
SUBSTITUTE SENATE BILL 5207

State of Washington

60th Legislature

2007 Regular Session

By Senate Committee on Transportation (originally sponsored by Senators Haugen, Murray and Spanel)

READ FIRST TIME 03/05/07.

1 AN ACT Relating to a study to evaluate the imposition of a fee on
2 the processing of shipping containers, port-related user fees, and
3 other funding mechanisms to improve freight corridors; creating the
4 freight congestion relief account; reenacting and amending RCW
5 43.84.092; adding a new section to chapter 46.68 RCW; creating new
6 sections; and providing an expiration date.

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

8 NEW SECTION. **Sec. 1.** The legislature finds and declares there is
9 a need to mitigate the enormous burden imposed on the state
10 transportation system by the overland movement of cargo shipped to and
11 from Washington state ports. Accordingly, it is the intent of the
12 legislature to alleviate this burden by studying the imposition of a
13 fee on the processing of shipping containers through those ports. The
14 study shall also examine other similar mechanisms for imposing and
15 collecting port-related user fees, as well as other funding mechanisms.
16 Enactment by the legislature of any funding mechanism identified by the
17 study must require the use of the funds derived therefrom to provide
18 congestion relief through the improvement of freight rail systems and
19 state highways that function as freight corridors.

1 NEW SECTION. **Sec. 2.** Subject to availability of amounts
2 appropriated for this specific purpose, the joint transportation
3 committee shall administer a consultant study to evaluate the
4 imposition of a fee on the processing of shipping containers, port-
5 related user fees, and other funding mechanisms to improve freight
6 corridors for deposit in the freight congestion relief account created
7 under chapter 46.68 RCW.

8 (1) At a minimum, the study must: (a) Assess the imposition of a
9 shipping container based fee, port-related user fees, and other funding
10 mechanisms on the demand elasticity of the movement of freight goods
11 through Washington's container ports at various rates as well as
12 forecast diversion of marine cargo at various price points; (b) measure
13 the return on investment in freight rail and highway-based
14 infrastructure supported by the user fee and its impact on forecast
15 growth in shipping container traffic and the movement of freight goods;
16 (c) recommend the structure of a future project recommendation body
17 including its membership, process, and selection criteria; (d) examine
18 existing data on the health and environmental cost impacts of maritime
19 shipping and the movement of freight goods on air quality near
20 Washington's container ports. The scope of work for the study may be
21 expanded to include analysis of other issues relevant to the imposition
22 of container port-related user fees.

23 (2) The findings and recommendations of the report must be
24 submitted to the transportation committees of the legislature by
25 December 1, 2007.

26 (3) This section expires January 1, 2008.

27 NEW SECTION. **Sec. 3.** A new section is added to chapter 46.68 RCW
28 to read as follows:

29 The freight congestion relief account is created in the state
30 treasury. Moneys in the account may be spent only after appropriation.
31 Expenditures from the account may only be used to provide congestion
32 relief through the improvement of freight rail systems and state
33 highways that function as freight corridors. Expenditures from the
34 account must, at a minimum, include funding for the following projects:
35 State route 519 and associated access to port of Seattle; state route
36 509 connection to I-5 bypassing SeaTac airport; state route 167 port of
37 Tacoma access to I-5 and state route 167 new alignment in Pierce

1 county; I-90 Snoqualmie Pass; grade separations in the East Spokane
2 Valley; increased capacity of Stampede Pass rail corridor; rail
3 bottlenecks and choke points along mainline routes, including but not
4 limited to the Vancouver by-pass project; Kelso-Martin's bluff;
5 Vancouver rail loop; Blakeslee junction and other mainline
6 constrictions; and rail spur lines that support container freight
7 traffic and facilities for container transloading.

8 **Sec. 4.** RCW 43.84.092 and 2006 c 337 s 11, 2006 c 311 s 23, 2006
9 c 171 s 10, 2006 c 56 s 10, and 2006 c 6 s 8 are each reenacted and
10 amended to read as follows:

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

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

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

1 (4) Monthly, the state treasurer shall distribute the earnings
2 credited to the treasury income account. The state treasurer shall
3 credit the general fund with all the earnings credited to the treasury
4 income account except:

