

SSB 5825 - S AMD 674
By Senator Zeiger

ADOPTED AS AMENDED 04/25/2019

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** (1) The legislature recognizes that the
4 Puget Sound region is faced with growing traffic congestion and must
5 improve mobility for people and goods by maximizing the effectiveness
6 of the freeway system. Investments in the Interstate 405, state route
7 number 167, and state route number 509 corridors are essential for
8 providing benefits for the movement of vehicles and people. Further,
9 the legislature recognizes that in 2015, the passage of the
10 connecting Washington transportation revenue proposal assumed that
11 tolling would be a component of projects on these corridors.

12 (2) The legislature recognizes that completion of state route
13 number 167 in Pierce county and completion of state route number 509
14 in King county provide essential connections to the Port of Tacoma
15 and the Port of Seattle and will help ensure people and goods move
16 more reliably through the Puget Sound region. The completion of these
17 corridors, known as the Gateway project, will play an essential role
18 in enhancing the state's economic competitiveness, both nationally
19 and globally.

20 (3) The legislature acknowledges that as one of the most
21 congested freeway sections in the state, the Interstate 405 and state
22 route number 167 corridors in King county serve as ideal candidates
23 for an express toll lanes network. The express toll lanes network
24 provides a tool for managing the use of high occupancy vehicle lanes
25 while generating funds to improve projects in the corridors.

26 (4) Therefore, it is the intent of this act to expedite the
27 delivery of the Puget Sound Gateway facility, designate the Puget
28 Sound Gateway project as an eligible toll facility, and authorize the
29 imposition of tolls on the Puget Sound Gateway facility. It is
30 further the intent of this act to direct the department of
31 transportation to develop and operate an express toll lanes network
32 on Interstate 405 from the city of Lynnwood on the north end to the

1 intersection of state route number 167 and state route number 512 on
2 the south end.

3 NEW SECTION. **Sec. 2.** (1) In order to provide funds necessary
4 for the design, right-of-way, and construction of projects as allowed
5 in sections 11 and 14 of this act, there shall be issued and sold
6 upon the request of the department of transportation up to the
7 following amounts of general obligation bonds of the state of
8 Washington first payable from toll revenue and excise taxes on fuel
9 and vehicle-related fees in accordance with section 5 of this act:

- 10 (a) One billion dollars for the Interstate 405 corridor;
11 (b) One hundred sixty million dollars for the state route number
12 167 corridor; and
13 (c) Three hundred forty million dollars for the Puget Sound
14 Gateway facility.

15 (2) For purposes of chapter . . ., Laws of 2019 (this act),
16 "vehicle-related fees" means vehicle-related fees imposed under Title
17 46 RCW that constitute license fees for motor vehicles to be used for
18 highway purposes.

19 NEW SECTION. **Sec. 3.** Upon the request of the department, the
20 state finance committee shall supervise and provide for the issuance,
21 sale, and retirement of bonds authorized by this act in accordance
22 with chapter 39.42 RCW. Bonds authorized by this act shall be sold in
23 the manner, at time or times, in amounts, and at the price as the
24 state finance committee shall determine. No bonds may be offered for
25 sale without prior legislative appropriation of the net proceeds of
26 the sale of the bonds.

27 NEW SECTION. **Sec. 4.** (1) The proceeds from the sale of bonds
28 authorized by:

29 (a) Section 2(1)(a) of this act shall be deposited in the
30 Interstate 405 express toll lanes account created under RCW
31 47.56.884;

32 (b) Section 2(1)(b) of this act shall be deposited in the state
33 route number 167 express toll lanes account created in section 13 of
34 this act; and

35 (c) Section 2(1)(c) of this act shall be deposited in the Puget
36 Sound Gateway facility account created in section 15 of this act.

1 (2) The bond proceeds shall be available only for the purposes
2 enumerated in section 2, chapter . . . , Laws of 2019 (section 2 of
3 this act), for the payment of bond anticipation notes or other
4 interim financing, if any, capitalizing interest on the bonds,
5 funding a debt service reserve fund, if any, and for the payment of
6 bond issuance costs, including the costs of underwriting.

