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SENATE BILL 5317

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State of Washington

65th Legislature

2017 Regular Session

By Senator Angel

1 AN ACT Relating to a sufficient minimum balance supporting the  
2 Tacoma Narrows toll bridge; amending RCW 46.68.395 and 47.56.165;  
3 reenacting and amending RCW 43.84.092; adding a new section to  
4 chapter 47.56 RCW; providing an effective date; providing a  
5 contingent expiration date; and declaring an emergency.

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

7 NEW SECTION. **Sec. 1.** A new section is added to chapter 47.56  
8 RCW to read as follows:

9 The Tacoma Narrows toll bridge sufficient minimum balance account  
10 is created in the motor vehicle fund in the state treasury. All  
11 moneys transferred under RCW 46.68.395(3) must be deposited into the  
12 account. Moneys in the account may be spent only after appropriation.  
13 Expenditures from the account may be used only for covering forty-  
14 five days of the required costs under RCW 47.56.165(3)(a) if cash  
15 flow is interrupted due to a failure of the toll facility to generate  
16 revenues. Expenditures for these purposes must first be paid out of  
17 the Tacoma Narrows toll bridge sufficient minimum balance account.  
18 When tolls are no longer collected on the Tacoma Narrows toll bridge,  
19 expenditures from the account may be used to pay deferred sales  
20 taxes, if any, due on the bridge, and any moneys in the account may  
21 be transferred back to the connecting Washington account.

1       **Sec. 2.** RCW 46.68.395 and 2015 3rd sp.s. c 44 s 106 are each  
2 amended to read as follows:

3       (1) The connecting Washington account is created in the motor  
4 vehicle fund. Moneys in the account may be spent only after  
5 appropriation. Expenditures from the account must be used only for  
6 projects or improvements identified as connecting Washington projects  
7 or improvements in a transportation appropriations act, including any  
8 principal and interest on bonds authorized for the projects or  
9 improvements.

10       (2) Moneys in the connecting Washington account may not be  
11 expended on the state route number 99 Alaskan Way viaduct replacement  
12 project.

13       (3) On July 1, 2017, the state treasurer must transfer the amount  
14 reflecting the sufficient minimum balance of forty-five days of the  
15 required costs under RCW 47.56.165(3)(a) for the Tacoma Narrows toll  
16 bridge, as determined by the transportation commission, from the  
17 connecting Washington account to the Tacoma Narrows toll bridge  
18 sufficient minimum balance account created in section 1 of this act.  
19 Beginning July 1, 2018, and annually thereafter, the state treasurer  
20 must transfer the amount necessary to maintain the sufficient minimum  
21 balance of forty-five days of the required costs under RCW  
22 47.56.165(3)(a), as determined by the transportation commission, from  
23 the connecting Washington account to the Tacoma Narrows toll bridge  
24 sufficient minimum balance account. This subsection (3) expires when  
25 tolls are no longer collected on the Tacoma Narrows toll bridge.

26       **Sec. 3.** RCW 47.56.165 and 2009 c 567 s 1 are each amended to  
27 read as follows:

28       A special account to be known as the Tacoma Narrows toll bridge  
29 account is created in the motor vehicle fund in the state treasury.

30       (1) Deposits to the account must include:

31       (a) All proceeds of bonds issued for construction of the Tacoma  
32 Narrows public-private initiative project, including any capitalized  
33 interest;

34       (b) All of the toll charges and other revenues received from the  
35 operation of the Tacoma Narrows bridge as a toll facility, to be  
36 deposited at least monthly;

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

1 (d) Notwithstanding RCW 47.12.063, proceeds from the sale of any  
2 surplus real property acquired for the purpose of building the second  
3 Tacoma Narrows bridge; and

4 (e) All liquidated damages collected under any contract involving  
5 the construction of the second Tacoma Narrows bridge.

6 (2) Proceeds of bonds shall be used consistent with RCW  
7 47.46.130, including the reimbursement of expenses and fees incurred  
8 under agreements entered into under RCW 47.46.040 as required by  
9 those agreements.

10 (3) Toll charges, other revenues, and interest may only be used  
11 to:

12 (a) Pay required costs that contribute directly to the financing,  
13 operation, maintenance, management, and necessary repairs of the  
14 tolled facility, as determined by rule by the transportation  
15 commission; and

16 (b) Repay amounts to the motor vehicle fund as required under RCW  
17 47.46.140.

