
HOUSE BILL 2132

State of Washington 66th Legislature 2019 Regular Session

By Representatives Fey, Slatter, Ryu, Walen, Valdez, and Thai

Read first time 03/01/19. Referred to Committee on Transportation.

1 AN ACT Relating to completing the planned construction of various
2 facilities, by advancing construction, issuing bonds, and tolling
3 portions of Interstate 405, state route number 167, and state route
4 number 509; amending RCW 47.10.882, 47.10.887, 47.10.888, 47.56.880,
5 and 47.56.884; reenacting and amending RCW 43.84.092; adding new
6 sections to chapter 47.10 RCW; adding new sections to chapter 47.56
7 RCW; creating new sections; repealing RCW 47.56.403; and prescribing
8 penalties.

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

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

19 (2) The legislature recognizes that completion of state route
20 number 167 in Pierce county and completion of state route number 509
21 in King county provide essential connections to the Port of Tacoma

1 and the Port of Seattle and will help ensure people and goods move
2 more reliably through the Puget Sound region. The completion of these
3 corridors, known as the Gateway project, will play an essential role
4 in enhancing the state's economic competitiveness, both nationally
5 and globally.

6 (3) The legislature acknowledges that as one of the most
7 congested freeway sections in the state, the combined Interstate
8 number 405 and state route number 167 corridor in King county serves
9 as an ideal candidate for an express toll lanes network. The express
10 toll lanes network provides a tool for managing the use of high
11 occupancy vehicle lanes while generating funds to improve projects in
12 the corridor.

13 (4) Therefore, it is the intent of this act to expedite the
14 delivery of the Puget Sound Gateway project, designate the Puget
15 Sound Gateway project as an eligible toll facility, and authorize the
16 imposition of tolls on the Puget Sound Gateway facility. It is
17 further the intent of this act to direct the department of
18 transportation to develop and operate an express toll lanes corridor
19 on Interstate 405 from the city of Lynnwood on the north end to the
20 intersection of state route number 167 and state route number 512 on
21 the south end.

22 NEW SECTION. **Sec. 2.** In order to provide funds necessary for
23 the location, design, right-of-way, and construction of the
24 Interstate 405 and state route number 167 eligible toll facility
25 projects, as allowed in RCW 47.56.880, there shall be issued and sold
26 upon the request of the department of transportation a total of one
27 billion five hundred million dollars of general obligation bonds of
28 the state of Washington first payable from toll revenue and excise
29 taxes on motor vehicle and special fuels in accordance with section 5
30 of this act.

31 NEW SECTION. **Sec. 3.** Upon the request of the department, the
32 state finance committee shall supervise and provide for the issuance,
33 sale, and retirement of bonds authorized by this act in accordance
34 with chapter 39.42 RCW. Bonds authorized by this act shall be sold in
35 the manner, at time or times, in amounts, and at the price as the
36 state finance committee shall determine. No bonds may be offered for
37 sale without prior legislative appropriation of the net proceeds of
38 the sale of the bonds.

1 NEW SECTION. **Sec. 4.** The proceeds from the sale of bonds
2 authorized by this act shall be deposited in the Interstate 405 and
3 state route number 167 express toll lanes operations account created
4 under RCW 47.56.884 and shall be available only for the purposes
5 enumerated in section 1, chapter . . ., Laws of 2019 (section 1 of
6 this act), for the payment of bond anticipation notes or other
7 interim financing, if any, capitalizing interest on the bonds, and
8 for the payment of bond issuance costs, including the costs of
9 underwriting.

10 NEW SECTION. **Sec. 5.** Bonds issued under the authority of this
11 section and sections 2, 6, and 7 of this act shall distinctly state
12 that they are a general obligation of the state of Washington, shall
13 pledge the full faith and credit of the state to the payment of the
14 principal thereof and the interest thereon, and shall contain an
15 unconditional promise to pay such principal and interest as the same
16 shall become due. The principal of and interest on the bonds shall be
17 first payable in the manner provided in this section and sections 2,
18 6, and 7 of this act from toll revenue and then from proceeds of
19 excise taxes on motor vehicle and special fuels to the extent toll
20 revenue is not available for that purpose. Toll revenue and the state
21 excise taxes on motor vehicle and special fuels imposed by chapter
22 82.38 RCW are hereby pledged to the payment of any bonds and the
23 interest thereon issued under the authority of this section and
24 sections 2, 6, and 7 of this act, and the legislature agrees to
25 continue to impose these toll charges on the Interstate 405 and state
26 route number 167 eligible toll facility, and on any other eligible
27 toll facility designated by the legislature and on which the
28 imposition of tolls is authorized by the legislature in respect of
29 the bonds, and excise taxes on motor vehicle and special fuels in
30 amounts sufficient to pay, when due, the principal and interest on
31 all bonds issued under the authority of this section and sections 2,
32 6, and 7 of this act.