7 NEW SECTION. **Sec. 5.** Bonds issued under the authority of this
8 section and sections 2, 6, and 7 of this act shall distinctly state
9 that they are a general obligation of the state of Washington, shall
10 pledge the full faith and credit of the state to the payment of the
11 principal thereof and the interest thereon, and shall contain an
12 unconditional promise to pay such principal and interest as the same
13 shall become due. The principal of and interest on the bonds shall be
14 first payable in the manner provided in this section and sections 2,
15 6, and 7 of this act from toll revenue and then from proceeds of
16 excise taxes on fuel and vehicle-related fees to the extent toll
17 revenue is not available for that purpose. Toll revenue and the state
18 excise taxes on fuel imposed by chapter 82.38 RCW and vehicle-related
19 fees are hereby pledged to the payment of any bonds and the interest
20 thereon issued under the authority of this section and sections 2, 6,
21 and 7 of this act, and the legislature agrees to continue to impose
22 these toll charges on the Interstate 405 express toll lanes, the
23 state route number 167 express toll lanes, and on the Puget Sound
24 Gateway facility, and on any other eligible toll facility designated
25 by the legislature and on which the imposition of tolls is authorized
26 by the legislature in respect of the bonds, and excise taxes on fuel
27 and vehicle-related fees in amounts sufficient to pay, when due, the
28 principal and interest on all bonds issued under the authority of
29 this section and sections 2, 6, and 7 of this act.

30 NEW SECTION. **Sec. 6.** For bonds issued under the authority of
31 this section and sections 2, 5, and 7 of this act, the state
32 treasurer shall first withdraw toll revenue from the appropriate toll
33 account for the facility for which the bonds are issued and sold,
34 and, to the extent toll revenue is not available, excise taxes on
35 fuel and vehicle-related fees and deposit in the toll facility bond
36 retirement account, or a special subaccount in the account, such
37 amounts, and at such times, as are required by the bond proceedings.

1 Any excise taxes on fuel and vehicle-related fees required for
2 bond retirement or interest on the bonds authorized by this section
3 and sections 2, 5, and 7 of this act shall be taken from that portion
4 of the motor vehicle fund that results from the imposition of excise
5 taxes on fuel and vehicle-related fees and which is, or may be,
6 appropriated to the department for state highway purposes. Funds
7 required shall never constitute a charge against any other
8 allocations of fuel tax revenues to the state, counties, cities, and
9 towns unless the amount arising from excise taxes on fuel distributed
10 to the state in the motor vehicle fund proves insufficient to meet
11 the requirements for bond retirement or interest on any such bonds.

12 Any payments for bond retirement or interest on the bonds taken
13 from other revenues from the fuel taxes that are distributable to the
14 state, counties, cities, and towns shall be repaid from available
15 toll revenue in the manner provided in the bond proceedings or, if
16 toll revenue is not available for that purpose, from the first excise
17 taxes on fuel distributed to the motor vehicle fund not required for
18 bond retirement or interest on the bonds. Any excise taxes on fuel
19 required for bond retirement or interest on the bonds authorized by
20 this section and sections 2, 5, and 7 of this act shall be reimbursed
21 to the motor vehicle fund from toll revenue in the manner and with
22 the priority specified in the bond proceedings.

23 NEW SECTION. **Sec. 7.** Bonds issued under the authority of
24 sections 2, 5, and 6 of this act and this section and any other
25 general obligation bonds of the state of Washington that have been or
26 that may be authorized and that pledge excise taxes on fuel for the
27 payment of principal and interest thereon shall be an equal charge
28 against the revenues from such excise taxes on fuel.

29 **Sec. 8.** RCW 47.10.882 and 2011 c 377 s 3 are each amended to
30 read as follows:

31 The toll facility bond retirement account is created in the state
32 treasury for the purpose of payment of the principal of and interest
33 and premium on bonds. Both principal of and interest on the bonds
34 issued for the purposes of chapter 498, Laws of 2009 (~~and~~), chapter
35 377, Laws of 2011, and chapter . . . , Laws of 2019 (this act) shall
36 be payable from the toll facility bond retirement account. The state
37 finance committee may provide that special subaccounts be created in
38 the account to facilitate payment of the principal of and interest on

1 the bonds. The state finance committee shall, on or before June 30th
2 of each year, certify to the state treasurer the amount required for
3 principal and interest on the bonds in accordance with the bond
4 proceedings.

