

CERTIFICATION OF ENROLLMENT
ENGROSSED SUBSTITUTE SENATE BILL 6392

Chapter 248, Laws of 2010

(partial veto)

61st Legislature
2010 Regular Session

SR 520 BRIDGE--TOLLS--USE OF REVENUE

EFFECTIVE DATE: 06/10/10

Passed by the Senate March 8, 2010
YEAS 37 NAYS 10

BRAD OWEN

President of the Senate

Passed by the House March 2, 2010
YEAS 78 NAYS 19

FRANK CHOPP

Speaker of the House of Representatives

Approved March 30, 2010, 12:00 p.m.,
with the exception of Sections 1 and 3
which are vetoed.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 6392** as passed by the Senate and the House of Representatives on the dates hereon set forth.

THOMAS HOEMANN

Secretary

FILED

March 31, 2010

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE SENATE BILL 6392

AS AMENDED BY THE HOUSE

Passed Legislature - 2010 Regular Session

State of Washington 61st Legislature 2010 Regular Session

By Senate Transportation (originally sponsored by Senators Tom, Swecker, Oemig, Holmquist, Jacobsen, Haugen, and Marr)

READ FIRST TIME 02/15/10.

1 AN ACT Relating to the use of revenue generated from tolling the
2 state route number 520 corridor; amending RCW 47.56.870, 47.01.408, and
3 47.56.875; reenacting and amending RCW 43.84.092; adding a new section
4 to chapter 47.56 RCW; and creating a new section.

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

6 ****NEW SECTION. Sec. 1. The legislature recognizes that during the***
7 ***2009 legislative session tolling was authorized on the state route***
8 ***number 520 corridor. As such, it is the intent of the legislature that***
9 ***tolling commences in the spring of 2011 on the existing state route***
10 ***number 520 bridge.***

11 ***The legislature further recognizes that tolling of the state route***
12 ***number 520 corridor is integrally related to the issuance of a final***
13 ***project design resulting from the supplemental draft environmental***
14 ***impact statement for the state route number 520 bridge replacement and***
15 ***HOV program released in January 2010. It is the intent of the***
16 ***legislature that the department of transportation work with affected***
17 ***neighborhoods and local governments, including the mayor of the city of***
18 ***Seattle and the Seattle city council, to refine the preferred***
19 ***alternative design in the supplemental draft environmental impact***

1 *statement so that the final design of the state route number 520 bridge*
2 *replacement and HOV program will, to the extent required by state and*
3 *federal law, include reasonable assurance that project impacts will be*
4 *mitigated as much as practicable to protect against further adverse*
5 *impacts on neighborhood environmental quality. Within the cost*
6 *constraints identified in section 1, chapter 472, Laws of 2009, and*
7 *consistent with an opening date to vehicular traffic of 2014, it is*
8 *further the intent of the legislature that any final design of the*
9 *state route number 520 bridge replacement and HOV program accommodate*
10 *effective connections for transit, including high capacity transit,*
11 *including, but not limited to, effective connections for transit to the*
12 *university link light rail line, consistent with the requirements of*
13 *RCW 47.01.408, and ensure the effective, efficient, and feasible*
14 *coordination of bus services and light rail services throughout the*
15 *state route number 520 corridor, consistent with the requirements of*
16 *RCW 47.01.410. The legislature further intends that any cost savings*
17 *applicable to the state route number 520 bridge replacement and HOV*
18 *program stay within the program.*

**Sec. 1 was vetoed. See message at end of chapter.*

19 **Sec. 2.** RCW 47.56.870 and 2009 c 472 s 2 are each amended to read
20 as follows:

21 (1) The initial imposition of tolls on the state route number 520
22 corridor is authorized, the state route number 520 corridor is
23 designated an eligible toll facility, and toll revenue generated in the
24 corridor must only be expended as allowed under RCW 47.56.820.