5 (a) The following accounts and funds shall receive their
6 proportionate share of earnings based upon each account's and fund's
7 average daily balance for the period: The capitol building
8 construction account, the Cedar River channel construction and
9 operation account, the Central Washington University capital projects
10 account, the charitable, educational, penal and reformatory
11 institutions account, the Columbia river basin water supply development
12 account, the common school construction fund, the county criminal
13 justice assistance account, the county sales and use tax equalization
14 account, the data processing building construction account, the
15 deferred compensation administrative account, the deferred compensation
16 principal account, the department of retirement systems expense
17 account, the developmental disabilities community trust account, the
18 drinking water assistance account, the drinking water assistance
19 administrative account, the drinking water assistance repayment
20 account, the Eastern Washington University capital projects account,
21 the education construction fund, the education legacy trust account,
22 the election account, the emergency reserve fund, the energy freedom
23 account, The Evergreen State College capital projects account, the
24 federal forest revolving account, the freight congestion relief
25 account, the freight mobility investment account, the freight mobility
26 multimodal account, the health services account, the public health
27 services account, the health system capacity account, the personal
28 health services account, the state higher education construction
29 account, the higher education construction account, the highway
30 infrastructure account, the high-occupancy toll lanes operations
31 account, the industrial insurance premium refund account, the judges'
32 retirement account, the judicial retirement administrative account, the
33 judicial retirement principal account, the local leasehold excise tax
34 account, the local real estate excise tax account, the local sales and
35 use tax account, the medical aid account, the mobile home park
36 relocation fund, the multimodal transportation account, the municipal
37 criminal justice assistance account, the municipal sales and use tax
38 equalization account, the natural resources deposit account, the oyster

1 reserve land account, the pension funding stabilization account, the
2 perpetual surveillance and maintenance account, the public employees'
3 retirement system plan 1 account, the public employees' retirement
4 system combined plan 2 and plan 3 account, the public facilities
5 construction loan revolving account beginning July 1, 2004, the public
6 health supplemental account, the public works assistance account, the
7 Puyallup tribal settlement account, the real estate appraiser
8 commission account, the regional mobility grant program account, the
9 resource management cost account, the rural Washington loan fund, the
10 site closure account, the small city pavement and sidewalk account, the
11 special wildlife account, the state employees' insurance account, the
12 state employees' insurance reserve account, the state investment board
13 expense account, the state investment board commingled trust fund
14 accounts, the supplemental pension account, the Tacoma Narrows toll
15 bridge account, the teachers' retirement system plan 1 account, the
16 teachers' retirement system combined plan 2 and plan 3 account, the
17 tobacco prevention and control account, the tobacco settlement account,
18 the transportation infrastructure account, the transportation
19 partnership account, the tuition recovery trust fund, the University of
20 Washington bond retirement fund, the University of Washington building
21 account, the volunteer fire fighters' and reserve officers' relief and
22 pension principal fund, the volunteer fire fighters' and reserve
23 officers' administrative fund, the Washington fruit express account,
24 the Washington judicial retirement system account, the Washington law
25 enforcement officers' and fire fighters' system plan 1 retirement
26 account, the Washington law enforcement officers' and fire fighters'
27 system plan 2 retirement account, the Washington public safety
28 employees' plan 2 retirement account, the Washington school employees'
29 retirement system combined plan 2 and 3 account, the Washington state
30 health insurance pool account, the Washington state patrol retirement
31 account, the Washington State University building account, the
32 Washington State University bond retirement fund, the water pollution
33 control revolving fund, and the Western Washington University capital
34 projects account. Earnings derived from investing balances of the
35 agricultural permanent fund, the normal school permanent fund, the
36 permanent common school fund, the scientific permanent fund, and the
37 state university permanent fund shall be allocated to their respective

1 beneficiary accounts. All earnings to be distributed under this
2 subsection (4)(a) shall first be reduced by the allocation to the state
3 treasurer's service fund pursuant to RCW 43.08.190.

4 (b) The following accounts and funds shall receive eighty percent
5 of their proportionate share of earnings based upon each account's or
6 fund's average daily balance for the period: The aeronautics account,
7 the aircraft search and rescue account, the county arterial
8 preservation account, the department of licensing services account, the
9 essential rail assistance account, the ferry bond retirement fund, the
10 grade crossing protective fund, the high capacity transportation
11 account, the highway bond retirement fund, the highway safety account,
12 the motor vehicle fund, the motorcycle safety education account, the
13 pilotage account, the public transportation systems account, the Puget
14 Sound capital construction account, the Puget Sound ferry operations
15 account, the recreational vehicle account, the rural arterial trust
16 account, the safety and education account, the special category C
17 account, the state patrol highway account, the transportation 2003
18 account (nickel account), the transportation equipment fund, the
19 transportation fund, the transportation improvement account, the
20 transportation improvement board bond retirement account, and the urban
21 arterial trust account.

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

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