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**SUBSTITUTE SENATE BILL 5104**

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**State of Washington**

**66th Legislature**

**2019 Regular Session**

**By** Senate Transportation (originally sponsored by Senators Sheldon, Rolfes, Fortunato, Schoesler, and O'Ban)

READ FIRST TIME 02/07/19.

1 AN ACT Relating to prohibiting local governments from imposing  
2 vehicle tolls; amending RCW 35.23.452, 35.74.010, 36.73.015,  
3 36.73.040, 36.73.065, 36.73.067, 36.73.170, 36.120.050, 36.120.130,  
4 and 47.56.820; reenacting and amending RCW 36.120.020; adding a new  
5 section to chapter 35.21 RCW; adding a new section to chapter 35A.21  
6 RCW; adding a new section to chapter 36.01 RCW; and repealing RCW  
7 35.74.050, 35.74.060, and 35.74.070.

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

9 NEW SECTION. **Sec. 1.** A new section is added to chapter 35.21  
10 RCW to read as follows:

11 No city or town may impose vehicle tolls.

12 **Sec. 2.** RCW 35.23.452 and 1965 c 7 s 35.24.300 are each amended  
13 to read as follows:

14 The city council of such city shall have power to purchase,  
15 lease, or otherwise acquire real estate and personal property  
16 necessary or proper for municipal purposes and to control, lease,  
17 sublease, convey or otherwise dispose of the same; to acquire and  
18 plat land for cemeteries and parks and provide for the regulation  
19 thereof, including but not limited to the right to lease any  
20 waterfront and other lands adjacent thereto owned by it for

1 manufacturing, commercial or other business purposes; including but  
2 not limited to the right to lease for wharf, dock and other purposes  
3 of navigation and commerce such portions of its streets which bound  
4 upon or terminate in its waterfront or the navigable waters of such  
5 city, subject, however, to the written consent of the lessees of a  
6 majority of the square feet frontage of the harbor area abutting on  
7 any street proposed to be so leased. No lease of streets or  
8 waterfront shall be for longer than ten years and the rental therefor  
9 shall be fixed by the city council. Every such lease shall contain a  
10 clause that at intervals of every five years during the term thereof  
11 the rental to be paid by the lessee shall be readjusted between the  
12 lessee and the city by mutual agreement, or in default of such mutual  
13 agreement that the rental shall be fixed by arbitrators to be  
14 appointed one by the city council, one by the lessee and the third by  
15 the two thus appointed. No such lease shall be made until the city  
16 council has first caused notice thereof to be published in the  
17 official newspaper of such city at least fifteen days and in one  
18 issue thereof each week prior to the making of such lease, which  
19 notice shall describe the portion of the street proposed to be  
20 leased, to whom, for what purpose, and the rental to be charged  
21 therefor. The city may improve part of such waterfront or street  
22 extensions by building inclines, wharves, gridirons and other  
23 accommodations for shipping, commerce and navigation and may charge  
24 and collect for service and use thereof reasonable rates ((and  
25 tolls)).

26 **Sec. 3.** RCW 35.74.010 and 1965 c 7 s 35.74.010 are each amended  
27 to read as follows:

28 Every city and town may erect and maintain drawbridges across  
29 navigable streams that flow through or penetrate the boundaries  
30 thereof, when the public necessity requires it(~~(, or it may grant~~  
31 ~~franchises to persons or corporations to erect them and charge toll~~  
32 ~~thereon))~~).

33 NEW SECTION. **Sec. 4.** A new section is added to chapter 35A.21  
34 RCW to read as follows:

35 No code city may impose vehicle tolls.

36 NEW SECTION. **Sec. 5.** A new section is added to chapter 36.01  
37 RCW to read as follows:

1 No county may impose vehicle tolls.

2 **Sec. 6.** RCW 36.73.015 and 2015 3rd sp.s. c 44 s 311 are each  
3 amended to read as follows:

4 The definitions in this section apply throughout this chapter  
5 unless the context clearly requires otherwise.

6 (1) "City" means a city or town.

7 (2) "District" means a transportation benefit district created  
8 under this chapter.