25 (2) The state route number 520 corridor consists of that portion of
26 state route number 520 between the junctions of Interstate 5 and state
27 route number 202. The toll imposed by this section shall be charged
28 only for travel on the floating bridge portion of the state route
29 number 520 corridor.

30 (3)(a) In setting the toll rates for the corridor pursuant to RCW
31 47.56.850, the tolling authority shall set a variable schedule of toll
32 rates to maintain travel time, speed, and reliability on the corridor
33 and generate the necessary revenue as required under (b) of this
34 subsection.

35 (b) The tolling authority shall initially set the variable schedule
36 of toll rates, which the tolling authority may adjust at least annually

1 to reflect inflation as measured by the consumer price index or as
2 necessary to meet the redemption of bonds and interest payments on the
3 bonds, to generate revenue sufficient to provide for:

4 (i) The issuance of general obligation bonds, authorized in RCW
5 47.10.879, first payable from toll revenue and then excise taxes on
6 motor vehicle and special fuels pledged for the payment of those bonds
7 in the amount necessary to fund the (~~replacement state route number~~
8 ~~520 floating bridge and necessary landings~~) state route number 520
9 bridge replacement and HOV program, subject to subsection (4) of this
10 section; and

11 (ii) Costs associated with the project designated in subsection (4)
12 of this section that are eligible under RCW 47.56.820.

13 (4)(a) ~~The proceeds of the bonds designated in subsection (3)(b)(i)~~
14 ~~of this section (~~which together with other appropriated and~~~~
15 ~~identified state and federal funds is sufficient to pay for the~~
16 ~~replacement of the floating bridge segment and necessary landings of~~
17 ~~state route number 520,~~) must be used only to fund the (~~construction~~
18 ~~of the replacement state route number 520 floating bridge and necessary~~
19 ~~landings~~) state route number 520 bridge replacement and HOV program;
20 however, two hundred million dollars of bond proceeds, in excess of the
21 proceeds necessary to complete the floating bridge segment and
22 necessary landings, must be used only to fund the state route number
23 520, Interstate 5 to Medina bridge replacement and HOV project segment
24 of the program, as identified in applicable environmental impact
25 statements, and may be used to fund effective connections for high
26 occupancy vehicles and transit for state route number 520, but only to
27 the extent those connections benefit or improve the operation of state
28 route number 520.

29 (b) The program must include the following elements within the cost
30 constraints identified in section 1, chapter 472, Laws of 2009,
31 consistent with the legislature's intent that cost savings applicable
32 to the program stay within the program and that the bridge open to
33 vehicular traffic in 2014:

34 (i) A project design, consistent with RCW 47.01.408, that includes
35 high occupancy vehicle lanes with a minimum carpool occupancy
36 requirement of three-plus persons on state route number 520;

37 (ii) High occupancy vehicle lane performance standards for the
38 state route number 520 corridor established by the department. The

1 department shall report to the transportation committees of the
2 legislature when average transit speeds in the two lanes that are for
3 high occupancy vehicle travel fall below forty-five miles per hour at
4 least ten percent of the time during peak hours;

5 (iii) A work group convened by the mayor and city council of the
6 city of Seattle to include sound transit, King county metro, the
7 Seattle department of transportation, the department, the University of
8 Washington, and other persons or organizations as designated by the
9 mayor or city council to study and make recommendations of alternative
10 connections for transit, including bus routes and high capacity
11 transit, to the university link light rail line. The work group must
12 consider such techniques as grade separation, additional stations, and
13 pedestrian lids to effect these connections. The recommendations must
14 be alternatives to the transit connections identified in the
15 supplemental draft environmental impact statement for the state route
16 number 520 bridge replacement and HOV program released in January 2010,
17 and must meet the requirements under RCW 47.01.408, including
18 accommodating effective connections for transit. The recommendations
19 must be within the scope of the supplemental draft environmental impact
20 statement. For the purposes of this section, "effective connections
21 for transit" means a connection that connects transit stops, including
22 high capacity transit stops, that serve the state route number
23 520/Montlake interchange vicinity to the university link light rail
24 line, with a connection distance of less than one thousand two hundred
25 feet between the stops and the light rail station. The city of Seattle
26 shall submit the recommendations by October 1, 2010, to the governor
27 and the transportation committees of the legislature. However, if the
28 city of Seattle does not convene the work group required under this
29 subsection before July 1, 2010, or does not submit recommendations to
30 the governor and the transportation committees of the legislature by
31 October 1, 2010, the department must convene the work group required
32 under this subsection and meet all the requirements of this subsection
33 that are described as requirements of the city of Seattle by November
34 30, 2010;

