

SSB 5700 - H COMM AMD
By Committee on Transportation

ADOPTED 03/05/2011

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

3 NEW SECTION. **Sec. 1.** The legislature recognizes that Washington
4 voters strongly supported Initiative Measure No. 1053 during the 2010
5 general election, which indicates the clear desire on the part of the
6 state's citizens that legislators approve any new fees or increases to
7 existing fees. The legislature further recognizes that during the 2009
8 legislative session tolling was authorized on the state route number
9 520 corridor, bonds were authorized to finance construction of corridor
10 projects, and the legislature committed to continue imposing tolls on
11 the corridor in amounts sufficient to pay the principal and interest on
12 those bonds. As tolling is scheduled to begin on the corridor in early
13 April 2011, the legislature intends to honor the voters' clear
14 direction as identified in Initiative Measure No. 1053 by reviewing the
15 transportation commission's recommended schedule for tolling charges
16 and explicitly approving those rates applicable to the state route
17 number 520 corridor. The legislature also intends to review the
18 transportation commission's recommended schedule for photo toll charges
19 and explicitly approve those rates applicable to the Tacoma Narrows
20 bridge.

21 NEW SECTION. **Sec. 2.** A new section is added to chapter 47.56 RCW
22 to read as follows:

23 (1) Consistent with RCW 43.135.055 and 47.56.805 through 47.56.876,
24 the legislature approves the action taken by the transportation
25 commission on January 5, 2011, adopting amended rules to set the
26 schedule of toll rates applicable to the state route number 520
27 corridor. The legislature further authorizes the transportation
28 commission, as the tolling authority for the state, to set and adjust
29 toll rates on the state route number 520 corridor in accordance with

1 the authorization, requirements, and guidelines set forth in RCW
2 47.56.830, 47.56.850, and 47.56.870. The transportation commission may
3 adjust the toll rates, as identified in the adopted schedule of toll
4 rates, only in amounts not greater than those sufficient to meet (a)
5 the operating costs of the state route number 520 corridor, including
6 necessary maintenance, preservation, renewal, replacement,
7 administration, and toll enforcement by public law enforcement and (b)
8 obligations for the timely payment of debt service on bonds issued
9 under chapter 498, Laws of 2009 and this act, and any other associated
10 financing costs including, but not limited to, required reserves,
11 minimum debt coverage or other appropriate contingency funding,
12 insurance, and compliance with all other financial and other covenants
13 made by the state in the bond proceedings. Prior to the convening of
14 each regular session of the legislature, the transportation commission
15 must provide the transportation committees of the legislature with a
16 detailed report regarding any increase or decrease in any toll rate
17 approved by the commission that has not been described in a previous
18 report provided pursuant to this subsection (1), along with a detailed
19 justification for each such increase or decrease.

20 (2) Consistent with RCW 43.135.055 and 47.46.100, the legislature
21 approves the action taken by the transportation commission on January
22 25, 2011, adopting amended rules to set the schedule of photo toll, or
23 "pay by mail," charges applicable to the Tacoma Narrows bridge. Prior
24 to the convening of each regular session of the legislature, the
25 transportation commission must provide the transportation committees of
26 the legislature with a detailed report regarding any increase or
27 decrease in any toll rate approved by the commission that has not been
28 described in a previous report provided pursuant to this subsection
29 (2), along with a detailed justification for each such increase or
30 decrease.

31 (3) Consistent with RCW 43.135.055 and 47.56.795(6), the
32 legislature approves the action taken by the transportation commission
33 on January 5, 2011, adopting amended rules concerning the assessment of
34 administrative fees for toll collection processes. The administrative
35 fees must not exceed toll collection costs.

36 **Sec. 3.** RCW 47.10.882 and 2009 c 498 s 11 are each amended to read
37 as follows:

1 The toll facility bond retirement account is created in the state
2 treasury for the purpose of payment of the principal of and interest
3 and premium on bonds. Both principal of and interest on the bonds
4 issued for the purposes of chapter 498, Laws of 2009 and this act shall
5 be payable from the toll facility bond retirement account. The state
6 finance committee may provide that special subaccounts be created in
7 the account to facilitate payment of the principal of and interest on
8 the bonds. The state finance committee shall, on or before June 30th
9 of each year, certify to the state treasurer the amount required for
10 principal and interest on the bonds in accordance with the bond
11 proceedings.

12 **Sec. 4.** RCW 47.10.886 and 2009 c 498 s 16 are each reenacted to
13 read as follows:

14 If and to the extent that the state finance committee determines,
15 in consultation with the department of transportation and the tolling
16 authority, that it will be beneficial for the state to issue any bonds
17 authorized in RCW 47.10.879 and 47.10.883 through 47.10.885 as toll
18 revenue bonds rather than as general obligation bonds, the state
19 finance committee is authorized to issue and sell, upon the request of
20 the department of transportation, such bonds as toll revenue bonds and
21 not as general obligation bonds. Notwithstanding RCW 47.10.883, each
22 such bond shall contain a recital that payment or redemption of the
23 bond and payment of the interest and any premium thereon is payable
24 solely from and secured solely by a direct pledge, charge, and lien
25 upon toll revenue and is not a general obligation of the state to which
26 the full faith and credit of the state is pledged.

