

CERTIFICATION OF ENROLLMENT

ENGROSSED HOUSE BILL 1382

62nd Legislature
2011 Regular Session

Passed by the House April 15, 2011
Yeas 51 Nays 44

Speaker of the House of Representatives

Passed by the Senate April 9, 2011
Yeas 36 Nays 13

President of the Senate

Approved

Governor of the State of Washington

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED HOUSE BILL 1382** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

FILED

**Secretary of State
State of Washington**

ENGROSSED HOUSE BILL 1382

AS AMENDED BY THE SENATE

Passed Legislature - 2011 Regular Session

State of Washington 62nd Legislature 2011 Regular Session

By Representatives Clibborn, Maxwell, Liias, Eddy, Hunter, and Springer; by request of Department of Transportation

Read first time 01/20/11. Referred to Committee on Transportation.

1 AN ACT Relating to the use of express toll lanes in the eastside
2 corridor; amending RCW 47.56.810; reenacting and amending RCW
3 43.84.092; adding new sections to chapter 47.56 RCW; creating a new
4 section; and prescribing penalties.

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

6 NEW SECTION. **Sec. 1.** The legislature recognizes that the Puget
7 Sound region is faced with growing traffic congestion and has limited
8 ability to expand freeway capacity due to financial, environmental, and
9 physical constraints. Freeway high occupancy vehicle lanes have been
10 an effective means of providing transit, vanpools, and carpools with a
11 fast trip on congested freeway corridors, but in many cases, these
12 lanes operate beyond their capacity during peak commute times.

13 It is the intent of the legislature to improve mobility for people
14 and goods by maximizing the effectiveness of the freeway system. An
15 express toll lanes network is one approach for managing the use of
16 freeway high occupancy vehicle lanes and, at the same time, generating
17 funds to improve the Interstate 405 and state route number 167
18 corridor. The legislature acknowledges that as one of the most
19 congested freeway sections in the state, the combined Interstate 405

1 and state route number 167 corridor serves as an ideal candidate for
2 the use of an express toll lanes network. An express toll lanes
3 network could provide benefits for movement of vehicles and people, as
4 well as having the potential to generate revenue for other improvements
5 in the Interstate 405 and state route number 167 corridor, also known
6 as the eastside corridor.

7 The legislature also recognizes the need for geographic balance and
8 regional equity in decisions regarding tolling and pricing, and intends
9 to consider the implementation of express toll lanes on other
10 facilities in the region in the future. It is further the intent of
11 the legislature to use its evaluation of initial express toll lanes on
12 Interstate 405 to guide additions to the express toll lanes network,
13 particularly in the most congested areas of the Interstate 405 and
14 state route number 167 corridor, such as the Renton-to-Bellevue segment
15 and the Interstate 405/state route number 167 interchange, with the
16 ultimate goal of continuous express toll lanes from Puyallup to
17 Lynnwood.

18 Therefore, it is the intent of this act to direct the department of
19 transportation to develop and operate express toll lanes on Interstate
20 405 between the city of Bellevue on the south end and Interstate 5 on
21 the north end and to conduct an evaluation of that project to determine
22 the impacts on the movement of vehicles and people through the
23 Interstate 405 and state route number 167 corridor, effectiveness for
24 transit, carpools and single occupancy vehicles, and feasibility of
25 financing capacity improvements through tolls.

26 **Sec. 2.** RCW 47.56.810 and 2008 c 122 s 3 are each amended to read
27 as follows:

28 The definitions in this section apply throughout this subchapter
29 unless the context clearly requires otherwise:

30 (1) "Tolling authority" means the governing body that is legally
31 empowered to review and adjust toll rates. Unless otherwise delegated,
32 the transportation commission is the tolling authority for all state
33 highways.

34 (2) "Eligible toll facility" or "eligible toll facilities" means
35 portions of the state highway system specifically identified by the
36 legislature including, but not limited to, transportation corridors,

1 bridges, crossings, interchanges, on-ramps, off-ramps, approaches,
2 bistate facilities, and interconnections between highways.

3 (3) "Toll revenue" or "revenue from an eligible toll facility"
4 means toll receipts, all interest income derived from the investment of
5 toll receipts, and any gifts, grants, or other funds received for the
6 benefit of the eligible toll facility.

