
HOUSE BILL 2089

State of Washington

67th Legislature

2022 Regular Session

By Representatives Slatter, Duerr, Ryu, Fey, Bergquist, and Kloba

Read first time 01/25/22. Referred to Committee on Transportation.

1 AN ACT Relating to modifying the bond authorization for the
2 Interstate 405 and state route number 167 corridor and the Puget
3 Sound Gateway facility; and amending RCW 47.10.886 and 47.10.906.

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

5 **Sec. 1.** RCW 47.10.886 and 2011 c 377 s 4 are each amended to
6 read as follows:

7 If and to the extent that the state finance committee determines,
8 in consultation with the department of transportation and the tolling
9 authority, that it will be beneficial for the state to issue any
10 bonds authorized in RCW 47.10.879 and 47.10.883 through 47.10.885 or
11 47.10.896 and 47.10.899 through 47.10.901 as toll revenue bonds
12 rather than as general obligation bonds, the state finance committee
13 is authorized to issue and sell, upon the request of the department
14 of transportation, such bonds as toll revenue bonds and not as
15 general obligation bonds. Notwithstanding RCW 47.10.883 or 47.10.899,
16 as applicable, each such bond shall contain a recital that payment or
17 redemption of the bond and payment of the interest and any premium
18 thereon is payable solely from and secured solely by a direct pledge,
19 charge, and lien upon toll revenue and is not a general obligation of
20 the state to which the full faith and credit of the state is pledged.

1 Toll revenue is hereby pledged to the payment of any bonds and
2 the interest thereon issued under the authority of this section, and
3 the legislature agrees to continue to impose these toll charges on
4 the state route number 520 corridor, the Interstate 405 and state
5 route number 167 corridor, the Puget Sound Gateway facility, and on
6 any other eligible toll facility designated by the legislature and on
7 which the imposition of tolls is authorized by the legislature in
8 respect of the bonds, in amounts sufficient to pay, when due, the
9 principal and interest on all bonds issued under the authority of
10 this section.

11 **Sec. 2.** RCW 47.10.906 and 2019 c 421 s 9 are each amended to
12 read as follows:

13 The state finance committee may determine and include in any
14 resolution authorizing the issuance of any bonds under chapter 498,
15 Laws of 2009, chapter 377, Laws of 2011, and chapter 421, Laws of
16 2019, such terms, provisions, covenants, and conditions as it may
17 deem appropriate in order to assist with the marketing and sale of
18 the bonds, confer rights upon the owners of bonds, and safeguard
19 rights of the owners of bonds including, among other things:

20 (1) Provisions regarding the maintenance and operation of
21 eligible toll facilities;

22 (2) The pledges, uses, and priorities of application of toll
23 revenue;

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

30 (4) Provisions that bonds shall be payable from and secured
31 solely by toll revenue as provided by RCW 47.10.886, or shall be
32 payable from and secured by both toll revenue and by a pledge of
33 excise taxes on fuel and vehicle-related fees and the full faith and
34 credit of the state as provided in RCW 47.10.896 and 47.10.899
35 through 47.10.901;

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

1 (6) The purposes and conditions that must be satisfied prior to
2 the issuance of any additional bonds that are to be payable from and
3 secured by any toll revenue on an equal basis with previously issued
4 and outstanding bonds payable from and secured by toll revenue;

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

10 (8) Provisions regarding reserves, credit enhancement, liquidity
11 facilities, and payment agreements with respect to bonds.

12 Notwithstanding the foregoing, covenants and conditions detailing
13 the character of management, maintenance, and operation of eligible
14 toll facilities, insurance for eligible toll facilities, financial
15 management of toll revenue, and disposition of eligible toll
16 facilities must first be approved by the department of
17 transportation.

18 The owner of any bond may by mandamus or other appropriate
19 proceeding require and compel performance of any duties imposed upon
20 the tolling authority and the department of transportation and their
21 respective officials, including any duties imposed upon or undertaken
22 by them or by their respective officers, agents, and employees, in
23 connection with the construction, maintenance, and operation of
24 eligible toll facilities and in connection with the collection,
25 deposit, investment, application, and disbursement of the proceeds of
26 the bonds and toll revenue.

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