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## HOUSE BILL 1852

State of Washington

68th Legislature

2023 Regular Session

By Representative Wylie

AN ACT Relating to tolling authorization for the Interstate 5 bridge replacement project; amending RCW 43.84.092 and 43.84.092; reenacting and amending RCW 47.56.810; adding new sections to chapter 47.56 RCW; creating new sections; repealing RCW 47.56.892; providing an effective date; providing a contingent effective date; and providing an expiration date.

## 7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

<u>NEW SECTION.</u> **Sec. 1.** The legislature finds that the replacement 8 and improvement of the Interstate 5 Columbia river bridge is critical 9 10 for the west coast's transportation system and for the safety of 11 Washington and Oregon drivers. The interstate bridge includes two 12 side-by-side structures built in 1917 and 1958. Ιn approximately 143,000 vehicles traveled across the interstate bridge 13 each weekday. In 2017, about \$71,000,000 in freight commodity value 14 15 crossed the river each day. Collisions on and near the bridge occur 16 at a rate almost twice as high as other similar urban highways, and 17 the aging bridges are vulnerable to earthquakes. Replacing these 18 structures and making multimodal improvements to facilitate travel in 19 the bistate corridor is essential for the economy of the region. 20 Although Washington state has pledged \$1,000,000,000, and expects an equivalent investment of \$1,000,000,000 from Oregon state, to help 21

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- finance replacement of the bridge, funding from tolls and other 1 sources will be necessary to complete and maintain the project. The 2 legislature finds that Oregon state has already authorized tolls to 3 imposed on the Oregon portion of the Interstate 5 bridge 4 replacement project, and that providing tolling authorization within 5 6 Washington state will help make the project better situated to 7 receive funding from other sources, including federal funding. As a result, and to align with the efforts of Oregon state, the 8 9 legislature intends to provide tolling authorization for the Interstate 5 bridge replacement project. 10
- NEW SECTION. Sec. 2. A new section is added to chapter 47.56 RCW under the subchapter heading "toll facilities created after July 13 1, 2008" to read as follows:
- (1) For the purposes of this section and sections 3, 4, and 8 of this act, "Interstate 5 bridge replacement project" means the bistate, multimodal corridor improvement program between the state route number 500 interchange in Vancouver, Washington and the Victory Boulevard interchange in Portland, Oregon.
  - (2) The Interstate 5 bridge replacement project is designated an eligible toll facility. Tolls are authorized to be imposed on the Interstate 5 bridge replacement project. Tolls may be charged for travel only on the existing and replacement Interstate 5 Columbia river bridges. Tolls may not be charged for travel on the Washington state portion of Interstate 205. Toll revenue generated on the Interstate 5 bridge replacement project must be expended only as allowed under RCW 47.56.820.
- NEW SECTION. Sec. 3. A new section is added to chapter 47.56 RCW under the subchapter heading "toll facilities created after July 1, 2008" to read as follows:
- 30 (1) A special account to be known as the Interstate 5 bridge 31 replacement project account is created in the state treasury.
  - (2) Deposits to the account must include:

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- 33 (a) All proceeds of bonds and loans issued on behalf of 34 Washington state for the Interstate 5 bridge replacement project, 35 including any capitalized interest;
- 36 (b) All net tolls and other revenues received from the operation 37 of the Interstate 5 bridge replacement project as a toll facility;

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1 (c) The Washington state portion of any interest that may be 2 earned from the deposit or investment of those revenues;