33 NEW SECTION. **Sec. 6.** For bonds issued under the authority of
34 this section and sections 2, 5, and 7 of this act, the state
35 treasurer shall first withdraw toll revenue from the Interstate 405
36 and state route number 167 express toll lanes operations account
37 created under RCW 47.56.884, and, to the extent toll revenue is not
38 available, excise taxes on motor vehicle and special fuels in the

1 motor vehicle fund and deposit in the toll facility bond retirement
2 account, or a special subaccount in the account, such amounts, and at
3 such times, as are required by the bond proceedings.

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

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

29 NEW SECTION. **Sec. 7.** Bonds issued under the authority of
30 sections 2, 5, and 6 of this act and this section and any other
31 general obligation bonds of the state of Washington that have been or
32 that may be authorized and that pledge motor vehicle and special fuel
33 excise taxes for the payment of principal and interest thereon shall
34 be an equal charge against the revenues from such motor vehicle and
35 special fuel excise taxes.

36 NEW SECTION. **Sec. 8.** If and to the extent that the state
37 finance committee determines, in consultation with the department and
38 the tolling authority, that it will be beneficial for the state to

1 issue any bonds authorized in sections 2 and 5 through 7 of this act
2 as toll revenue bonds rather than as general obligation bonds, the
3 state finance committee is authorized to issue and sell, upon the
4 request of the department, such bonds as toll revenue bonds and not
5 as general obligation bonds. Notwithstanding section 5 of this act,
6 each such bond shall contain a recital that payment or redemption of
7 the bond and payment of the interest and any premium thereon is
8 payable solely from and secured solely by a direct pledge, charge,
9 and lien upon toll revenue and is not a general obligation of the
10 state to which the full faith and credit of the state is pledged.

11 Toll revenue is hereby pledged to the payment of any bonds and
12 the interest thereon issued under the authority of this section, and
13 the legislature agrees to continue to impose these toll charges on
14 the Interstate 405 and state route number 167 eligible toll facility,
15 and on any other eligible toll facility designated by the legislature
16 and on which the imposition of tolls is authorized by the legislature
17 in respect of the bonds, in amounts sufficient to pay, when due, the
18 principal and interest on all bonds issued under the authority of
19 this section.

20 **Sec. 9.** RCW 47.10.882 and 2011 c 377 s 3 are each amended to
21 read as follows:

22 The toll facility bond retirement account is created in the state
23 treasury for the purpose of payment of the principal of and interest
24 and premium on bonds. Both principal of and interest on the bonds
25 issued for the purposes of chapter 498, Laws of 2009 (~~and~~), chapter
26 377, Laws of 2011, and chapter . . . , Laws of 2019 (this act) shall
27 be payable from the toll facility bond retirement account. The state
28 finance committee may provide that special subaccounts be created in
29 the account to facilitate payment of the principal of and interest on
30 the bonds. The state finance committee shall, on or before June 30th
31 of each year, certify to the state treasurer the amount required for
32 principal and interest on the bonds in accordance with the bond
33 proceedings.