5 **Sec. 9.** RCW 47.10.887 and 2011 c 377 s 5 are each amended to
6 read as follows:

7 The state finance committee may determine and include in any
8 resolution authorizing the issuance of any bonds under chapter 498,
9 Laws of 2009 (~~and~~), chapter 377, Laws of 2011, and chapter . . . ,
10 Laws of 2019 (this act), such terms, provisions, covenants, and
11 conditions as it may deem appropriate in order to assist with the
12 marketing and sale of the bonds, confer rights upon the owners of
13 bonds, and safeguard rights of the owners of bonds including, among
14 other things:

15 (1) Provisions regarding the maintenance and operation of
16 eligible toll facilities;

17 (2) The pledges, uses, and priorities of application of toll
18 revenue;

19 (3) Provisions that bonds shall be payable from and secured
20 solely by toll revenue as provided by RCW 47.10.886, or shall be
21 payable from and secured by both toll revenue and by a pledge of
22 excise taxes on motor vehicle and special fuels and the full faith
23 and credit of the state as provided in RCW 47.10.879 and 47.10.883
24 through 47.10.885;

25 (4) Provisions that bonds shall be payable from and secured by
26 both toll revenue and by a pledge of excise taxes on fuel and
27 vehicle-related fees and the full faith and credit of the state as
28 provided in sections 2 and 5 through 7 of this act;

29 (5) In consultation with the department of transportation and the
30 tolling authority, financial covenants requiring that the eligible
31 toll facilities must produce specified coverage ratios of toll
32 revenue to debt service on bonds;

33 (~~(5)~~) (6) The purposes and conditions that must be satisfied
34 prior to the issuance of any additional bonds that are to be payable
35 from and secured by any toll revenue on an equal basis with
36 previously issued and outstanding bonds payable from and secured by
37 toll revenue;

38 (~~(6)~~) (7) Provisions that bonds for which any toll revenue are
39 pledged, or for which a pledge of any toll revenue may be reserved,

1 may be structured on a senior, parity, subordinate, or special lien
2 basis in relation to any other bonds for which toll revenue is
3 pledged, with respect to toll revenue only; and

4 ~~((7))~~ (8) Provisions regarding reserves, credit enhancement,
5 liquidity facilities, and payment agreements with respect to bonds.

6 Notwithstanding the foregoing, covenants and conditions detailing
7 the character of management, maintenance, and operation of eligible
8 toll facilities, insurance for eligible toll facilities, financial
9 management of toll revenue, and disposition of eligible toll
10 facilities must first be approved by the department of
11 transportation.

12 The owner of any bond may by mandamus or other appropriate
13 proceeding require and compel performance of any duties imposed upon
14 the tolling authority and the department of transportation and their
15 respective officials, including any duties imposed upon or undertaken
16 by them or by their respective officers, agents, and employees, in
17 connection with the construction, maintenance, and operation of
18 eligible toll facilities and in connection with the collection,
19 deposit, investment, application, and disbursement of the proceeds of
20 the bonds and toll revenue.

21 **Sec. 10.** RCW 47.10.888 and 2011 c 377 s 6 are each amended to
22 read as follows:

23 (1) For the purposes of chapter 498, Laws of 2009 ~~((and))~~,
24 chapter 377, Laws of 2011, and chapter . . ., Laws of 2019 (this
25 act), "toll revenue" means all toll receipts, all interest income
26 derived from the investment of toll receipts, and any gifts, grants,
27 or other funds received for the benefit of transportation facilities
28 in the state, including eligible toll facilities. However, for the
29 purpose of any pledge of toll revenue to the payment of particular
30 bonds issued under chapter 498, Laws of 2009 ~~((and))~~, chapter 377,
31 Laws of 2011, and chapter . . ., Laws of 2019 (this act), "toll
32 revenue" means and includes only such toll revenue or portion thereof
33 that is pledged to the payment of those bonds in the resolution
34 authorizing the issuance of such bonds. Toll revenue constitutes
35 "fees and revenues derived from the ownership or operation of any
36 undertaking, facility, or project" as that phrase is used in Article
37 VIII, section 1(c)(1) of the state Constitution.

1 (2) For the purposes of chapter 498, Laws of 2009 (~~and~~),
2 chapter 377, Laws of 2011, and chapter . . ., Laws of 2019 (this
3 act), "tolling authority" has the same meaning as in RCW 47.56.810.