7 (4) "Express toll lanes" means one or more high occupancy vehicle
8 lanes of a highway in which the department charges tolls primarily as
9 a means of regulating access to or use of the lanes to maintain travel
10 speed and reliability.

11 NEW SECTION. Sec. 3. A new section is added to chapter 47.56 RCW
12 under the subchapter heading "toll facilities created after July 1,
13 2008" to read as follows:

14 (1) The imposition of tolls for express toll lanes on Interstate
15 405 between the junctions with Interstate 5 on the north end and NE 6th
16 Street in the city of Bellevue on the south end is authorized,
17 Interstate 405 is designated an eligible toll facility, and toll
18 revenue generated in the corridor must only be expended as allowed
19 under RCW 47.56.820.

20 (2) Tolls for the express toll lanes must be set as follows:

21 (a) The schedule of toll rates must be set by the tolling authority
22 pursuant to RCW 47.56.850. Toll rates may vary in amount by time of
23 day, level of traffic congestion within the highway facility, or other
24 criteria, as the tolling authority deems appropriate.

25 (b) In those locations with two express toll lanes in each
26 direction, the toll rate must be the same in both lanes.

27 (c) Toll charges may not be assessed on transit buses and vanpools.

28 (d) The department shall establish performance standards for travel
29 time, speed, and reliability for the express toll lanes project. The
30 department must automatically adjust the toll rate within the schedule
31 established by the tolling authority, using dynamic tolling, to ensure
32 that average vehicle speeds in the lanes remain above forty-five miles
33 per hour at least ninety percent of the time during peak hours.

34 (e) The tolling authority shall periodically review the toll rates
35 against traffic performance of all lanes to determine if the toll rates
36 are effectively maintaining travel time, speed, and reliability on the
37 highway facilities.

1 (3) The department may construct and operate express toll lanes on
2 Interstate 405 between the city of Bellevue on the south end and
3 Interstate 5 on the north end. Operation of the express toll lanes may
4 not commence until the department has completed capacity improvements
5 necessary to provide a two-lane system from NE 6th Street in the city
6 of Bellevue to state route number 522 and the conversion of the
7 existing high occupancy vehicle lane to an express toll lane between
8 state route number 522 and the city of Lynnwood. Construction of the
9 capacity improvements described in this subsection, including items
10 that enable implementation of express toll lanes such as conduit and
11 other underground features, must begin as soon as practicable.
12 However, any contract term regarding tolling equipment, such as
13 gantries, barriers, or cameras, for Interstate 405 may not take effect
14 unless specific appropriation authority is provided in 2012 stating
15 that funding is provided solely for tolling equipment on Interstate
16 405. The department shall work with local jurisdictions to minimize
17 and monitor impacts to local streets and, after consultation with local
18 jurisdictions, recommend mitigation measures to the legislature in
19 those locations where it is appropriate.

20 (4) The department shall monitor the express toll lanes project and
21 shall annually report to the transportation commission and the
22 legislature on the impacts from the project on the following
23 performance measures:

24 (a) Whether the express toll lanes maintain speeds of forty-five
25 miles per hour at least ninety percent of the time during peak periods;

26 (b) Whether the average traffic speed changed in the general
27 purpose lanes;

28 (c) Whether transit ridership changed;

29 (d) Whether the actual use of the express toll lanes is consistent
30 with the projected use;

31 (e) Whether the express toll lanes generated sufficient revenue to
32 pay for all Interstate 405 express toll lane-related operating costs;

33 (f) Whether travel times and volumes have increased or decreased on
34 adjacent local streets and state highways; and

35 (g) Whether the actual gross revenues are consistent with projected
36 gross revenues as identified in the fiscal note for Engrossed House
37 Bill No. 1382 distributed by the office of financial management on
38 March 15, 2011.

1 (5) If after two years of operation of the express toll lanes on
2 Interstate 405 performance measures listed in subsection (4)(a) and (e)
3 of this section are not being met, the express toll lanes project must
4 be terminated as soon as practicable.

5 (6) The department, in consultation with the transportation
6 commission, shall consider making operational changes necessary to fix
7 any unintended consequences of implementing the express toll lanes
8 project.

9 (7) A violation of the lane restrictions applicable to the express
10 toll lanes established under this section is a traffic infraction.

