H-2747.2			

## HOUSE BILL 2319

State of Washington 61st Legislature 2009 Regular Session

By Representatives Hunter, Eddy, and Liias

- AN ACT Relating to the authorization, administration, collection, and enforcement of tolls on the state route number 520 corridor and the Interstate 90 floating bridge; adding new sections to chapter 47.56
- 4 RCW; creating a new section; and providing an effective date.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- Sec. 1. It is the intent of the legislature to 6 NEW SECTION. 7 impose tolls on the state route number 520 floating bridge and the Interstate 90 floating bridge to help finance construction of critical 8 9 safety projects, including replacement of the state route number 520 10 floating bridge, to generate additional funds to help finance 11 associated projects in the state route number 520 corridor program, and to guarantee travel time, speed, and reliability for individuals 12 crossing Lake Washington by way of either state route number 520 or 13 14 Interstate 90. The associated projects on state route number 520 15 include connections from Interstate 5 to the floating bridge, and from 16 the east end of the floating bridge to state route number 202.
- 17 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 47.56 RCW

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under the subchapter heading "toll facilities created after July 1, 2008" to read as follows:

- (1)(a) The imposition of tolls on the state route number 520 corridor is authorized, the state route number 520 corridor is designated an eligible toll facility, and toll revenue generated in the corridor must only be expended as allowed under RCW 47.56.820. The tolls imposed on the state route number 520 corridor must only be collected on the state route number 520 floating bridge.
- (b) The imposition of tolls on the Interstate 90 floating bridge is authorized if: (i) The average vehicle speed in the peak direction during peak hours on Interstate 405, as determined by the department, decreases by more than fifty percent for three consecutive months after the imposition of tolls on the state route number 520 corridor, as compared to the same three months in the year prior to the imposition of tolls; or (ii) the gross toll revenue for the state route number 520 corridor is less than eighty percent of the gross toll revenue identified by an investment grade traffic and revenue study for the state route number 520 corridor. Upon either of these occurrences, the Interstate 90 floating bridge is designated an eligible toll facility, and toll revenue generated by the bridge must only be expended as allowed under RCW 47.56.820.
- (2) The state route number 520 corridor consists of that portion of state route number 520 between the junctions of Interstate 5 and state route number 202.
- (3)(a) In setting the toll rates for the state route number 520 corridor and the Interstate 90 floating bridge pursuant to RCW 47.56.850, the tolling authority shall set a variable schedule of toll rates to maintain travel time, speed, and reliability on the corridor and generate the necessary revenue as required under (c) of this subsection.
- (i) Prior to the completion of the replacement state route number 520 floating bridge, and until modified after completion of the floating bridge when there will be greater clarity regarding the cost and design of other intended projects in the corridor, the tolling authority shall set the variable schedule of toll rates for the state route number 520 corridor as follows:
- 37 (A) For vehicles with two axles, the maximum toll rate in each

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direction shall not exceed two dollars and ninety-five cents in 2007 dollars, as adjusted for inflation as measured by the consumer price index; and

- (B) For vehicles with more than two axles, the maximum toll rate in each direction per axle shall not exceed one dollar and forty-seven and one-half cents in 2007 dollars, as adjusted for inflation as measured by the consumer price index.
- (ii) Once tolls are authorized pursuant to subsection (1)(b) of this section, the tolling authority shall set the variable schedule of toll rates for the Interstate 90 floating bridge as follows:
- (A) For vehicles with two axles, the maximum toll rate in each direction shall not exceed two dollars and ninety-five cents in 2007 dollars, as adjusted for inflation as measured by the consumer price index; and
- (B) For vehicles with more than two axles, the maximum toll rate in each direction per axle shall not exceed one dollar and forty-seven and one-half cents in 2007 dollars, as adjusted for inflation as measured by the consumer price index.
- (b) Upon the completion of an investment grade traffic and revenue study for the state route number 520 corridor and the Interstate 90 floating bridge, the tolling authority may increase the maximum toll rates identified in (a)(i)(A) and (B) of this subsection up to the rates identified by the study as necessary to generate the revenue required in (c) of this subsection.
- (c) The tolling authority shall set the variable schedules of toll rates for the state route number 520 corridor and the Interstate 90 floating bridge, which the tolling authority may adjust annually to reflect inflation as measured by the consumer price index, to generate revenue sufficient to provide for:
- 30 (i) The issuance of up to two billion four hundred million dollars 31 in motor vehicle tax general obligation bonds; and
- (ii) Costs associated with the project designated in subsection (4) of this section that are eligible under RCW 47.56.820.
- 34 (4) The proceeds of the bonds designated in subsection (3)(c)(i) of this section must be used only to fund:
- 36 (a) The construction of a replacement state route number 520 37 floating bridge; and

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1 (b) The construction of other projects on the state route number 2 520 corridor.

