

**DRAFT ONLY  
NOT APPROVED FOR  
INTRODUCTION**

SENATE FILE NO.

Highway tolling authority.

Sponsored by: Joint Transportation, Highways & Military  
Affairs Interim Committee

A BILL

for

1 AN ACT relating to highways; creating a highway tolling  
2 program; granting powers to the transportation commission;  
3 defining duties of the transportation commission and the  
4 department of transportation; granting tolling authority  
5 for interstates and state highways; providing for the  
6 review of tolling plans; creating an account; granting  
7 bonding authority; requiring accounting and reporting;  
8 authorizing transfers from the state highway fund;  
9 providing rulemaking authority; authorizing assistance by  
10 state agencies; and providing for an effective date.

11

12 *Be It Enacted by the Legislature of the State of Wyoming:*

1

2 \*\*\*\*\*

3 \*\*\*\*\*

4 STAFF COMMENT

5 This bill draft was considered by the Fuel Taxes Working  
6 Group. It is based on 2020 Senate File 6 sponsored by the  
7 Joint Transportation Committee during the 2020 Budget  
8 Session and 2023 Senate File 160, Tolling authority for I-  
9 80 sponsored by Senator Case during the 2023 General  
10 Session.

11 \*\*\*\*\*

12 \*\*\*\*\*

13

14

15 Section 1. W.S. 24-16-101 through 24-16-115 are  
16 created to read:

17

18 CHAPTER 16

19 TOLLING

20

21 ARTICLE 1

22 HIGHWAY TOLLING PROGRAM, PLAN AND BONDING

23

24 24-16-101. Purpose.

25

26 To finance, construct, operate and maintain interstates and  
27 state highways and accommodate the needs of the traveling  
28 public through safe, efficient, convenient and modern

1 vehicular traffic it is necessary and in the public  
2 interest to provide for the financing, construction,  
3 operation, regulation and maintenance of interstates and  
4 state highways under a tolled configuration. The tolled  
5 configuration shall allow interstates and state highways to  
6 be maintained and operated in a way that shall reduce  
7 traffic congestion, delays, hazards, injuries and  
8 fatalities. To carry out these purposes, it is necessary to  
9 authorize the Wyoming transportation commission, with  
10 legislative oversight, to create and supervise a tolling  
11 program within the department of transportation to impose  
12 tolls and exercise other powers regarding interstates and  
13 state highways that are necessary, equitable and  
14 appropriate.

15

16 **24-16-102. Definitions.**

17

18 (a) As used in this article:

19

20 (i) "Account" means the special toll revenue  
21 account created by W.S. 24-16-105;

22

1           (ii) "Bond" means notes, warrants, bonds or  
2 temporary bonds issued under this article;

3

4           (iii) "Chief engineer" means the person  
5 appointed by the director of the department of  
6 transportation in accordance with W.S. 24-2-106;

7

8           (iv) "Commission" means the Wyoming  
9 transportation commission;

10

11           (v) "Construct" or "construction" means the  
12 planning, designing, engineering, right-of-way acquisition,  
13 installation, construction or reconstruction of an  
14 interstate or state highway;

15

16           (vi) "Department" means the department of  
17 transportation;

18

19           (vii) "Director" means the director of the  
20 department of transportation;

21

22           (viii) "Interstate" means the portion of the  
23 national system of interstate and defense highways located

1 within this state, as officially designated, or as may  
2 hereafter be designated by the commission and approved by  
3 the United States department of transportation;

4

5 (ix) "Local government" means a county, city or  
6 town;

7

8 (x) "Project" means all matters related to the  
9 planning, financing, construction, imposition, collection,  
10 operation and maintenance necessary for tolling on an  
11 interstate or state highway including construction,  
12 maintenance and improvements to existing or additional lane  
13 capacity and related highway improvements, maintenance and  
14 services as well as tolling infrastructure;

15

16 (xi) "Project master plan" means a comprehensive  
17 plan for a project as required by this article and which  
18 shall be presented to the legislature to enact any  
19 legislation necessary to authority the plan;

20

21 (xii) "Project phase" means a discrete portion  
22 of a project that may be constructed, operated, maintained  
23 or financed independently of other portions of the project;

1

2 (xiii) "State highway" means any highway now or  
3 subsequently designated as a state highway by the  
4 commission;

5

6 (xiv) "Toll" means compensation paid for the use  
7 of an interstate or state highway, or any part thereof, by  
8 motor vehicles or other traffic;

9

10 (xiv) "Tolling program chief" means the  
11 administrator of the tolling program within the department;

12

13 (xv) "Toll revenues" means all revenues  
14 generated by the project.