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- (d) Notwithstanding RCW 47.12.063, the Washington state portion of proceeds from the sale of any surplus real property acquired for the Interstate 5 bridge replacement project; and
- (e) The Washington state portion of all damages, liquidated or otherwise, collected under any contract involving the Interstate 5 bridge replacement project.
- 9 (3) Moneys in the account may be spent only after appropriation, 10 consistent with RCW 47.56.820.
- NEW SECTION. Sec. 4. A new section is added to chapter 47.56 RCW under the subchapter heading "toll facilities created after July 13 1, 2008" to read as follows:
- For the Interstate 5 bridge replacement project, the tolling authority may enter into a bistate agreement with the Oregon state transportation commission regarding the mutual or joint setting, adjustment, and review of toll rates and exemptions as the tolling authority may find necessary to carry out the purposes of this section.
- 20 **Sec. 5.** RCW 47.56.810 and 2011 c 377 s 7 and 2011 c 369 s 2 are 21 each reenacted and amended to read as follows:
- The definitions in this section apply throughout this subchapter unless the context clearly requires otherwise:
  - (1) "Eligible toll facility" or "eligible toll facilities" means portions of the state highway system specifically identified by the legislature including, but not limited to, transportation corridors, bridges, crossings, interchanges, on-ramps, off-ramps, approaches, bistate facilities, and interconnections between highways. For purposes of a bistate facility, the legislature may define an "eligible toll facility" to include a part of a project that may extend beyond the state border.
  - (2) "Express toll lanes" means one or more high occupancy vehicle lanes of a highway in which the department charges tolls primarily as a means of regulating access to or use of the lanes to maintain travel speed and reliability.
- 36 (3) "Toll revenue" or "revenue from an eligible toll facility"
  37 means toll receipts, all interest income derived from the investment
  38 of toll receipts, and any gifts, grants, or other funds received for

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the benefit of transportation facilities in the state, including eligible toll facilities.

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- (4) "Tolling authority" means the governing body that is legally empowered to review and adjust toll rates. Unless otherwise delegated, the transportation commission is the tolling authority for all state highways.
- 7 **Sec. 6.** RCW 43.84.092 and 2022 c 182 s 403 are each amended to 8 read as follows:
- 9 (1) All earnings of investments of surplus balances in the state 10 treasury shall be deposited to the treasury income account, which 11 account is hereby established in the state treasury.
  - (2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.
  - (3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.
  - (4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall

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credit the general fund with all the earnings credited to the treasury income account except:

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The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The abandoned recreational vehicle disposal account, the aeronautics account, the Alaskan Way viaduct replacement project account, the ambulance transport fund, the brownfield redevelopment trust fund account, the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the Chehalis basin account, the Chehalis basin taxable account, the cleanup settlement account, the climate active transportation account, the climate transit programs account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the common school construction fund, the community forest trust account, the connecting Washington account, the county arterial preservation account, the county criminal justice assistance account, the deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of retirement systems expense account, the developmental disabilities community services account, the diesel idle reduction account, the drinking water assistance account, the administrative subaccount of the drinking water assistance account, the early learning facilities development account, the early learning facilities revolving account, the Eastern Washington University capital projects account, the education construction fund, the education legacy trust account, the election account, the electric vehicle account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the fair start for kids account, the ferry bond retirement fund, the fish, wildlife, and conservation account, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the public health services account, the state higher education construction account, the higher education construction account, the higher education retirement plan supplemental benefit fund, the highway bond retirement fund, the

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highway infrastructure account, the highway safety fund, the hospital 1 safety net assessment fund, the Interstate 5 bridge replacement 2 3 project account, the Interstate 405 and state route number 167 express toll lanes account, the judges' retirement account, the 4 judicial retirement administrative account, the judicial retirement 5 6 principal account, the limited fish and wildlife account, the local leasehold excise tax account, the local real estate excise tax 7 account, the local sales and use tax account, the marine resources 8 stewardship trust account, the medical aid account, the money-9 purchase retirement savings administrative account, the money-10 purchase retirement savings principal account, the motor vehicle 11 fund, the motorcycle safety education account, the move ahead WA 12 account, the move ahead WA flexible account, the multimodal 13 transportation account, the multiuse roadway safety account, the 14 municipal criminal justice assistance account, the oyster reserve 15 16 land account, the pension funding stabilization account, 17 perpetual surveillance and maintenance account, the pilotage account, the pollution liability insurance agency underground storage tank 18 revolving account, the public employees' retirement system plan 1 19 account, the public employees' retirement system combined plan 2 and 20 21 plan 3 account, the public facilities construction loan revolving 22 account, the public health supplemental account, the public works assistance account, the Puget Sound capital construction account, the 23 Puget Sound ferry operations account, the Puget Sound Gateway 24 25 facility account, the Puget Sound taxpayer accountability account, the real estate appraiser commission account, the recreational 26 vehicle account, the regional mobility grant program account, the 27 28 resource management cost account, the rural arterial trust account, the rural mobility grant program account, the rural Washington loan 29 fund, the sexual assault prevention and response account, the site 30 31 closure account, the skilled nursing facility safety net trust fund, 32 the small city pavement and sidewalk account, the special category C account, the special wildlife account, the state investment board 33 expense account, the state investment board commingled trust fund 34 accounts, the state patrol highway account, the state reclamation 35 revolving account, the state route number 520 civil penalties 36 account, the state route number 520 corridor account, the statewide 37 broadband account, the statewide tourism marketing account, the 38 39 supplemental pension account, the Tacoma Narrows toll bridge account, 40 the teachers' retirement system plan 1 account, the teachers'

