

HOUSE BILL REPORT

HB 1529

As Reported by House Committee On:
Transportation

Title: An act relating to modifying requirements in order to pay for debt service obligations when toll revenues are not sufficient to cover legal obligations.

Brief Description: Modifying requirements in order to pay for debt service obligations when toll revenues are not sufficient to cover legal obligations.

Sponsors: Representatives Barkis, Fey, Slatter and Eslick.

Brief History:

Committee Activity:

Transportation: 2/17/21, 2/22/21 [DPS].

Brief Summary of Substitute Bill

- Requires funds in the State Route Number 520 (SR 520) Civil Penalties Account (account) to first be spent for bond and loan payments and certain other costs associated with SR 520, when toll revenues are insufficient.
- Allows funds to always be transferred out of the account to the SR 520 Corridor Account.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 29 members: Representatives Fey, Chair; Wylie, 1st Vice Chair; Bronoske, 2nd Vice Chair; Ramos, 2nd Vice Chair; Barkis, Ranking Minority Member; Eslick, Assistant Ranking Minority Member; Robertson, Assistant Ranking Minority Member; Volz, Assistant Ranking Minority Member; Berry, Chapman, Dent, Duerr, Entenman, Goehner, Griffey, Hackney, Klicker, Lovick, McCaslin, Orcutt, Paul, Ramel, Riccelli, Slatter, Sutherland, Taylor, Valdez, Walsh and Wicks.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Staff: David Munnecke (786-7315).

Background:

Vehicles travelling on the State Route 520 (SR 520) floating bridge are assessed a toll, which varies based on the time of day and the number of axles on the vehicle. A toll that is not paid may be subject to a civil penalty, in addition to the toll itself and any associated fees.

Civil penalties that are collected are required to be deposited in the SR 520 Civil Penalties Account (account). Moneys in the account may be spent only after appropriation, and may be used to fund any project that is part of the SR 520 bridge replacement and High Occupancy Vehicle program, including mitigation.

Summary of Substitute Bill:

Funds in the SR 520 account are required to first be spent for legal obligations associated with bond and loan payments that are associated with the construction and operation of SR 520, when toll revenues are insufficient. Legal obligations associated with bonds and loans are defined to include activities necessary to comply with financial covenants associated with SR 520, costs associated with the civil penalties program, and operation and maintenance costs.

Funds are also always allowed to be transferred out of the account to the SR 520 Corridor Account, at the direction of the Legislature.

Substitute Bill Compared to Original Bill:

Legal obligations associated with bonds and loans are defined to includes activities necessary to comply with financial covenants associated with SR 520, costs associated with the civil penalties program, and operation and maintenance costs.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) The state is short of revenue on all of its toll facilities, but still needs to make the bond payments associated with these facilities. Rather than making a loan, the bill allows funds from an SR 520 account to be used to make the payments, since the state needs to meet the obligations on its debt.

(Opposed) None.

Persons Testifying: Representative Barkis, prime sponsor.

Persons Signed In To Testify But Not Testifying: None.