
SENATE BILL 5923

State of Washington

63rd Legislature

2013 Regular Session

By Senators Cleveland and Eide

1 AN ACT Relating to the authorization of bonds for the financing of
2 the Columbia river crossing project; amending RCW 47.10.882 and
3 47.56.894; adding new sections to chapter 47.10 RCW; and providing a
4 contingent effective date.

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

6 NEW SECTION. **Sec. 1.** In order to provide funds necessary for the
7 location, design, right-of-way, and construction of the Columbia river
8 crossing project, there shall be issued and sold upon the request of
9 the department of transportation up to six hundred fifty million
10 dollars of toll revenue bonds of the state of Washington in accordance
11 with sections 2 through 5 of this act. Each such bond shall contain a
12 recital that payment or redemption of the bond and payment of the
13 interest and any premium thereon is payable solely from and secured
14 solely by a direct pledge and charge upon toll revenue and is not a
15 general obligation of the state to which the full faith and credit of
16 the state is pledged.

17 Toll revenue is hereby pledged to the payment of any bonds and the
18 interest thereon issued under the authority of this act, and the
19 legislature agrees to continue to impose or cause to be imposed these

1 toll charges on the Columbia river crossing project, in amounts
2 sufficient to pay, when due, the principal and interest on all bonds
3 issued under the authority of this act.

4 NEW SECTION. **Sec. 2.** Upon the request of the department of
5 transportation, and in consultation with the tolling authority, the
6 state finance committee shall supervise and provide for the issuance,
7 sale, and retirement of the bonds authorized by this act in accordance
8 with chapter 39.42 RCW. Bonds authorized by this act shall be sold in
9 the manner, at time or times, in amounts, and at the price as the state
10 finance committee shall determine. No bonds may be offered for sale
11 without prior legislative appropriation of the net proceeds of the sale
12 of the bonds.

13 NEW SECTION. **Sec. 3.** The proceeds from the sale of bonds
14 authorized by this act shall be deposited in the Columbia river
15 crossing project account created under RCW 47.56.894 and shall be
16 available only for the purposes enumerated in section 1 of this act,
17 for the payment of bond anticipation notes or other interim financing,
18 if any, capitalizing interest on the bonds, and for the payment of bond
19 issuance costs, including the costs of underwriting.

20 NEW SECTION. **Sec. 4.** The state finance committee may determine
21 and include in any resolution authorizing the issuance of any bonds
22 under this act such terms, provisions, covenants, and conditions as it
23 may deem appropriate in order to assist with the marketing and sale of
24 the bonds, confer rights upon the owners of bonds, and safeguard rights
25 of the owners of bonds including, among other things:

26 (1) Provisions regarding the maintenance and operation of eligible
27 toll facilities;

28 (2) The pledges, uses, and priorities of application of toll
29 revenue;

30 (3) Provisions that bonds shall be payable from and secured solely
31 by toll revenue as provided by this act;

32 (4) In consultation with the department of transportation, the
33 tolling authority, and the office of financial management, financial
34 covenants requiring that the eligible toll facilities must produce
35 specified coverage ratios of toll revenue to debt service on bonds;

1 (5) The purposes and conditions that must be satisfied prior to the
2 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 (6) 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 (7) 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 facilities
16 must first be approved by the department of transportation.

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

26 NEW SECTION. **Sec. 5.** For the purposes of this act, "toll revenue"
27 means all toll receipts, all interest income derived from the
28 investment of toll receipts, and any gifts, grants, or other funds
29 received for the benefit of transportation facilities in the state,
30 including eligible toll facilities. However, for the purpose of any
31 pledge of toll revenue to the payment of particular bonds issued under
32 this act, "toll revenue" means and includes only such toll revenue or
33 portion thereof that is pledged to the payment of those bonds in the
34 resolution authorizing the issuance of such bonds. Toll revenue
35 constitutes "fees and revenues derived from the ownership or operation
36 of any undertaking, facility, or project" as that phrase is used in
37 Article VIII, section 1(c)(1) of the state Constitution.

1 For the purposes of this act, "tolling authority" has the same
2 meaning as in RCW 47.56.810.

3 **Sec. 6.** RCW 47.10.882 and 2011 c 377 s 3 are each amended to read
4 as follows:

5 The toll facility bond retirement account is created in the state
6 treasury for the purpose of payment of the principal of and interest
7 and premium on bonds. Both principal of and interest on the bonds
8 issued for the purposes of chapter 498, Laws of 2009 (~~and~~), chapter
9 377, Laws of 2011, and this act shall be payable from the toll facility
10 bond retirement account. The state finance committee may provide that
11 special subaccounts be created in the account to facilitate payment of
12 the principal of and interest on the bonds. The state finance
13 committee shall, on or before June 30th of each year, certify to the
14 state treasurer the amount required for principal and interest on the
15 bonds in accordance with the bond proceedings.

16 **Sec. 7.** RCW 47.56.894 and 2012 c 36 s 3 are each amended to read
17 as follows:

18 (1) A special account to be known as the Columbia river crossing
19 project account is created in the state treasury.

20 (2) Deposits to the account must include:

21 (a) All proceeds of bonds and loans issued for the Columbia river
22 crossing project, including any capitalized interest;

23 (b) All tolls and other revenues received from the operation of the
24 Columbia river crossing project as a toll facility to be deposited at
25 least monthly;

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

28 (d) Notwithstanding RCW 47.12.063, proceeds from the sale of any
29 surplus real property acquired for the Columbia river crossing project;
30 and

31 (e) All damages, liquidated or otherwise, collected under any
32 contract involving the Columbia river crossing project.

33 (3) Subject to the covenants made by the state in the bond
34 proceedings authorizing the issuance and sale of bonds for the Columbia
35 river crossing project, toll charges, other revenues, and interest
36 received from the operation of the Columbia river crossing project as

1 a toll facility may be used to pay any required costs allowed under RCW
2 47.56.820. The state treasurer may establish subaccounts for the
3 purpose of segregating toll charges, bond sale proceeds, and other
4 revenues.

5 **Sec. 8.** RCW 47.56.892 and 2012 c 36 s 4 are each amended to read
6 as follows:

7 For the Columbia river crossing project, the tolling authority may
8 set, adjust, and review toll rates and may enter into agreements with
9 the Oregon state transportation commission regarding the mutual or
10 joint setting, adjustment, and review of toll rates as the tolling
11 authority may find necessary to carry out the purposes of this section.
12 Any agreement between the tolling authority and the Oregon state
13 transportation commission made pursuant to this section takes effect,
14 and is not binding and enforceable until, thirty days after adjournment
15 of the ((next—ensuing)) 2013 regular legislative session. If the
16 tolling authority has not entered into an agreement with the Oregon
17 state transportation commission by December 31, 2015, this section
18 expires.

19 NEW SECTION. **Sec. 9.** Sections 1 through 5 of this act are each
20 added to chapter 47.10 RCW.

21 NEW SECTION. **Sec. 10.** Section 7 of this act takes effect if the
22 requirements set out in section 7, chapter 36, Laws of 2012 are met.

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