
HOUSE BILL 2028

State of Washington

67th Legislature

2022 Regular Session

By Representatives Young, Barkis, Orcutt, and Sutherland

Read first time 01/18/22. Referred to Committee on Appropriations.

1 AN ACT Relating to making full payment of deferred sales taxes
2 regarding the Tacoma Narrows toll bridge project; adding a new
3 section to chapter 82.32 RCW; creating a new section; and making an
4 appropriation.

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

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.32
7 RCW to read as follows:

8 By the last day of July 2027, the state treasurer shall transfer
9 \$57,593,000 from the general fund to the Tacoma Narrows toll bridge
10 account under RCW 47.56.165.

11 NEW SECTION. **Sec. 2.** In the 2027-2029 biennium, the legislature
12 shall appropriate \$57,593,000, or as much thereof as may be
13 necessary, from the Tacoma Narrows toll bridge account to the
14 department of transportation for the purpose of making full payment
15 of deferred sales taxes under RCW 47.46.060 regarding construction of
16 the Tacoma Narrows public-private initiative project under chapter
17 47.46 RCW.

18 NEW SECTION. **Sec. 3.** (1) The legislature recognizes the
19 following with respect to the payment of deferred sales taxes

1 pursuant to section 2 of this act regarding the Tacoma Narrows toll
2 bridge project under RCW 47.56.165:

3 (a) Washington state sales tax may not be forgiven due to federal
4 rules and must therefore be paid;

5 (b) Though the Tacoma Narrows toll bridge project may not be paid
6 off early due to its unique financing structure, including
7 noncallable bonds, the state portion of the deferred sales taxes may
8 be paid off early without penalty;

9 (c) While the state is, in effect, both taxing itself in
10 transportation budget appropriations and paying itself in the omnibus
11 operating appropriations act, should the omnibus operating
12 appropriations act transfer money back to the Tacoma Narrows toll
13 bridge account following payment of the deferred sales tax through
14 transportation budget appropriations, the following would be
15 achieved:

16 (i) Satisfaction of federal rules;

17 (ii) Forgiveness of the deferred sales tax; and

18 (iii) Imposition of a net zero fiscal impact to the state.

19 (2) The legislature finds that by planning the transaction beyond
20 the budgetary cumulative forecast required under RCW 43.88A.020, the
21 transaction is secured with a more technically accurate fiscal impact
22 of zero cost, that:

23 (a) Directs taxes generated by transportation projects toward
24 funding transportation projects; and

25 (b) Directs Tacoma Narrows toll bridge revenue toward Tacoma
26 Narrows toll bridge payments for debt service.

27 (3) The legislature also finds that paying the state portion of
28 the deferred sales taxes earlier than required under RCW 47.46.060
29 brings another level of equity to a toll payer project that received
30 no upfront state investments, unlike other state tolling projects
31 that received substantial state support of approximately 30 percent
32 of project costs, and therefore:

33 (a) Corrects a wrong; and

34 (b) Pays off the deferred sales tax toll debt earlier than
35 scheduled.

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