
HOUSE BILL 2277

State of Washington 57th Legislature 2001 Second Special Session

By Representative Ogden

Read first time . Referred to Committee on .

1 AN ACT Relating to public and private financing for projects
2 developed under the Public-Private Initiatives Program; amending RCW
3 47.46.030, 47.46.040, 47.46.050, 47.46.060, 47.56.030, 47.56.270,
4 47.56.271, and 39.46.070; reenacting and amending RCW 43.84.092 and
5 43.84.092; adding new sections to chapter 47.46 RCW; adding a new
6 section to chapter 47.10 RCW; creating new sections; providing an
7 effective date; providing an expiration date; and declaring an
8 emergency.

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

10 NEW SECTION. **Sec. 1.** The legislature finds that greater
11 flexibility to provide state financing for projects developed under
12 chapter 47.46 RCW will result in better use of public resources, lower
13 financing costs, and potential savings to taxpayers. The legislature
14 intends to: Clarify the ability of the department of transportation to
15 use public and private financing for projects selected and developed
16 under chapter 47.46 RCW; provide the department with specific means of
17 state financing where that financing is in the public's best interest;
18 provide citizens living in the impacted areas a statutory mechanism to
19 review proposed toll rates and provide input before adoption of toll

1 schedules by the toll authority; and prevent unreasonable delay of
2 critical transportation projects that are essential for public safety
3 and welfare.

4 **Sec. 2.** RCW 47.46.030 and 1996 c 280 s 1 are each amended to read
5 as follows:

6 (1) The secretary or a designee shall solicit proposals from, and
7 negotiate and enter into agreements with, private entities to undertake
8 as appropriate, together with the department and other public entities,
9 all or a portion of the study, planning, design, construction,
10 operation, and maintenance of transportation systems and facilities,
11 using in whole or in part public or private sources of financing.

12 The public-private initiatives program may develop up to six
13 demonstration projects. Each proposal shall be weighed on its own
14 merits, and each of the six agreements shall be negotiated
15 individually, and as a stand-alone project.

16 (2) If project proposals selected prior to September 1, 1994, are
17 terminated by the public or private sectors, the department shall not
18 select any new projects, including project proposals submitted to the
19 department prior to September 1, 1994, and designated by the
20 transportation commission as placeholder projects, after June 16, 1995,
21 until June 30, 1997.

22 The department, in consultation with the legislative transportation
23 committee, shall conduct a program and fiscal audit of the public-
24 private initiatives program for the biennium ending June 30, 1997. The
25 department shall submit a progress report to the legislative
26 transportation committee on the program and fiscal audit by June 30,
27 1996, with preliminary and final audit reports due December 1, 1996,
28 and June 30, 1997, respectively.

29 The department shall develop and submit a proposed public
30 involvement plan to the 1997 legislature to identify the process for
31 selecting new potential projects and the associated costs of
32 implementing the plan. The legislature must adopt the public
33 involvement plan before the department may proceed with any activity
34 related to project identification and selection. Following legislative
35 adoption of the public involvement plan, the department is authorized
36 to implement the plan and to identify potential new projects.

37 The public involvement plan for projects selected after June 30,
38 1997, shall, at a minimum, identify projects that: (a) Have the

1 potential of achieving overall public support among users of the
2 projects, residents of communities in the vicinity of the projects, and
3 residents of communities impacted by the projects; (b) meet a state
4 transportation need; (c) provide a significant state benefit; and (d)
5 provide competition among proposers and maximum cost benefits to users.
6 Prospective projects may include projects identified by the department
7 or submitted by the private sector.

8 Projects that meet the minimum criteria established under this
9 section and the requirements of the public involvement plan developed
10 by the department and approved by the legislature shall be submitted to
11 the Washington state transportation commission for its review. The
12 commission, in turn, shall submit a list of eligible projects to the
13 legislative transportation committee for its consideration. Forty-five
14 days after the submission to the legislative transportation committee
15 of the list of eligible projects, the secretary is authorized to
16 solicit proposals for the eligible project.

17 (3) Prior to entering into agreements with private entities under
18 the requirements of RCW 47.46.040 for any project proposal selected
19 before September 1, 1994, or after June 30, 1997, except as provided
20 for in subsections (~~((11) and~~) (12) and (13) of this section, the
21 department shall require an advisory vote as provided under subsections
22 (5) through (10) of this section.

23 (4) The advisory vote shall apply to project proposals selected
24 prior to September 1, 1994, or after June 30, 1997, that receive public
25 opposition as demonstrated by the submission to the department of
26 original petitions bearing at least five thousand signatures of
27 individuals opposing the project collected and submitted in accordance
28 with the dates established in subsections (12) and (13) of this
29 section. The advisory vote shall be on the preferred alternative
30 identified under the requirements of chapter 43.21C RCW and, if
31 applicable, the national environmental policy act, 42 U.S.C. 4321 et
32 seq. The execution by the department of the advisory vote process
33 established in this section is subject to the prior appropriation of
34 funds by the legislature for the purpose of conducting environmental
35 impact studies, a public involvement program, local involvement
36 committee activities, traffic and economic impact analyses, engineering
37 and technical studies, and the advisory vote.

38 (5) In preparing for the advisory vote, the department shall
39 conduct a comprehensive analysis of traffic patterns and economic

1 impact to define the geographical boundary of the project area that is
2 affected by the imposition of tolls or user fees authorized under this
3 chapter. The area so defined is referred to in this section as the
4 affected project area. In defining the affected project area, the
5 department shall, at a minimum, undertake: (a) A comparison of the
6 estimated percentage of residents of communities in the vicinity of the
7 project and in other communities impacted by the project who could be
8 subject to tolls or user fees and the estimated percentage of other
9 users and transient traffic that could be subject to tolls or user
10 fees; (b) an analysis of the anticipated traffic diversion patterns;
11 (c) an analysis of the potential economic impact resulting from
12 proposed toll rates or user fee rates imposed on residents, commercial
13 traffic, and commercial entities in communities in the vicinity of and
14 impacted by the project; (d) an analysis of the economic impact of
15 tolls or user fees on the price of goods and services generally; and
16 (e) an analysis of the relationship of the project to state
17 transportation needs and benefits.

18 (6)(a) After determining the definition of the affected project
19 area, the department shall establish a committee comprised of
20 individuals who represent cities and counties in the affected project
21 area; organizations formed to support or oppose the project; and users
22 of the project. The committee shall be named the public-private local
23 involvement committee, and be known as the local involvement committee.