35 (iv) A work group convened by the department to include sound
36 transit and King county metro to study and make recommendations
37 regarding options for planning and financing high capacity transit

1 through the state route number 520 corridor. The department shall
2 submit the recommendations by January 1, 2011, to the governor and the
3 transportation committees of the legislature;

4 (v) A plan to address mitigation as a result of the state route
5 number 520 bridge replacement and HOV program at the Washington park
6 arboretum. As part of its process, the department shall consult with
7 the governing board of the Washington park arboretum, the Seattle city
8 council and mayor, and the University of Washington to identify all
9 mitigation required by state and federal law resulting from the state
10 route number 520 bridge replacement and HOV program's impact on the
11 arboretum, and to develop a project mitigation plan to address these
12 impacts. The department shall submit the mitigation plan by December
13 31, 2010, to the governor and the transportation committees of the
14 legislature. Wetland mitigation required by state and federal law as
15 a result of the state route number 520 bridge replacement and HOV
16 program's impacts on the arboretum must, to the greatest extent
17 practicable, include on-site wetland mitigation at the Washington park
18 arboretum, and must enhance the Washington park arboretum. This
19 subsection (4)(b)(v) does not preclude any other mitigation planned for
20 the Washington park arboretum as a result of the state route number 520
21 bridge replacement and HOV program;

22 (vi) A work group convened by the department to include the mayor
23 of the city of Seattle, the Seattle city council, the Seattle
24 department of transportation, and other persons or organizations as
25 designated by the Seattle city council and mayor to study and make
26 recommendations regarding design refinements to the preferred
27 alternative selected by the department in the supplemental draft
28 environmental impact statement process for the state route number 520
29 bridge replacement and HOV program. To accommodate a timely
30 progression of the state route number 520 bridge replacement and HOV
31 program, the design refinements recommended by the work group must be
32 consistent with the current environmental documents prepared by the
33 department for the supplemental draft environmental impact statement.
34 The department shall submit the recommendations to the legislature and
35 governor by December 31, 2010, and the recommendations must inform the
36 final environmental impact statement prepared by the department; and

37 (vii) An account, created in section 5 of this act, into which
38 civil penalties generated from the nonpayment of tolls on the state

1 route number 520 corridor are deposited to be used to fund any project
2 within the program, including mitigation. However, this subsection
3 (4)(b)(vii) is contingent on the enactment by June 30, 2010, of either
4 chapter . . . (Engrossed Substitute Senate Bill No. 6499), Laws of 2010
5 or chapter . . . (Substitute House Bill No. 2897), Laws of 2010, but if
6 the enacted bill does not designate the department as the toll penalty
7 adjudicating agency, this subsection (4)(b)(vii) is null and void.

8 (5) The department may carry out the ~~((construction—and))~~
9 improvements designated in subsection (4) of this section and
10 administer the tolling program on the state route number 520 corridor.