15

16 **24-16-103. Authority to toll.**

17

18 The department shall have authority to impose tolls on  
19 interstates and state highways and take all other actions  
20 necessary for a project pursuant to a project master plan  
21 only if specifically authorized by law.

22

23 **24-16-104. Statewide tolling program creation.**

1

2 If authorized by law, the director, with the commission's  
3 approval, may operate a statewide tolling program that  
4 shall be limited to a project and shall be in accordance  
5 with a project master plan as approved by the commission.  
6 The tolling program shall operate as a division of the  
7 department and the director shall, with the commission's  
8 consent, appoint a tolling program chief who shall possess  
9 qualifications as may be established by the commission. The  
10 tolling program chief shall oversee all aspects of the  
11 tolling program.

12

13 **24-16-105. Special toll revenue account.**

14

15 (a) There is created the special toll revenue  
16 account. All toll revenues received from the project shall  
17 be deposited into the account. All monies received from the  
18 issuance of bonds related to the project shall be deposited  
19 into the account. All toll revenues shall be deposited into  
20 the account. The account may contain separate subaccounts  
21 for any project phase. The department may deposit other  
22 monies into the account but in no event shall revenues from  
23 any tax otherwise available for general purposes be

1 deposited into the account. All funds in the account shall  
2 be expended only for the repayment of debt for a project or  
3 as otherwise authorized by this article. All monies in the  
4 account are continuously appropriated to the department for  
5 expenditures authorized by this article.

6  
7 \*\*\*\*\*  
8 \*\*\*\*\*

9 STAFF COMMENT

10 The Committee may wish to consider amending Page 7 lines 16  
11 through 19 to state:

12  
13 "The department may deposit other monies into the account  
14 but in no event shall revenues including state  
15 appropriations, interest thereon, royalties or any tax  
16 otherwise available for general purposes be deposited into  
17 the account."

18 \*\*\*\*\*  
19 \*\*\*\*\*  
20

21 (b) The state treasurer may invest all funds within  
22 the account as authorized by law. Any earnings on the  
23 investment or deposit of monies in the account shall remain  
24 in the account and shall not be credited to the general  
25 fund. The state treasurer shall invest funds, or withhold  
26 funds from investment, and comply with all requirements of  
27 the internal revenue service and the bond indenture, so as  
28 not to interfere with the bonding provisions and bonding



1 capacity granted in this article and to ensure that all  
2 bonds will remain tax free investments.

3

4 (c) The commission shall have authority to approve  
5 the expenditure of monies from the account for a project.  
6 As approved by the commission, the department may expend  
7 monies in the account:

8

9 (i) To pay for principal on bonds, as the bonds  
10 mature or are redeemed before maturity, for the purchase of  
11 the bonds, the payment of interest on the bonds or the  
12 payment of any redemption premium required to be paid when  
13 the bonds are redeemed before maturity;

14

15 (ii) To fund the administration, planning,  
16 financing, construction, operation, maintenance or repair  
17 of a project and for the acquisition of land within an  
18 interstate or state highway corridor required for the  
19 project unless the expenditure would reduce the account to  
20 an amount less than the amount necessary to satisfy all  
21 bond obligations.

22

1           (d) The commission may transfer unrestricted monies  
2 from the state highway fund to the account for the  
3 department's use in defraying expenses incurred for a  
4 project before the receipt of bond proceeds or toll  
5 revenues. When the department receives sufficient bond  
6 proceeds or toll revenues in the account to implement,  
7 operate and maintain a project on an annual basis, the  
8 department may use excess revenue from the account to  
9 reimburse the state highway fund for monies deposited into  
10 the account together with interest at the rate earned on  
11 pooled fund investments for the period of the loan.