24 (b) The members of the local involvement committee shall be: (i)
25 An elected official from each city within the affected project area;
26 (ii) an elected official from each county within the affected project
27 area; (iii) two persons from each county within the affected project
28 area who represent an organization formed in support of the project, if
29 the organization exists; (iv) two persons from each county within the
30 affected project area who represent an organization formed to oppose
31 the project, if the organization exists; and (v) four public members
32 active in a statewide transportation organization. If the committee
33 makeup results in an even number of committee members, there shall be
34 an additional appointment of an elected official from the county in
35 which all, or the greatest portion of the project is located.

36 (c) City and county elected officials shall be appointed by a
37 majority of the members of the city or county legislative authorities
38 of each city or county within the affected project area, respectively.
39 The county legislative authority of each county within the affected

1 project area shall identify and validate organizations officially
2 formed in support of or in opposition to the project and shall make the
3 appointments required under this section from a list submitted by the
4 chair of the organizations. Public members shall be appointed by the
5 governor. All appointments to the local involvement committee shall be
6 made and submitted to the department of transportation no later than
7 January 1, 1996, for projects selected prior to September 1, 1994, and
8 no later than thirty days after the affected project area is defined
9 for projects selected after June 30, 1997. Vacancies in the membership
10 of the local involvement committee shall be filled by the appointing
11 authority under (b)(i) through (v) of this subsection for each position
12 on the committee.

13 (d) The local involvement committee shall serve in an advisory
14 capacity to the department on all matters related to the execution of
15 the advisory vote.

16 (e) Members of the local involvement committee serve without
17 compensation and may not receive subsistence, lodging expenses, or
18 travel expenses.

19 (7) The department shall conduct a minimum thirty-day public
20 comment period on the definition of the geographical boundary of the
21 project area. The department, in consultation with the local
22 involvement committee, shall make adjustments, if required, to the
23 definition of the geographical boundary of the affected project area,
24 based on comments received from the public. Within fourteen calendar
25 days after the public comment period, the department shall set the
26 boundaries of the affected project area in units no smaller than a
27 precinct as defined in RCW 29.01.120.

28 (8) The department, in consultation with the local involvement
29 committee, shall develop a description for selected project proposals.
30 After developing the description of the project proposal, the
31 department shall publish the project proposal description in newspapers
32 of general circulation for seven calendar days in the affected project
33 area. Within fourteen calendar days after the last day of the
34 publication of the project proposal description, the department shall
35 transmit a copy of the map depicting the affected project area and the
36 description of the project proposal to the county auditor of the county
37 in which any portion of the affected project area is located.

1 (9) The department shall provide the legislative transportation
2 committee with progress reports on the status of the definition of the
3 affected project area and the description of the project proposal.

4 (10) Upon receipt of the map and the description of the project
5 proposal, the county auditor shall, within thirty days, verify the
6 precincts that are located within the affected project area. The
7 county auditor shall prepare the text identifying and describing the
8 affected project area and the project proposal using the definition of
9 the geographical boundary of the affected project area and the project
10 description submitted by the department and shall set an election date
11 for the submission of a ballot proposition authorizing the imposition
12 of tolls or user fees to implement the proposed project within the
13 affected project area, which date may be the next succeeding general
14 election to be held in the state, or at a special election, if
15 requested by the department. The text of the project proposal must
16 appear in a voter's pamphlet for the affected project area. The
17 department shall pay the costs of publication and distribution. The
18 special election date must be the next date for a special election
19 provided under RCW 29.13.020 that is at least sixty days but, if
20 authorized under RCW 29.13.020, no more than ninety days after the
21 receipt of the final map and project description by the auditor. The
22 department shall pay the cost of an election held under this section.

23 (11) Notwithstanding any other provision of law, the department may
24 contract with a private developer of a selected project proposal to
25 conduct environmental impact studies, a public involvement program, and
26 engineering and technical studies funded by the legislature. For
27 projects subject to this subsection, the department shall not enter
28 into an agreement under RCW 47.46.040 prior to the advisory vote on the
29 preferred alternative.

30 (12) Subsections (5) through (10) of this section shall not apply
31 to project proposals selected prior to September 1, 1994, that have no
32 organized public opposition as demonstrated by the submission to the
33 department of original petitions bearing at least five thousand
34 signatures of individuals opposing the project, collected and submitted
35 after September 1, 1994, and by thirty calendar days after June 16,
36 1995.

37 (13) Subsections (5) through (10) of this section shall not apply
38 to project proposals selected after June 30, 1997, that have no
39 organized public opposition as demonstrated by the submission to the

1 department of original petitions bearing at least five thousand
2 signatures of individuals opposing the project, collected and submitted
3 by ninety calendar days after project selection.

4 NEW SECTION. **Sec. 3.** A new section is added to chapter 47.46 RCW
5 to read as follows:

6 (1) To the extent that the legislature specifically appropriates
7 funding for a project developed under this chapter using the proceeds
8 of bonds issued by the state, an agreement for the design or
9 construction of the project entered into by the secretary must
10 incorporate provisions for the financing that fully use the state
11 financing provided by the appropriation. As provided in section 10 of
12 this act, the state finance committee shall evaluate proposals for
13 additional bond sales needed to complete a project.

14 (2) The secretary shall amend existing agreements or execute new
15 agreements to comply with subsection (1) of this section.

16 (3) If the secretary is unable to reach agreement with other
17 parties on contractual provisions providing for state financing, the
18 secretary shall not enter into an agreement, or shall take no action
19 with respect to an agreement, or shall exercise termination provisions,
20 whichever option results in the lowest net cost to the state.

21 NEW SECTION. **Sec. 4.** A new section is added to chapter 47.10 RCW
22 to read as follows:

23 A maximum of eight hundred million dollars of the bonds authorized
24 under RCW 47.10.843 are specifically provided for highway projects
25 developed under chapter 47.46 RCW. Proceeds from bonds sold in
26 compliance with this allocation may, consistent with the terms of RCW
27 47.10.843, be used for location, design, right-of-way, and construction
28 of state and local highway improvements, including but not limited to
29 costs allowed by RCW 39.46.070 including all costs related to financing
30 incurred in providing for bond proceeds for those items.