11 ***Sec. 3. RCW 47.01.408 and 2008 c 270 s 2 are each amended to read**
12 **as follows:**

13 (1) **The state route number 520 bridge replacement and HOV project**
14 **shall be designed to provide six total lanes, with two lanes that are**
15 **for transit and high-occupancy vehicle travel, and four general purpose**
16 **lanes.**

17 (2) **The state route number 520 bridge replacement and HOV project**
18 **shall be designed to accommodate effective connections for transit,**
19 **including high capacity transit, to the light rail station at the**
20 **University of Washington.**

21 (3) **The state route number 520 bridge replacement and HOV project**
22 **shall be designed to provide a total height from the water to the top**
23 **of the bridge rail on the floating bridge portion of the project of no**
24 **more than twenty feet if any portion of the project is funded by**
25 **revenue generated from tolling the state route number 520 corridor.**

**Sec. 3 was vetoed. See message at end of chapter.*

26 **Sec. 4. RCW 47.56.875 and 2009 c 472 s 4 are each amended to read**
27 **as follows:**

28 A special account to be known as the state route number 520
29 corridor account is created in the state treasury.

30 (1) Deposits to the account must include:

31 (a) All proceeds of bonds issued for ~~((construction—of—the~~
32 ~~replacement—state—route—number—520—floating—bridge—and—necessary~~
33 ~~landings))~~ the state route number 520 bridge replacement and HOV
34 program, including any capitalized interest;

35 (b) Except as provided in RCW 47.56.870(4)(b)(vii), all of the

1 tolls and other revenues received from the operation of the state route
2 number 520 corridor as a toll facility, to be deposited at least
3 monthly;

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

6 (d) Notwithstanding RCW 47.12.063, proceeds from the sale of any
7 surplus real property acquired for the (~~purpose of building the~~
8 ~~replacement state route number 520 floating bridge and necessary~~
9 ~~landings~~) state route number 520 bridge replacement and HOV program;
10 and

11 (e) All damages, liquidated or otherwise, collected under any
12 contract involving the (~~construction of the replacement state route~~
13 ~~number 520 floating bridge and necessary landings~~) state route number
14 520 bridge replacement and HOV program.

15 (2) Subject to the covenants made by the state in the bond
16 proceedings authorizing the issuance and sale of bonds for the
17 (~~replacement state route number 520 floating bridge and necessary~~
18 ~~landings~~) state route number 520 bridge replacement and HOV program,
19 toll charges, other revenues, and interest received from the operation
20 of the state route number 520 corridor as a toll facility may be used
21 to:

22 (a) Pay any required costs allowed under RCW 47.56.820; and

23 (b) Repay amounts to the motor vehicle fund as required.

24 (3) When repaying the motor vehicle fund, the state treasurer shall
25 transfer funds from the state route number 520 corridor account to the
26 motor vehicle fund on or before each debt service date for bonds issued
27 for the (~~replacement state route number 520 floating bridge project~~
28 ~~and necessary landings~~) state route number 520 bridge replacement and
29 HOV program in an amount sufficient to repay the motor vehicle fund for
30 amounts transferred from that fund to the highway bond retirement fund
31 to provide for any bond principal and interest due on that date. The
32 state treasurer may establish subaccounts for the purpose of
33 segregating toll charges, bond sale proceeds, and other revenues.

34 NEW SECTION. Sec. 5. A new section is added to chapter 47.56 RCW
35 to read as follows:

36 (1) A special account to be known as the state route number 520
37 civil penalties account is created in the state treasury. All state

1 route number 520 bridge replacement and HOV program civil penalties
2 generated from the nonpayment of tolls on the state route number 520
3 corridor must be deposited into the account, as provided under RCW
4 47.56.870(4)(b)(vii). Moneys in the account may be spent only after
5 appropriation. Expenditures from the account may be used to fund any
6 project within the state route number 520 bridge replacement and HOV
7 program, including mitigation.

8 (2) This section is contingent on the enactment by June 30, 2010,
9 of either chapter . . . (Engrossed Substitute Senate Bill No. 6499),
10 Laws of 2010 or chapter . . . (Substitute House Bill No. 2897), Laws of
11 2010, but if the enacted bill does not designate the department as the
12 toll penalty adjudicating agency, this section is null and void.