9 (3) "Low-income" means household income set by the district  
10 creating the rebate program that is at or below seventy-five percent  
11 of the median household income, adjusted for household size, for the  
12 district in which the fees(~~(7)~~) or taxes(~~(7-or-tolls)~~) were imposed.

13 (4) "Rebate program" means an optional program established by a  
14 transportation benefit district that includes a city with a  
15 population of five hundred thousand persons or more for the purpose  
16 of providing rebates to low-income individuals for fees(~~(7)~~) or  
17 taxes(~~(7-and/or-tolls)~~) imposed by such transportation benefit  
18 district for: (a) Vehicle fees imposed under RCW 36.73.040(3)(b); and  
19 (b) sales and use taxes imposed under RCW 36.73.040(3)(a) (~~(7-and/or~~  
20 ~~(c)-tolls imposed under RCW 36.73.040(3)(d))~~).

21 (5) "Supplemental transportation improvement" or "supplemental  
22 improvement" means any project, work, or undertaking to provide  
23 public transportation service, in addition to a district's existing  
24 or planned voter-approved transportation improvements, proposed by a  
25 participating city member of the district under RCW 36.73.180.

26 (6) "Transportation improvement" means a project contained in the  
27 transportation plan of the state, a regional transportation planning  
28 organization, city, county, or eligible jurisdiction as identified in  
29 RCW 36.73.020(2). A project may include investment in new or existing  
30 highways of statewide significance, principal arterials of regional  
31 significance, high capacity transportation, public transportation,  
32 and other transportation projects and programs of regional or  
33 statewide significance including transportation demand management.  
34 Projects may also include the operation, preservation, and  
35 maintenance of these facilities or programs.

36 **Sec. 7.** RCW 36.73.040 and 2008 c 122 s 17 are each amended to  
37 read as follows:

1 (1) A transportation benefit district is a quasi-municipal  
2 corporation, an independent taxing "authority" within the meaning of  
3 Article VII, section 1 of the state Constitution, and a "taxing  
4 district" within the meaning of Article VII, section 2 of the state  
5 Constitution.

6 (2) A transportation benefit district constitutes a body  
7 corporate and possesses all the usual powers of a corporation for  
8 public purposes as well as all other powers that may now or hereafter  
9 be specifically conferred by statute, including, but not limited to,  
10 the authority to hire employees, staff, and services, to enter into  
11 contracts, to acquire, hold, and dispose of real and personal  
12 property, and to sue and be sued. Public works contract limits  
13 applicable to the jurisdiction that established the district apply to  
14 the district.

15 (3) To carry out the purposes of this chapter, and subject to the  
16 provisions of RCW 36.73.065, a district is authorized to impose the  
17 following taxes, fees, and charges (~~(, and tolls)~~):

18 (a) A sales and use tax in accordance with RCW 82.14.0455;

19 (b) A vehicle fee in accordance with RCW 82.80.140; and

20 (c) A fee or charge in accordance with RCW 36.73.120. However, if  
21 a county or city within the district area is levying a fee or charge  
22 for a transportation improvement, the fee or charge shall be credited  
23 against the amount of the fee or charge imposed by the district.  
24 Developments consisting of less than twenty residences are exempt  
25 from the fee or charge under RCW 36.73.120 (~~(; and~~

26 ~~(d) Vehicle tolls on state routes, city streets, or county roads,~~  
27 ~~within the boundaries of the district, unless otherwise prohibited by~~  
28 ~~law. However, consistent with RCW 47.56.820, the vehicle toll must~~  
29 ~~first be authorized by the legislature if the toll is imposed on a~~  
30 ~~state route. The department of transportation shall administer the~~  
31 ~~collection of vehicle tolls authorized on state routes, unless~~  
32 ~~otherwise specified in law or by contract, and the state~~  
33 ~~transportation commission, or its successor, may approve, set, and~~  
34 ~~impose the tolls in amounts sufficient to implement the district's~~  
35 ~~transportation improvement finance plan. The district shall~~  
36 ~~administer the collection of vehicle tolls authorized on city streets~~  
37 ~~or county roads, and shall set and impose the tolls in amounts~~  
38 ~~sufficient to implement the district's transportation improvement~~  
39 ~~plan. However, consistent with RCW 47.56.850, the vehicle toll,~~  
40 ~~including any change in an existing toll rate, must first be reviewed~~