31 NEW SECTION. **Sec. 5.** A new section is added to chapter 47.46 RCW
32 to read as follows:

33 The department may provide for the establishment and construction
34 of public toll bridge facilities upon any public highways of this state
35 together with approaches to them under agreements entered into under
36 this chapter to develop such facilities. A public toll bridge facility

1 authorized under this section includes, but is not limited to, the
2 construction of an additional toll bridge, including approaches,
3 adjacent to and within two miles of an existing bridge, the imposition
4 of tolls on both bridges, and the operation of both bridges as one toll
5 facility.

6 NEW SECTION. **Sec. 6.** A new section is added to chapter 47.46 RCW
7 to read as follows:

8 (1) A citizen advisory committee must be created for any project
9 developed under this chapter that imposes toll charges for use of a
10 transportation facility. The governor shall appoint nine members to
11 the committee, all of whom must be permanent residents of the affected
12 project area, as that term is used in RCW 47.46.030.

13 (2) The citizen advisory committee shall serve in an advisory
14 capacity to an entity imposing tolls under this chapter on all matters
15 related to the imposition of tolls. Members of the committee serve
16 without compensation and may not receive subsistence, lodging expenses,
17 or travel expenses.

18 (3) No toll may be imposed or modified unless the citizen advisory
19 committee has been given at least twenty days to review and comment on
20 any proposed toll schedule. In setting toll rates, the toll authority
21 shall give consideration to any recommendations of the citizen advisory
22 committee.

23 NEW SECTION. **Sec. 7.** A new section is added to chapter 47.46 RCW
24 to read as follows:

25 The commission shall fix the rates of toll and other charges for
26 all state-financed toll bridges built under this chapter. The
27 commission may change toll charges from time to time as conditions
28 warrant. In establishing toll charges, the commission shall give due
29 consideration to any required costs for operating and maintaining the
30 toll bridge or toll bridges, including the cost of insurance, and to
31 the amount required annually to meet the redemption of bonds and
32 interest payments on them. The tolls and charges must at all times be
33 fixed at rates to yield annual revenue equal to annual operating and
34 maintenance expenses, except as provided in RCW 47.56.245, including
35 insurance costs and all redemption payments and interest charges of the
36 bonds issued for any particular toll bridge or toll bridges as the
37 bonds become due. The bond redemption and interest payments constitute

1 a first direct and exclusive charge and lien on all tolls and other
2 revenues and interest on them. Sinking funds created therefrom
3 received from the use and operation of the toll bridge or toll bridges,
4 and the tolls and revenues together with the interest earned on them
5 constitute a trust fund for the payment of the bonds and may not be
6 used or pledged for any other purpose as long as any of these bonds are
7 outstanding and unpaid.

8 NEW SECTION. **Sec. 8.** A new section is added to chapter 47.46 RCW
9 to read as follows:

10 The commission shall retain toll charges on any existing and future
11 facilities constructed under this chapter until all costs of
12 investigation, financing, acquisition of property, and construction
13 advanced from the motor vehicle fund, and obligations incurred in
14 constructing that facility have been fully paid. Funds specifically
15 appropriated as a state financial contribution to a project do not
16 require repayment.

17 NEW SECTION. **Sec. 9.** A new section is added to chapter 47.46 RCW
18 to read as follows:

19 Pursuant to RCW 43.135.055, the legislature authorizes the
20 transportation commission to increase bridge tolls in excess of the
21 fiscal growth factor.

22 NEW SECTION. **Sec. 10.** A new section is added to chapter 47.46 RCW
23 to read as follows:

24 (1) With the exception of an initial bond sale, the state finance
25 committee shall review proposals for the sale of state bonds on
26 projects developed under this chapter. If the finance committee finds
27 that bonds could be issued by a private entity, special purpose entity,
28 municipality, or nonprofit entity at a lower cost to the toll payers,
29 the state finance committee shall recommend that the department of
30 transportation execute an agreement for such sale. In comparing the
31 relative cost of financing under this section, the finance committee
32 shall review potential nonstate financing using the same bond sale
33 amount and term of years as that proposed for the sale of state bonds.

34 (2) Upon recommendation of the state finance committee, the
35 department of transportation may finance or refinance projects

1 developed under this chapter with bonds issued by a private entity,
2 special purpose entity, municipality, or nonprofit entity.

3 NEW SECTION. **Sec. 11.** A new section is added to chapter 47.46 RCW
4 to read as follows:

5 Money arising from the sale of bonds for the purposes authorized
6 under section 5 of this act must be deposited in the state treasury to
7 the credit of a special account designated for those purposes. Those
8 funds are available only for the purposes enumerated in this chapter,
9 for payment of the expense incurred in the issuance and sale of any
10 such bonds, and to repay the motor vehicle fund for any sums advanced
11 to pay the cost of surveys, location, design, right-of-way, and all
12 other things necessary for the financing and construction of the bridge
13 and its approaches.

14 NEW SECTION. **Sec. 12.** A new section is added to chapter 47.46 RCW
15 to read as follows:

16 A special account to be known as the Tacoma Narrows toll bridge
17 account is created in the motor vehicle fund in the state treasury.
18 All proceeds of bonds issued under section 4 of this act, including any
19 capitalized interest, and at least monthly all of the tolls and other
20 revenues received from the operation of the toll bridge and from any
21 interest that may be earned from the deposit or investment of these
22 revenues, must be deposited into this account. Revenues and interest
23 may be used to pay any required costs of financing, operation,
24 maintenance, management, and necessary repairs of the facility.

25 NEW SECTION. **Sec. 13.** A new section is added to chapter 47.46 RCW
26 to read as follows:

27 Tolls must remain on the facility for a length of time necessary to
28 repay the motor vehicle fund for any amounts expended on the design,
29 development, financing, construction, maintenance, repair, or operation
30 of the Tacoma Narrows toll bridge project. Funds specifically
31 appropriated as a state financial contribution to the project do not
32 require repayment.

33 NEW SECTION. **Sec. 14.** A new section is added to chapter 47.46 RCW
34 to read as follows:

1 If a proposal is selected for construction under this chapter,
2 subsequent agreements made to implement the proposal that do not
3 incorporate all the features of the proposal do not require the
4 solicitation of additional proposals.

5 **Sec. 15.** RCW 47.46.040 and 2001 c 64 s 14 are each amended to read
6 as follows:

7 (1) All projects designed, constructed, and operated under this
8 authority must comply with all applicable rules and statutes in
9 existence at the time the agreement is executed, including but not
10 limited to the following provisions: Chapter 39.12 RCW, this title,
11 RCW 41.06.380, chapter 47.64 RCW, RCW 49.60.180, and 49 C.F.R. Part 21.

