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**SUBSTITUTE HOUSE BILL 2675**

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**State of Washington**

**62nd Legislature**

**2012 Regular Session**

**By** House Transportation (originally sponsored by Representatives Clibborn, Armstrong, Eddy, and Springer; by request of Department of Transportation)

READ FIRST TIME 02/07/12.

1       AN ACT Relating to eligible toll facilities; reenacting and  
2 amending RCW 43.84.092; adding new sections to chapter 47.56 RCW; and  
3 creating new sections.

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

5       NEW SECTION.   **Sec. 1.** The legislature finds that there is an  
6 urgent need to replace the central waterfront section of state route  
7 number 99, known as the Alaskan Way viaduct, with a deep bore tunnel  
8 because the viaduct is vulnerable to closure, damage, or catastrophic  
9 failure as a result of earthquakes or other events. In 2009, the  
10 legislature determined that the finance plan for the Alaskan Way  
11 viaduct replacement project should include no more than four hundred  
12 million dollars in toll funding for the project.

13       Therefore, it is the intent of the legislature to authorize tolling  
14 on the Alaskan Way viaduct replacement project, both to help finance  
15 the Alaskan Way viaduct replacement project and to help maintain travel  
16 time, speed, and reliability on the portion of state route number 99  
17 that would be replaced by this tunnel project.

1        NEW SECTION.    **Sec. 2.** A new section is added to chapter 47.56 RCW  
2 under the subchapter heading "toll facilities created after July 1,  
3 2008" to read as follows:

4        (1) The initial imposition of tolls on the central waterfront  
5 tunnel section of state route number 99 is authorized, this portion of  
6 state route number 99 is designated an eligible toll facility, and toll  
7 revenue generated from this facility must only be expended as allowed  
8 under RCW 47.56.820.

9        (2) For the purposes of this section, the central waterfront tunnel  
10 section of state route number 99 consists of that portion of state  
11 route number 99 from milepost thirty at the north end of the Atlantic  
12 bridge to milepost thirty-two at the south end of the Mercer bridge in  
13 the city of Seattle. The toll imposed under this section must be  
14 charged only for travel on the central waterfront tunnel section of  
15 state route number 99.

16        (3)(a) In setting toll rates for the central waterfront tunnel  
17 section of state route number 99 pursuant to RCW 47.56.850, the tolling  
18 authority shall set a variable schedule of toll rates to maintain  
19 travel time, speed, and reliability on this facility and generate the  
20 necessary revenue as required under (b) of this subsection.

21        (b) The tolling authority may adjust the variable schedule of toll  
22 rates at least annually to reflect inflation as measured by the  
23 consumer price index to meet the redemption of bonds, to meet the  
24 obligations of the tolling authority under RCW 47.56.850, and interest  
25 payments on bonds and for those costs that are eligible under RCW  
26 47.56.820.

27        NEW SECTION.    **Sec. 3.** A new section is added to chapter 47.56 RCW  
28 under the subchapter heading "toll facilities created after July 1,  
29 2008" to read as follows:

30        A special account to be known as the Alaskan Way viaduct  
31 replacement project account is created in the state treasury.

32        (1) Deposits to the account must include:

33        (a) All proceeds of bonds issued for construction of the Alaskan  
34 Way viaduct replacement project, including any capitalized interest;

35        (b) All of the tolls and other revenues received from the operation  
36 of the Alaskan Way viaduct replacement project as a toll facility, to  
37 be deposited at least monthly;

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

3 (d) Notwithstanding RCW 47.12.063, proceeds from the sale of any  
4 surplus real property acquired for the purpose of building the Alaskan  
5 Way viaduct replacement project; and

6 (e) All damages, liquidated or otherwise, collected under any  
7 contract involving the construction of the Alaskan Way viaduct  
8 replacement project.

9 (2) Subject to the covenants made by the state in the bond  
10 proceedings authorizing the issuance and sale of bonds for the  
11 construction of the Alaskan Way viaduct replacement project, toll  
12 charges, other revenues, and interest received from the operation of  
13 the Alaskan Way viaduct replacement project as a toll facility may be  
14 used to:

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

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

17 (3) When repaying the motor vehicle fund, the state treasurer shall  
18 transfer funds from the Alaskan Way viaduct replacement project account  
19 to the motor vehicle fund on or before each debt service date for bonds  
20 issued for the construction of the Alaskan Way viaduct replacement  
21 project in an amount sufficient to repay the motor vehicle fund for  
22 amounts transferred from that fund to the highway bond retirement fund  
23 to provide for any bond principal and interest due on that date. The  
24 state treasurer may establish subaccounts for the purpose of  
25 segregating toll charges, bond sale proceeds, and other revenues.

