

CERTIFICATION OF ENROLLMENT

**SUBSTITUTE HOUSE BILL 2707**

Chapter 179, Laws of 1994

53rd Legislature  
1994 Regular Session

TRANSPORTATION IMPROVEMENT FUNDING

EFFECTIVE DATE: 6/9/94

Passed by the House February 11, 1994  
Yeas 96 Nays 0

BRIAN EBERSOLE

**Speaker of the  
House of Representatives**

Passed by the Senate March 8, 1994  
Yeas 40 Nays 0

JOEL PRITCHARD

**President of the Senate**

Approved March 30, 1994

MIKE LOWRY

**Governor of the State of Washington**

CERTIFICATE

I, Marilyn Showalter, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 2707** as passed by the House of Representatives and the Senate on the dates hereon set forth.

MARILYN SHOWALTER

**Chief Clerk**

FILED

March 30, 1994 - 1:29 p.m.

**Secretary of State  
State of Washington**

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**SUBSTITUTE HOUSE BILL 2707**

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Passed Legislature - 1994 Regular Session

**State of Washington                      53rd Legislature                      1994 Regular Session**

**By** House Committee on Transportation (originally sponsored by Representatives R. Fisher and Johanson; by request of Transportation Improvement Board)

Read first time 02/04/94.

1            AN ACT Relating to transportation improvement funding procedures;  
2 amending RCW 35.77.010, 36.81.121, 46.68.090, 46.68.095, 46.68.100,  
3 47.26.040, 47.26.080, 47.26.084, 47.26.090, 47.26.121, 47.26.140,  
4 47.26.160, 47.26.170, 47.26.185, 47.26.190, 47.26.260, 47.26.270,  
5 47.26.305, 47.26.425, 47.26.4252, 47.26.4254, 47.26.440, 47.26.450,  
6 47.26.460, 47.26.500, 47.26.505, and 82.36.025; adding new sections to  
7 chapter 47.26 RCW; and repealing RCW 47.26.042, 47.26.043, 47.26.180,  
8 47.26.220, 47.26.230, 47.26.240, 47.26.265, 47.26.310, 47.26.315, and  
9 47.26.430.

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

11            **Sec. 1.** RCW 35.77.010 and 1990 1st ex.s. c 17 s 59 are each  
12 amended to read as follows:

13            (1) The legislative body of each city and town, pursuant to one or  
14 more public hearings thereon, shall prepare and adopt a comprehensive  
15 street program for the ensuing six calendar years. If the city or town  
16 has adopted a comprehensive plan pursuant to chapter 35.63 or 35A.63  
17 RCW, the inherent authority of a first class city derived from its  
18 charter, or chapter 36.70A RCW, the program shall be consistent with  
19 this comprehensive plan.

1 The program shall be filed with the secretary of transportation not  
2 more than thirty days after its adoption. Annually thereafter the  
3 legislative body of each city and town shall review the work  
4 accomplished under the program and determine current city street needs.  
5 Based on these findings each such legislative body shall prepare and  
6 after public hearings thereon adopt a revised and extended  
7 comprehensive street program before July 1st of each year, and each  
8 one-year extension and revision shall be filed with the secretary of  
9 transportation not more than thirty days after its adoption. The  
10 purpose of this section is to assure that each city and town shall  
11 perpetually have available advanced plans looking to the future for not  
12 less than six years as a guide in carrying out a coordinated street  
13 construction program. The program may at any time be revised by a  
14 majority of the legislative body of a city or town, but only after a  
15 public hearing.

16 (~~The six year program of each city lying within an urban area  
17 shall contain a separate section setting forth the six year program for  
18 arterial street construction based upon its long range construction  
19 plan and formulated in accordance with rules of the transportation  
20 improvement board. The six year program for arterial street  
21 construction shall be submitted to the transportation improvement board  
22 forthwith after its annual revision and adoption by the legislative  
23 body of the city. The six year program for arterial street  
24 construction shall be based upon estimated revenues available for such  
25 construction together with such additional sums as the legislative  
26 authority may request for urban arterials from the urban arterial trust  
27 account or the transportation improvement account for the six year  
28 period. The arterial street construction program shall provide for a  
29 more rapid rate of completion of the long range construction needs of  
30 principal arterial streets than for minor and collector arterial  
31 streets, pursuant to rules of the transportation improvement board:  
32 PROVIDED, That urban arterial trust funds made available to the group  
33 of incorporated cities lying outside the boundaries of federally  
34 approved urban areas within each region need not be divided between  
35 functional classes of arterials but shall be available for any  
36 designated arterial street.))~~

37 (2) Each six-year program forwarded to the secretary in compliance  
38 with subsection (1) of this section shall contain information as to how  
39 a city or town will expend its moneys, including funds made available

1 pursuant to chapter 47.30 RCW, for bicycle, pedestrian, and equestrian  
2 purposes.

3 **Sec. 2.** RCW 36.81.121 and 1990 1st ex.s. c 17 s 58 are each  
4 amended to read as follows:

5 (1) Before July 1st of each year, the legislative authority of each  
6 county with the advice and assistance of the county road engineer, and  
7 pursuant to one or more public hearings thereon, shall prepare and  
8 adopt a comprehensive road program for the ensuing six calendar years.  
9 If the county has adopted a comprehensive plan pursuant to chapter  
10 35.63 or 36.70 RCW, the inherent authority of a charter county derived  
11 from its charter, or chapter 36.70A RCW, the program shall be  
12 consistent with this comprehensive plan.