12 (2) The secretary or a designee shall consult with legal,
13 financial, and other experts within and outside state government in the
14 negotiation and development of the agreements.

15 (3) Agreements (~~shall~~) may provide for private ownership of the
16 projects during the construction period. After completion and final
17 acceptance of each project or discrete segment thereof, the agreement
18 (~~shall~~) may provide for state ownership of the transportation systems
19 and facilities and lease to the private entity unless the state elects
20 to provide for ownership of the facility by the private entity during
21 the term of the agreement.

22 The state (~~shall~~) may lease each of the demonstration projects,
23 or applicable project segments, to the private entities for operating
24 purposes for up to fifty years.

25 (4) The department may exercise any power possessed by it to
26 facilitate the development, construction, financing operation, and
27 maintenance of transportation projects under this chapter. Agreements
28 for maintenance services entered into under this section shall provide
29 for full reimbursement for services rendered by the department or other
30 state agencies. Agreements for police services for projects, involving
31 state highway routes, developed under agreements shall be entered into
32 with the Washington state patrol. The agreement for police services
33 shall provide that the state patrol will be reimbursed for costs on a
34 comparable basis with the costs incurred for comparable service on
35 other state highway routes. The department may provide services for
36 which it is reimbursed, including but not limited to preliminary
37 planning, environmental certification, and preliminary design of the
38 demonstration projects.

1 (5) The plans and specifications for each project constructed under
2 this section shall comply with the department's standards for state
3 projects. A facility constructed by and leased to a private entity is
4 deemed to be a part of the state highway system for purposes of
5 identification, maintenance, and enforcement of traffic laws and for
6 the purposes of applicable sections of this title. Upon reversion of
7 the facility to the state, the project must meet all applicable state
8 standards. Agreements shall address responsibility for reconstruction
9 or renovations that are required in order for a facility to meet all
10 applicable state standards upon reversion of the facility to the state.

11 (6) For the purpose of facilitating these projects and to assist
12 the private entity in the financing, development, construction, and
13 operation of the transportation systems and facilities, the agreements
14 may include provisions for the department to exercise its authority,
15 including the lease of facilities, rights of way, and airspace,
16 exercise of the power of eminent domain, granting of development rights
17 and opportunities, granting of necessary easements and rights of
18 access, issuance of permits and other authorizations, protection from
19 competition, remedies in the event of default of either of the parties,
20 granting of contractual and real property rights, liability during
21 construction and the term of the lease, authority to negotiate
22 acquisition of rights of way in excess of appraised value, and any
23 other provision deemed necessary by the secretary.

24 (7) The agreements entered into under this section may include
25 provisions authorizing the state to grant necessary easements and lease
26 to a private entity existing rights of way or rights of way
27 subsequently acquired with public or private financing. The agreements
28 may also include provisions to lease to the entity airspace above or
29 below the right of way associated or to be associated with the private
30 entity's transportation facility. In consideration for the reversion
31 rights in these privately constructed facilities, the department may
32 negotiate a charge for the lease of airspace rights during the term of
33 the agreement for a period not to exceed fifty years. If, after the
34 expiration of this period, the department continues to lease these
35 airspace rights to the private entity, it shall do so only at fair
36 market value. The agreement may also provide the private entity the
37 right of first refusal to undertake projects utilizing airspace owned
38 by the state in the vicinity of the public-private project.

1 (8) Agreements under this section may include any contractual
2 provision that is necessary to protect the project revenues required to
3 repay the costs incurred to study, plan, design, finance, acquire,
4 build, install, operate, enforce laws, and maintain toll highways,
5 bridges, and tunnels and which will not unreasonably inhibit or
6 prohibit the development of additional public transportation systems
7 and facilities. Agreements under this section must secure and maintain
8 liability insurance coverage in amounts appropriate to protect the
9 project's viability and may address state indemnification of the
10 private entity for design and construction liability where the state
11 has approved relevant design and construction plans.

12 (9) Agreements shall include a process that provides for public
13 involvement in decision making with respect to the development of the
14 projects.

15 (10)(a) In carrying out the public involvement process required in
16 subsection (9) of this section, the private entity shall proactively
17 seek public participation through a process appropriate to the
18 characteristics of the project that assesses and demonstrates public
19 support among: Users of the project, residents of communities in the
20 vicinity of the project, and residents of communities impacted by the
21 project.

22 (b) The private entity shall conduct a comprehensive public
23 involvement process that provides, periodically throughout the
24 development and implementation of the project, users and residents of
25 communities in the affected project area an opportunity to comment upon
26 key issues regarding the project including, but not limited to: (i)
27 Alternative sizes and scopes; (ii) design; (iii) environmental
28 assessment; (iv) right of way and access plans; (v) traffic impacts;
29 (vi) tolling or user fee strategies and tolling or user fee ranges;
30 (vii) project cost; (viii) construction impacts; (ix) facility
31 operation; and (x) any other salient characteristics.

32 (c) If the affected project area has not been defined, the private
33 entity shall define the affected project area by conducting, at a
34 minimum: (i) A comparison of the estimated percentage of residents of
35 communities in the vicinity of the project and in other communities
36 impacted by the project who could be subject to tolls or user fees and
37 the estimated percentage of other users and transient traffic that
38 could be subject to tolls or user fees; (ii) an analysis of the
39 anticipated traffic diversion patterns; (iii) an analysis of the

1 potential economic impact resulting from proposed toll rates or user
2 fee rates imposed on residents, commercial traffic, and commercial
3 entities in communities in the vicinity of and impacted by the project;
4 (iv) an analysis of the economic impact of tolls or user fees on the
5 price of goods and services generally; and (v) an analysis of the
6 relationship of the project to state transportation needs and benefits.

7 The agreement may require an advisory vote by users of and
8 residents in the affected project area.

9 (d) In seeking public participation, the private entity shall
10 establish a local involvement committee or committees comprised of
11 residents of the affected project area, individuals who represent
12 cities and counties in the affected project area, organizations formed
13 to support or oppose the project, if such organizations exist, and
14 users of the project. The private entity shall, at a minimum,
15 establish a committee as required under the specifications of RCW
16 47.46.030(6)(b) (ii) and (iii) and appointments to such committee shall
17 be made no later than thirty days after the project area is defined.

