

28 NEW SECTION. **Sec. 7.** This act is necessary for the immediate
29 preservation of the public peace, health, or safety, or support of the
30 state government and its existing public institutions, and takes effect
31 immediately.

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