13 The program shall include proposed road and bridge construction  
14 work, and for those counties operating ferries shall also include a  
15 separate section showing proposed capital expenditures for ferries,  
16 docks, and related facilities. Copies of the program shall be filed  
17 with the county road administration board and with the state secretary  
18 of transportation not more than thirty days after its adoption by the  
19 legislative authority. The purpose of this section is to assure that  
20 each county shall perpetually have available advanced plans looking to  
21 the future for not less than six years as a guide in carrying out a  
22 coordinated road construction program. The program may at any time be  
23 revised by a majority of the legislative authority but only after a  
24 public hearing thereon.

25 ~~(2) ((The six year program of each county having an urban area  
26 within its boundaries shall contain a separate section setting forth  
27 the six year program for arterial road construction based upon its  
28 long range construction plan and formulated in accordance with  
29 regulations of the transportation improvement board. The six year  
30 program for arterial road construction shall be submitted to the  
31 transportation improvement board forthwith after its annual revision  
32 and adoption by the legislative authority of each county. The six year  
33 program for arterial road construction shall be based upon estimated  
34 revenues available for such construction together with such additional  
35 sums as the legislative authority of each county may request for urban  
36 arterials from the urban arterial trust account or the transportation  
37 improvement account for the six year period. The arterial road  
38 construction program shall provide for a more rapid rate of completion~~

1 of the long range construction needs of principal arterial roads than  
2 for minor and collector arterial roads, pursuant to regulations of the  
3 transportation improvement board.

4 (3)) Each six-year program forwarded to the secretary in  
5 compliance with subsection (1) of this section shall contain  
6 information as to how a county will expend its moneys, including funds  
7 made available pursuant to chapter 47.30 RCW, for bicycles,  
8 pedestrians, and equestrian purposes.

9 **Sec. 3.** RCW 46.68.090 and 1991 c 342 s 56 are each amended to read  
10 as follows:

11 (1) All moneys that have accrued or may accrue to the motor vehicle  
12 fund from the motor vehicle fuel tax and special fuel tax shall be  
13 first expended for the following purposes:

14 (a) For payment of refunds of motor vehicle fuel tax and special  
15 fuel tax that has been paid and is refundable as provided by law;

16 (b) For payment of amounts to be expended pursuant to  
17 appropriations for the administrative expenses of the offices of state  
18 treasurer, state auditor, and the department of licensing of the state  
19 of Washington in the administration of the motor vehicle fuel tax and  
20 the special fuel tax, which sums shall be distributed monthly;

21 (c) From April 1, 1992, through March 31, 1996, for distribution to  
22 the transfer relief account, hereby created in the motor vehicle fund,  
23 an amount not to exceed three hundred twenty-five one-thousandths of  
24 one percent;

25 (d) For distribution to the rural arterial trust account in the  
26 motor vehicle fund, an amount as provided in RCW 82.36.025(2) and  
27 46.68.095(3);

28 (e) For distribution to the urban arterial trust account in the  
29 motor vehicle fund, an amount as provided in RCW 46.68.100(4) and  
30 82.36.025(3);

31 (f) For distribution to the transportation improvement account in  
32 the motor vehicle fund, an amount as provided in RCW 46.68.095(1);

33 (g) For distribution to the special category C account, hereby  
34 created in the motor vehicle fund, an amount as provided in RCW  
35 46.68.095(2);

36 (h) For distribution to the county arterial preservation account,  
37 hereby created in the motor vehicle fund, an amount as provided in RCW  
38 46.68.095(4);

1 (i) For distribution to the motor vehicle fund to be allocated to  
2 cities and towns as provided in RCW 46.68.110, an amount as provided in  
3 RCW 46.68.095(5);

4 (j) For distribution to the motor vehicle fund to be allocated to  
5 counties as provided in RCW 46.68.120, an amount as provided in RCW  
6 46.68.095(6);

7 (k) For expenditure for highway purposes of the state as defined in  
8 RCW 46.68.130, an amount as provided in RCW 82.36.025(4) and  
9 46.68.095(7);

10 (l) For distribution to the small city account, hereby created in  
11 the motor vehicle fund, an amount as provided for in RCW 46.68.095(1),  
12 46.68.100(9), and 82.36.025(3).

13 (2) The amount accruing to the motor vehicle fund by virtue of the  
14 motor vehicle fuel tax and the special fuel tax and remaining after  
15 payments, distributions, and expenditures as provided in this section  
16 shall, for the purposes of this chapter, be referred to as the "net tax  
17 amount."

18 **Sec. 4.** RCW 46.68.095 and 1990 c 42 s 103 are each amended to read  
19 as follows:

20 All moneys that have accrued or may accrue to the motor vehicle  
21 fund from the motor vehicle fuel tax and special fuel tax imposed by  
22 RCW 82.36.025(5) shall be distributed monthly by the state treasurer in  
23 the following proportions:

24 (1) Through June 30, 1995, one and one-half cents shall be  
25 deposited in the transportation improvement account and expended in  
26 accordance with RCW 47.26.084. After June 30, 1995, eighty-seven  
27 percent of one and one-half cents shall be deposited in the  
28 transportation improvement account and expended in accordance with  
29 section 11 of this act and thirteen percent of one and one-half cents  
30 shall be deposited in the small city account and expended in accordance  
31 with section 9 of this act.

32 (2) From April 1, 1991, seventy-five one-hundredths of one cent  
33 shall be deposited in the special category C account in the motor  
34 vehicle fund for special category C projects. Special category C  
35 projects are category C projects as defined in RCW 47.05.030(3) that,  
36 due to high cost only, will require bond financing to complete  
37 construction.

1 The following criteria, listed in order of priority, shall be used  
2 in determining which special category C projects have the highest  
3 priority:

4 (a) Accident experience; and

5 (b) Fatal accident experience; and

6 (c) Capacity to move people and goods safely and at reasonable  
7 speeds without undue congestion; and

8 (d) Continuity of development of the highway transportation  
9 network.

