Tolling

BACKGROUND

The Legislature has authorized collection of tolls on the following facilities:

- Tacoma Narrows Bridge (RCW 47.46.100);
- SR 520 floating bridge (<u>RCW 47.56.870</u>);
- SR 167 high-occupancy toll ("HOT") lanes (RCW 47.56.403);
- Interstate 405 express toll lanes (<u>RCW 47.56.880</u>);
- SR 99 deep bore tunnel (<u>RCW 47.56.862</u>); and
- The authorization to toll the bridge portion of the Columbia River Crossing (CRC) project failed to become law. (RCW 47.56.890).¹

Washington uses an electronic photo tolling system (<u>RCW 47.56.795</u> and <u>47.46.105</u>) to collect most tolls. An electronic pass is mounted on the vehicle and read at highway speeds, and a camera takes a photograph of the vehicle's license plate. When driving on a tolled facility, tolls are deducted from a pre-paid toll account linked to the individual's electronic pass or license plate. (The Tacoma Narrows Bridge has toll booths available for individuals who want to stop and pay the toll, but is the only tolled facility that still has this toll payment option.)

If a vehicle does not have a pre-paid account, the registered owner of the vehicle will receive a toll bill in the mail within one month. Those who do not pay within 15 days of receiving their bill will get a second bill with a \$5 reprocessing fee.

Registered vehicle owners with unpaid tolls after 80 days receive a notice of civil penalty from WSDOT and a \$40 fine for each unpaid toll transaction, in addition to all accumulated tolls and fees (RCW 46.63.160). At least ten days prior to issuing notices of civil penalty to vehicle owners with active pre-paid toll accounts, WSDOT must provide email and telephone notification of unpaid payby-mail tolls to all vehicle owners with accounts who have elected to provide email and/or telephone contact information. WSDOT may offer first-time toll violators forgiveness of penalties. A hold on a person's annual vehicle registration may occur if the civil penalty is not paid, and the unpaid tolls, penalties, and fees may be sent to a collection agency.

WSDOT has established an administrative adjudication process, allowing people to appeal a civil penalty imposed when a toll bill is unpaid. During the adjudication process, the alleged violator has the opportunity to present evidence of certain mitigating circumstances as to why the toll bill was not paid (RCW 46.63.160). In response, the adjudicator may reduce or dismiss the civil penalty and associated administrative fees.

Additional general information on tolling—

• WSDOT's *Good to Go!* Toll Bill Guide website provides troubleshooting information for toll bill payers: https://www.wsdot.wa.gov/GoodToGo/billguide.htm.

¹ For the CRC, the authority to toll was conditioned on certain events occurring by December 31, 2015, as set out in Chapter 36, Laws of 2012 (ESSB 6445).

- WSDOT's official *Good to Go!* website provides information about the types of payment options, links to hours of operation, and other information about using Washington's tolled facilities: http://www.wsdot.wa.gov/GoodToGo/default.htm.
- WSDOT's Tolling Division Reports and Resources website provides tolling annual reports and other publications regarding tolling in Washington: http://www.wsdot.wa.gov/Tolling/publications.htm.
- WSDOT's Tolling Facility Financial and Performance Reports website provides links to each toll facility's financial and performance reports:
 http://www.wsdot.wa.gov/Tolling/TollFinance.htm and
 http://www.wsdot.wa.gov/Tolling/405/library.htm.

TOLLED LANES

Express toll lanes and High Occupancy Toll (HOT) lanes are a road pricing mechanism that gives motorists in single occupant vehicles access to High Occupancy Vehicle (HOV) lanes. As a congestion management tool, HOT lanes may be used to adjust the traffic balance between general purpose and HOV lanes to maximize the vehicle throughput (number of vehicles traveling) in HOT lanes. Other goals for these facilities include increased trip reliability and raising revenue to fund future improvements in the tolled corridor.

The SR 167 HOT lanes were authorized as a pilot project in 2005 (<u>RCW 47.56.403</u>) with an original expiration date four years after tolling began. This expiration date has been extended in the transportation budget, and the authorization is currently set to expire on June 30, 2019.

The 2011 Legislature authorized express toll lanes on Interstate 405 (<u>RCW 47.56.880</u>). WSDOT launched 15 miles of express toll lanes on I-405 between the cities of Bellevue and Lynnwood on September 27, 2015. If the performance measures below are not being met, the express toll lanes must be terminated as soon as practicable:

- Maintain speeds of 45 miles per hour at least 90% of the time during peak periods (see RCW 47.56.880 (4)(a)), and,
- Generate sufficient revenue to pay for all I-405 Express lane expenses (see RCW 47.56.880 (4)(e)).

More information on the I-405 and SR 167 Eastside Corridor Tolling project can be found at: http://www.wsdot.wa.gov/tolling/eastsidecorridor.