11 NEW SECTION. **Sec. 4.** A new section is added to chapter 47.56 RCW
12 under the subchapter heading "toll facilities created after July 1,
13 2008" to read as follows:

14 (1)(a) The transportation commission shall retain appropriate
15 independent experts and conduct a traffic and revenue analysis for the
16 development of a forty-mile continuous express toll lane system that
17 includes state route number 167 and Interstate 405. The analysis must
18 include a review of the following variables within the express toll
19 lane system:

- 20 (i) Vehicles with two or more occupants are exempt from payment;
- 21 (ii) Vehicles with three or more occupants are exempt from payment;
- 22 (iii) A variable fee; and
- 23 (iv) A flat rate fee.

24 (b) The department, in consultation with the transportation
25 commission, shall develop a corridor-wide project management plan to
26 develop a strategy for phasing the completion of improvements in the
27 Interstate 405 and state route number 167 corridor.

28 (2) The department, in consultation with the transportation
29 commission, shall use the information from the traffic and revenue
30 analysis and the corridor-wide project management plan to develop a
31 finance plan to fund improvements in the Interstate 405 and state route
32 number 167 corridor. The department must include the following
33 elements in the finance plan:

34 (a) Current state and federal funding contributions for projects in
35 the Interstate 405 and state route number 167 corridor;

36 (b) A potential future state and federal funding contribution to
37 leverage toll revenues;

1 (c) Financing mechanisms to optimize the revenue available for
2 capacity improvements including, but not limited to, using the full
3 faith and credit of the state;

4 (d) An express toll lane system operating in the Interstate 405 and
5 state route number 167 corridor by 2014; and

6 (e) Completion of the capacity improvements in the Interstate 405
7 and state route number 167 corridor.

8 (3) The department and the transportation commission must consult
9 with a committee consisting of local and state elected officials from
10 the Interstate 405 and state route number 167 corridor and
11 representatives from the transit agencies that operate in the
12 Interstate 405 and state route number 167 corridor while developing the
13 performance standards, traffic and revenue analysis, and finance plan.

14 (4) The transportation commission must provide the traffic and
15 revenue analysis plan, and the department must provide the finance
16 plan, to the governor and the legislature by January 2012. The
17 department shall provide technical and other support as requested by
18 the transportation commission to complete the plans identified in this
19 subsection. Funds from Interstate 405 capital project appropriations
20 may be used by the transportation commission through an interagency
21 agreement with the department to cover the cost of the plans identified
22 in this subsection.

23 (5) The department shall conduct ongoing education and outreach to
24 ensure public awareness of the express toll lane system.

25 NEW SECTION. **Sec. 5.** A new section is added to chapter 47.56 RCW
26 under the subchapter heading "toll facilities created after July 1,
27 2008" to read as follows:

28 The Interstate 405 express toll lanes operations account is created
29 in the motor vehicle fund. All revenues received by the department as
30 toll charges collected from Interstate 405 express toll lane users must
31 be deposited into the account. Moneys in the account may be spent only
32 after appropriation. Consistent with RCW 47.56.820, expenditures from
33 the account may be used for debt service, planning, administration,
34 construction, maintenance, operation, repair, rebuilding, enforcement,
35 and the expansion of express toll lanes on Interstate 405.

1 **Sec. 6.** RCW 43.84.092 and 2010 1st sp.s. c 30 s 20, 2010 1st sp.s.
2 c 9 s 7, 2010 c 248 s 6, 2010 c 222 s 5, 2010 c 162 s 6, and 2010 c 145
3 s 11 are each reenacted and amended to read as follows:

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

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

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

30 (4) Monthly, the state treasurer shall distribute the earnings
31 credited to the treasury income account. The state treasurer shall
32 credit the general fund with all the earnings credited to the treasury
33 income account except:

34 (a) The following accounts and funds shall receive their
35 proportionate share of earnings based upon each account's and fund's
36 average daily balance for the period: The aeronautics account, the
37 aircraft search and rescue account, the budget stabilization account,
38 the capitol building construction account, the Cedar River channel