10 Moneys deposited in the special category C account in the motor  
11 vehicle fund may be used for payment of debt service on bonds the  
12 proceeds of which are used to finance special category C projects under  
13 this subsection.

14 (3) Twenty-five one-hundredths of one cent shall be deposited in  
15 the rural arterial trust account in the motor vehicle fund.

16 (4) Forty-five one-hundredths of one cent shall be deposited in the  
17 county arterial preservation account. These funds shall be distributed  
18 by the county road administration board to counties in proportions  
19 corresponding to the number of paved arterial lane miles in the  
20 unincorporated area of each county and shall be used for improvements  
21 to sustain the structural, safety, and operational integrity of county  
22 arterials. The county road administration board shall adopt reasonable  
23 rules and develop policies to implement this program and to assure that  
24 a pavement management system is used.

25 (5) One-half of one cent shall be allocated to cities and towns as  
26 provided in RCW 46.68.110.

27 (6) From April 1, 1990, through March 31, 1991, thirty one-  
28 hundredths of one cent and after March 31, 1991, fifty-five one-  
29 hundredths of one cent shall be allocated to counties as provided in  
30 RCW 46.68.120.

31 (7) One cent shall be deposited in the motor vehicle fund and shall  
32 be expended for highway purposes of the state as defined in RCW  
33 46.68.130.

34 **Sec. 5.** RCW 46.68.100 and 1991 c 310 s 2 are each amended to read  
35 as follows:

36 From the net tax amount in the motor vehicle fund there shall be  
37 paid monthly as funds accrue the following sums:

1 (1) To the cities and towns, to be distributed as provided by RCW  
2 46.68.110, sums equal to six and ninety-two hundredths percent of the  
3 net tax amount;

4 (2) To the cities and towns, to be expended as provided by RCW  
5 46.68.115, sums equal to four and sixty-one hundredths percent of the  
6 net tax amount;

7 (3) To the counties, sums equal to twenty-two and seventy-eight  
8 hundredths percent of the net tax amount (a) out of which there shall  
9 be distributed from time to time, as directed by the department of  
10 transportation, those sums as may be necessary to carry out the  
11 provisions of RCW 47.56.725, and (b) less any amounts appropriated to  
12 the county road administration board to implement the provisions of RCW  
13 47.56.725(4), with the balance of such county share to be distributed  
14 monthly as the same accrues for distribution in accordance with RCW  
15 46.68.120;

16 (4) To the urban arterial trust account in the motor vehicle fund,  
17 (a) through June 30, 1995, sums equal to seven and twelve hundredths  
18 percent of the net tax amount, (b) and after June 30, 1995, ninety-five  
19 percent of seven and twelve hundredths percent of the net tax amount;

20 (5) To the state, to be expended as provided by RCW 46.68.130, sums  
21 equal to forty-five and twenty-six hundredths percent of the net tax  
22 amount;

23 (6) To the state, to be expended as provided by RCW 46.68.150 as  
24 now or hereafter amended, sums equal to six and ninety-five hundredths  
25 percent of the net tax amount;

26 (7) To the Puget Sound capital construction account in the motor  
27 vehicle fund sums equal to three and twenty-one hundredths percent of  
28 the net tax amount;

29 (8) To the Puget Sound ferry operations account in the motor  
30 vehicle fund sums equal to three and fifteen hundredths percent of the  
31 net tax amount;

32 (9) After June 30, 1995, to the small city account in the motor  
33 vehicle fund, sums equal to five percent of seven and twelve hundredths  
34 percent of the net tax amount.

35 Nothing in this section or in RCW 46.68.090 or 46.68.130 may be  
36 construed so as to violate any terms or conditions contained in any  
37 highway construction bond issues now or hereafter authorized by statute  
38 and whose payment is by such statute pledged to be paid from any excise  
39 taxes on motor and special vehicle fuels.

1        NEW SECTION.    **Sec. 6.**    A new section is added to chapter 47.26 RCW  
2 to read as follows:

3        The term "board" as used in this chapter means the transportation  
4 improvement board.

5        **Sec. 7.**    RCW 47.26.040 and 1984 c 7 s 153 are each amended to read  
6 as follows:

7        The term "urban area" as used in this chapter means every area of  
8 this state designated as an urban area by the department (~~((with the~~  
9 ~~approval of the federal secretary of transportation in accordance with~~  
10 ~~federal law, hereafter referred to as federally approved urban areas,~~  
11 ~~or areas within incorporated cities))~~ in cooperation with the board and  
12 regional transportation planning organizations.

13        **Sec. 8.**    RCW 47.26.080 and 1991 sp.s. c 32 s 32 are each amended to  
14 read as follows:

15        There is hereby created in the motor vehicle fund the urban  
16 arterial trust account. The intent of the urban arterial trust account  
17 program is to improve the urban arterial street system of the state by  
18 improving mobility and safety while supporting an environment essential  
19 to the quality of life of the citizens of the state of Washington. To  
20 be eligible to receive these funds, a project must be consistent with  
21 the Growth Management Act, the Clean Air Act including conformity, and  
22 the Commute Trip Reduction Law. The project shall consider safety,  
23 mobility, and physical characteristics of the roadway and must be  
24 partially funded by local government.

25        All moneys deposited in the motor vehicle fund to be credited to  
26 the urban arterial trust account shall be expended for the construction  
27 and improvement of city arterial streets and county arterial roads  
28 within urban areas, for expenses of the transportation improvement  
29 board in accordance with RCW 47.26.140, or for the payment of principal  
30 or interest on bonds issued for the purpose of constructing or  
31 improving city arterial streets and county arterial roads within urban  
32 areas, or for reimbursement to the state, counties, cities, and towns  
33 in accordance with RCW 47.26.4252 and 47.26.4254, the amount of any  
34 payments made on principal or interest on urban arterial trust account  
35 bonds from motor vehicle or special fuel tax revenues which were  
36 distributable to the state, counties, cities, and towns.