12

13           (e) Once the department has paid the costs of  
14 constructing a project, including reasonable and prudent  
15 contingencies, paid all debt service on all bonds issued to  
16 finance a project and reimbursed the state highway fund for  
17 any state highway fund monies transferred to the account  
18 under this article, plus interest, the commission shall  
19 recommend to the legislature to adjust initial toll rates  
20 on the project so that toll revenues are as close as  
21 reasonably possible to the amount required for the ongoing  
22 operation, maintenance and necessary replacement of the  
23 project.

1

2       **24-16-106. Toll rates.**

3

4       The commission shall recommend to the joint transportation,  
5       highways and military affairs interim committee the initial  
6       toll rates consistent with a project master plan and  
7       federal tolling requirements and such that the department  
8       can pay for necessary reconstruction and maintenance of an  
9       interstate or state highway corridor and administrative  
10      expenses. The initial toll rate and any subsequent  
11      adjustment to toll rates shall be set by the legislature.

12

13       **24-16-107. Toll highway project master plan; review.**

14

15       (a) The department shall develop and submit to the  
16      commission a project master plan that includes:

17

18               (i) The goals for the project;

19

20               (ii) The physical project description;

21

22               (iii) Construction phasing and estimated capital  
23      costs;

1

2 (iv) The tolling approach and toll rate  
3 structure, which shall take into account, among other  
4 considerations, impacts of different motor vehicles on the  
5 road surface;

6

7 (v) Operations and maintenance plans;

8

9 (vi) Toll revenue projections and financial  
10 plans;

11

12 (vii) Recommended civil penalties for failing to  
13 pay a toll when required or other violations of tolling  
14 requirements, the proceeds of which shall be applied to the  
15 operation of the project;

16

17 \*\*\*\*\*

18

\*\*\*\*\*

19

**STAFF COMMENT**

20 The Committee may wish to consider a potential issue that  
21 may be implicated or raised during consideration or after  
22 enactment of the bill. Article 7, Section 5 of the Wyoming  
23 Constitution provides "All fines and penalties under  
24 general laws of the state shall belong to the public school  
25 fund of the respective counties and be paid over to the  
26 custodians of such funds for the current support of the  
27 public schools therein." This bill draft requires the  
28 proceeds of the civil penalties for failing to pay a toll

1 to be applied to the operation of the project. Upon  
2 request, LSO can provide additional research on this topic.

3 \*\*\*\*\*  
4 \*\*\*\*\*  
5

6 (viii) Identification of persons exempt from  
7 toll fees or toll requirements;  
8

9 (ix) Consideration of a free minimum travel  
10 distance available to all motor vehicle traffic;  
11

12 (x) Results of a study of potential impacts of  
13 tolling on an interstate or state highway to communities  
14 along the interstate or state highway;  
15

16 (xi) The application of criminal and traffic  
17 regulation laws to the project;  
18

19 (xii) The provision of any law enforcement and  
20 courtesy patrols for the project;  
21

22 (xiii) A public outreach program;  
23

24 (xiv) Plans for improvements to wildlife  
25 migration and traffic safety;

1

2 (xv) Any federally required information or  
3 federal considerations that may be relevant to the project;

4

5 (xvi) Any other information necessary to  
6 implement the project.

7

8 (b) Once the commission approves a project master  
9 plan, the department shall submit the plan to the joint  
10 transportation, highways and military affairs interim  
11 committee for consideration of any necessary legislation.  
12 Once the legislature enacts any legislation necessary to  
13 authorize and approve the plan, the department shall submit  
14 the plan to the federal highway administration for approval  
15 not later than thirty (30) days after the legislature  
16 enacts legislation necessary to authorize and approve the  
17 plan. If the federal highway administration approves the  
18 plan without substantial changes, as determined by the  
19 commission, the department shall implement the plan.