1 ~~and approved by the tolling authority designated in RCW 47.56.850 if~~  
2 ~~the toll, or change in toll rate, would have a significant impact, as~~  
3 ~~determined by the tolling authority, on the operation of any state~~  
4 ~~facility)).~~

5 **Sec. 8.** RCW 36.73.065 and 2015 3rd sp.s. c 44 s 309 are each  
6 amended to read as follows:

7 (1) Except as provided in subsection (4) of this section, taxes,  
8 fees, and charges(~~(, and tolls)~~) may not be imposed by a district  
9 without approval of a majority of the voters in the district voting  
10 on a proposition at a general or special election. The proposition  
11 must include a specific description of: (a) The transportation  
12 improvement or improvements proposed by the district; (b) any rebate  
13 program proposed to be established under RCW 36.73.067; and (c) the  
14 proposed taxes, fees, and charges(~~(, and the range of tolls)~~) imposed  
15 by the district to raise revenue to fund the improvement or  
16 improvements or rebate program, as applicable.

17 (2) Voter approval under this section must be accorded  
18 substantial weight regarding the validity of a transportation  
19 improvement as defined in RCW 36.73.015.

20 (3) A district may not increase any taxes, fees, or charges(~~(, or~~  
21 ~~range of tolls)~~) imposed or change a rebate program under this  
22 chapter once the taxes, fees, charges, (~~(tolls,)~~) or rebate program  
23 takes effect, except:

24 (a) If authorized by the district voters pursuant to RCW  
25 36.73.160;

26 (b) With respect to a change in a rebate program, a material  
27 change policy adopted pursuant to RCW 36.73.160 is followed and the  
28 change does not reduce the percentage level or rebate amount;

29 (c) For up to forty dollars of the vehicle fee authorized in RCW  
30 82.80.140 by the governing board of the district if a vehicle fee of  
31 twenty dollars has been imposed for at least twenty-four months; or

32 (d) For up to fifty dollars of the vehicle fee authorized in RCW  
33 82.80.140 by the governing board of the district if a vehicle fee of  
34 forty dollars has been imposed for at least twenty-four months and a  
35 district has met the requirements of subsection (6) of this section.

36 (4)(a) A district that includes all the territory within the  
37 boundaries of the jurisdiction, or jurisdictions, establishing the  
38 district may impose by a majority vote of the governing board of the  
39 district the following fees and charges:

1 (i) Up to twenty dollars of the vehicle fee authorized in RCW  
2 82.80.140;

3 (ii) Up to forty dollars of the vehicle fee authorized in RCW  
4 82.80.140 if a vehicle fee of twenty dollars has been imposed for at  
5 least twenty-four months;

6 (iii) Up to fifty dollars of the vehicle fee authorized in RCW  
7 82.80.140 if a vehicle fee of forty dollars has been imposed for at  
8 least twenty-four months and a district has met the requirements of  
9 subsection (6) of this section; or

10 (iv) A fee or charge in accordance with RCW 36.73.120.

11 (b) The vehicle fee authorized in (a) of this subsection may only  
12 be imposed for a passenger-only ferry transportation improvement if  
13 the vehicle fee is first approved by a majority of the voters within  
14 the jurisdiction of the district.

15 (c)(i) A district solely comprised of a city or cities may not  
16 impose the fees or charges identified in (a) of this subsection  
17 within one hundred eighty days after July 22, 2007, unless the county  
18 in which the city or cities reside, by resolution, declares that it  
19 will not impose the fees or charges identified in (a) of this  
20 subsection within the one hundred eighty-day period; or

21 (ii) A district solely comprised of a city or cities identified  
22 in RCW 36.73.020(6)(b) may not impose the fees or charges until after  
23 May 22, 2008, unless the county in which the city or cities reside,  
24 by resolution, declares that it will not impose the fees or charges  
25 identified in (a) of this subsection through May 22, 2008.