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1 retirement system combined plan 2 and plan 3 account, the tobacco 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 6 improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the 7 transportation partnership account, the traumatic brain 8 account, the University of Washington bond retirement fund, the 10 University of Washington building account, the voluntary cleanup account, the volunteer firefighters' and reserve officers' relief and 11 12 pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the vulnerable roadway user education 13 account, the Washington judicial retirement system account, the 14 15 Washington law enforcement officers' and firefighters' system plan 1 16 retirement account, the Washington law enforcement officers' and 17 firefighters' system plan 2 retirement account, the Washington public 18 safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the 19 Washington state patrol retirement account, the Washington State 20 21 University building account, the Washington State University bond retirement fund, the water pollution control revolving administration 22 23 account, the water pollution control revolving fund, the Western Washington University capital projects account, the Yakima integrated 24 25 implementation account, the Yakima integrated implementation revenue recovery account, and the Yakima integrated 26 plan implementation taxable bond account. Earnings derived from 27 28 investing balances of the agricultural permanent fund, the normal 29 school permanent fund, the permanent common school fund, the 30 scientific permanent fund, and the state university permanent fund 31 shall be allocated to their respective beneficiary accounts.

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- (b) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the state treasury that deposits funds into a fund or account in the state treasury pursuant to an agreement with the office of the state treasurer shall receive its proportionate share of earnings based upon each account's or fund's average daily balance for the period.
- (5) In conformance with Article II, section 37 of the state Constitution, no treasury accounts or funds shall be allocated earnings without the specific affirmative directive of this section.

p. 7 HB 1852 **Sec. 7.** RCW 43.84.092 and 2022 c 182 s 404 are each amended to read as follows:

- (1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.
- (2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.
- (3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.
- (4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:
- (a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The abandoned recreational vehicle disposal account, the aeronautics account, the Alaskan Way viaduct replacement project account, the brownfield redevelopment trust fund account, the budget stabilization account, the capital

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1 vessel replacement account, the capitol building construction account, the Central Washington University capital projects account, 2 the charitable, educational, penal and reformatory institutions 3 account, the Chehalis basin account, the Chehalis basin taxable 4 account, the cleanup settlement account, the climate active 5 6 transportation account, the climate transit programs account, the Columbia river basin water supply development account, the Columbia 7 river basin taxable bond water supply development account, the 8 Columbia river basin water supply revenue recovery account, the 9 10 common school construction fund, the community forest trust account, 11 the connecting Washington account, the county arterial preservation 12 account, the county criminal justice assistance account, the deferred compensation administrative account, the deferred compensation 13 principal account, the department of licensing services account, the 14 15 department of retirement systems expense account, the developmental 16 disabilities community services account, the diesel idle reduction 17 account, the drinking water assistance account, the administrative 18 subaccount of the drinking water assistance account, the early 19 learning facilities development account, the early learning facilities revolving account, the Eastern Washington University 20 21 capital projects account, the education construction fund, the education legacy trust account, the election account, the electric 22 23 vehicle account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State 24 25 College capital projects account, the fair start for kids account, the ferry bond retirement fund, the fish, wildlife, and conservation 26 27 account, the freight mobility investment account, the freight 28 mobility multimodal account, the grade crossing protective fund, the public health services account, the state higher 29 construction account, the higher education construction account, the 30 31 higher education retirement plan supplemental benefit fund, the highway bond retirement fund, the highway infrastructure account, the 32 highway safety fund, the hospital safety net assessment fund, the 33 Interstate 5 bridge replacement project account, the Interstate 405 34 and state route number 167 express toll lanes account, the judges' 35 retirement account, the judicial retirement administrative account, 36 the judicial retirement principal account, the limited fish and 37 wildlife account, the local leasehold excise tax account, the local 38 39 real estate excise tax account, the local sales and use tax account, 40 the marine resources stewardship trust account, the medical aid