4 **Sec. 11.** RCW 47.56.880 and 2011 c 369 s 3 are each amended to
5 read as follows:

6 (1) The imposition of tolls for express toll lanes on Interstate
7 405 between (~~the junctions with~~) Interstate 5 on the north end
8 (~~and NE 6th Street~~) in the city of (~~Bellevue~~) Lynnwood and
9 Interstate 5 on the south end in the city of Tukwila, and for express
10 toll lanes on state route number 167 between Interstate 405 on the
11 north end and state route number 512 on the south end is
12 authorized(~~r~~). Interstate 405 (~~is~~) and state route number 167 are
13 designated (~~a~~) eligible toll (~~facility~~) facilities, and toll
14 revenue generated in the respective corridors must only be expended
15 on the Interstate 405 and state route number 167 projects as
16 identified in each corridor's master plan and as allowed under RCW
17 47.56.820.

18 (2) Toll for the express toll lanes must be set as follows:

19 (a) The schedule of toll rates must be set by the tolling
20 authority pursuant to RCW 47.56.850. Toll rates may vary in amount by
21 time of day, level of traffic congestion within the highway facility,
22 or other criteria, as the tolling authority deems appropriate.

23 (b) In those locations with two express toll lanes in each
24 direction, the toll rate must be the same in both lanes.

25 (c) Toll charges may not be assessed on transit buses and
26 vanpools.

27 (d) The department shall establish performance standards for
28 travel time, speed, and reliability for the express toll lanes
29 project. The department must automatically adjust the toll rate
30 within the schedule established by the tolling authority, using
31 dynamic tolling, to (~~ensure~~) maintain the goal that average vehicle
32 speeds in the lanes remain above forty-five miles per hour at least
33 ninety percent of the time during peak hours.

34 (e) The tolling authority shall periodically review the toll
35 rates against traffic performance of all lanes to determine if the
36 toll rates are effectively maintaining travel time, speed, and
37 reliability on the highway facilities.

38 (3) (~~The department may construct and operate express toll lanes~~
39 ~~on Interstate 405 between the city of Bellevue on the south end and~~

1 ~~Interstate 5 on the north end. Operation of the express toll lanes~~
2 ~~may not commence until the department has completed capacity~~
3 ~~improvements necessary to provide a two-lane system from NE 6th~~
4 ~~Street in the city of Bellevue to state route number 522 and the~~
5 ~~conversion of the existing high occupancy vehicle lane to an express~~
6 ~~toll lane between state route number 522 and the city of Lynnwood.~~
7 ~~Construction of the capacity improvements described in this~~
8 ~~subsection, including items that enable implementation of express~~
9 ~~toll lanes such as conduit and other underground features, must begin~~
10 ~~as soon as practicable. However, any contract term regarding tolling~~
11 ~~equipment, such as gantries, barriers, or cameras, for Interstate 405~~
12 ~~may not take effect unless specific appropriation authority is~~
13 ~~provided in 2012 stating that funding is provided solely for tolling~~
14 ~~equipment on Interstate 405.)~~ The department shall work with local
15 jurisdictions to minimize and monitor impacts to local streets and,
16 after consultation with local jurisdictions, recommend mitigation
17 measures to the legislature in those locations where it is
18 appropriate.

19 (4) The department shall monitor the express toll lanes
20 (~~project~~) and shall annually report to the transportation
21 commission and the legislature on the impacts from the project on the
22 following performance measures:

23 (a) Whether the express toll lanes maintain speeds of forty-five
24 miles per hour at least ninety percent of the time during peak
25 periods, and any alternate metric determined by the department in
26 conjunction with the federal highway administration;

27 (b) Whether the average traffic speed changed in the general
28 purpose lanes;

29 (c) Whether transit ridership changed;

30 (d) Whether the actual use of the express toll lanes is
31 consistent with the projected use;

32 (e) Whether the express toll lanes generated sufficient revenue
33 to pay for all (~~Interstate 405~~) express toll lane-related operating
34 costs; and

35 (f) Whether travel times and volumes have increased or decreased
36 on adjacent local streets and state highways (~~;~~ and

37 ~~(g) Whether the actual gross revenues are consistent with~~
38 ~~projected gross revenues as identified in the fiscal note for~~
39 ~~Engrossed House Bill No. 1382 distributed by the office of financial~~
40 ~~management on March 15, 2011.~~

1 ~~(5) If after two years of operation of the express toll lanes on~~
2 ~~Interstate 405 performance measures listed in subsection (4) (a) and~~
3 ~~(e) of this section are not being met, the express toll lanes project~~
4 ~~must be terminated as soon as practicable)).~~

5 ~~((6))~~ (5) The department, in consultation with the
6 transportation commission, shall consider making operational changes
7 necessary to fix any unintended consequences of implementing the
8 express toll lanes ~~((project))~~.