13 **Sec. 6.** RCW 43.84.092 and 2009 c 479 s 31, 2009 c 472 s 5, and
14 2009 c 451 s 8 are each reenacted and amended to read as follows:

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

18 (2) The treasury income account shall be utilized to pay or receive
19 funds associated with federal programs as required by the federal cash
20 management improvement act of 1990. The treasury income account is
21 subject in all respects to chapter 43.88 RCW, but no appropriation is
22 required for refunds or allocations of interest earnings required by
23 the cash management improvement act. Refunds of interest to the
24 federal treasury required under the cash management improvement act
25 fall under RCW 43.88.180 and shall not require appropriation. The
26 office of financial management shall determine the amounts due to or
27 from the federal government pursuant to the cash management improvement
28 act. The office of financial management may direct transfers of funds
29 between accounts as deemed necessary to implement the provisions of the
30 cash management improvement act, and this subsection. Refunds or
31 allocations shall occur prior to the distributions of earnings set
32 forth in subsection (4) of this section.

33 (3) Except for the provisions of RCW 43.84.160, the treasury income
34 account may be utilized for the payment of purchased banking services
35 on behalf of treasury funds including, but not limited to, depository,
36 safekeeping, and disbursement functions for the state treasury and
37 affected state agencies. The treasury income account is subject in all

1 respects to chapter 43.88 RCW, but no appropriation is required for
2 payments to financial institutions. Payments shall occur prior to
3 distribution of earnings set forth in subsection (4) of this section.

4 (4) Monthly, the state treasurer shall distribute the earnings
5 credited to the treasury income account. The state treasurer shall
6 credit the general fund with all the earnings credited to the treasury
7 income account except:

8 The following accounts and funds shall receive their proportionate
9 share of earnings based upon each account's and fund's average daily
10 balance for the period: The aeronautics account, the aircraft search
11 and rescue account, the budget stabilization account, the capitol
12 building construction account, the Cedar River channel construction and
13 operation account, the Central Washington University capital projects
14 account, the charitable, educational, penal and reformatory
15 institutions account, the cleanup settlement account, the Columbia
16 river basin water supply development account, the common school
17 construction fund, the county arterial preservation account, the county
18 criminal justice assistance account, the county sales and use tax
19 equalization account, the data processing building construction
20 account, the deferred compensation administrative account, the deferred
21 compensation principal account, the department of licensing services
22 account, the department of retirement systems expense account, the
23 developmental disabilities community trust account, the drinking water
24 assistance account, the drinking water assistance administrative
25 account, the drinking water assistance repayment account, the Eastern
26 Washington University capital projects account, the education
27 construction fund, the education legacy trust account, the election
28 account, the energy freedom account, the energy recovery act account,
29 the essential rail assistance account, The Evergreen State College
30 capital projects account, the federal forest revolving account, the
31 ferry bond retirement fund, the freight congestion relief account, the
32 freight mobility investment account, the freight mobility multimodal
33 account, the grade crossing protective fund, the public health services
34 account, the health system capacity account, the personal health
35 services account, the high capacity transportation account, the state
36 higher education construction account, the higher education
37 construction account, the highway bond retirement fund, the highway
38 infrastructure account, the highway safety account, the high occupancy