27 Toll revenue is hereby pledged to the payment of any bonds and the
28 interest thereon issued under the authority of this section, and the
29 legislature agrees to continue to impose these toll charges on the
30 state route number 520 corridor, and on any other eligible toll
31 facility designated by the legislature and on which the imposition of
32 tolls is authorized by the legislature in respect of the bonds, in
33 amounts sufficient to pay, when due, the principal and interest on all
34 bonds issued under the authority of this section.

35 **Sec. 5.** RCW 47.10.887 and 2009 c 498 s 17 are each amended to read
36 as follows:

1 The state finance committee may determine and include in any
2 resolution authorizing the issuance of any bonds under chapter 498,
3 Laws of 2009 and this act, such terms, provisions, covenants, and
4 conditions as it may deem appropriate in order to assist with the
5 marketing and sale of the bonds, confer rights upon the owners of
6 bonds, and safeguard rights of the owners of bonds including, among
7 other things:

8 (1) Provisions regarding the maintenance and operation of eligible
9 toll facilities;

10 (2) The pledges, uses, and priorities of application of toll
11 revenue;

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

17 (4) In consultation with the department of transportation and the
18 tolling authority, financial covenants requiring that the eligible toll
19 facilities must produce specified coverage ratios of toll revenue to
20 debt service on bonds;

21 (5) The purposes and conditions that must be satisfied prior to the
22 issuance of any additional bonds that are to be payable from and
23 secured by any toll revenue on an equal basis with previously issued
24 and outstanding bonds payable from and secured by toll revenue;

25 (6) Provisions that bonds for which any toll revenue are pledged,
26 or for which a pledge of any toll revenue may be reserved, may be
27 structured on a senior, parity, subordinate, or special lien basis in
28 relation to any other bonds for which toll revenue is pledged, with
29 respect to toll revenue only; and

30 (7) Provisions regarding reserves, credit enhancement, liquidity
31 facilities, and payment agreements with respect to bonds.

32 Notwithstanding the foregoing, covenants and conditions detailing
33 the character of management, maintenance, and operation of eligible
34 toll facilities, insurance for eligible toll facilities, financial
35 management of toll revenue, and disposition of eligible toll facilities
36 must first be approved by the department of transportation.

37 The owner of any bond may by mandamus or other appropriate
38 proceeding require and compel performance of any duties imposed upon

1 the tolling authority and the department of transportation and their
2 respective officials, including any duties imposed upon or undertaken
3 by them or by their respective officers, agents, and employees, in
4 connection with the construction, maintenance, and operation of
5 eligible toll facilities and in connection with the collection,
6 deposit, investment, application, and disbursement of the proceeds of
7 the bonds and toll revenue.

8 **Sec. 6.** RCW 47.10.888 and 2009 c 498 s 18 are each amended to read
9 as follows:

10 (1) For the purposes of chapter 498, Laws of 2009 and this act,
11 "toll revenue" means all toll receipts, all interest income derived
12 from the investment of toll receipts, and any gifts, grants, or other
13 funds received for the benefit of transportation facilities in the
14 state, including eligible toll facilities. However, for the purpose of
15 any pledge of toll revenue to the payment of particular bonds issued
16 under chapter 498, Laws of 2009 and this act, "toll revenue" means and
17 includes only such toll revenue or portion thereof that is pledged to
18 the payment of those bonds in the resolution authorizing the issuance
19 of such bonds. Toll revenue constitutes "fees and revenues derived
20 from the ownership or operation of any undertaking, facility, or
21 project" as that phrase is used in Article VIII, section 1(c)(1) of the
22 state Constitution.

23 (2) For the purposes of chapter 498, Laws of 2009 and this act,
24 "tolling authority" has the same meaning as in RCW 47.56.810.

25 **Sec. 7.** RCW 47.56.810 and 2008 c 122 s 3 are each amended to read
26 as follows:

27 The definitions in this section apply throughout this subchapter
28 unless the context clearly requires otherwise:

29 (1) "Tolling authority" means the governing body that is legally
30 empowered to review and adjust toll rates. Unless otherwise delegated,
31 the transportation commission is the tolling authority for all state
32 highways.

33 (2) "Eligible toll facility" or "eligible toll facilities" means
34 portions of the state highway system specifically identified by the
35 legislature including, but not limited to, transportation corridors,

1 bridges, crossings, interchanges, on-ramps, off-ramps, approaches,
2 bistate facilities, and interconnections between highways.

3 (3) "Toll revenue" or "revenue from an eligible toll facility"
4 means toll receipts, all interest income derived from the investment of
5 toll receipts, and any gifts, grants, or other funds received for the
6 benefit of ((the)) transportation facilities in the state, including
7 eligible toll ((facility)) facilities.

8 NEW SECTION. **Sec. 8.** This act is necessary for the immediate
9 preservation of the public peace, health, or safety, or support of the
10 state government and its existing public institutions, and takes effect
11 immediately."

12 Correct the title.

EFFECT: (1) Adds the legislature's intent to review and approve
photo toll charges for the Tacoma Narrows bridge.

(2) Removes language regarding delegation to the Transportation
Commission and replaces it with language authorizing the Transportation
Commission to set and adjust toll rates for the SR 520 corridor.

(3) Requires the Transportation Commission to provide a detailed
report and justification to the Transportation Committees of the
Legislature regarding any change to the toll rates on the Tacoma
Narrows bridge.

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