1 construction and operation account, the Central Washington University
2 capital projects account, the charitable, educational, penal and
3 reformatory institutions account, the cleanup settlement account, the
4 Columbia river basin water supply development account, the common
5 school construction fund, the county arterial preservation account, the
6 county criminal justice assistance account, the county sales and use
7 tax equalization account, the deferred compensation administrative
8 account, the deferred compensation principal account, the department of
9 licensing services account, the department of retirement systems
10 expense account, the developmental disabilities community trust
11 account, the drinking water assistance account, the drinking water
12 assistance administrative account, the drinking water assistance
13 repayment account, the Eastern Washington University capital projects
14 account, the Interstate 405 express toll lanes operations account, the
15 education construction fund, the education legacy trust account, the
16 election account, the energy freedom account, the energy recovery act
17 account, the essential rail assistance account, The Evergreen State
18 College capital projects account, the federal forest revolving account,
19 the ferry bond retirement fund, the freight congestion relief account,
20 the freight mobility investment account, the freight mobility
21 multimodal account, the grade crossing protective fund, the public
22 health services account, the health system capacity account, the high
23 capacity transportation account, the state higher education
24 construction account, the higher education construction account, the
25 highway bond retirement fund, the highway infrastructure account, the
26 highway safety account, the high occupancy toll lanes operations
27 account, the hospital safety net assessment fund, the industrial
28 insurance premium refund account, the judges' retirement account, the
29 judicial retirement administrative account, the judicial retirement
30 principal account, the local leasehold excise tax account, the local
31 real estate excise tax account, the local sales and use tax account,
32 the marine resources stewardship trust account, the medical aid
33 account, the mobile home park relocation fund, the motor vehicle fund,
34 the motorcycle safety education account, the multiagency permitting
35 team account, the multimodal transportation account, the municipal
36 criminal justice assistance account, the municipal sales and use tax
37 equalization account, the natural resources deposit account, the oyster
38 reserve land account, the pension funding stabilization account, the

1 perpetual surveillance and maintenance account, the public employees'
2 retirement system plan 1 account, the public employees' retirement
3 system combined plan 2 and plan 3 account, the public facilities
4 construction loan revolving account beginning July 1, 2004, the public
5 health supplemental account, the public transportation systems account,
6 the public works assistance account, the Puget Sound capital
7 construction account, the Puget Sound ferry operations account, the
8 Puyallup tribal settlement account, the real estate appraiser
9 commission account, the recreational vehicle account, the regional
10 mobility grant program account, the resource management cost account,
11 the rural arterial trust account, the rural Washington loan fund, the
12 site closure account, the small city pavement and sidewalk account, the
13 special category C account, the special wildlife account, the state
14 employees' insurance account, the state employees' insurance reserve
15 account, the state investment board expense account, the state
16 investment board commingled trust fund accounts, the state patrol
17 highway account, the state route number 520 civil penalties account,
18 the state route number 520 corridor account, the supplemental pension
19 account, the Tacoma Narrows toll bridge account, the teachers'
20 retirement system plan 1 account, the teachers' retirement system
21 combined plan 2 and plan 3 account, the tobacco prevention and control
22 account, the tobacco settlement account, the transportation 2003
23 account (nickel account), the transportation equipment fund, the
24 transportation fund, the transportation improvement account, the
25 transportation improvement board bond retirement account, the
26 transportation infrastructure account, the transportation partnership
27 account, the traumatic brain injury account, the tuition recovery trust
28 fund, the University of Washington bond retirement fund, the University
29 of Washington building account, the urban arterial trust account, the
30 volunteer firefighters' and reserve officers' relief and pension
31 principal fund, the volunteer firefighters' and reserve officers'
32 administrative fund, the Washington judicial retirement system account,
33 the Washington law enforcement officers' and firefighters' system plan
34 1 retirement account, the Washington law enforcement officers' and
35 firefighters' system plan 2 retirement account, the Washington public
36 safety employees' plan 2 retirement account, the Washington school
37 employees' retirement system combined plan 2 and 3 account, the
38 Washington state health insurance pool account, the Washington state

1 patrol retirement account, the Washington State University building
2 account, the Washington State University bond retirement fund, the
3 water pollution control revolving fund, and the Western Washington
4 University capital projects account. Earnings derived from investing
5 balances of the agricultural permanent fund, the normal school
6 permanent fund, the permanent common school fund, the scientific
7 permanent fund, and the state university permanent fund shall be
8 allocated to their respective beneficiary accounts.

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

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

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