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1 account, the money-purchase retirement savings administrative account, the money-purchase retirement savings principal account, the 2 motor vehicle fund, the motorcycle safety education account, the move 3 ahead WA account, the move ahead WA flexible account, the multimodal 4 transportation account, the multiuse roadway safety account, the 5 municipal criminal justice assistance account, the oyster reserve 6 7 land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the pilotage account, 8 the pollution liability insurance agency underground storage tank 9 revolving account, the public employees' retirement system plan 1 10 11 account, the public employees' retirement system combined plan 2 and 12 plan 3 account, the public facilities construction loan revolving account, the public health supplemental account, the public works 13 14 assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the Puget Sound Gateway 15 16 facility account, the Puget Sound taxpayer accountability account, 17 real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the 18 resource management cost account, the rural arterial trust account, 19 the rural mobility grant program account, the rural Washington loan 20 21 fund, the sexual assault prevention and response account, the site 22 closure account, the skilled nursing facility safety net trust fund, the small city pavement and sidewalk account, the special category C 23 account, the special wildlife account, the state investment board 24 25 expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state reclamation 26 revolving account, the state route number 520 civil penalties 27 account, the state route number 520 corridor account, the statewide 28 broadband account, the statewide tourism marketing account, the 29 supplemental pension account, the Tacoma Narrows toll bridge account, 30 31 teachers' retirement system plan 1 account, the teachers' 32 retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the 33 toll facility bond retirement account, the transportation 2003 34 account (nickel account), the transportation equipment fund, the 35 36 transportation future funding program account, the transportation improvement board bond improvement account, the transportation 37 retirement account, the transportation infrastructure account, the 38 39 transportation partnership account, the traumatic brain injury 40 account, the University of Washington bond retirement fund, the

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University of Washington building account, the voluntary cleanup 1 account, the volunteer firefighters' and reserve officers' relief and 2 pension principal fund, the volunteer firefighters' and reserve 3 officers' administrative fund, the vulnerable roadway user education 4 account, the Washington judicial retirement system account, the 5 6 Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law enforcement officers' and 7 firefighters' system plan 2 retirement account, the Washington public 8 safety employees' plan 2 retirement account, the Washington school 9 employees' retirement system combined plan 2 and 3 account, the 10 11 Washington state patrol retirement account, the Washington State 12 University building account, the Washington State University bond retirement fund, the water pollution control revolving administration 13 account, the water pollution control revolving fund, the Western 14 Washington University capital projects account, the Yakima integrated 15 16 implementation account, the Yakima integrated implementation revenue recovery account, and the Yakima integrated 17 plan implementation taxable bond account. Earnings derived from 18 19 investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the 20 scientific permanent fund, and the state university permanent fund 21 22 shall be allocated to their respective beneficiary accounts.

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

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- (5) In conformance with Article II, section 37 of the state Constitution, no treasury accounts or funds shall be allocated earnings without the specific affirmative directive of this section.
- NEW SECTION. Sec. 8. Except for sections 4, 6, and 7 of this act, this act takes effect upon, and tolls may not be collected on the Interstate 5 bridge replacement project until: (1) Certification of the secretary of transportation to the governor that the department of transportation has received satisfactory evidence that a sufficient federal funding plan is in place and that sufficient state and local funds are available to complete the Interstate 5

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- 1 bridge replacement project; and (2) the bistate agreement described
- 2 in section 4 of this act has taken effect.
- NEW SECTION. Sec. 9. The secretary of transportation must 3 provide notice that the governor has received certification as 4 5 described under section 8(1) of this act to affected parties, the chief clerk of the house of representatives, the secretary of the 6 senate, the office of the code reviser, and others as deemed 7 appropriate by the secretary. Additionally, the tolling authority, as 8 defined in RCW 47.56.810, must provide written notice that the 9 10 bistate agreement described under section 4 of this act has taken effect to affected parties, the chief clerk of the house of 11 representatives, the secretary of the senate, the office of the code 12 13 reviser, and others as deemed appropriate by the tolling authority.
- NEW SECTION. Sec. 10. RCW 47.56.892 (Columbia river crossing project—Agreements with the Oregon state transportation commission) and 2012 c 36 s 4 are each repealed.
- NEW SECTION. Sec. 11. Section 6 of this act expires July 1, 2024.
- NEW SECTION. Sec. 12. Section 7 of this act takes effect July 20 1, 2024.

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