20

21 **24-16-108. Commission powers and duties.**

22

1           (a) The commission shall have the following powers  
2 and duties regarding developing a project master plan under  
3 W.S. 24-16-107:

4

5           (i) To direct the department and assign to the  
6 department tasks;

7

8           (ii) To develop, prepare or cause to be prepared  
9 and approve the project master plan;

10

11           (iii) To make and to enter into contracts or  
12 agreements, including intergovernmental agreements or  
13 agreements with private persons, necessary or incidental to  
14 the exercise of its powers and the performance of its  
15 duties under this subsection;

16

17           (iv) To employ or contract for the services of  
18 consultants for the rendering of professional, financial  
19 and technical assistance and advice.

20

21           (b) The commission shall have the following powers and  
22 duties regarding projects after a project master plan is  
23 authorized by law:

1

2 (i) To direct the department and assign to the  
3 department tasks required under this article;

4

5 (ii) The authority to issue revenue bonds  
6 pursuant to this article;

7

8 (iii) To make recommendations to the legislature  
9 to increase or decrease fees, tolls, rates and charges  
10 related to the project and to establish initial toll rates  
11 pursuant to W.S. 24-16-106;

12

13 (iv) To establish, charge and collect fees and  
14 charges for the use of other property of the project,  
15 subject to an approved project master plan;

16

17 (v) To acquire, hold title to and dispose of  
18 real and personal property as necessary in the exercise of  
19 its powers and the performance of its duties under this  
20 subsection;

21



1           (vi) To acquire or cause to be acquired any  
2 necessary rights-of-way as provided by W.S. 24-2-102 and  
3 24-2-109;

4

5           (vii) To make and to enter into contracts or  
6 agreements, including intergovernmental agreements or  
7 agreements with private persons, necessary or incidental to  
8 the exercise of its powers and the performance of its  
9 duties under this subsection;

10

11           (viii) To employ or contract for the services of  
12 consultants for the rendering of professional, financial  
13 and technical assistance and advice;

14

15           (ix) To plan, acquire, construct, operate,  
16 regulate and maintain the project;

17

18           (x) To construct, maintain and operate stations  
19 or electronic means for the collection of tolls from the  
20 project as required by an approved project master plan;

21

22           (xi) To set and adopt, on an biennial basis, a  
23 budget for the project;

1

2           (xii) The authority to restrict specified motor  
3 vehicles from driving in designated lanes within the  
4 project based on the project master plan;

5

6           (xiii) To contract for and accept any gifts,  
7 grants or loans of funds, property or financial or other  
8 aid in any form from the federal government, any agency or  
9 instrumentality thereof or from any other source;

10

11           (xiv) Upon the issuance of any revenue bond  
12 authorized by this article, to report to the state  
13 treasurer in such form as the treasurer may require, the  
14 terms of all revenue bonds issued, including the maturity  
15 of the issuance and revenues pledged for the issuance and  
16 prior issuances.

17

18           (c) Not later than September 1 of each year after a  
19 project master plan is authorized by law, the commission  
20 through the department shall present a report to the joint  
21 transportation, highways and military affairs interim  
22 committee and the joint appropriations committee. The  
23 report shall include a summary of the project's activities

1 for the previous year, a statement of current toll rates, a  
2 summary of the status of any current construction or other  
3 development on the project, a statement of the project's  
4 revenues and expenses, a summary of the results of any  
5 evaluation of the project conducted by the department,  
6 annual accounting of all funds deposited into the account  
7 and all other account activity and any recommendations for  
8 toll rate or other modifications to the project master  
9 plan.

10

11 **24-16-109. Rulemaking authority.**

12

13 The commission and the department shall have the authority  
14 to promulgate rules necessary for a project.

15

16 **24-16-110. Bonds.**

17

18 (a) Subject to subsection (b) of this section, the  
19 commission may issue revenue bonds in principal amounts  
20 that the commission determines necessary to provide  
21 sufficient funds for achieving the tasks required by a  
22 project master plan and necessary for a project. All  
23 revenue bonds issued under this article are negotiable

1 instruments under the laws of the state unless expressly  
2 provided to the contrary on the face of the revenue bonds.