1 toll lanes operations account, the industrial insurance premium refund
2 account, the judges' retirement account, the judicial retirement
3 administrative account, the judicial retirement principal account, the
4 local leasehold excise tax account, the local real estate excise tax
5 account, the local sales and use tax account, the medical aid account,
6 the mobile home park relocation fund, the motor vehicle fund, the
7 motorcycle safety education account, the multimodal transportation
8 account, the municipal criminal justice assistance account, the
9 municipal sales and use tax equalization account, the natural resources
10 deposit account, the oyster reserve land account, the pension funding
11 stabilization account, the perpetual surveillance and maintenance
12 account, the public employees' retirement system plan 1 account, the
13 public employees' retirement system combined plan 2 and plan 3 account,
14 the public facilities construction loan revolving account beginning
15 July 1, 2004, the public health supplemental account, the public
16 transportation systems account, the public works assistance account,
17 the Puget Sound capital construction account, the Puget Sound ferry
18 operations account, the Puyallup tribal settlement account, the real
19 estate appraiser commission account, the recreational vehicle account,
20 the regional mobility grant program account, the resource management
21 cost account, the rural arterial trust account, the rural Washington
22 loan fund, the site closure account, the small city pavement and
23 sidewalk account, the special category C account, the special wildlife
24 account, the state employees' insurance account, the state employees'
25 insurance reserve account, the state investment board expense account,
26 the state investment board commingled trust fund accounts, the state
27 patrol highway account, the state route number 520 civil penalties
28 account, the state route number 520 corridor account, the supplemental
29 pension account, the Tacoma Narrows toll bridge account, the teachers'
30 retirement system plan 1 account, the teachers' retirement system
31 combined plan 2 and plan 3 account, the tobacco prevention and control
32 account, the tobacco settlement account, the transportation 2003
33 account (nickel account), the transportation equipment fund, the
34 transportation fund, the transportation improvement account, the
35 transportation improvement board bond retirement account, the
36 transportation infrastructure account, the transportation partnership
37 account, the traumatic brain injury account, the tuition recovery trust
38 fund, the University of Washington bond retirement fund, the University

1 of Washington building account, the urban arterial trust account, the
2 volunteer firefighters' and reserve officers' relief and pension
3 principal fund, the volunteer firefighters' and reserve officers'
4 administrative fund, the Washington fruit express account, the
5 Washington judicial retirement system account, the Washington law
6 enforcement officers' and firefighters' system plan 1 retirement
7 account, the Washington law enforcement officers' and firefighters'
8 system plan 2 retirement account, the Washington public safety
9 employees' plan 2 retirement account, the Washington school employees'
10 retirement system combined plan 2 and 3 account, the Washington state
11 health insurance pool account, the Washington state patrol retirement
12 account, the Washington State University building account, the
13 Washington State University bond retirement fund, the water pollution
14 control revolving fund, and the Western Washington University capital
15 projects account. Earnings derived from investing balances of the
16 agricultural permanent fund, the normal school permanent fund, the
17 permanent common school fund, the scientific permanent fund, and the
18 state university permanent fund shall be allocated to their respective
19 beneficiary accounts. All earnings to be distributed under this
20 subsection (4) shall first be reduced by the allocation to the state
21 treasurer's service fund pursuant to RCW 43.08.190.

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

Passed by the Senate March 8, 2010.

Passed by the House March 2, 2010.

Approved by the Governor March 30, 2010, with the exception of
certain items that were vetoed.

Filed in Office of Secretary of State March 31, 2010.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to Sections 1 and 3,
Engrossed Substitute Senate Bill 6392 entitled:

"AN ACT Relating to the use of revenue generated from tolling the
state route number 520 corridor."

Section 1 outlines legislative intent for the bill. I believe the
legislation itself states clearly that improvements throughout the SR
520 corridor need to move forward, with the proper input from
appropriate parties. However, Section 1 is vague and susceptible to
conflicting interpretations, which I believe could hinder our ability
to make progress on a project that is important to public safety and
economic vitality.

Section 3 requires that the SR 520 bridge be no higher than 20 feet.
I recognize it is important to local communities that the bridge have
as low a profile as possible. Decisions regarding the dimensions of a
transportation facility must also be based on engineering standards,

safety considerations, permitting requirements, and state and federal law. Section 3 potentially prevents the Department of Transportation from complying with Coast Guard requirements and eliminates any possibility of adjusting the size of the facility based upon design or permitting needs. As a result, I am vetoing this section and directing the Department to continue to work with neighborhoods and local governments to refine the preferred alternative design.

For these reasons, I have vetoed Sections 1 and 3 of Engrossed Substitute Senate Bill 6392.

With the exception of Sections 1 and 3, Engrossed Substitute Senate Bill 6392 is approved."