

SENATE BILL 5276

State of Washington

68th Legislature

2023 Regular Session

By Senators King and Lias

Read first time 01/11/23. Referred to Committee on Transportation.

1 AN ACT Relating to avoiding interest arbitrage charges on bond
2 proceeds in the capital vessel replacement account; amending 2022 c
3 186 s 406 (uncodified); and creating a new section.

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

5 NEW SECTION. **Sec. 1.** The legislature finds that delays in the
6 procurement of additional ferry boat vessels have correspondingly
7 delayed the time frame in which the proceeds of bonds issued for that
8 purpose may be spent. The legislature further finds that, absent
9 timely legislative action, the state may be subject to internal
10 revenue service arbitrage rebate penalties for failure to expend the
11 bond proceeds in a timely manner. It is the intent of the legislature
12 to repurpose the bond proceeds to allow the department of
13 transportation to spend the funds within internal revenue service
14 timelines.

15 **Sec. 2.** 2022 c 186 s 406 (uncodified) is amended to read as
16 follows:

17 **FOR THE STATE TREASURER—ADMINISTRATIVE TRANSFERS**

18 (1) Highway Safety Account—State Appropriation:

19 For transfer to the State Patrol Highway

20 Account—State. \$47,000,000

1 (2) (~~(a)~~) ~~Transportation Partnership Account—State~~
2 ~~Appropriation: For transfer to the Capital Vessel~~
3 ~~Replacement Account—State. \$45,468,000~~

4 ~~(b) The amount transferred in this subsection represents proceeds~~
5 ~~from the sale of bonds authorized in RCW 47.10.873.~~

6 ~~(3))~~ (a) Transportation Partnership Account—State
7 Appropriation: For transfer to the Tacoma Narrows Toll Bridge Account
8 —State. \$30,293,000

9 (b) It is the intent of the legislature that this transfer is
10 temporary, for the purpose of minimizing the impact of toll
11 increases. An equivalent reimbursing transfer is to occur after the
12 debt service and deferred sales tax on the Tacoma Narrows bridge
13 construction costs are fully repaid in accordance with chapter 195,
14 Laws of 2018.

15 (~~(4))~~ (3) (a) Motor Vehicle Account—State Appropriation:
16 For transfer to Alaskan Way Viaduct Replacement Project
17 Account—State. \$6,000,000

18 (b) The funds provided in (a) of this subsection are a loan to
19 the Alaskan Way viaduct replacement project account—state, and the
20 legislature assumes that these funds will be reimbursed to the motor
21 vehicle account—state at a later date when traffic on the toll
22 facility has recovered from the COVID-19 pandemic.

23 (~~(5))~~ (4) Motor Vehicle Account—State Appropriation:
24 For transfer to the County Arterial Preservation
25 Account—State. \$7,666,000

26 (~~(6))~~ (5) Motor Vehicle Account—State Appropriation:
27 For transfer to the Freight Mobility Investment
28 Account—State. \$5,511,000

29 (~~(7))~~ (6) Motor Vehicle Account—State Appropriation:
30 For transfer to the Rural Arterial Trust Account—State. . . \$9,331,000

31 (~~(8))~~ (7) Motor Vehicle Account—State Appropriation:
32 For transfer to the Transportation Improvement
33 Account—State. \$9,688,000

34 (~~(9))~~ (8) Rural Mobility Grant Program Account—State
35 Appropriation: For transfer to the Multimodal
36 Transportation Account—State. \$3,000,000

37 (~~(10))~~ (9) (a) State Route Number 520 Civil Penalties
38 Account—State Appropriation: For transfer to the
39 Motor Vehicle Account—State

1 \$2,000,000

2 (b) The transfer in this subsection is to repay moneys loaned to

3 the state route number 520 civil penalties account in the 2019-2021

4 fiscal biennium.