9 ~~((7))~~ (6) A violation of the lane restrictions applicable to
10 the express toll lanes established under this section is a traffic
11 infraction.

12 **Sec. 12.** RCW 47.56.884 and 2011 c 369 s 5 are each amended to
13 read as follows:

14 (1) The Interstate 405 express toll lanes ~~((operations))~~ account
15 is created in the motor vehicle fund. ~~((All revenues received by the~~
16 ~~department as toll charges collected from Interstate 405 express toll~~
17 ~~lane users must be deposited into the account))~~

18 (2) Deposits to the account must include:

19 (a) All proceeds of bonds authorized in section 2(1)(a) of this
20 act and loans for the Interstate 405 projects, including capitalized
21 interest;

22 (b) All tolls and other revenues received from the operation of
23 the Interstate 405 express toll lanes facility, to be deposited at
24 least monthly;

25 (c) Any interest that may be earned from the deposit or
26 investment of those revenues;

27 (d) Notwithstanding RCW 47.12.063, proceeds from the sale of any
28 surplus real property acquired for completing the Interstate 405
29 express toll lanes facility; and

30 (e) All damages liquidated or otherwise, collected under any
31 contract involving Interstate 405 projects.

32 (3) Moneys in the account may be spent only after
33 appropriation~~((--))~~, consistent with RCW 47.56.820~~((-- expenditures~~
34 ~~from the account may be used for debt service, planning,~~
35 ~~administration, construction, maintenance, operation, repair,~~
36 ~~rebuilding, enforcement, and the expansion of express toll lanes on~~
37 ~~Interstate 405)).~~

38 (4) The proceeds of the general obligation bonds authorized in
39 section 2(1)(a) of this act shall be used to make progress toward

1 completion of the Interstate 405 master plan. It is the intent of the
2 legislature to first use the bond proceeds for the following
3 projects, in priority order:

4 (a) Up to six hundred million dollars to design and construct
5 capacity improvements on Interstate 405 between state route number
6 522 and state route number 527. This project would widen Interstate
7 405 through the state route number 522 interchange, build direct
8 access ramps to the express toll lanes at state route number 522,
9 build one new lane in each direction to be used as a second express
10 toll lane, and build a partial direct access ramp at state route
11 number 527 to the east, north, and south, to provide connections to
12 the Canyon Park park and ride; and

13 (b) Up to two hundred fifteen million dollars toward completion
14 of the I-405/Renton to Bellevue - Corridor Widening project
15 (M00900R).

16 NEW SECTION. Sec. 13. (1) The state route number 167 express
17 toll lanes account is created in the motor vehicle fund.

18 (2) Deposits to the account must include:

19 (a) All proceeds of bonds authorized in section 2(1)(b) of this
20 act and loans for state route number 167 projects, including
21 capitalized interest;

22 (b) All tolls and other revenues received from the operation of
23 the state route number 167 express toll lanes facility, to be
24 deposited at least monthly;

25 (c) Any interest that may be earned from the deposit or
26 investment of those revenues;

27 (d) Notwithstanding RCW 47.12.063, proceeds from the sale of any
28 surplus real property acquired for completing the state route number
29 167 express toll lanes facility; and

30 (e) All damages liquidated or otherwise, collected under any
31 contract involving state route number 167 projects.

32 (3) Moneys in the account may be spent only after appropriation,
33 consistent with RCW 47.56.820.

34 (4) The proceeds of the general obligation bonds authorized in
35 section 2(1)(b) of this act shall be used to make progress toward
36 completion of the state route number 167 master plan. It is the
37 intent of the legislature to use the bond proceeds for the following
38 priority projects:

1 (a) Up to three million dollars to update the state route 167
2 master plan; and

3 (b) Up to one hundred million dollars to construct both the
4 northbound and southbound state route number 167 stage 6 extension
5 projects. This project would extend the express toll lanes south to
6 the state route number 410 and state route number 512 interchange to
7 help mitigate traffic congestion.

8 NEW SECTION. **Sec. 14.** (1) The Puget Sound Gateway facility is
9 designated an eligible toll facility, tolls are authorized to be
10 imposed on the Puget Sound Gateway facility, and toll revenue
11 generated must be expended only as allowed under RCW 47.56.820.