1 The board shall not allocate funds, nor make payments of the funds  
2 under RCW 47.26.260, to any county, city, or town identified by the  
3 governor under RCW 36.70A.340.

4 NEW SECTION. **Sec. 9.** A new section is added to chapter 47.26 RCW  
5 to read as follows:

6 The intent of the small city account program is to preserve and  
7 improve the roadway system consistent with local needs of incorporated  
8 cities and towns with a population of less than five thousand. The  
9 board shall adopt rules and procedures to govern the allocation of  
10 funds distributed to the small city account. All moneys deposited in  
11 the motor vehicle fund to be credited to the small city account must be  
12 expended for roadway projects, for expenses of the board, or for the  
13 payment of principal or interest on bonds issued for the purpose of  
14 constructing or improving roadway facilities or for reimbursement to  
15 the state, counties, cities, and towns in accordance with RCW  
16 47.26.4252 and 47.26.4254, the amount of any payments made on principal  
17 or interest on urban arterial trust account bonds from motor vehicle or  
18 special fuel tax revenues that were distributable to the state,  
19 counties, cities, and towns. The board shall not allocate funds, nor  
20 make payments of the funds under RCW 47.26.260, to a city or town  
21 identified by the governor under RCW 36.70A.340.

22 **Sec. 10.** RCW 47.26.084 and 1988 c 167 s 2 are each amended to read  
23 as follows:

24 The transportation improvement account is hereby created in the  
25 motor vehicle fund. The board shall adopt rules and procedures which  
26 shall govern the allocation of funds in the transportation improvement  
27 account at such time as funds become available. All projects selected  
28 for funding before the fiscal year 1996 transportation improvement  
29 account program are governed by this section.

30 The board shall allocate funds from the account by June 30<sup>th</sup> of  
31 each year for the ensuing fiscal year and shall endeavor to provide  
32 geographical diversity in selecting improvement projects to be funded  
33 from the account.

34 Of the amount made available to the transportation improvement  
35 board from the transportation improvement account for improvement  
36 projects:

1 (1) Eighty-seven percent shall be allocated to urban counties, to  
2 cities with a population of (~~over~~) five thousand and over, and to  
3 transportation benefit districts. Improvement projects may include,  
4 but are not limited to, multi-agency projects and (~~suburban~~) arterial  
5 improvement projects in fast-growing areas.

6 To be eligible to receive these funds, a project must be (a)  
7 consistent with state, regional, and local transportation plans and  
8 consideration shall be given to the project's relationship, both actual  
9 and potential, with rapid mass transit and at such time as a rail plan  
10 is developed by the rail development commission, projects must be  
11 consistent therewith, (b) necessitated by existing or reasonably  
12 foreseeable congestion levels attributable to economic development or  
13 growth, and (c) partially funded by local government or private  
14 contributions, or a combination of such contributions. The board  
15 shall, for those projects meeting the eligibility criteria, determine  
16 what percentage of each project is funded by local and/or private  
17 contribution. Priority consideration shall be given to those projects  
18 with the greatest percentage of local and/or private contribution.

19 Within one year after board approval of an application for funding,  
20 a county, city, or transportation benefit district shall provide  
21 written certification to the board of the pledged local and/or private  
22 funding. Funds allocated to an applicant that does not certify its  
23 funding within one year after approval may be reallocated by the board.

24 (2) Thirteen percent shall be allocated by the board to cities and  
25 towns with a population of less than five thousand (~~or less~~) for  
26 street improvement projects in a manner determined by the board.

27 NEW SECTION. Sec. 11. A new section is added to chapter 47.26 RCW  
28 to read as follows:

29 Transportation improvement account projects selected for funding  
30 programs after fiscal year 1995 are governed by the requirements of  
31 this section.

32 The board shall allocate funds from the account by June 30th of  
33 each year for the ensuing fiscal year to urban counties, cities with a  
34 population of five thousand and over, and to transportation benefit  
35 districts. Projects may include, but are not limited to, multi-agency  
36 projects and arterial improvement projects in fast-growing areas. The  
37 board shall endeavor to provide geographical diversity in selecting  
38 improvement projects to be funded from the account.

1 The intent of the program is to improve mobility of people and  
2 goods in Washington state by supporting economic development and  
3 environmentally responsive solutions to our state-wide transportation  
4 system needs.

5 To be eligible to receive these funds, a project must be consistent  
6 with the Growth Management Act, the Clean Air Act including conformity,  
7 and the Commute Trip Reduction Law and consideration must have been  
8 given to the project's relationship, both actual and potential, with  
9 the state-wide rail passenger program and rapid mass transit. Projects  
10 must be consistent with any adopted high capacity transportation plan,  
11 must consider existing or reasonably foreseeable congestion levels  
12 attributable to economic development or growth and all modes of  
13 transportation and safety, and must be partially funded by local  
14 government or private contributions, or a combination of such  
15 contributions. Priority consideration shall be given to those projects  
16 with the greatest percentage of local or private contribution, or both.

17 Within one year after board approval of an application for funding,  
18 the lead agency shall provide written certification to the board of the  
19 pledged local and private funding for the phase of the project  
20 approved. Funds allocated to an applicant that does not certify its  
21 funding within one year after approval may be reallocated by the board.