3  
4 (b) The commission may issue and have outstanding  
5 revenue bonds in an aggregate amount authorized in an  
6 adopted and legislatively approved project master plan.

7  
8 (c) All proceeds from the sale of revenue bonds shall  
9 be deposited into the account.

10  
11 (d) All revenue bond obligations issued by the  
12 commission under this article are payable solely out of  
13 funds in the account generated from revenues of the project  
14 as provided by W.S. 24-16-111. Revenue bond proceeds shall  
15 be used only for a project as provided in the project  
16 master plan. The revenue bonds shall bear interest at the  
17 rates, be executed and delivered at times and in  
18 denominations, be of terms and maturities, be in bearer  
19 form or in registered form as to principal and interest or  
20 principal alone and bear manual or facsimile signatures and  
21 seals as determined by the commission.

1           (e) Revenue bonds may be payable in installments and  
2 may bear maturities not exceeding forty-five (45) years  
3 from the date issued as determined by the commission.

4

5           (f) Revenue bonds and interest may be payable at a  
6 time or place whether within or outside this state as  
7 determined by the commission. Revenue bonds may contain  
8 other provisions not inconsistent with this article.

9

10          (g) Any revenue bonds issued by the commission under  
11 this article may contain an option to redeem all or any  
12 part as may be specified. The price of redemption, the  
13 terms and conditions and the procedure of notice shall be  
14 set forth in the proceedings of the commission and shall  
15 appear on the face of the revenue bonds.

16

17          (h) Any revenue bonds of the commission may be sold  
18 at, above or below par value, at public or private sale, in  
19 a manner and from time to time as the commission  
20 determines. The commission may pay necessary legal fees,  
21 expenses, premiums and commissions incurred in connection  
22 with the issuance and sale of the revenue bonds.

23

1           (j) Subject to the aggregate limits in a project  
2 master plan, additional bonds for a particular purpose may  
3 be issued provided the later issues shall recognize and  
4 protect any prior pledge made for any prior issue.

5  
6           (k) The commission may provide for the issuance of  
7 bonds under this article to refund any project revenue  
8 bonds then outstanding, including the payment of any  
9 redemption premium and any interest or premium accrued or  
10 yet to accrue to, the earliest or subsequent date of  
11 redemption, purchase or maturity of the bonds. Refunding  
12 shall be accomplished in the manner prescribed by W.S.  
13 16-5-101 through 16-5-119 to the extent it is not  
14 inconsistent with this article.

15

16           **24-16-111. Bonds; security therefor.**

17

18           (a) The principal and interest on any project revenue  
19 bonds issued by the commission may be secured by a pledge  
20 of any revenues authorized under this article for the  
21 applicable revenue bonds. The bondholders shall not look to  
22 any general or other fund for payment of the revenue bonds  
23 except the revenues pledged therefor. The revenue bonds

1 shall not constitute an indebtedness or a debt within the  
2 meaning of any constitutional or statutory provision or  
3 limitation. The revenue bonds shall not be considered or  
4 held to be general obligations of the state but shall  
5 constitute its special obligations and the commission shall  
6 not pledge the state's full faith and credit for payment of  
7 the revenue bonds.

8

9 (b) Each pledge, agreement or other instrument made  
10 for the benefit or security of any project revenue bonds is  
11 valid and binding from the time when made. The revenues and  
12 other monies pledged are immediately subject to the lien of  
13 the pledge without delivery or further act. The lien is  
14 valid and binding against persons having claims of any kind  
15 against the commission whether or not the persons have  
16 actual notice of the lien. Neither the resolution nor the  
17 indenture or other instrument by which a pledge is created  
18 need be recorded or filed.

19

20 (c) The commission may provide in the proceedings  
21 under which revenue bonds are authorized that any part of a  
22 project or project phase may be constructed, reconstructed  
23 or improved by the commission, and may also provide for the

1 time and manner of and requisites for disbursements to be  
2 made for the cost of construction and for all the  
3 certificates and approvals of construction and  
4 disbursements as the commission considers necessary.