12 (2)(a) In setting toll rates for the Puget Sound Gateway
13 facility, pursuant to RCW 47.56.850, the tolling authority shall set
14 a variable schedule of toll rates to maintain travel time, speed, and
15 reliability on the Puget Sound Gateway facility.

16 (b) The tolling authority may adjust toll rates to reflect
17 inflation as measured by the consumer price index or as necessary for
18 those costs that are eligible under RCW 47.56.820 and to meet the
19 obligations of the tolling authority under RCW 47.56.850.

20 (3) For the purposes of this section and section 15 of this act,
21 "Puget Sound Gateway facility" means the state route number 167
22 roadway between north Meridian Avenue in Puyallup and Interstate 5 in
23 Fife, the state route number 509 spur between Interstate 5 in Fife
24 and state route number 509 in Tacoma, and the state route number 509
25 roadway between south 188th street and Interstate 5 in SeaTac.

26 NEW SECTION. **Sec. 15.** (1) A special account to be known as the
27 Puget Sound Gateway facility account is created in the motor vehicle
28 fund.

29 (2) Deposits to the account must include:

30 (a) All proceeds of bonds authorized in section 2(1)(c) of this
31 act and loans for the Puget Sound Gateway project, including
32 capitalized interest;

33 (b) All tolls and other revenues received from the operation of
34 the Puget Sound Gateway facility, to be deposited at least monthly;

35 (c) Any interest that may be earned from the deposit or
36 investment of those revenues;

37 (d) Notwithstanding RCW 47.12.063, proceeds from the sale of any
38 surplus real property acquired for completing the Puget Sound Gateway

1 project, including existing state route number 509 right-of-way in
2 SeaTac and Des Moines; and

3 (e) All damages liquidated or otherwise, collected under any
4 contract involving the Puget Sound Gateway project.

5 (3) Moneys in the account may be spent only after appropriation,
6 consistent with RCW 47.56.820.

7 (4) The proceeds of the general obligation bonds authorized in
8 section 2(1)(c) of this act shall be used to make progress toward
9 completion of the Puget Sound Gateway facility. It is the intent of
10 the legislature to use the bond proceeds to advance the Puget Sound
11 Gateway facility in order to maximize net mobility benefits for both
12 freight and the traveling public. It is the intent of the legislature
13 for tolling to begin on stage one of the project as soon as
14 practicable in order to leverage toll funds, use bond proceeds to
15 advance one hundred twenty-nine million dollars of connecting
16 Washington state appropriations by two biennia to the 2023-2025
17 biennium, and advance local and federal contributions. This will
18 allow the department of transportation to deliver and open to the
19 public stage two of the project in fiscal year 2028, three years
20 earlier than originally planned, and to realize twenty million
21 dollars in cost savings in connecting Washington state
22 appropriations.

23 **Sec. 16.** RCW 43.84.092 and 2018 c 287 s 7, 2018 c 275 s 10, and
24 2018 c 203 s 14 are each reenacted and amended to read as follows:

25 (1) All earnings of investments of surplus balances in the state
26 treasury shall be deposited to the treasury income account, which
27 account is hereby established in the state treasury.

28 (2) The treasury income account shall be utilized to pay or
29 receive funds associated with federal programs as required by the
30 federal cash management improvement act of 1990. The treasury income
31 account is subject in all respects to chapter 43.88 RCW, but no
32 appropriation is required for refunds or allocations of interest
33 earnings required by the cash management improvement act. Refunds of
34 interest to the federal treasury required under the cash management
35 improvement act fall under RCW 43.88.180 and shall not require
36 appropriation. The office of financial management shall determine the
37 amounts due to or from the federal government pursuant to the cash
38 management improvement act. The office of financial management may
39 direct transfers of funds between accounts as deemed necessary to

1 implement the provisions of the cash management improvement act, and
2 this subsection. Refunds or allocations shall occur prior to the
3 distributions of earnings set forth in subsection (4) of this
4 section.

5 (3) Except for the provisions of RCW 43.84.160, the treasury
6 income account may be utilized for the payment of purchased banking
7 services on behalf of treasury funds including, but not limited to,
8 depository, safekeeping, and disbursement functions for the state
9 treasury and affected state agencies. The treasury income account is
10 subject in all respects to chapter 43.88 RCW, but no appropriation is
11 required for payments to financial institutions. Payments shall occur
12 prior to distribution of earnings set forth in subsection (4) of this
13 section.

