

SENATE BILL REPORT

SB 5416

As of February 17, 2011

Title: An act relating to the use of toll revenue from eligible toll facilities.

Brief Description: Addressing the use of toll revenue from eligible toll facilities.

Sponsors: Senators Becker, Haugen, Benton, King, Stevens, Carrell, Delvin, Holmquist Newbry, Hatfield, Hobbs, Honeyford, Ericksen and Sheldon.

Brief History:

Committee Activity: Transportation: 2/16/11.

SENATE COMMITTEE ON TRANSPORTATION

Staff: Hayley Gamble (786-7452)

Background: The Legislature may authorize tolls on an eligible toll facility. Current law requires toll revenues collected on toll facilities created after July 1, 2008, to be used only for certain purposes and only on the toll facility on which the revenue was collected. Allowable uses of toll revenue include operating costs such as maintenance, preservation, administration and toll enforcement, debt and interest related costs, funding contributions to other projects on the toll facility, conveyance of people or goods, and any other improvements to eligible toll facilities.

The tolling authority, the Washington State Transportation Commission, is responsible for setting toll rates that are adequate to cover the obligations on toll revenue.

Summary of Bill: The bill as referred to committee not considered.

Summary of Bill (Proposed Substitute): Expenditure of toll revenue collected on toll facilities created after July 1, 2008, must firstly be appropriated for operating costs such as maintenance, preservation, administration and toll enforcement, and debt service and related costs. If all obligations to fund allowable operating and debt-related expenditures have been met, toll revenue may be expended on funding contributions to other projects on the toll facility, conveyance of people or goods, and any other improvements to eligible toll facilities.

Appropriation: None.

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.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony: PRO: Repayment of debt should be prioritized. Any extra tolls should be used to pay off project debt sooner to save the taxpayers money. The original bill would have limited toll use in regard to transit. The financing plan for the Columbia River Crossing assumes tolls will be used for maintenance for items that would be considered conveyance of people and goods.

CON: SR 167 HOT lanes project has not covered its operating costs.

OTHER: Setting an order of how tolling revenue is spent is good. The substitute bill strays from the original bill that protected toll revenues. Bond holders need to be taken into consideration when amending toll revenue language. Multimodal investments are sometimes the best solution and flexibility needs to be maintained to allow for this option.

Persons Testifying: PRO: Senator Becker, prime sponsor; Rick Wickman, Identity Clark County; Michael Shaw, Washington State Transit Association.

CON: Paul Locke.

OTHER: Mike Ennis, Washington Policy Center; Craig Stone, WSDOT.