18 (e) Local involvement committees shall act in an advisory capacity
19 to the department and the private entity on all issues related to the
20 development and implementation of the public involvement process
21 established under this section.

22 (f) The department and the private entity shall provide the
23 legislative transportation committee and local involvement committees
24 with progress reports on the status of the public involvement process
25 including the results of an advisory vote, if any occurs.

26 (11) Nothing in this chapter limits the right of the secretary and
27 his or her agents to render such advice and to make such
28 recommendations as they deem to be in the best interests of the state
29 and the public.

30 **Sec. 16.** RCW 47.46.050 and 1995 2nd sp.s. c 19 s 4 are each
31 amended to read as follows:

32 (1) The department may enter into agreements using federal, state,
33 and local financing in connection with the projects, including without
34 limitation, grants, loans, and other measures authorized by section
35 1012 of ISTEPA, and to do such things as necessary and desirable to
36 maximize the funding and financing, including the formation of a
37 revolving loan fund to implement this section.

1 (2) Agreements entered into under this section (~~shall~~) may
2 authorize the private entity to lease the facilities within a
3 designated area or areas from the state and to impose user fees or
4 tolls within the designated area to allow a reasonable rate of return
5 on investment, as established through a negotiated agreement between
6 the state and the private entity. The negotiated agreement shall
7 determine a maximum rate of return on investment, based on project
8 characteristics. If the negotiated rate of return on investment is not
9 affected, the private entity may establish and modify toll rates and
10 user fees.

11 (3) Agreements may establish "incentive" rates of return beyond the
12 negotiated maximum rate of return on investment. The incentive rates
13 of return shall be designed to provide financial benefits to the
14 affected public jurisdictions and the private entity, given the
15 attainment of various safety, performance, or transportation demand
16 management goals. The incentive rates of return shall be negotiated in
17 the agreement.

18 (4) Agreements (~~shall~~) that provide for ownership or lease of a
19 facility by a private entity must require that over the term of the
20 ownership or lease the user fees or toll revenues be applied only to
21 payment of the (~~private entity's~~) capital outlay costs for the
22 project, including project development costs, interest expense, the
23 costs associated with design, construction, operations, toll
24 collection, maintenance and administration of the project,
25 reimbursement to the state for all costs associated with an election as
26 required under RCW 47.46.030, the costs of project review and
27 oversight, technical and law enforcement services, establishment of a
28 fund to assure the adequacy of maintenance expenditures, and a
29 reasonable return on investment to the private entity. A negotiated
30 agreement shall not extend the term of the ownership or lease beyond
31 the period of time required for payment of the private entity's capital
32 outlay costs for the project under this subsection.

33 **Sec. 17.** RCW 47.46.060 and 1998 c 179 s 4 are each amended to read
34 as follows:

35 (1) Either the department of transportation or a private entity
36 that is party to an agreement under this chapter may apply for deferral
37 of taxes on the site preparation for, the construction of, the
38 acquisition of any related machinery and equipment which will become a

1 part of, and the rental of equipment for use in the state route number
2 16 corridor improvements project under this chapter. Application shall
3 be made to the department of revenue in a form and manner prescribed by
4 the department of revenue. The application shall contain information
5 regarding estimated or actual costs, time schedules for completion and
6 operation, and other information required by the department of revenue.
7 The department of revenue shall approve the application within sixty
8 days if it meets the requirements of this section.

9 (2) The department of revenue shall issue a sales and use tax
10 deferral certificate for state and local sales and use taxes due under
11 chapters 82.08, 82.12, and 82.14 RCW on the project. The use of the
12 certificate shall be governed by rules established by the department of
13 revenue.

14 (3) The department of transportation or a private entity granted a
15 tax deferral under this section shall begin paying the deferred taxes
16 in the fifth year after the date certified by the department of revenue
17 as the date on which the project is operationally complete. The first
18 payment is due on December 31st of the fifth calendar year after such
19 certified date, with subsequent annual payments due on December 31st of
20 the following nine years. Each payment shall equal ten percent of the
21 deferred tax.

22 (4) The department of revenue may authorize an accelerated
23 repayment schedule upon request of the department of transportation or
24 a private entity granted a deferral under this section.

25 (5) Interest shall not be charged on any taxes deferred under this
26 section for the period of deferral, although all other penalties and
27 interest applicable to delinquent excise taxes may be assessed and
28 imposed for delinquent payments under this section. The debt for
29 deferred taxes is not extinguished by insolvency or other failure of
30 the private entity.

31 (6) Applications and any other information received by the
32 department of revenue under this section are not confidential and are
33 subject to disclosure. Chapter 82.32 RCW applies to the administration
34 of this section.

35 **Sec. 18.** RCW 47.56.030 and 2001 c 59 s 1 are each amended to read
36 as follows:

37 (1) Except as allowed under chapter 47.46 RCW:

1 (a) The department of transportation shall have full charge of the
2 construction of all toll bridges and other toll facilities including
3 the Washington state ferries, and the operation and maintenance
4 thereof.

5 (b) The transportation commission shall determine and establish the
6 tolls and charges thereon, and shall perform all duties and exercise
7 all powers relating to the financing, refinancing, and fiscal
8 management of all toll bridges and other toll facilities including the
9 Washington state ferries, and bonded indebtedness in the manner
10 provided by law.

11 (c) The department shall have full charge of design of all toll
12 facilities.

13 (d) Except as provided in this section, the department shall
14 proceed with the construction of such toll bridges and other facilities
15 and the approaches thereto by contract in the manner of state highway
16 construction immediately upon there being made available funds for such
17 work and shall prosecute such work to completion as rapidly as
18 practicable. The department is authorized to negotiate contracts for
19 any amount without bid under ~~((a))~~ (d)(i) and ~~((b))~~ (ii) of this
20 subsection:

21 ~~((a))~~ (i) Emergency contracts, in order to make repairs to
22 ferries or ferry terminal facilities or removal of such facilities
23 whenever continued use of ferries or ferry terminal facilities
24 constitutes a real or immediate danger to the traveling public or
25 precludes prudent use of such ferries or facilities; and

26 ~~((b))~~ (ii) Single source contracts for vessel dry dockings, when
27 there is clearly and legitimately only one available bidder to conduct
28 dry dock-related work for a specific class or classes of vessels. The
29 contracts may be entered into for a single vessel dry docking or for
30 multiple vessel dry dockings for a period not to exceed two years.