26 (5) If the interlocal agreement in RCW 82.80.140(2)(a) cannot be  
27 reached, a district that includes only the unincorporated territory  
28 of a county may impose by a majority vote of the governing body of  
29 the district up to: (a) Twenty dollars of the vehicle fee authorized  
30 in RCW 82.80.140, (b) forty dollars of the vehicle fee authorized in  
31 RCW 82.80.140 if a fee of twenty dollars has been imposed for at  
32 least twenty-four months, or (c) fifty dollars of the vehicle fee  
33 authorized in RCW 82.80.140 if a vehicle fee of forty dollars has  
34 been imposed for at least twenty-four months and a district has met  
35 the requirements of subsection (6) of this section.

36 (6) If a district intends to impose a vehicle fee of more than  
37 forty dollars by a majority vote of the governing body of the  
38 district, the governing body must publish notice of this intention,  
39 in one or more newspapers of general circulation within the district,  
40 by April 1st of the year in which the vehicle fee is to be imposed.

1 If within ninety days of the date of publication a petition is filed  
2 with the county auditor containing the signatures of eight percent of  
3 the number of voters registered and voting in the district for the  
4 office of the governor at the last preceding gubernatorial election,  
5 the county auditor must canvass the signatures in the same manner as  
6 prescribed in RCW 29A.72.230 and certify their sufficiency to the  
7 governing body within two weeks. The proposition to impose the  
8 vehicle fee must then be submitted to the voters of the district at a  
9 special election, called for this purpose, no later than the date on  
10 which a primary election would be held under RCW 29A.04.311. The  
11 vehicle fee may then be imposed only if approved by a majority of the  
12 voters of the district voting on the proposition.

13 **Sec. 9.** RCW 36.73.067 and 2012 c 152 s 2 are each amended to  
14 read as follows:

15 (1) A district that: (a) Includes a city with a population of  
16 five hundred thousand persons or more; and (b) imposes a vehicle fee  
17 under RCW 36.73.040(3)(b) ~~((τ))~~ or sales and use taxes under RCW  
18 36.73.040(3)(a) ~~((τ—or—tolls—under—RCW—36.73.040(3)(d)τ))~~ may  
19 establish a rebate program for the purposes of providing rebates of  
20 up to forty percent of the actual fee ~~((τ))~~ or tax ~~((τ—or—toll))~~ paid  
21 by a low-income individual.

22 (2) Funds collected from a vehicle fee under RCW 36.73.040(3)(b)  
23 ~~((τ))~~ or sales and use tax under RCW 36.73.040(3)(a) ~~((or—tolls—under~~  
24 ~~RCW—36.73.040(3)(d))~~) may be used for a rebate program established  
25 under this section.

26 (3) A district that establishes a rebate program is responsible  
27 for the development and administration of the program and all  
28 functions and costs associated with the rebate program.

29 (4) A district that establishes a rebate program under this  
30 section must report back to the legislature two years after the  
31 program takes effect. The report must include, but is not limited to,  
32 a detailed description of the structure of the program, the average  
33 rebate, the total amount of rebates issued, and the number of people  
34 that received rebates.

35 **Sec. 10.** RCW 36.73.170 and 2005 c 336 s 19 are each amended to  
36 read as follows:

37 Within thirty days of the completion of the construction of the  
38 transportation improvement or series of improvements authorized by a

1 district, the district shall terminate day-to-day operations and  
2 exist solely as a limited entity that oversees the collection of  
3 revenue and the payment of debt service or financing still in effect,  
4 if any and to carry out the requirements of RCW 36.73.160. The  
5 district shall accordingly adjust downward its employees,  
6 administration, and overhead expenses. Any taxes, fees, or charges(~~or~~  
7 ~~or tolls~~)) imposed by the district terminate when the financing or  
8 debt service on the transportation improvement or series of  
9 improvements constructed is completed and paid and notice is provided  
10 to the departments administering the taxes. Any excess revenues  
11 collected must be disbursed to the participating jurisdictions of the  
12 district in proportion to their population, using population  
13 estimates prepared by the office of financial management. The  
14 district shall dissolve itself and cease to exist thirty days after  
15 the financing or debt service on the transportation improvement, or  
16 series of improvements, constructed is completed and paid. If there  
17 is no debt outstanding, then the district shall dissolve within  
18 thirty days from completion of construction of the transportation  
19 improvement or series of improvements authorized by the district.  
20 Notice of dissolution must be published in newspapers of general  
21 circulation within the district at least three times in a period of  
22 thirty days. Creditors must file claims for payment of claims due  
23 within thirty days of the last published notice or the claim is  
24 extinguished.