14 (4) Monthly, the state treasurer shall distribute the earnings
15 credited to the treasury income account. The state treasurer shall
16 credit the general fund with all the earnings credited to the
17 treasury income account except:

18 (a) The following accounts and funds shall receive their
19 proportionate share of earnings based upon each account's and fund's
20 average daily balance for the period: The abandoned recreational
21 vehicle disposal account, the aeronautics account, the aircraft
22 search and rescue account, the Alaskan Way viaduct replacement
23 project account, the brownfield redevelopment trust fund account, the
24 budget stabilization account, the capital vessel replacement account,
25 the capitol building construction account, the Cedar River channel
26 construction and operation account, the Central Washington University
27 capital projects account, the charitable, educational, penal and
28 reformatory institutions account, the Chehalis basin account, the
29 cleanup settlement account, the Columbia river basin water supply
30 development account, the Columbia river basin taxable bond water
31 supply development account, the Columbia river basin water supply
32 revenue recovery account, the common school construction fund, the
33 community forest trust account, the connecting Washington account,
34 the county arterial preservation account, the county criminal justice
35 assistance account, the deferred compensation administrative account,
36 the deferred compensation principal account, the department of
37 licensing services account, the department of licensing tuition
38 recovery trust fund, the department of retirement systems expense
39 account, the developmental disabilities community trust account, the
40 diesel idle reduction account, the drinking water assistance account,

1 the drinking water assistance administrative account, the early
2 learning facilities development account, the early learning
3 facilities revolving account, the Eastern Washington University
4 capital projects account, (~~the Interstate 405 express toll lanes
5 operations account,~~) the education construction fund, the education
6 legacy trust account, the election account, the electric vehicle
7 charging infrastructure account, the energy freedom account, the
8 energy recovery act account, the essential rail assistance account,
9 The Evergreen State College capital projects account, the federal
10 forest revolving account, the ferry bond retirement fund, the freight
11 mobility investment account, the freight mobility multimodal account,
12 the grade crossing protective fund, the public health services
13 account, the high capacity transportation account, the state higher
14 education construction account, the higher education construction
15 account, the highway bond retirement fund, the highway infrastructure
16 account, the highway safety fund, (~~the high occupancy toll lanes
17 operations account,~~) the hospital safety net assessment fund, the
18 industrial insurance premium refund account, the Interstate 405
19 express toll lanes account, the judges' retirement account, the
20 judicial retirement administrative account, the judicial retirement
21 principal account, the local leasehold excise tax account, the local
22 real estate excise tax account, the local sales and use tax account,
23 the marine resources stewardship trust account, the medical aid
24 account, the mobile home park relocation fund, the money-purchase
25 retirement savings administrative account, the money-purchase
26 retirement savings principal account, the motor vehicle fund, the
27 motorcycle safety education account, the multimodal transportation
28 account, the multiuse roadway safety account, the municipal criminal
29 justice assistance account, the natural resources deposit account,
30 the oyster reserve land account, the pension funding stabilization
31 account, the perpetual surveillance and maintenance account, the
32 pollution liability insurance agency underground storage tank
33 revolving account, the public employees' retirement system plan 1
34 account, the public employees' retirement system combined plan 2 and
35 plan 3 account, the public facilities construction loan revolving
36 account beginning July 1, 2004, the public health supplemental
37 account, the public works assistance account, the Puget Sound capital
38 construction account, the Puget Sound ferry operations account, the
39 Puget Sound Gateway facility account, the Puget Sound taxpayer
40 accountability account, the real estate appraiser commission account,