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- (5) The state toll agency may carry out the construction and improvements designated in subsection (4) of this section and administer the tolling program on the state route number 520 corridor.
- NEW SECTION. Sec. 3. A new section is added to chapter 47.56 RCW under the subchapter heading "toll facilities created after July 1, 2008" to read as follows:
- (1) Unless otherwise delegated, the department is the state toll 9 10 agency with the authority to administer tolling programs on eligible 11 toll facilities, including the state route number 520 corridor and the 12 Interstate 90 floating bridge. The state toll agency may adopt and amend rules to govern operations, collections, and enforcement on each 13 14 eligible toll facility. In implementing tolling programs, the state toll agency may (a) collect and retain any toll charges and penalties 15 16 imposed, (b) issue toll bills and notices of infraction, (c) use 17 available resources to collect unpaid toll charges, including 18 forwarding unpaid infractions to the department of licensing pursuant to RCW 46.20.270(3) and assigning the unpaid infractions to collection 19 20 agencies under RCW 19.16.500, (d) allocate administrative fees and 21 infraction charges to the toll facilities on which the fees and charges 22 were incurred, (e) resolve disputes involving toll charges, and (f) procure and sell transponders or enter into contracts and license 23 agreements to procure and sell transponders as necessary for the 24 25 operation of electronic toll collection systems on eligible toll 26 facilities.
  - (2) Prior to executing any contracts under this section, the department shall submit the contracts to the commission for review. The department shall not execute any such contracts until the contracts are approved as to form by the commission. The commission shall approve or reject in writing any such contract within forty-five days of the submission of the contract by the department. The written rejection of a contract must also include a detailed list of the reasons for the rejection.

35 NEW SECTION. Sec. 4. A new section is added to chapter 47.56 RCW

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under the subchapter heading "toll facilities created after July 1, 2008" to read as follows:

A special account to be known as the state route number 520 corridor and Interstate 90 floating bridge account is created in the motor vehicle fund in the state treasury.

(1) Deposits to the account must include:

- (a) All proceeds of bonds issued for construction of the state route number 520 corridor, including any capitalized interest;
- (b) All of the tolls and other revenues received from the operation of the state route number 520 corridor as a toll facility, to be deposited at least monthly;
- (c) All of the tolls and other revenues received from the operation of the Interstate 90 floating bridge as a toll facility, to be deposited at least monthly;
- (d) Any interest that may be earned from the deposit or investment of those revenues;
- (e) Notwithstanding RCW 47.12.063, proceeds from the sale of any surplus real property acquired for the purpose of building the replacement state route number 520 floating bridge or the construction of other projects on the state route number 520 corridor; and
- (f) All damages, liquidated or otherwise, collected under any contract involving the construction of projects on the state route number 520 corridor.
  - (2) Toll charges, other revenues, and interest may be used to:
  - (a) Pay any required costs allowed under RCW 47.56.820; and
  - (b) Repay amounts to the motor vehicle fund as required.
- (3) When repaying the motor vehicle fund, the state treasurer shall transfer funds from the state route number 520 corridor and Interstate 90 floating bridge account to the motor vehicle fund on or before each debt service date for bonds issued for the replacement state route number 520 floating bridge project or the construction of other projects on the state route number 520 corridor in an amount sufficient to repay the motor vehicle fund for amounts transferred from that fund to the highway bond retirement fund to provide for any bond principal and interest due on that date. The state treasurer may establish subaccounts for the purpose of segregating toll charges, bond sale

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- 1 proceeds, and other revenues.
- 2 <u>NEW SECTION.</u> **Sec. 5.** This act takes effect January 1, 2010.

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