34 **Sec. 10.** RCW 47.10.887 and 2011 c 377 s 5 are each amended to
35 read as follows:

36 The state finance committee may determine and include in any
37 resolution authorizing the issuance of any bonds under chapter 498,
38 Laws of 2009 (~~and~~), chapter 377, Laws of 2011, and chapter . . . ,

1 Laws of 2019 (this act), such terms, provisions, covenants, and
2 conditions as it may deem appropriate in order to assist with the
3 marketing and sale of the bonds, confer rights upon the owners of
4 bonds, and safeguard rights of the owners of bonds including, among
5 other things:

6 (1) Provisions regarding the maintenance and operation of
7 eligible toll facilities;

8 (2) The pledges, uses, and priorities of application of toll
9 revenue;

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

16 (4) Provisions that bonds shall be payable from and secured
17 solely by toll revenue as provided by section 8 of this act, or shall
18 be payable from and secured by both toll revenue and by a pledge of
19 excise taxes on motor vehicle and special fuels and the full faith
20 and credit of the state as provided in sections 2 and 5 through 7 of
21 this act;

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

26 ~~((+5))~~ (6) The purposes and conditions that must be satisfied
27 prior to the issuance of any additional bonds that are to be payable
28 from and secured by any toll revenue on an equal basis with
29 previously issued and outstanding bonds payable from and secured by
30 toll revenue;

31 ~~((+6))~~ (7) Provisions that bonds for which any toll revenue are
32 pledged, or for which a pledge of any toll revenue may be reserved,
33 may be structured on a senior, parity, subordinate, or special lien
34 basis in relation to any other bonds for which toll revenue is
35 pledged, with respect to toll revenue only; and

36 ~~((+7))~~ (8) Provisions regarding reserves, credit enhancement,
37 liquidity facilities, and payment agreements with respect to bonds.

38 Notwithstanding the foregoing, covenants and conditions detailing
39 the character of management, maintenance, and operation of eligible
40 toll facilities, insurance for eligible toll facilities, financial

1 management of toll revenue, and disposition of eligible toll
2 facilities must first be approved by the department of
3 transportation.

4 The owner of any bond may by mandamus or other appropriate
5 proceeding require and compel performance of any duties imposed upon
6 the tolling authority and the department of transportation and their
7 respective officials, including any duties imposed upon or undertaken
8 by them or by their respective officers, agents, and employees, in
9 connection with the construction, maintenance, and operation of
10 eligible toll facilities and in connection with the collection,
11 deposit, investment, application, and disbursement of the proceeds of
12 the bonds and toll revenue.

13 **Sec. 11.** RCW 47.10.888 and 2011 c 377 s 6 are each amended to
14 read as follows:

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

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

32 **Sec. 12.** RCW 47.56.880 and 2011 c 369 s 3 are each amended to
33 read as follows:

34 (1) The imposition of tolls for express toll lanes on Interstate
35 405 between (~~the junctions with~~) Interstate 5 on the north end
36 (~~and NE 6th Street~~) in the city of (~~Bellevue~~) Lynnwood and
37 Interstate 5 on the south end in the city of Tukwila, and for state
38 route number 167 between Interstate 405 on the north end and state

1 route number 512 on the south end is authorized((7)). Interstate 405
2 ((is)) and state route number 167 are designated an eligible toll
3 facility, and toll revenue generated in the corridor must only be
4 expended on the Interstate 405 and state route number 167 projects as
5 identified in the project list incorporated in the omnibus
6 transportation appropriations act and as allowed under RCW 47.56.820.

7 (2) Tolls for the express toll lanes must be set as follows:

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

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

14 (c) Toll charges may not be assessed on transit buses and
15 vanpools.

16 (d) The department shall establish performance standards for
17 travel time, speed, and reliability for the express toll lanes
18 ~~((project))~~. The department must automatically adjust the toll rate
19 within the schedule established by the tolling authority, using
20 dynamic tolling, to ensure ~~((that average vehicle speeds in the lanes~~
21 ~~remain above forty-five miles per hour at least ninety percent of the~~
22 ~~time during peak hours))~~ the most efficient movement of traffic.

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

27 ~~((The department may construct and operate express toll lanes~~
28 ~~on Interstate 405 between the city of Bellevue on the south end and~~
29 ~~Interstate 5 on the north end. Operation of the express toll lanes~~
30 ~~may not commence until the department has completed capacity~~
31 ~~improvements necessary to provide a two-lane system from NE 6th~~
32 ~~Street in the city of Bellevue to state route number 522 and the~~
33 ~~conversion of the existing high occupancy vehicle lane to an express~~
34 ~~toll lane between state route number 522 and the city of Lynnwood.~~
35 ~~Construction of the capacity improvements described in this~~
36 ~~subsection, including items that enable implementation of express~~
37 ~~toll lanes such as conduit and other underground features, must begin~~
38 ~~as soon as practicable. However, any contract term regarding tolling~~
39 ~~equipment, such as gantries, barriers, or cameras, for Interstate 405~~
40 ~~may not take effect unless specific appropriation authority is~~