22 **Sec. 12.** RCW 47.26.090 and 1988 c 167 s 14 are each amended to  
23 read as follows:

24 The term "arterial" as used in this chapter means any state  
25 highway, county road, or city street, in an urban area, that is  
26 functionally classified (~~(by the federal highway administration)~~) as a  
27 principal arterial, minor arterial, or collector street by the  
28 department in cooperation with the board, regional transportation  
29 planning organizations, cities, and counties. The board shall develop  
30 criteria and procedures for designating arterials in the incorporated  
31 cities and towns lying outside urban areas.

32 **Sec. 13.** RCW 47.26.121 and 1993 c 172 s 1 are each amended to read  
33 as follows:

34 (1) There is hereby created a transportation improvement board of  
35 eighteen members, six of whom shall be county members and six of whom  
36 shall be city members. The remaining members shall be: (a) One  
37 representative appointed by the governor who shall be a state employee

1 with responsibility for transportation policy, planning, or funding;  
2 (b) the assistant secretary of the department of transportation whose  
3 primary responsibilities relate to planning and public transportation;  
4 (c) the assistant secretary for local programs of the department of  
5 transportation; (d) a representative of a public transit system; (e) a  
6 private sector representative; and (f) a public member.

7 (2) Of the county members of the board, one shall be a county  
8 engineer or public works director; one shall be the executive director  
9 of the county road administration board; one shall be a county planning  
10 director or planning manager; one shall be a county executive,  
11 councilmember, or commissioner from a county with a population of one  
12 hundred twenty-five thousand or more; one shall be a county executive,  
13 councilmember, or commissioner of a county who serves on the board of  
14 a public transit system; and one shall be a county executive,  
15 councilmember, or commissioner from a county with a population of less  
16 than one hundred twenty-five thousand. All county members of the  
17 board, except the executive director of the county road administration  
18 board, shall be appointed. Not more than one county member of the  
19 board shall be from any one county. No more than two of the three  
20 county-elected officials may represent counties located in either the  
21 eastern or western part of the state as divided north and south by the  
22 summit of the Cascade mountains.

23 (3) Of the city members of the board one shall be a chief city  
24 engineer, public works director, or other city employee with  
25 responsibility for public works activities, of a city with a population  
26 of twenty thousand or more; one shall be a chief city engineer, public  
27 works director, or other city employee with responsibility for public  
28 works activities, of a city of less than twenty thousand population;  
29 one shall be a city planning director or planning manager; one shall be  
30 a mayor, commissioner, or city councilmember of a city with a  
31 population of twenty thousand or more; one shall be a mayor,  
32 commissioner, or city councilmember of a city who serves on the board  
33 of a public transit system; and one shall be a mayor, commissioner, or  
34 councilmember of a city of less than twenty thousand population. All  
35 of the city members shall be appointed. Not more than one city member  
36 of the board shall be from any one city. No more than two of the three  
37 city-elected officials may represent cities located in either the  
38 eastern or western part of the state as divided north and south by the  
39 summit of the Cascade mountains.

1 (4) The transit member shall be a general manager, executive  
2 director, or transit director of a public transit system.

3 (5) The private sector member shall be a citizen with business,  
4 management, and transportation related experience and shall be active  
5 in a business community-based transportation organization.

6 (6) The public member shall have professional experience in  
7 transportation or land use planning, a demonstrated interest in  
8 transportation issues, and involvement with community groups or grass  
9 roots organizations.

10 (7) Appointments of county, city, transit, private sector, and  
11 public representatives shall be made by the secretary of the department  
12 of transportation. Appointees shall be chosen from a list of two  
13 persons for each position nominated by the Washington state association  
14 of counties for county members, the association of Washington cities  
15 for city members, and the Washington state transit association for the  
16 transit member. The private sector and public members shall be sought  
17 through classified advertisements in selected newspapers collectively  
18 serving all urban areas of the state, and other appropriate means.  
19 Persons applying for the private sector or the public member position  
20 must provide a letter of interest and a resume to the secretary of the  
21 department of transportation. In the case of a vacancy, the  
22 appointment shall be only for the remainder of the unexpired term in  
23 which the vacancy has occurred. A vacancy shall be deemed to have  
24 occurred on the board when any member elected to public office  
25 completes that term of office or is removed therefrom for any reason or  
26 when any member employed by a political subdivision terminates such  
27 employment for whatsoever reason or when a private sector or public  
28 member resigns or is unable or unwilling to serve.

29 (8) Appointments shall be for terms of four years. Terms of all  
30 appointed members shall expire on June 30th of even-numbered years.  
31 The initial term of appointed members may be for less than four years.  
32 No appointed member may serve more than two consecutive four-year  
33 terms.

34 (9) The board shall elect a chair from among its members for a two-  
35 year term.

36 (10) Expenses of the board(~~(, including administration of the~~  
37 ~~transportation improvement program,)) shall be paid ((from the urban~~  
38 ~~arterial account)) in accordance with RCW 47.26.140.~~

1 (11) For purposes of this section, "public transit system" means a  
2 city-owned transit system, county transportation authority,  
3 metropolitan municipal corporation, public transportation benefit area,  
4 or regional transit authority.

5 **Sec. 14.** RCW 47.26.140 and 1988 c 167 s 16 are each amended to  
6 read as follows:

7 The transportation improvement board shall appoint an executive  
8 director, who shall serve at its pleasure and whose salary shall be set  
9 by the board, and may employ additional staff as it deems appropriate.  
10 All costs associated with staff, together with travel expenses in  
11 accordance with RCW 43.03.050 and 43.03.060, shall be paid from the  
12 urban arterial trust account, small city account, city hardship  
13 assistance account, and the transportation improvement account in the  
14 motor vehicle fund as determined by the biennial appropriation.