5 (~~(11)~~) (10) State Route Number 520 Civil Penalties

6 Account—State Appropriation: For transfer to the

7 State Route Number 520 Corridor Account—State. \$1,532,000

8 (~~(12)~~) (11) Capital Vessel Replacement Account—State

9 Appropriation: For transfer to the Connecting

10 Washington Account—State. \$35,000,000

11 (~~(13)~~) (12)(a) Capital Vessel Replacement Account—State

12 Appropriation: For transfer to the Transportation

13 Partnership Account—State. (~~(\$1,542,000)~~)

14 \$35,547,000

15 (b) The amount transferred in this subsection represents

16 (~~repayment of debt service incurred for the construction of the~~

17 ~~Hybrid Electric Olympic Class (144-auto) Vessel #5 project~~

18 ~~(L2000329))~~ proceeds from the sale of bonds authorized in the

19 2019-2021 biennium in RCW 47.10.873.

20 (~~(14)~~) (13) Multimodal Transportation Account—State

21 Appropriation: For transfer to the Complete Streets

22 Grant Program Account—State. \$14,670,000

23 (~~(15)~~) (14) Multimodal Transportation Account—State

24 Appropriation: For transfer to the Connecting

25 Washington Account—State. \$200,000,000

26 (~~(16)~~) (15) Multimodal Transportation Account—State

27 Appropriation: For transfer to the Freight Mobility

28 Multimodal Account—State. \$4,011,000

29 (~~(17)~~) (16) Multimodal Transportation Account—State

30 Appropriation: For transfer to the Ignition Interlock

31 Device Revolving Account—State. \$600,000

32 (~~(18)~~) (17) Multimodal Transportation Account—State

33 Appropriation: For transfer to the Pilotage

34 Account—State. \$2,000,000

35 (~~(19)~~) (18) Multimodal Transportation Account—State

36 Appropriation: For transfer to the Puget Sound

37 Capital Construction Account—State. \$816,700,000

38 (~~(20)~~) (19) Multimodal Transportation Account—State

39 Appropriation: For transfer to the Regional Mobility

1 Grant Program Account—State. \$27,679,000
2 ((+21)) (20) Multimodal Transportation Account—State
3 Appropriation: For transfer to the Rural Mobility
4 Grant Program Account—State. \$15,223,000
5 ((+22)) (21) (a) Alaskan Way Viaduct Replacement Project
6 Account—State Appropriation: For transfer to the
7 Transportation Partnership Account—State. \$22,884,000
8 (b) The amount transferred in this subsection represents
9 repayment of debt service incurred for the construction of the SR 99/
10 Alaskan Way Viaduct Replacement project (809936Z).
11 ((+23)) (22) Tacoma Narrows Toll Bridge Account—State
12 Appropriation: For transfer to the Motor Vehicle
13 Account—State. \$950,000
14 ((+24)) (23) Puget Sound Ferry Operations Account—State
15 Appropriation: For transfer to the Puget Sound
16 Capital Construction Account—State. \$60,000,000
17 ((+25)) (24) (a) General Fund Account—State
18 Appropriation: For transfer to the State Patrol
19 Highway Account—State. \$625,000
20 (b) The state treasurer shall transfer the funds only after
21 receiving notification from the Washington state patrol under section
22 207(2), chapter 333, Laws of 2021.
23 ((+26)) (25) Motor Vehicle Account—State
24 Appropriation: For transfer to the Puget Sound
25 Capital Construction Account—State. \$30,000,000
26 ((+27)) (26) Multimodal Transportation Account—State
27 Appropriation: For transfer to the I-405 and SR 167
28 Express Toll Lanes Account—State. \$268,433,000
29 ((+28)) (27) Multimodal Transportation Account—State
30 Appropriation: For transfer to the Move Ahead WA
31 Account—State. \$874,081,000
32 ((+29)) (28) Multimodal Transportation Account—State
33 Appropriation: For transfer to the State Route
34 Number 520 Corridor Account—State. \$70,786,000
35 ((+30)) (29) Motor Vehicle Account—State
36 Appropriation: For transfer to the Connecting Washington
37 Account—State. \$80,000,000
38 ((+31)) (30) Move Ahead WA Account—State
39 Appropriation: For transfer to the Connecting Washington

1 Account—State. \$600,000,000
2 (~~(32)~~) (31) Transportation Improvement Account—State
3 Appropriation: For transfer to the Transportation
4 Improvement Board Bond Retirement Account. \$6,451,550

(End of Bill)

STATE TREASURER

ADMINISTRATIVE TRANSFERS. 1

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