31 (2) The department shall proceed with the procurement of materials,
32 supplies, services, and equipment needed for the support, maintenance,
33 and use of a ferry, ferry terminal, or other facility operated by
34 Washington state ferries, in accordance with chapter 43.19 RCW except
35 as follows:

36 (a) Except as provided in (d) of this subsection, when the
37 secretary of the department of transportation determines in writing
38 that the use of invitation for bid is either not practicable or not
39 advantageous to the state and it may be necessary to make competitive

1 evaluations, including technical or performance evaluations among
2 acceptable proposals to complete the contract award, a contract may be
3 entered into by use of a competitive sealed proposals method, and a
4 formal request for proposals solicitation. Such formal request for
5 proposals solicitation shall include a functional description of the
6 needs and requirements of the state and the significant factors.

7 (b) When purchases are made through a formal request for proposals
8 solicitation the contract shall be awarded to the responsible proposer
9 whose competitive sealed proposal is determined in writing to be the
10 most advantageous to the state taking into consideration price and
11 other evaluation factors set forth in the request for proposals. No
12 significant factors may be used in evaluating a proposal that are not
13 specified in the request for proposals. Factors that may be considered
14 in evaluating proposals include but are not limited to: Price;
15 maintainability; reliability; commonality; performance levels; life
16 cycle cost if applicable under this section; cost of transportation or
17 delivery; delivery schedule offered; installation cost; cost of spare
18 parts; availability of parts and service offered; and the following:

19 (i) The ability, capacity, and skill of the proposer to perform the
20 contract or provide the service required;

21 (ii) The character, integrity, reputation, judgment, experience,
22 and efficiency of the proposer;

23 (iii) Whether the proposer can perform the contract within the time
24 specified;

25 (iv) The quality of performance of previous contracts or services;

26 (v) The previous and existing compliance by the proposer with laws
27 relating to the contract or services;

28 (vi) Objective, measurable criteria defined in the request for
29 proposal. These criteria may include but are not limited to items such
30 as discounts, delivery costs, maintenance services costs, installation
31 costs, and transportation costs; and

32 (vii) Such other information as may be secured having a bearing on
33 the decision to award the contract.

34 (c) When purchases are made through a request for proposal process,
35 proposals received shall be evaluated based on the evaluation factors
36 set forth in the request for proposal. When issuing a request for
37 proposal for the procurement of propulsion equipment or systems that
38 include an engine, the request for proposal must specify the use of a
39 life cycle cost analysis that includes an evaluation of fuel

1 efficiency. When a life cycle cost analysis is used, the life cycle
2 cost of a proposal shall be given at least the same relative importance
3 as the initial price element specified in the request of proposal
4 documents. The department may reject any and all proposals received.
5 If the proposals are not rejected, the award shall be made to the
6 proposer whose proposal is most advantageous to the department,
7 considering price and the other evaluation factors set forth in the
8 request for proposal.

9 (d) If the department is procuring large equipment or systems
10 (e.g., electrical, propulsion) needed for the support, maintenance, and
11 use of a ferry operated by Washington state ferries, the department
12 shall proceed with a formal request for proposal solicitation under
13 this subsection (2) without a determination of necessity by the
14 secretary.

15 **Sec. 19.** RCW 47.56.270 and 1983 c 3 s 129 are each amended to read
16 as follows:

17 The Lake Washington bridge and the Tacoma Narrows bridge in
18 existence on the effective date of this act and in chapter 47.17 RCW
19 made a part of the primary state highways of the state of Washington,
20 shall, upon completion, be operated, maintained, kept up, and repaired
21 by the department in the manner provided in this chapter, and the cost
22 of such operation, maintenance, upkeep, and repair shall be paid from
23 funds appropriated for the use of the department for the construction
24 and maintenance of the primary state highways of the state of
25 Washington.

26 **Sec. 20.** RCW 47.56.271 and 1983 c 3 s 130 are each amended to read
27 as follows:

28 Except as otherwise provided in this section, the Tacoma Narrows
29 bridge hereinbefore by the provisions of RCW 47.17.065 and 47.56.270
30 made a part of the primary state highways of the state shall be
31 operated and maintained by the department as a toll-free facility at
32 such time as the ((present)) bonded indebtedness relating ((thereto))
33 to the construction of the Tacoma Narrows bridge in existence on the
34 effective date of this act is wholly retired and tolls equaling the
35 ((present)) indebtedness of the toll bridge authority incurred for the
36 construction of the Tacoma Narrows bridge in existence on the effective
37 date of this act to the county of Pierce have been collected. Tolls

1 may only be imposed upon the Tacoma Narrows bridge in existence on the
2 effective date of this act if that bridge is included as part of a
3 public toll bridge facility that includes an additional toll bridge
4 adjacent to the existing bridge constructed under sections 3, 4, 5, and
5 10 of this act. It is the express intent of the legislature that the
6 provisions of RCW 47.56.245 (section 47.56.245, chapter 13, Laws of
7 1961) shall not be applicable to the Tacoma Narrows bridge in existence
8 on the effective date of this act.

9 **Sec. 21.** RCW 39.46.070 and 1983 c 167 s 7 are each amended to read
10 as follows:

11 (1) Except as provided in subsection (2) of this section, the
12 proceeds of any bonds issued by the state or a local government may be
13 used to pay incidental costs and costs related to the sale and issuance
14 of the bonds. Such costs include payments for fiscal and legal
15 expenses, obtaining bond ratings, printing, engraving, advertising,
16 establishing and funding reserve accounts and other accounts, an amount
17 for working capital, capitalized interest for up to six months,
18 necessary and related engineering, architectural, planning, and
19 inspection costs, and other similar activities or purposes.

20 (2) In addition to the costs enumerated in subsection (1) of this
21 section, costs authorized under this section include capitalized
22 interest for up to seventy-two months from the date of issuance for
23 bonds issued by the state for the construction of a public toll bridge
24 authority under chapter 47.46 RCW.

25 **Sec. 22.** RCW 43.84.092 and 2001 c 273 s 5, 2001 c 141 s 2, and
26 2001 c 80 s 4 are each reenacted and amended to read as follows:

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

30 (2) The treasury income account shall be utilized to pay or receive
31 funds associated with federal programs as required by the federal cash
32 management improvement act of 1990. The treasury income account is
33 subject in all respects to chapter 43.88 RCW, but no appropriation is
34 required for refunds or allocations of interest earnings required by
35 the cash management improvement act. Refunds of interest to the
36 federal treasury required under the cash management improvement act
37 fall under RCW 43.88.180 and shall not require appropriation. The

1 office of financial management shall determine the amounts due to or
2 from the federal government pursuant to the cash management improvement
3 act. The office of financial management may direct transfers of funds
4 between accounts as deemed necessary to implement the provisions of the
5 cash management improvement act, and this subsection. Refunds or
6 allocations shall occur prior to the distributions of earnings set
7 forth in subsection (4) of this section.