15 **Sec. 15.** RCW 47.26.160 and 1988 c 167 s 18 are each amended to  
16 read as follows:

17 The transportation improvement board shall:

18 (1) Adopt rules necessary to implement the provisions of this  
19 chapter relating to the allocation of funds;

20 (2) Adopt reasonably uniform design standards for city and county  
21 arterials (~~that meet the requirements for urban development;~~

22 ~~(3) Report biennially on the first day of November of the even-~~  
23 ~~numbered years to the department and to the chairs of the house and~~  
24 ~~senate transportation committees, including one copy to the staff of~~  
25 ~~each of the committees, regarding progress of cities and counties in~~  
26 ~~developing long range plans for their urban arterial construction,~~  
27 ~~programming of urban arterial construction work, and the allocation of~~  
28 ~~funds)).~~

29 **Sec. 16.** RCW 47.26.170 and 1988 c 167 s 19 are each amended to  
30 read as follows:

31 (~~The legislative authority of~~) Each county ((or city lying within  
32 or)) having within its boundaries an urban area and cities and towns  
33 shall prepare((, adopt,)) and submit to the transportation improvement  
34 board ((a long range plan for arterial construction, taking into  
35 account the comprehensive land use plan of each such jurisdiction and  
36 setting forth arterial construction needs through a six year advance

1 ~~planning period.~~ The long range arterial construction plans shall be  
2 ~~revised by~~) arterial inventory data required to determine the long-  
3 range arterial construction needs. The counties ~~((and))~~, cities, and  
4 towns shall revise the arterial inventory data every ~~((two))~~ four years  
5 to show the current arterial construction needs through the advanced  
6 planning period, and as revised shall ~~((be submitted))~~ submit them to  
7 the transportation improvement board during the first week of January  
8 ~~((of))~~ every ~~((even-numbered))~~ four years beginning in 1996. The  
9 ~~((long-range plans))~~ inventory data shall be prepared pursuant to  
10 guidelines established by the transportation improvement board. ~~((Upon~~  
11 ~~receipt of the long range arterial construction plans of the several~~  
12 ~~counties and cities, the transportation improvement board shall revise~~  
13 ~~the construction needs for urban arterials set forth in the plans as~~  
14 ~~necessary to conform with its uniform standards for establishing~~  
15 ~~construction needs of the counties and cities.))~~ As information is  
16 updated, it shall be made available to the commission and the  
17 legislative transportation committee.

18 **Sec. 17.** RCW 47.26.185 and 1988 c 167 s 21 are each amended to  
19 read as follows:

20 The transportation improvement board may adopt rules establishing  
21 qualifications for cities and counties administering and supervising  
22 the design and construction of projects financed in part from ~~((the~~  
23 ~~urban arterial trust account or the transportation improvement~~  
24 ~~account))~~ funds administered by the board. The rules establishing  
25 qualification shall take into account the resources and population of  
26 the city or county, its permanent engineering staff, its design and  
27 construction supervision experience, and other factors the board deems  
28 appropriate. Any city or county failing to meet the qualifications  
29 established by the board for administering and supervising a project  
30 shall contract with a qualified city or county or the department for  
31 the administration and supervision of the design and construction of  
32 any approved project as a condition for receiving ~~((account))~~ funds for  
33 the project.

34 **Sec. 18.** RCW 47.26.190 and 1988 c 167 s 22 are each amended to  
35 read as follows:

36 ~~((1) At the beginning of each biennium for the urban arterial~~  
37 ~~trust account, the transportation improvement board shall establish~~

1 apportionment percentages for the five regions defined in RCW 47.26.050  
2 in the following manner:

3 (a) One third in the ratio which the population of the urban areas  
4 of each region bears to the total population of all of the urban areas  
5 of the state as last determined by the office of financial management;

6 (b) One third in the ratio which the vehicle to mile ratio traveled  
7 on the classified arterial system prescribed in RCW 47.26.180, within  
8 the urban areas of each region bears to the total vehicle to mile ratio  
9 traveled on all classified urban arterials; and

10 (c) One third in the ratio which the city and county urban arterial  
11 needs within the urban areas of each region bears to the total urban  
12 arterial needs on city and county urban arterials within all urban  
13 areas of the state as last revised by the transportation improvement  
14 board.

15 Except as otherwise provided in subsection (3) of this section,  
16 such apportionment percentages shall be used once each calendar quarter  
17 by the transportation improvement board to apportion funds credited to  
18 the urban arterial trust account which are available for expenditure  
19 for urban arterial projects: PROVIDED, That any funds credited to the  
20 urban arterial trust account subsequent to July 1, 1987, resulting from  
21 bond sales in accordance with RCW 47.26.420 through 47.26.427 shall be  
22 apportioned according to the percentages for the five regions  
23 established for the biennium when the bonding authority was obligated  
24 to projects.

25 (2) All amounts credited to the urban arterial trust account,  
26 except those provided for in subsection (3) of this section and any  
27 excise tax revenues that may be required to repay the three series of  
28 urban arterial bonds or the interest thereon when due, after  
29 apportionment to each region, shall be divided on the basis of relative  
30 population established at the beginning of each biennium by the office  
31 of financial management between (a) the group of cities and that  
32 portion of those counties within federally approved urban areas and (b)  
33 the group of incorporated cities outside the boundaries of federally  
34 approved urban areas: PROVIDED, That funds credited to the urban  
35 arterial trust account subsequent to July 1, 1987, resulting from the  
36 sale of bonds in accordance with RCW 47.26.420 through 47.26.427 shall  
37 be divided on the basis of relative population percentages established  
38 for the biennium when the bonding authority was obligated to projects.  
39 Within each region, funds divided between the groups identified under