1 ~~provided in 2012 stating that funding is provided solely for tolling~~
2 ~~equipment on Interstate 405.)~~) The department shall work with local
3 jurisdictions to minimize and monitor impacts to local streets and,
4 after consultation with local jurisdictions, recommend mitigation
5 measures to the legislature in those locations where it is
6 appropriate.

7 (4) The department shall monitor the express toll lanes
8 (~~project~~) and shall annually report until December 31, 2030, to the
9 transportation commission and the legislature on the impacts from the
10 project on the following performance measures:

11 (a) Whether the express toll lanes maintain speeds of forty-five
12 miles per hour at least ninety percent of the time during peak
13 periods, or an alternate metric determined by the department in
14 conjunction with the federal highway administration;

15 (b) Whether the average traffic speed changed in the general
16 purpose lanes;

17 (c) Whether transit ridership changed;

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

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

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

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

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

33 (~~(6)~~) (5) The department, in consultation with the
34 transportation commission, shall consider making operational changes
35 necessary to fix any unintended consequences of implementing the
36 express toll lanes (~~project~~).

37 (~~(7)~~) (6) A violation of the lane restrictions applicable to
38 the express toll lanes established under this section is a traffic
39 infraction.

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

3 The Interstate 405 and state route number 167 express toll lanes
4 operations account is created in the motor vehicle fund. All revenues
5 received by the department as toll charges collected from Interstate
6 405 and state route number 167 express toll lane users must be
7 deposited into the account. Moneys in the account may be spent only
8 after appropriation(~~(-)~~) consistent with RCW 47.56.820(~~(7~~
9 ~~expenditures from the account may be used for debt service, planning,~~
10 ~~administration, — construction, — maintenance, — operation, — repair,~~
11 ~~rebuilding, enforcement, and the expansion of express toll lanes on~~
12 ~~Interstate 405)~~). It is the legislature's intent to use toll revenue
13 to fund the Interstate 405 and state route number 167 projects as
14 identified in the project list incorporated in the omnibus
15 transportation appropriations act.

16 NEW SECTION. **Sec. 14.** It is the intent of the legislature that
17 the Puget Sound Gateway project be advanced in order to maximize net
18 mobility benefits for both freight and the traveling public. It is
19 the intent of the legislature for tolling to begin on stage one of
20 the project sooner than currently planned in order to leverage toll
21 funds, advance one hundred twenty-nine million dollars of connecting
22 Washington--state funds by two biennia to the 2023-2025 biennium, and
23 advance local and federal contributions, as identified in the project
24 list incorporated in the omnibus transportation appropriations act.
25 This will allow the department of transportation to deliver and open
26 to the public stage two of the project in fiscal year 2028, three
27 years earlier than originally planned, and to realize twenty million
28 dollars in cost savings in connecting Washington--state funds at the
29 end of the project to be used on other emergent needs.

30 NEW SECTION. **Sec. 15.** (1) The Puget Sound Gateway project is
31 designated an eligible toll facility, tolls are authorized to be
32 imposed on the Puget Sound Gateway facility, and toll revenue
33 generated must be expended only as allowed under RCW 47.56.820.

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

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

5 (3) For the purposes of this section and section 16 of this act,
6 "Puget Sound Gateway facility" means the state route number 167
7 roadway between north Meridian Avenue in Puyallup and Interstate 5 in
8 Fife, the state route number 509 spur between Interstate 5 in Fife
9 and state route number 509 in Tacoma, and the state route number 509
10 roadway between south 188th street and Interstate 5 in SeaTac.

11 NEW SECTION. **Sec. 16.** A special account to be known as the
12 Puget Sound Gateway facility account is created in the motor vehicle
13 fund.