25 **Sec. 11.** RCW 36.120.020 and 2006 c 334 s 13 and 2006 c 311 s 4  
26 are each reenacted and amended to read as follows:

27 The definitions in this section apply throughout this chapter  
28 unless the context clearly requires otherwise.

29 (1) "Board" means the governing body of a regional transportation  
30 investment district.

31 (2) "Department" means the Washington state department of  
32 transportation.

33 (3) "Highway of statewide significance" means an existing or  
34 proposed state route or federal interstate designated as a highway of  
35 statewide significance by the transportation commission, the  
36 department, or the legislature.

37 (4) "Lead agency" means a public agency that by law can plan,  
38 design, and build a transportation project and has been so designated  
39 by the district.

1 (5) "Regional transportation investment district" or "district"  
2 means a municipal corporation that has been created by county  
3 legislative authorities and a vote of the people under this chapter  
4 to implement a regional transportation investment plan.

5 (6) "Regional transportation investment district planning  
6 committee" or "planning committee" means the advisory committee  
7 created under RCW 36.120.030 to create and propose to county  
8 legislative authorities a regional transportation investment plan to  
9 develop, finance, and construct transportation projects.

10 (7) "Regional transportation investment plan" or "plan" means a  
11 plan to develop, construct, and finance a transportation project or  
12 projects.

13 (8) "Transportation project" means:

14 (a) A capital improvement or improvements to a highway that has  
15 been designated, in whole or in part, as a highway of statewide  
16 significance, including an extension, that:

17 (i) Adds a lane or new lanes to an existing state or federal  
18 highway; or

19 (ii) Repairs or replaces a lane or lanes damaged by an event  
20 declared an emergency by the governor before January 1, 2002.

21 (b) A capital improvement or improvements to all or a portion of  
22 a highway of statewide significance, including an extension, and may  
23 include the following associated multimodal capital improvements:

24 (i) Approaches to highways of statewide significance;

25 (ii) High occupancy vehicle lanes;

26 (iii) Flyover ramps;

27 (iv) Park and ride lots;

28 (v) Bus pullouts;

29 (vi) Vans for vanpools;

30 (vii) Buses; and

31 (viii) Signalization, ramp metering, and other transportation  
32 system management improvements.

33 (c) A capital improvement or improvements to all or a portion of  
34 a city street, county road, or existing highway or the creation of a  
35 new highway that intersects with a highway of statewide significance,  
36 if all of the following conditions are met:

37 (i) The project is included in a plan that makes highway  
38 improvement projects that add capacity to a highway or highways of  
39 statewide significance;

1 (ii) The secretary of transportation determines that the project  
2 would better relieve traffic congestion than investing that same  
3 money in adding capacity to a highway of statewide significance;

4 (iii) Matching money equal to fifteen percent of the total cost  
5 of the project is provided by local entities, including but not  
6 limited to a metropolitan planning organization, county, city, port,  
7 or private entity in which a county participating in a plan is  
8 located. Local entities may use federal grants to meet this matching  
9 requirement;

10 (iv) In no case may the cumulative regional transportation  
11 investment district contribution to all projects constructed under  
12 this subsection (8)(c) exceed ten percent of the revenues generated  
13 by the district;

14 (v) In no case may the cumulative regional transportation  
15 investment district contribution to all projects constructed under  
16 this subsection (8)(c) exceed one billion dollars; and

17 (vi) The specific projects are included within the plan and  
18 submitted as part of the plan to a vote of the people.

19 (d) (~~Except as otherwise provided in this subsection,~~)  
20 Operations, preservation, and maintenance are excluded from this  
21 definition and may not be included in a regional transportation  
22 investment plan. (However, operations, preservation, and maintenance  
23 of tolled facilities where toll revenues have been pledged for the  
24 payment of contracts is expressly authorized and may be included in a  
25 regional transportation investment plan. The authority under this  
26 subsection includes operational expenses for toll enforcement.))