1 the recreational vehicle account, the regional mobility grant program
2 account, the resource management cost account, the rural arterial
3 trust account, the rural mobility grant program account, the rural
4 Washington loan fund, the sexual assault prevention and response
5 account, the site closure account, the skilled nursing facility
6 safety net trust fund, the small city pavement and sidewalk account,
7 the special category C account, the special wildlife account, the
8 state employees' insurance account, the state employees' insurance
9 reserve account, the state investment board expense account, the
10 state investment board commingled trust fund accounts, the state
11 patrol highway account, the state route number 167 express toll lanes
12 account, the state route number 520 civil penalties account, the
13 state route number 520 corridor account, the state wildlife account,
14 the statewide tourism marketing account, the student achievement
15 council tuition recovery trust fund, the supplemental pension
16 account, the Tacoma Narrows toll bridge account, the teachers'
17 retirement system plan 1 account, the teachers' retirement system
18 combined plan 2 and plan 3 account, the tobacco prevention and
19 control account, the tobacco settlement account, the toll facility
20 bond retirement account, the transportation 2003 account (nickel
21 account), the transportation equipment fund, the transportation
22 future funding program account, the transportation improvement
23 account, the transportation improvement board bond retirement
24 account, the transportation infrastructure account, the
25 transportation partnership account, the traumatic brain injury
26 account, the tuition recovery trust fund, the University of
27 Washington bond retirement fund, the University of Washington
28 building account, the volunteer firefighters' and reserve officers'
29 relief and pension principal fund, the volunteer firefighters' and
30 reserve officers' administrative fund, the Washington judicial
31 retirement system account, the Washington law enforcement officers'
32 and firefighters' system plan 1 retirement account, the Washington
33 law enforcement officers' and firefighters' system plan 2 retirement
34 account, the Washington public safety employees' plan 2 retirement
35 account, the Washington school employees' retirement system combined
36 plan 2 and 3 account, the Washington state health insurance pool
37 account, the Washington state patrol retirement account, the
38 Washington State University building account, the Washington State
39 University bond retirement fund, the water pollution control
40 revolving administration account, the water pollution control

1 revolving fund, the Western Washington University capital projects
2 account, the Yakima integrated plan implementation account, the
3 Yakima integrated plan implementation revenue recovery account, and
4 the Yakima integrated plan implementation taxable bond account.
5 Earnings derived from investing balances of the agricultural
6 permanent fund, the normal school permanent fund, the permanent
7 common school fund, the scientific permanent fund, the state
8 university permanent fund, and the state reclamation revolving
9 account shall be allocated to their respective beneficiary accounts.

10 (b) Any state agency that has independent authority over accounts
11 or funds not statutorily required to be held in the state treasury
12 that deposits funds into a fund or account in the state treasury
13 pursuant to an agreement with the office of the state treasurer shall
14 receive its proportionate share of earnings based upon each account's
15 or fund's average daily balance for the period.

16 (5) In conformance with Article II, section 37 of the state
17 Constitution, no treasury accounts or funds shall be allocated
18 earnings without the specific affirmative directive of this section.

19 NEW SECTION. **Sec. 17.** The following acts or parts of acts are
20 each repealed:

21 (1) RCW 47.56.403 (High occupancy toll lane pilot project) and
22 2017 c 313 s 712, 2015 1st sp.s. c 10 s 705, 2013 c 306 s 709, 2011 c
23 367 s 709, & 2005 c 312 s 3; and

24 (2) RCW 47.66.090 (High occupancy toll lanes operations account)
25 and 2005 c 312 s 4.

26 NEW SECTION. **Sec. 18.** Any residual balance of funds remaining
27 in the high occupancy toll lanes operations account repealed by
28 section 17 of this act on the effective date of this section, and any
29 year-end accruals accounted for after the effective date of this
30 section from the state route number 167 high occupancy toll lanes
31 pilot project, shall be transferred to the state route number 167
32 express toll lanes account created in section 13 of this act.

33 NEW SECTION. **Sec. 19.** Sections 2 through 7 of this act are each
34 added to chapter 47.10 RCW.

1 NEW SECTION. **Sec. 20.** Sections 13 through 15 of this act are
2 each added to chapter 47.56 RCW and codified with the subchapter
3 heading of "toll facilities created after July 1, 2008."

4 NEW SECTION. **Sec. 21.** This act is necessary for the immediate
5 preservation of the public peace, health, or safety, or support of
6 the state government and its existing public institutions, and takes
7 effect June 30, 2019."

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By Senator Zeiger

ADOPTED AS AMENDED 04/25/2019

8 On page 1, line 2 of the title, after "509;" strike the remainder
9 of the title and insert "amending RCW 47.10.882, 47.10.887,
10 47.10.888, 47.56.880, and 47.56.884; reenacting and amending RCW
11 43.84.092; adding new sections to chapter 47.10 RCW; adding new
12 sections to chapter 47.56 RCW; creating new sections; repealing RCW
13 47.56.403 and 47.66.090; prescribing penalties; providing an
14 effective date; and declaring an emergency."

EFFECT: (1) Authorizes bonding as a possible use of toll funds on
the I-405, SR 167, and Puget Sound Gateway facilities, intended to be
used for specific legislative priority projects.
(2) Makes various technical corrections.

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