



Washington State
Transportation Commission

2019 TNB Loan Report Summary

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TNB Loan Legislation Recap

- In 2018, the Legislature passed legislation (SHB 2990) stating its intent to provide up to \$85 million in loans for the TNB Account.
- Loans are meant to keep TNB toll rates at no more than \$0.25 more than current levels until debt service, deferred sales tax, and loans are repaid (through about FY 2032).
- Assumes no more than a \$0.25 rate increase, beginning on July 1, 2021 (FY 2022) or later.

Report to Legislature

- SHB 2990 directed the Transportation Commission to annually provide the Legislature a status report on the loan amounts necessary to meet the bill's intent.
 - **Submitted January 11, 2019, as part of Commission's 2019 Tolling Report (Appendix A).**
 - Report directed to the Transportation Committees of the Legislature.
 - Required annually through the end of debt service payments in FY 2030, followed by reports on the loan repayment.

Loans Needed for 2019-21 Biennium

- In alignment with the Legislature’s intent, the Legislature needs to approve the following loan amounts to the TNB Account for the 2019-21 biennium:

TNB Loan Estimates: 2019-2021 Biennium

	FY 2020	FY 2021	2019-21 Biennium
Current Loan Estimates	\$ 6,511,000	\$ 8,392,000	\$ 14,903,000

Note: estimates rounded to nearest thousand.

- Without a loan (or other revenue source) for FY 2020, the Commission will need to initiate a rate-setting process for a toll rate increase July 1, 2019.

Loans Needed for 2019-21 Biennium

TNB Loan Estimates: 2019-2021 Biennium

	FY 2020	FY 2021	2019-21 Biennium	FY 2020 – FY 2030
Current Loan Estimates	\$ 6,511,000	\$ 8,392,000	\$ 14,903,000	\$ 81,818,000
Original Loan Estimates (<i>Spring '18</i>)	\$ 15,290,000	\$ 10,288,000	\$ 25,577,000	\$ 82,296,000
<i>Difference</i>	\$ -8,779,000	\$ - 1,896,000	\$ - 10,674,000	\$ - 478,000

Note: estimates rounded to nearest thousand.

Required Loans for Remainder of Debt Service

TNB Loan Estimates by Biennium

	2019-21 Biennium	2021-23 Biennium	2023-25 Biennium	2025-27 Biennium	2027-29 Biennium	2029-31 Biennium	FY 2020 – FY 2030
Current Loan Estimates	\$ 14,903,000	\$ 14,614,000	\$ 14,646,000	\$ 13,912,000	\$ 21,657,000	\$ 2,086,000	\$ 81,818,000
Original Loan Estimates	\$ 25,577,000	\$ 8,151,000	\$ 13,916,000	\$ 12,064,000	\$ 20,173,000	\$ 2,414,000	\$ 82,296,000
Difference	\$ -10,674,000	\$ 6,463,000	\$ 730,000	\$ 1,848,000	\$ 1,484,000	\$ -328,000	\$ -478,000

Note: Loan estimates rounded to nearest thousand.

Factors Contributing to 2019-21 Loan Estimates

- Projected TNB toll lane system and facility repair & replacement costs reduced by about \$6.5 million for the 19-21 biennium.
 - WSDOT shifted majority of these costs shifted to the 2021-2023 biennium.
- Higher than projected FY 2020 starting fund balance for TNB Account with FY 2018 adjusted gross revenues exceeding forecasts by 2.3%.
 - FY 2018 traffic volumes were 0.7% higher than forecasted.
 - More transactions paid using higher revenue payment types (ex.: pay by mail, pay by plate) than forecasted.

Questions?