14 (1) Deposits to the account must include:

15 (a) All proceeds of bonds and loans issued for the Puget Sound
16 Gateway project, including capitalized interest;

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

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

21 (d) Notwithstanding RCW 47.12.063, proceeds from the sale of any
22 surplus real property acquired for completing the Puget Sound Gateway
23 project, including existing state route number 509 right-of-way in
24 SeaTac and Des Moines; and

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

27 (2) Subject to the covenants made by the state in the bond
28 proceedings authorizing the issuance and sale of bonds for the
29 construction of the Puget Sound Gateway project, toll charges, other
30 revenues, and interest received from the operations of the Puget
31 Sound Gateway facility may be used to:

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

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

34 (3) When repaying the motor vehicle fund, the state treasurer
35 shall transfer funds from the Puget Sound Gateway facility account to
36 the motor vehicle fund on or before each debt service date for bonds
37 issued for the construction of the Puget Sound Gateway project in an
38 amount sufficient to repay the motor vehicle fund for amounts
39 transferred from that fund to the highway bond retirement fund to

1 provide for any bond principal and interest due on that date. The
2 state treasurer may establish subaccounts for segregating toll
3 charges, bond sale proceeds, and other revenues.

4 (4) Moneys in the account may be spent only after appropriation.

5 **Sec. 17.** RCW 43.84.092 and 2018 c 287 s 7, 2018 c 275 s 10, and
6 2018 c 203 s 14 are each reenacted and amended to read as follows:

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

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

26 (3) Except for the provisions of RCW 43.84.160, the treasury
27 income account may be utilized for the payment of purchased banking
28 services on behalf of treasury funds including, but not limited to,
29 depository, safekeeping, and disbursement functions for the state
30 treasury and affected state agencies. The treasury income account is
31 subject in all respects to chapter 43.88 RCW, but no appropriation is
32 required for payments to financial institutions. Payments shall occur
33 prior to distribution of earnings set forth in subsection (4) of this
34 section.

35 (4) Monthly, the state treasurer shall distribute the earnings
36 credited to the treasury income account. The state treasurer shall
37 credit the general fund with all the earnings credited to the
38 treasury income account except:

1 (a) The following accounts and funds shall receive their
2 proportionate share of earnings based upon each account's and fund's
3 average daily balance for the period: The abandoned recreational
4 vehicle disposal account, the aeronautics account, the aircraft
5 search and rescue account, the Alaskan Way viaduct replacement
6 project account, the brownfield redevelopment trust fund account, the
7 budget stabilization account, the capital vessel replacement account,
8 the capitol building construction account, the Cedar River channel
9 construction and operation account, the Central Washington University
10 capital projects account, the charitable, educational, penal and
11 reformatory institutions account, the Chehalis basin account, the
12 cleanup settlement account, the Columbia river basin water supply
13 development account, the Columbia river basin taxable bond water
14 supply development account, the Columbia river basin water supply
15 revenue recovery account, the common school construction fund, the
16 community forest trust account, the connecting Washington account,
17 the county arterial preservation account, the county criminal justice
18 assistance account, the deferred compensation administrative account,
19 the deferred compensation principal account, the department of
20 licensing services account, the department of licensing tuition
21 recovery trust fund, the department of retirement systems expense
22 account, the developmental disabilities community trust account, the
23 diesel idle reduction account, the drinking water assistance account,
24 the drinking water assistance administrative account, the early
25 learning facilities development account, the early learning
26 facilities revolving account, the Eastern Washington University
27 capital projects account, the Interstate 405 and state route number
28 167 express toll lanes operations account, the education construction
29 fund, the education legacy trust account, the election account, the
30 electric vehicle charging infrastructure account, the energy freedom
31 account, the energy recovery act account, the essential rail
32 assistance account, The Evergreen State College capital projects
33 account, the federal forest revolving account, the ferry bond
34 retirement fund, the freight mobility investment account, the freight
35 mobility multimodal account, the grade crossing protective fund, the
36 public health services account, the high capacity transportation
37 account, the state higher education construction account, the higher
38 education construction account, the highway bond retirement fund, the
39 highway infrastructure account, the highway safety fund, the high
40 occupancy toll lanes operations account, the hospital safety net