A 2017 Joint Transportation Committee study of I-405 Traffic Data and Performance Measures may be found at: http://leg.wa.gov/JTC/Pages/I405TrafficDataStudy.aspx

GOVERNANCE

Current Tolling Authority

Under current law, the Legislature is the only entity with the authority to authorize tolls on an eligible toll facility (RCW 47.56.820). An eligible toll facility is defined as "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, bi-state facilities, and interconnections between highways" (RCW 47.56.810). Any proposal for the establishment of eligible toll facilities must consider specified policy guidelines which include: overall direction

(purpose for the toll); when to use tolling; appropriate use of toll revenue; setting toll rates; and the duration of toll collection. (RCW 47.56.830)

The Legislature has designated the Transportation Commission as the state tolling authority with responsibility for setting toll rates, including variable pricing, and reviewing toll operations (<u>RCW 47.56.850</u> and <u>47.46.100</u>). Prior to the convening of each regular session of the Legislature, the Commission must report to the transportation committees of the Legislature on any increase or decrease in toll rates approved by the Commission (<u>RCW 47.56.855</u>).

Certain local jurisdictions may impose tolls on some roads, including cities (RCW 35.74.050), Regional Transportation Investment Districts (RCWs 47.56.076 and 36.120.050), Transportation Benefit Districts (RCWs 47.56.078 and 36.73.040), and ports (RCW 53.34.010). Local jurisdictions need authorization from the Legislature if tolling a state route, and any toll rates set by these entities are subject to review and approval by the Transportation Commission. The Commission must consider the impact of tolls, or changes in toll rates, on the operation of any state facility. Currently no local jurisdictions impose tolls on roads in the state. (For more information on local jurisdictions see page 369.)

In general, federal law prohibits tolling on federal-aid highways. However, there are four federal tolling programs for which a facility can qualify if federal funds have been used or will be used on a highway. More information about federal tolling programs can be found at: https://www.fhwa.dot.gov/ipd/tolling_and_pricing/tolling_pricing/federal_tolling_programs.aspx.

Approval of toll increases

A series of initiatives related to the Legislature's approval of new fees passed between 2007 and 2012. During this time period, the Legislature, typically in the transportation budget, reaffirmed the Transportation Commission's authority to set toll rates. In 2014, the Attorney General provided advice to the Legislature indicating that the Legislature did not need to continue to reaffirm the delegation of fee-setting authority to the Transportation Commission. (For more information on the Attorney General Opinion see page 29.)

Limitations on Use of Toll Revenue

The current statutes confine permissible uses of toll revenue to the following purposes: to cover operating costs, including maintenance, preservation, administration, and toll enforcement by public law enforcement; to meet obligations for the repayment of debt; to meet any other funding obligations for projects or operations on the eligible toll facility; to provide for the operation of conveyances of people or goods; and to fund improvements to the eligible toll facility (RCW 47.56.820 and 47.46.110). In addition to the statutes of general applicability that limit the use of toll revenue, the Legislature has enacted specific restrictions on the use of toll revenue for each of the five currently authorized toll facilities.

Duration of Toll Collection

As noted above, current policy guidelines provide that any proposal for the establishment of an eligible toll facility must include consideration of the duration of toll collection on the facility (RCW 47.56.830). The applicable guideline notes that, because transportation infrastructure projects have costs and benefits that extend well beyond those paid for by initial construction funding, tolls may remain in place to fund additional capacity; capital rehabilitation, maintenance, management, and operations; and optimization of system performance. The duration of the tolls may be determined by the Legislature and may vary by toll facility.

The 2002 legislation that authorized the Transportation Commission to impose tolls on the Tacoma Narrows Bridge required that the bridge be operated as a toll-free facility after satisfying debt requirements of the financing (RCW 47.46.110).

18th Amendment to Washington State Constitution

In 1944, statewide voters approved the 18th Amendment to the Washington State Constitution, which restricts the use of certain transportation revenues exclusively to "highway purposes." See a complete description of restrictions put in place by the *18th Amendment* on page 31.

Toll revenue is not explicitly included in the 18th Amendment. However, in some instances the Legislature has deposited toll revenues into an account *within* the Motor Vehicle Fund, which has resulted in limiting the use of those toll revenues to "highway purposes." In other instances, the Legislature has deposited toll revenue in an account *outside* the Motor Vehicle Fund, which does not limit use of that revenue to "highway purposes." Account information regarding the six currently authorized toll facilities is as follows:

- Tolls from the Tacoma Narrows Bridge are deposited into a special account, the "Tacoma Narrows toll bridge account," *within* the Motor Vehicle Fund (<u>RCW 47.56.165</u>);
- Tolls from the SR 520 corridor will be deposited into a special account, the "state route number 520 corridor account," *outside* the Motor Vehicle Fund (RCW 47.56.875);
- Tolls from the SR 167 HOT lanes are deposited into the "high occupancy toll lanes operations account," *outside* the Motor Vehicle Fund (<u>RCW 47.66.090</u>);
- Tolls from the I-405 express toll lanes will be deposited into the "Interstate 405 express toll lanes operations account," *within* the Motor Vehicle Fund (RCW 47.56.884);
- Tolls from the portion of state route number 99 that is the deep bore tunnel under First Avenue from the vicinity of the sports stadiums in Seattle to Aurora Avenue north of the Battery Street tunnel are deposited into the "Alaskan Way viaduct replacement project account" *outside* the Motor Vehicle Fund (RCW 47.56.864)