5

6 **24-16-112. Exemption from taxation.**

7

8 The exercise of the powers granted by this article  
9 constitutes the performance of an essential governmental  
10 function. The commission shall not be required to pay any  
11 taxes levied by any municipality or political subdivision  
12 of the state. The commission shall not be required to pay  
13 state taxes of any kind. The commission's projects,  
14 property and monies and any bonds issued under this  
15 article, and the income therefrom, shall be free from  
16 taxation of every kind by the state, municipalities and  
17 political subdivisions of the state.

18

19 **24-16-113. Bonds as legal investments.**

20

21 The bonds of the commission are legal investments that may  
22 be used as collateral for public funds of the state,  
23 insurance companies, banks, savings and loan associations,



1 investment companies, trustees and other fiduciaries that  
2 may properly and legally invest funds in their control or  
3 belonging to them in bonds of the commission.

4

5 **24-16-114. State pledge not to impair bondholder's**  
6 **rights and remedies.**

7

8 The state pledges to the holders of any bonds issued under  
9 this article that the state will not limit or alter the  
10 rights vested in the commission to fulfill the terms of  
11 agreements made with the holders, or in any way impair the  
12 rights and remedies of the holders, until the bonds  
13 together with the interest, with interest on any unpaid  
14 installments of interest and all costs and expenses in  
15 connection with any action or proceeding by or on behalf of  
16 the holders are fully met and discharged. The commission is  
17 to include this pledge of the state in any agreement with  
18 the holders of the bonds.

19

20 **24-16-115. Assistance by state agencies.**

21

22 Upon the commission's request, any state agency may lend  
23 technical assistance, render advice and attend meetings

1 with the directors and employees of the commission or the  
2 department as the commission requires in carrying out its  
3 functions and duties under this article.

4  
5 **Section 2.** W.S. 24-1-119 and 24-8-101 are amended to  
6 read:

7  
8 **24-1-119. State highway fund created; income and**  
9 **expenditure.**

10  
11 There is created a fund known as the state highway fund, to  
12 the credit of which the state treasurer, who is designated  
13 as the state official to receive all amounts paid by the  
14 United States under the act of congress approved July 11,  
15 1916, shall place all monies previously received for the  
16 fund, all money subsequently received from the United  
17 States, under cooperative agreements as authorized, all  
18 money derived from taxes levied for such purpose or  
19 appropriated for the fund, all monies received from the  
20 sale of state bonds for highway construction or  
21 improvement, all money received from the counties under  
22 cooperative agreements as hereinbefore authorized, and all  
23 other monies received from donations or bequests, which may

1 be accepted by the commission on behalf of the state of  
2 Wyoming, or from any source designated by law for that  
3 purpose. All monies in the fund shall be available for the  
4 purpose of this act without further appropriation and no  
5 warrant shall be drawn on the fund excepting on a voucher  
6 approved by the director of the department of  
7 transportation or an assistant authorized by the director  
8 and approved by the transportation commission. Except for  
9 revenue bonds issued pursuant to W.S. 24-16-110 it is  
10 provided that seventy-five percent (75%) of the amount of  
11 any bond issue subsequently issued by the state of Wyoming  
12 for the construction or improvement of state highways,  
13 after the payment of overhead expense, shall be apportioned  
14 to and spent in each county in the proportion which the  
15 assessed valuation of each county by the last general  
16 assessment bears to the total assessment of the state.

17

18 **24-8-101. Purpose, issuance and disposal.**

19

20 For the purpose of providing funds for the construction and  
21 improvement of public roads and highways in Wyoming, the  
22 state treasurer, with the approval of the governor, is  
23 hereby authorized from time to time within the limits of

1 the amount authorized by law to issue and dispose of bonds  
2 of the state of Wyoming to be designated as highway bonds.  
3 Bonds issued under this chapter are separate and distinct  
4 from revenue bonds issued under W.S. 24-16-110 for the  
5 purpose of interstates and state highways.

6

7       **Section 3.** This act is effective immediately upon  
8 completion of all acts necessary for a bill to become law  
9 as provided by Article 4, Section 8 of the Wyoming  
10 Constitution.

11

12 (END)