26 **Sec. 4.** RCW 43.84.092 and 2011 1st sp.s. c 16 s 6, 2011 1st sp.s.  
27 c 7 s 22, 2011 c 369 s 6, 2011 c 339 s 1, 2011 c 311 s 9, 2011 c 272 s  
28 3, 2011 c 120 s 3, and 2011 c 83 s 7 are each reenacted and amended to  
29 read as follows:

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

33 (2) The treasury income account shall be utilized to pay or receive  
34 funds associated with federal programs as required by the federal cash  
35 management improvement act of 1990. The treasury income account is  
36 subject in all respects to chapter 43.88 RCW, but no appropriation is  
37 required for refunds or allocations of interest earnings required by

1 the cash management improvement act. Refunds of interest to the  
2 federal treasury required under the cash management improvement act  
3 fall under RCW 43.88.180 and shall not require appropriation. The  
4 office of financial management shall determine the amounts due to or  
5 from the federal government pursuant to the cash management improvement  
6 act. The office of financial management may direct transfers of funds  
7 between accounts as deemed necessary to implement the provisions of the  
8 cash management improvement act, and this subsection. Refunds or  
9 allocations shall occur prior to the distributions of earnings set  
10 forth in subsection (4) of this section.

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

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

23 (a) The following accounts and funds shall receive their  
24 proportionate share of earnings based upon each account's and fund's  
25 average daily balance for the period: The aeronautics account, the  
26 aircraft search and rescue account, the Alaskan Way viaduct replacement  
27 project account, the budget stabilization account, the capital vessel  
28 replacement account, the capitol building construction account, the  
29 Cedar River channel construction and operation account, the Central  
30 Washington University capital projects account, the charitable,  
31 educational, penal and reformatory institutions account, the cleanup  
32 settlement account, the Columbia river basin water supply development  
33 account, the Columbia river basin taxable bond water supply development  
34 account, the Columbia river basin water supply revenue recovery  
35 account, the common school construction fund, the county arterial  
36 preservation account, the county criminal justice assistance account,  
37 the county sales and use tax equalization account, the deferred  
38 compensation administrative account, the deferred compensation

1 principal account, the department of licensing services account, the  
2 department of retirement systems expense account, the developmental  
3 disabilities community trust account, the drinking water assistance  
4 account, the drinking water assistance administrative account, the  
5 drinking water assistance repayment account, the Eastern Washington  
6 University capital projects account, the Interstate 405 express toll  
7 lanes operations account, the education construction fund, the  
8 education legacy trust account, the election account, the energy  
9 freedom account, the energy recovery act account, the essential rail  
10 assistance account, The Evergreen State College capital projects  
11 account, the federal forest revolving account, the ferry bond  
12 retirement fund, the freight congestion relief account, the freight  
13 mobility investment account, the freight mobility multimodal account,  
14 the grade crossing protective fund, the public health services account,  
15 the health system capacity account, the high capacity transportation  
16 account, the state higher education construction account, the higher  
17 education construction account, the highway bond retirement fund, the  
18 highway infrastructure account, the highway safety account, the high  
19 occupancy toll lanes operations account, the hospital safety net  
20 assessment fund, the industrial insurance premium refund account, the  
21 judges' retirement account, the judicial retirement administrative  
22 account, the judicial retirement principal account, the local leasehold  
23 excise tax account, the local real estate excise tax account, the local  
24 sales and use tax account, the marine resources stewardship trust  
25 account, the medical aid account, the mobile home park relocation fund,  
26 the motor vehicle fund, the motorcycle safety education account, the  
27 multiagency permitting team account, the multimodal transportation  
28 account, the municipal criminal justice assistance account, the  
29 municipal sales and use tax equalization account, the natural resources  
30 deposit account, the oyster reserve land account, the pension funding  
31 stabilization account, the perpetual surveillance and maintenance  
32 account, the public employees' retirement system plan 1 account, the  
33 public employees' retirement system combined plan 2 and plan 3 account,  
34 the public facilities construction loan revolving account beginning  
35 July 1, 2004, the public health supplemental account, the public  
36 transportation systems account, the public works assistance account,  
37 the Puget Sound capital construction account, the Puget Sound ferry  
38 operations account, the Puyallup tribal settlement account, the real

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

1 normal school permanent fund, the permanent common school fund, the  
2 scientific permanent fund, and the state university permanent fund  
3 shall be allocated to their respective beneficiary accounts.

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

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

13 NEW SECTION. **Sec. 5.** The department of transportation shall  
14 report to the transportation committees of the legislature on the 2012  
15 traffic and revenue study by December 1, 2012.

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