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

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

20 (a) The following accounts and funds shall receive their
21 proportionate share of earnings based upon each account's and fund's
22 average daily balance for the period: The capitol building
23 construction account, the Cedar River channel construction and
24 operation account, the Central Washington University capital projects
25 account, the charitable, educational, penal and reformatory
26 institutions account, the common school construction fund, the county
27 criminal justice assistance account, the county sales and use tax
28 equalization account, the data processing building construction
29 account, the deferred compensation administrative account, the deferred
30 compensation principal account, the department of retirement systems
31 expense account, the drinking water assistance account, the drinking
32 water assistance administrative account, the drinking water assistance
33 repayment account, the Eastern Washington University capital projects
34 account, the education construction fund, the emergency reserve fund,
35 the federal forest revolving account, the health services account, the
36 public health services account, the health system capacity account, the
37 personal health services account, the state higher education
38 construction account, the higher education construction account, the
39 highway infrastructure account, the industrial insurance premium refund

1 account, the judges' retirement account, the judicial retirement
2 administrative account, the judicial retirement principal account, the
3 local leasehold excise tax account, the local real estate excise tax
4 account, the local sales and use tax account, the medical aid account,
5 the mobile home park relocation fund, the multimodal transportation
6 account, the municipal criminal justice assistance account, the
7 municipal sales and use tax equalization account, the natural resources
8 deposit account, the oyster reserve land account, the perpetual
9 surveillance and maintenance account, the public employees' retirement
10 system plan 1 account, the public employees' retirement system plan 2
11 account, the public health supplemental account, the Puyallup tribal
12 settlement account, the resource management cost account, the site
13 closure account, the special wildlife account, the state employees'
14 insurance account, the state employees' insurance reserve account, the
15 state investment board expense account, the state investment board
16 commingled trust fund accounts, the supplemental pension account, the
17 Tacoma Narrows toll bridge account, the teachers' retirement system
18 plan 1 account, the teachers' retirement system combined plan 2 and
19 plan 3 account, the tobacco prevention and control account, the tobacco
20 settlement account, the transportation infrastructure account, the
21 tuition recovery trust fund, the University of Washington bond
22 retirement fund, the University of Washington building account, the
23 volunteer fire fighters' and reserve officers' relief and pension
24 principal fund, the volunteer fire fighters' and reserve officers'
25 administrative fund, the Washington judicial retirement system account,
26 the Washington law enforcement officers' and fire fighters' system plan
27 1 retirement account, the Washington law enforcement officers' and fire
28 fighters' system plan 2 retirement account, the Washington school
29 employees' retirement system combined plan 2 and 3 account, the
30 Washington state health insurance pool account, the Washington state
31 patrol retirement account, the Washington State University building
32 account, the Washington State University bond retirement fund, the
33 water pollution control revolving fund, and the Western Washington
34 University capital projects account. Earnings derived from investing
35 balances of the agricultural permanent fund, the normal school
36 permanent fund, the permanent common school fund, the scientific
37 permanent fund, and the state university permanent fund shall be
38 allocated to their respective beneficiary accounts. All earnings to be
39 distributed under this subsection (4)(a) shall first be reduced by the

1 allocation to the state treasurer's service fund pursuant to RCW
2 43.08.190.

3 (b) The following accounts and funds shall receive eighty percent
4 of their proportionate share of earnings based upon each account's or
5 fund's average daily balance for the period: The aeronautics account,
6 the aircraft search and rescue account, the county arterial
7 preservation account, the department of licensing services account, the
8 essential rail assistance account, the ferry bond retirement fund, the
9 grade crossing protective fund, the high capacity transportation
10 account, the highway bond retirement fund, the highway safety account,
11 the motor vehicle fund, the motorcycle safety education account, the
12 pilotage account, the public transportation systems account, the Puget
13 Sound capital construction account, the Puget Sound ferry operations
14 account, the recreational vehicle account, the rural arterial trust
15 account, the safety and education account, the special category C
16 account, the state patrol highway account, the transportation equipment
17 fund, the transportation fund, the transportation improvement account,
18 the transportation improvement board bond retirement account, and the
19 urban arterial trust account.

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

23 **Sec. 23.** RCW 43.84.092 and 2001 c 273 s 6, 2001 c 141 s 3, and
24 2001 c 80 s 5 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 receive
29 funds associated with federal programs as required by the federal cash
30 management improvement act of 1990. The treasury income account is
31 subject in all respects to chapter 43.88 RCW, but no appropriation is
32 required for refunds or allocations of interest earnings required by
33 the cash management improvement act. Refunds of interest to the
34 federal treasury required under the cash management improvement act
35 fall under RCW 43.88.180 and shall not require appropriation. The
36 office of financial management shall determine the amounts due to or
37 from the federal government pursuant to the cash management improvement
38 act. The office of financial management may direct transfers of funds

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

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

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

17 (a) The following accounts and funds shall receive their
18 proportionate share of earnings based upon each account's and fund's
19 average daily balance for the period: The capitol building
20 construction account, the Cedar River channel construction and
21 operation account, the Central Washington University capital projects
22 account, the charitable, educational, penal and reformatory
23 institutions account, the common school construction fund, the county
24 criminal justice assistance account, the county sales and use tax
25 equalization account, the data processing building construction
26 account, the deferred compensation administrative account, the deferred
27 compensation principal account, the department of retirement systems
28 expense account, the drinking water assistance account, the drinking
29 water assistance administrative account, the drinking water assistance
30 repayment account, the Eastern Washington University capital projects
31 account, the education construction fund, the emergency reserve fund,
32 the federal forest revolving account, the health services account, the
33 public health services account, the health system capacity account, the
34 personal health services account, the state higher education
35 construction account, the higher education construction account, the
36 highway infrastructure account, the industrial insurance premium refund
37 account, the judges' retirement account, the judicial retirement
38 administrative account, the judicial retirement principal account, the
39 local leasehold excise tax account, the local real estate excise tax