1 ~~(a) and (b) of this subsection shall then be allocated by the~~  
2 ~~transportation improvement board to incorporated cities and counties,~~  
3 ~~as the case may be, for the construction of specific urban arterial~~  
4 ~~projects in accordance with the procedures set forth in RCW 47.26.240.~~

5 ~~(3) At the beginning of each biennium the transportation~~  
6 ~~improvement board shall establish apportionment percentages for each of~~  
7 ~~the five regions for the apportionment of the proceeds from the sale of~~  
8 ~~fifteen million dollars of series II bonds and sixteen million dollars~~  
9 ~~of series III bonds authorized by RCW 47.26.420, as now or hereafter~~  
10 ~~amended, in the ratio which the population of the incorporated cities~~  
11 ~~and towns lying outside the boundaries of federally approved urban~~  
12 ~~areas of each region bears to the total population of all incorporated~~  
13 ~~cities and towns of the state lying outside the boundaries of federally~~  
14 ~~approved urban areas, as such populations are determined at the~~  
15 ~~beginning of each biennium by the office of financial management. Such~~  
16 ~~apportionment percentages shall be used once each calendar quarter by~~  
17 ~~the transportation improvement board to apportion funds credited to the~~  
18 ~~urban arterial trust account which are available for expenditure for~~  
19 ~~urban arterial projects under this subsection: PROVIDED, That any~~  
20 ~~funds credited to the urban arterial trust account subsequent to July~~  
21 ~~1, 1987, resulting from the sale of bonds in accordance with RCW~~  
22 ~~47.26.420 through 47.26.427 shall be apportioned with percentages for~~  
23 ~~the five regions established for the biennium when the bonding~~  
24 ~~authority was obligated to projects. Funds apportioned to each region~~  
25 ~~shall be allocated by the transportation improvement board to~~  
26 ~~incorporated cities lying outside the boundaries of federally approved~~  
27 ~~urban areas, for the construction of specific urban arterial projects~~  
28 ~~in accordance with the procedures set forth in RCW 47.26.240.)) The~~  
29 ~~board shall adopt rules that provide geographical diversity in~~  
30 ~~selecting improvement projects to be funded from the urban arterial~~  
31 ~~trust account and small city account funds.~~

32 **Sec. 19.** RCW 47.26.260 and 1988 c 167 s 26 are each amended to  
33 read as follows:

34 ~~((1) Upon completion of a preliminary proposal, the county, city,~~  
35 ~~or transportation benefit district submitting said proposal shall~~  
36 ~~submit to the transportation improvement board its voucher for payment~~  
37 ~~of the urban arterial trust account or transportation improvement~~  
38 ~~account, both hereinafter referred to in this section as account, share~~

1 of the cost. Upon the completion of an approved construction project,  
2 the county, city, or transportation benefit district constructing the  
3 project shall submit to the transportation improvement board its  
4 voucher for the payment of the appropriate account share of the cost.  
5 The chairman of the transportation improvement board or his designated  
6 agent shall approve such voucher when proper to do so, for payment from  
7 the appropriate account to the county, city, or transportation benefit  
8 district submitting the voucher.

9 (2)) The transportation improvement board ((may)) shall adopt  
10 ((regulations)) rules providing for the approval of payments of funds  
11 in the accounts to a county, city, town, or transportation benefit  
12 district for costs of ((preliminary proposal)) predesign, design,  
13 engineering, and costs of construction of an approved project from time  
14 to time as work progresses. These payments shall at no time exceed the  
15 account share of the costs ((of construction)) incurred to the date of  
16 the voucher covering such payment.

17 **Sec. 20.** RCW 47.26.270 and 1988 c 167 s 27 are each amended to  
18 read as follows:

19 Counties ((and)), cities, towns, and transportation benefit  
20 districts receiving funds from the ((urban arterial trust account for  
21 construction of arterials)) board shall provide such matching funds as  
22 ((shall be)) established by ((regulations)) rules adopted by the  
23 transportation improvement board. ((Matching requirements shall be  
24 established after appropriate studies by the board taking into  
25 account)) When determining matching requirements, the board shall  
26 consider (1) financial resources available to counties and cities to  
27 meet arterial needs, (2) the amounts and percentages of funds available  
28 for road or street construction traditionally expended by counties and  
29 cities on arterials, (3) in the case of counties, the relative needs of  
30 arterials lying outside urban areas, and (4) the requirements necessary  
31 to avoid diversion of funds traditionally expended for arterial  
32 construction to other street or road purposes or to nonhighway  
33 purposes((: PROVIDED HOWEVER, That for projects funded subsequent to  
34 July 1, 1977, cities and counties may use as matching funds any moneys  
35 received from any source, except such moneys which by law may not be  
36 used for the purposes set forth in this chapter)).

1       **Sec. 21.** RCW 47.26.305 and 1988 c 167 s 28 are each amended to  
2 read as follows:

3       (~~Each city and county eligible for receipt of urban arterial trust~~  
4 ~~funds is hereby authorized and directed to establish a system of~~  
5 ~~bicycle routes throughout its jurisdiction. Such~~) Bicycle routes  
6 shall, when established in accordance with (~~standards adopted by the~~  
7 ~~transportation improvement board,~~) RCW 47.06.100 be eligible for  
8 establishment, improvement, and upgrading with (~~urban arterial trust~~)  
9 board funds (~~when accomplished in connection with an arterial~~  
10 ~~project~~). The board shall adopt rules and procedures that will  
11 encourage the development of a system of bicycle routes within  
12 counties, cities, and towns.