27 (e) Operational expenses for traffic mitigation provided solely  
28 for transportation project construction mitigation directly related  
29 to specific projects as outlined in the plan shall be included in a  
30 regional transportation investment plan. Construction mitigation  
31 strategies may include, but are not limited to, funding for increased  
32 transit service hours, trip reduction incentives, nonmotorized mode  
33 support, and ridematching services. Prior to construction of any  
34 project, corridor mitigation plans must be developed in conjunction  
35 with the department and partner transit agencies, including local  
36 transit agencies and the regional transit authority serving the  
37 counties, with the following goals: (i) Reducing drive alone trips in  
38 affected corridors; (ii) reducing delay per person and delay per unit  
39 of goods in affected corridors; and (iii) improving levels of service  
40 that improve system performance for all transportation users in

1 affected corridors. The regional transportation commission  
2 established under section 2, chapter 311, Laws of 2006, or a  
3 successor regional governing entity, shall review transit investments  
4 according to these performance measures to determine whether to  
5 continue funding for successful and effective operations after the  
6 construction period is completed.

7 (9) "Weighted vote" means a vote that reflects the population  
8 each board or planning committee member represents relative to the  
9 population represented by the total membership of the board or  
10 planning committee. Population will be determined using the federal  
11 2000 census or subsequent federal census data.

12 **Sec. 12.** RCW 36.120.050 and 2008 c 122 s 16 are each amended to  
13 read as follows:

14 (1) A regional transportation investment district planning  
15 committee may, as part of a regional transportation investment plan,  
16 recommend the imposition or authorization of some or all of the  
17 following revenue sources, which a regional transportation investment  
18 district may impose or authorize upon approval of the voters as  
19 provided in this chapter:

20 (a) A regional sales and use tax, as specified in RCW 82.14.430,  
21 of up to 0.1 percent of the selling price, in the case of a sales  
22 tax, or value of the article used, in the case of a use tax, upon the  
23 occurrence of any taxable event in the regional transportation  
24 investment district;

25 (b) A local option vehicle license fee, as specified under RCW  
26 82.80.100, of up to one hundred dollars per vehicle registered in the  
27 district. As used in this subsection, "vehicle" means motor vehicle  
28 as defined in RCW 46.04.320. Certain classes of vehicles, as defined  
29 under chapter 46.04 RCW, may be exempted from this fee;

30 (c) A parking tax under RCW 82.80.030;

31 (d) A local motor vehicle excise tax under RCW 81.100.060;

32 (e) A local option fuel tax under RCW 82.80.120; and

33 (f) An employer excise tax under RCW 81.100.030 (~~and~~

34 ~~(g) Vehicle tolls on new or reconstructed local or regional~~  
35 ~~arterials or state routes within the boundaries of the district, if~~  
36 ~~the following conditions are met:~~

37 ~~(i) Consistent with RCW 47.56.820, the vehicle toll must first be~~  
38 ~~authorized by the legislature if the toll is imposed on a state~~  
39 ~~route;~~

1 ~~(ii) Consistent with RCW 47.56.850, the vehicle toll, including~~  
2 ~~any change in an existing toll rate, must first be reviewed and~~  
3 ~~approved by the tolling authority designated in RCW 47.56.850 if the~~  
4 ~~toll, or change in toll rate, would have a significant impact, as~~  
5 ~~determined by the tolling authority, on the operation of any state~~  
6 ~~facility;~~

7 ~~(iii) The regional transportation investment plan must identify~~  
8 ~~the facilities that may be tolled; and~~

9 ~~(iv) Unless otherwise specified by law, the department shall~~  
10 ~~administer the collection of vehicle tolls on designated facilities,~~  
11 ~~and the state transportation commission, or its successor, shall be~~  
12 ~~the tolling authority, and shall act in accordance with RCW~~  
13 ~~47.56.850)).~~

14 (2) Taxes(~~(,)~~) and fees(~~(, and tolls)~~) may not be imposed or  
15 authorized without an affirmative vote of the majority of the voters  
16 within the boundaries of the district voting on a ballot proposition  
17 as set forth in RCW 36.120.070. Revenues from these taxes and fees  
18 may be used only to implement the plan as set forth in this chapter.  
19 A district may contract with the state department of revenue or other  
20 appropriate entities for administration and collection of any of the  
21 taxes or fees authorized in this section.