1 account, the local sales and use tax account, the medical aid account,
2 the mobile home park relocation fund, the multimodal transportation
3 account, the municipal criminal justice assistance account, the
4 municipal sales and use tax equalization account, the natural resources
5 deposit account, the oyster reserve land account, the perpetual
6 surveillance and maintenance account, the public employees' retirement
7 system plan 1 account, the public employees' retirement system combined
8 plan 2 and plan 3 account, the public health supplemental account, the
9 Puyallup tribal settlement account, the resource management cost
10 account, the site closure account, the special wildlife account, the
11 state employees' insurance account, the state employees' insurance
12 reserve account, the state investment board expense account, the state
13 investment board commingled trust fund accounts, the supplemental
14 pension account, the Tacoma Narrows toll bridge account, the teachers'
15 retirement system plan 1 account, the teachers' retirement system
16 combined plan 2 and plan 3 account, the tobacco prevention and control
17 account, the tobacco settlement account, the transportation
18 infrastructure account, the tuition recovery trust fund, the University
19 of Washington bond retirement fund, the University of Washington
20 building account, the volunteer fire fighters' and reserve officers'
21 relief and pension principal fund, the volunteer fire fighters' and
22 reserve officers' administrative fund, the Washington judicial
23 retirement system account, the Washington law enforcement officers' and
24 fire fighters' system plan 1 retirement account, the Washington law
25 enforcement officers' and fire fighters' system plan 2 retirement
26 account, the Washington school employees' retirement system combined
27 plan 2 and 3 account, the Washington state health insurance pool
28 account, the Washington state patrol retirement account, the Washington
29 State University building account, the Washington State University bond
30 retirement fund, the water pollution control revolving fund, and the
31 Western Washington University capital projects account. Earnings
32 derived from investing balances of the agricultural permanent fund, the
33 normal school permanent fund, the permanent common school fund, the
34 scientific permanent fund, and the state university permanent fund
35 shall be allocated to their respective beneficiary accounts. All
36 earnings to be distributed under this subsection (4)(a) shall first be
37 reduced by the allocation to the state treasurer's service fund
38 pursuant to RCW 43.08.190.

1 (b) The following accounts and funds shall receive eighty percent
2 of their proportionate share of earnings based upon each account's or
3 fund's average daily balance for the period: The aeronautics account,
4 the aircraft search and rescue account, the county arterial
5 preservation account, the department of licensing services account, the
6 essential rail assistance account, the ferry bond retirement fund, the
7 grade crossing protective fund, the high capacity transportation
8 account, the highway bond retirement fund, the highway safety account,
9 the motor vehicle fund, the motorcycle safety education account, the
10 pilotage account, the public transportation systems account, the Puget
11 Sound capital construction account, the Puget Sound ferry operations
12 account, the recreational vehicle account, the rural arterial trust
13 account, the safety and education account, the special category C
14 account, the state patrol highway account, the transportation equipment
15 fund, the transportation fund, the transportation improvement account,
16 the transportation improvement board bond retirement account, and the
17 urban arterial trust account.

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

21 NEW SECTION. **Sec. 24.** A new section is added to chapter 47.46 RCW
22 to read as follows:

23 A legislative oversight committee is established to monitor and
24 report on the progress, execution, and efficiency of design-build
25 contracts issued under this chapter. The legislative oversight
26 committee will be comprised of one legislator from each caucus of each
27 chamber of the legislature. The leadership of each caucus shall
28 appoint one member from his or her respective caucus to serve on the
29 legislative oversight committee authorized by this section.

30 NEW SECTION. **Sec. 25.** The legislature finds and declares:

31 It is in the interest of the state and the traveling public to
32 improve the safety and efficiency of state highways and bridges as
33 expeditiously as possible. The existing Tacoma Narrows bridge section
34 of the SR 16 corridor located in Pierce and Kitsap counties, among
35 others, is a threat to public health and safety because of congestion
36 and a high number of accidents, injuries, and fatalities. Millions of

1 dollars are lost annually because of travel delays and accidents that
2 cause personal and property damage.

3 The SR 16 corridor provides the only fixed roadway link crossing
4 Puget Sound. SR 16 is classified as an urban principal arterial and a
5 highway of statewide significance because it serves substantial
6 statewide and interstate travel. Further, its national highway system
7 designation as a major strategic highway connector identifies SR 16 as
8 part of the network of highways that is important to the United States
9 strategic defense policy providing defense access, continuity, and
10 emergency capabilities for the movement of personnel, materials, and
11 equipment.

12 The SR 16 corridor is vital to the economic well-being of Pierce
13 and Kitsap counties and the Olympic peninsula. SR 16 is a designated
14 state freight corridor, allowing for the efficient movement of freight,
15 goods, and services to support local, regional, and state economies.

16 The SR 16 corridor project includes the financing, right-of-way
17 acquisition, design-build construction, operations, and maintenance of
18 a new suspension toll bridge at Tacoma Narrows parallel to the existing
19 bridge and the reconfiguration and seismic rehabilitation of the
20 current bridge. Roadway improvements will also be made on SR 16 from
21 and to the approaches to the bridge.

22 Currently, the state highway systems plan does not provide any
23 funding solution for this critical transportation project other than
24 tolls. Under RCW 47.46.040, the project has received regulatory
25 approvals, rights-of-way have been acquired, necessary preparations for
26 financing are underway, and a design-build construction price has been
27 determined. There have been significant state appropriations and
28 private funding advanced to develop the project. Delays in commencing
29 this project will cause increases in construction and financing costs
30 and present a clear danger that the state will not be able to proceed
31 to make these vital transportation improvements. This will result in
32 a detrimental effect on the safety of its citizens and the economic
33 welfare of the region.

34 In order to avoid these profound risks, including the profound risk
35 of the project not proceeding, which would adversely affect tens of
36 thousands of citizens, it is necessary that this act be effective
37 immediately. Immediate legislative action is a pressing necessity to
38 support the immediate commencement of work on this project and the SR
39 16 corridor.

1 These facts and findings are a declaration of facts constituting an
2 emergency, and the projects that will be able to proceed under this act
3 are necessary for immediate preservation of the public health, safety,
4 and welfare. Therefore, except for section 23 of this act, this act
5 takes effect immediately. Section 23 of this act takes effect March 1,
6 2002.

7 NEW SECTION. **Sec. 26.** Section 22 of this act expires March 1,
8 2002.

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