18 (4) Toll charges, other revenues, and interest may not be used to  
19 pay for costs that do not contribute directly to the financing,  
20 operation, maintenance, management, and necessary repairs of the  
21 tolled facility, as determined by rule by the transportation  
22 commission.

23 (5) The department shall make detailed quarterly expenditure  
24 reports available to the transportation commission and to the public  
25 on the department's web site using current department resources.

26 (6) When repaying the motor vehicle fund under RCW 47.46.140, the  
27 state treasurer shall transfer funds from the Tacoma Narrows toll  
28 bridge account to the motor vehicle fund on or before each debt  
29 service date for bonds issued for the Tacoma Narrows public-private  
30 initiative project in an amount sufficient to repay the motor vehicle  
31 fund for amounts transferred from that fund to the highway bond  
32 retirement fund to provide for any bond principal and interest due on  
33 that date. The state treasurer may establish subaccounts for the  
34 purpose of segregating toll charges, bond sale proceeds, and other  
35 revenues.

36 (7) Any funds in the Tacoma Narrows toll bridge account, as of  
37 July 1, 2017, reflecting the sufficient minimum balance for the  
38 Tacoma Narrows toll bridge, may be used only to pay debt and  
39 operating costs to mitigate future toll charges in accordance with a  
40 plan developed jointly by the transportation commission and the

1 citizen advisory committee under RCW 47.46.090. If any funds remain  
2 in the account at the end of the tolling period for the toll bridge,  
3 those funds must be used to pay deferred sales taxes.

4 **Sec. 4.** RCW 43.84.092 and 2016 c 194 s 5, 2016 c 161 s 20, and  
5 2016 c 112 s 4 are each reenacted and amended to read as follows:

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

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

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

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

38 (a) The following accounts and funds shall receive their  
39 proportionate share of earnings based upon each account's and fund's

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

1 the marine resources stewardship trust account, the medical aid  
2 account, the mobile home park relocation fund, the money-purchase  
3 retirement savings administrative account, the money-purchase  
4 retirement savings principal account, the motor vehicle fund, the  
5 motorcycle safety education account, the multimodal transportation  
6 account, the multiuse roadway safety account, the municipal criminal  
7 justice assistance account, the natural resources deposit account,  
8 the oyster reserve land account, the pension funding stabilization  
9 account, the perpetual surveillance and maintenance account, the  
10 pollution liability insurance agency underground storage tank  
11 revolving account, the public employees' retirement system plan 1  
12 account, the public employees' retirement system combined plan 2 and  
13 plan 3 account, the public facilities construction loan revolving  
14 account beginning July 1, 2004, the public health supplemental  
15 account, the public works assistance account, the Puget Sound capital  
16 construction account, the Puget Sound ferry operations account, the  
17 Puget Sound taxpayer accountability account, the real estate  
18 appraiser commission account, the recreational vehicle account, the  
19 regional mobility grant program account, the resource management cost  
20 account, the rural arterial trust account, the rural mobility grant  
21 program account, the rural Washington loan fund, the site closure  
22 account, the skilled nursing facility safety net trust fund, the  
23 small city pavement and sidewalk account, the special category C  
24 account, the special wildlife account, the state employees' insurance  
25 account, the state employees' insurance reserve account, the state  
26 investment board expense account, the state investment board  
27 commingled trust fund accounts, the state patrol highway account, the  
28 state route number 520 civil penalties account, the state route  
29 number 520 corridor account, the state wildlife account, the  
30 supplemental pension account, the Tacoma Narrows toll bridge account,  
31 the Tacoma Narrows toll bridge sufficient minimum balance account,  
32 the teachers' retirement system plan 1 account, the teachers'  
33 retirement system combined plan 2 and plan 3 account, the tobacco  
34 prevention and control account, the tobacco settlement account, the  
35 toll facility bond retirement account, the transportation 2003  
36 account (nickel account), the transportation equipment fund, the  
37 transportation fund, the transportation future funding program  
38 account, the transportation improvement account, the transportation  
39 improvement board bond retirement account, the transportation  
40 infrastructure account, the transportation partnership account, the

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

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

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

34 NEW SECTION. **Sec. 5.** This act is necessary for the immediate  
35 preservation of the public peace, health, or safety, or support of  
36 the state government and its existing public institutions, and takes  
37 effect July 1, 2017.

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