22 (3) Existing statewide motor vehicle fuel and special fuel taxes,  
23 at the distribution rates in effect on January 1, 2001, are not  
24 intended to be altered by this chapter.

25 **Sec. 13.** RCW 36.120.130 and 2003 c 372 s 1 are each amended to  
26 read as follows:

27 (1)(a) Notwithstanding RCW 39.36.020(1), the district may at any  
28 time contract indebtedness or borrow money for district purposes and  
29 may issue general obligation bonds or other evidences of  
30 indebtedness, secured by the pledge of one or more of the taxes,  
31 (~~tolls,~~) charges, or fees authorized to be imposed by the district,  
32 in an amount not exceeding, together with any existing indebtedness  
33 of the district not authorized by the voters, one and one-half  
34 percent of the value of the taxable property within the boundaries of  
35 the district.

36 (b) With the assent of three-fifths of the voters voting at an  
37 election, a district may contract indebtedness or borrow money for  
38 district purposes and may issue general obligation bonds or other  
39 evidences of indebtedness as long as the total indebtedness of the

1 district does not exceed five percent of the value of the taxable  
2 property within the district, including indebtedness authorized under  
3 (a) of this subsection. The bonds shall be issued and sold in  
4 accordance with chapter 39.46 RCW.

5 (2) The district may at any time issue revenue bonds or other  
6 evidences of indebtedness, secured by the pledge of one or more of  
7 the revenues authorized to be collected by the district, to provide  
8 funds to carry out its authorized functions without submitting the  
9 matter to the voters of the district. These obligations shall be  
10 issued and sold in accordance with chapter 39.46 RCW.

11 (3) The district may enter into agreements with the lead agencies  
12 or the state of Washington, when authorized by the plan, to pledge  
13 taxes or other revenues of the district for the purpose of paying in  
14 part or whole principal and interest on bonds issued by the lead  
15 agency or the state of Washington. The agreements pledging revenues  
16 and taxes shall be binding for their terms, but not to exceed thirty  
17 years, and no tax pledged by an agreement may be eliminated or  
18 modified if it would impair the pledge made in any agreement.

19 (4) Once construction of projects in the plan has been completed,  
20 revenues collected by the district may only be used for the following  
21 purposes: (a) Payment of principal and interest on outstanding  
22 indebtedness of the district; and (b) to make payments required under  
23 a pledging agreement (~~(; and (c) to make payments for maintenance and~~  
24 ~~operations of toll facilities as may be required by toll bond~~  
25 ~~covenants)).~~

26 **Sec. 14.** RCW 47.56.820 and 2008 c 122 s 4 are each amended to  
27 read as follows:

28 (1) (~~Unless otherwise delegated,~~) Only the legislature may  
29 authorize the imposition of tolls on eligible toll facilities.

30 (2) All revenue from an eligible toll facility must be used only  
31 to construct, improve, preserve, maintain, manage, or operate the  
32 eligible toll facility on or in which the revenue is collected.  
33 Expenditures of toll revenues are subject to appropriation and must  
34 be made only:

35 (a) To cover the operating costs of the eligible toll facility,  
36 including necessary maintenance, preservation, administration, and  
37 toll enforcement by public law enforcement within the boundaries of  
38 the facility;

1 (b) To meet obligations for the repayment of debt and interest on  
2 the eligible toll facilities, and any other associated financing  
3 costs including, but not limited to, required reserves and insurance;

4 (c) To meet any other obligations to provide funding  
5 contributions for any projects or operations on the eligible toll  
6 facilities;

7 (d) To provide for the operations of conveyances of people or  
8 goods; or

9 (e) For any other improvements to the eligible toll facilities.

10 NEW SECTION. **Sec. 15.** The following acts or parts of acts are  
11 each repealed:

12 (1) RCW 35.74.050 (Authority to operate toll bridges—Toll rate  
13 review and approval by tolling authority) and 2008 c 122 s 15 & 1965  
14 c 7 s 35.74.050;

15 (2) RCW 35.74.060 (Prerequisites of grant of franchise—Approval  
16 of bridge—Tolls) and 1965 c 7 s 35.74.060; and

17 (3) RCW 35.74.070 (License fees—Renewal of license) and 1965 c 7  
18 s 35.74.070.

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