1 assessment fund, the industrial insurance premium refund account, the
2 judges' retirement account, the judicial retirement administrative
3 account, the judicial retirement principal account, the local
4 leasehold excise tax account, the local real estate excise tax
5 account, the local sales and use tax account, the marine resources
6 stewardship trust account, the medical aid account, the mobile home
7 park relocation fund, the money-purchase retirement savings
8 administrative account, the money-purchase retirement savings
9 principal account, the motor vehicle fund, the motorcycle safety
10 education account, the multimodal transportation account, the
11 multiuse roadway safety account, the municipal criminal justice
12 assistance account, the natural resources deposit account, the oyster
13 reserve land account, the pension funding stabilization account, the
14 perpetual surveillance and maintenance account, the pollution
15 liability insurance agency underground storage tank revolving
16 account, the public employees' retirement system plan 1 account, the
17 public employees' retirement system combined plan 2 and plan 3
18 account, the public facilities construction loan revolving account
19 beginning July 1, 2004, the public health supplemental account, the
20 public works assistance account, the Puget Sound capital construction
21 account, the Puget Sound ferry operations account, the Puget Sound
22 Gateway facility account, the Puget Sound taxpayer accountability
23 account, the real estate appraiser commission account, the
24 recreational vehicle account, the regional mobility grant program
25 account, the resource management cost account, the rural arterial
26 trust account, the rural mobility grant program account, the rural
27 Washington loan fund, the sexual assault prevention and response
28 account, the site closure account, the skilled nursing facility
29 safety net trust fund, the small city pavement and sidewalk account,
30 the special category C account, the special wildlife account, the
31 state employees' insurance account, the state employees' insurance
32 reserve account, the state investment board expense account, the
33 state investment board commingled trust fund accounts, the state
34 patrol highway account, the state route number 520 civil penalties
35 account, the state route number 520 corridor account, the state
36 wildlife account, the statewide tourism marketing account, the
37 student achievement council tuition recovery trust fund, the
38 supplemental pension account, the Tacoma Narrows toll bridge account,
39 the teachers' retirement system plan 1 account, the teachers'
40 retirement system combined plan 2 and plan 3 account, the tobacco

1 prevention and control account, the tobacco settlement account, the
2 toll facility bond retirement account, the transportation 2003
3 account (nickel account), the transportation equipment fund, the
4 transportation future funding program account, the transportation
5 improvement account, the transportation improvement board bond
6 retirement account, the transportation infrastructure account, the
7 transportation partnership account, the traumatic brain injury
8 account, the tuition recovery trust fund, the University of
9 Washington bond retirement fund, the University of Washington
10 building account, the volunteer firefighters' and reserve officers'
11 relief and pension principal fund, the volunteer firefighters' and
12 reserve officers' administrative fund, the Washington judicial
13 retirement system account, the Washington law enforcement officers'
14 and firefighters' system plan 1 retirement account, the Washington
15 law enforcement officers' and firefighters' system plan 2 retirement
16 account, the Washington public safety employees' plan 2 retirement
17 account, the Washington school employees' retirement system combined
18 plan 2 and 3 account, the Washington state health insurance pool
19 account, the Washington state patrol retirement account, the
20 Washington State University building account, the Washington State
21 University bond retirement fund, the water pollution control
22 revolving administration account, the water pollution control
23 revolving fund, the Western Washington University capital projects
24 account, the Yakima integrated plan implementation account, the
25 Yakima integrated plan implementation revenue recovery account, and
26 the Yakima integrated plan implementation taxable bond account.
27 Earnings derived from investing balances of the agricultural
28 permanent fund, the normal school permanent fund, the permanent
29 common school fund, the scientific permanent fund, the state
30 university permanent fund, and the state reclamation revolving
31 account shall be allocated to their respective beneficiary accounts.

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

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

1 NEW SECTION. **Sec. 18.** RCW 47.56.403 (High occupancy toll lane
2 pilot project) and 2017 c 313 s 712, 2015 1st sp.s. c 10 s 705, 2013
3 c 306 s 709, 2011 c 367 s 709, & 2005 c 312 s 3 are each repealed.

4 NEW SECTION. **Sec. 19.** Sections 2 through 8 of this act are each
5 added to chapter 47.10 RCW.

6 NEW SECTION. **Sec. 20.** Sections 15 and 16 of this act are each
7 added to chapter 47.56 RCW and codified with the subchapter heading
8 of "toll facilities created after July 1, 2008."

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