13       **Sec. 22.** RCW 47.26.425 and 1977 ex.s. c 317 s 20 are each amended  
14 to read as follows:

15       Any funds required to repay the first authorization of two hundred  
16 million dollars of bonds authorized by RCW 47.26.420, as amended by  
17 section 18, chapter 317, Laws of 1977 ex. sess. or the interest thereon  
18 when due, shall be taken from that portion of the motor vehicle fund  
19 which results from the imposition of excise taxes on motor vehicle and  
20 special fuels and which is distributed to the urban arterial trust  
21 account in the motor vehicle fund and the certain sums received by the  
22 small city account in the motor vehicle fund imposed by RCW  
23 82.36.025(3) and 46.68.100(9), and shall never constitute a charge  
24 against any allocations of any other such funds in the motor vehicle  
25 fund to the state, counties, cities, and towns unless and until the  
26 amount of the motor vehicle fund arising from the excise tax on motor  
27 vehicle and special fuels and distributed to the urban arterial trust  
28 account and the small city account proves insufficient to meet the  
29 requirements for bond retirement or interest on any such bonds.

30       **Sec. 23.** RCW 47.26.4252 and 1983 1st ex.s. c 49 s 23 are each  
31 amended to read as follows:

32       Any funds required to repay the authorization of series II bonds  
33 authorized by RCW 47.26.420, as reenacted by section 3, chapter 5, Laws  
34 of 1979, or the interest thereon when due, shall first be taken from  
35 that portion of the motor vehicle fund which results from the  
36 imposition of excise taxes on motor vehicle and special fuels imposed  
37 by chapters 82.36, 82.37, and 82.38 RCW and which is distributed to the

1 urban arterial trust account in the motor vehicle fund and the certain  
2 sums received by the small city account in the motor vehicle fund  
3 imposed by RCW 82.36.025(3) and 46.68.100(9), subject, however, to the  
4 prior lien of the first authorization of bonds authorized by RCW  
5 47.26.420, as reenacted by section 3, chapter 5, Laws of 1979. If the  
6 moneys distributed to the urban arterial trust account and the small  
7 city account shall ever be insufficient to repay the first  
8 authorization bonds together with interest thereon, and the series II  
9 bonds or the interest thereon when due, the amount required to make  
10 such payments on such bonds or interest thereon shall next be taken  
11 from that portion of the motor vehicle fund which results from the  
12 imposition of excise taxes on motor vehicle and special fuels and which  
13 is distributed to the state, counties, cities, and towns pursuant to  
14 RCW 46.68.100 as now existing or hereafter amended. Any payments on  
15 such bonds or interest thereon taken from motor vehicle or special fuel  
16 tax revenues which are distributable to the state, counties, cities,  
17 and towns, shall be repaid from the first moneys distributed to the  
18 urban arterial trust account not required for redemption of the first  
19 authorization bonds or series II and series III bonds or interest on  
20 those bond issues.

21 **Sec. 24.** RCW 47.26.4254 and 1988 c 167 s 30 are each amended to  
22 read as follows:

23 (1) Any funds required to repay series III bonds authorized by RCW  
24 47.26.420, or the interest thereon, when due shall first be taken from  
25 that portion of the motor vehicle fund that results from the imposition  
26 of excise taxes on motor vehicle and special fuels imposed by chapters  
27 82.36, 82.37, and 82.38 RCW and that is distributed to the urban  
28 arterial trust account in the motor vehicle fund and the certain sums  
29 received by the small city account in the motor vehicle fund imposed by  
30 RCW 82.36.025(3) and RCW 46.68.100(9), subject, however, to the prior  
31 lien of the first authorization of bonds authorized by RCW 47.26.420.  
32 If the moneys so distributed to the urban arterial trust account and  
33 the small city account, after first being applied to administrative  
34 expenses of the transportation improvement board and to the  
35 requirements of bond retirement and payment of interest on first  
36 authorization bonds and series II bonds as provided in RCW 47.26.425  
37 and 47.26.4252, are insufficient to meet the requirements for bond  
38 retirement or interest on any series III bonds, the amount required to

1 make such payments on series III bonds or interest thereon shall next  
2 be taken from that portion of the motor vehicle fund that results from  
3 the imposition of excise taxes on motor vehicle and special fuels and  
4 that is distributed to the state, counties, cities, and towns pursuant  
5 to RCW 46.68.100, subject, however, to subsection (2) of this section.

6 (2) To the extent that moneys so distributed to the urban arterial  
7 trust account and the small city account are insufficient to meet the  
8 requirements for bond retirement or interest on any series III bonds,  
9 sixty percent of the amount required to make such payments when due  
10 shall first be taken from that portion of the motor vehicle fund that  
11 results from the imposition of excise taxes on motor vehicle and  
12 special fuels and that is distributed to the state. The remaining  
13 forty percent shall first be taken from that portion of the motor  
14 vehicle fund that results from the imposition of excise taxes on motor  
15 vehicle and special fuels and that is distributed to the cities and  
16 towns pursuant to RCW 46.68.100(1) and to the counties pursuant to RCW  
17 46.68.100(~~((2))~~)(3). Of the counties', cities', and towns' share of  
18 any additional amounts required in the fiscal year ending June 30,  
19 1984, fifteen percent shall be taken from the counties' distributive  
20 share and eighty-five percent from the cities' and towns' distributive  
21 share. Of the counties', cities', and towns' share of any additional  
22 amounts required in each fiscal year thereafter, the percentage thereof  
23 to be taken from the counties' distributive share and from the cities'  
24 and towns' distributive share shall correspond to the percentage of  
25 funds authorized for specific county projects and for specific city and  
26 town projects, respectively, from the proceeds of series III bonds, for  
27 the period through the first eleven months of the prior fiscal year as  
28 determined by the chairman of the transportation improvement board and  
29 reported to the state finance committee and the state treasurer not  
30 later than the first working day of June.

31 (3) Any payments on such bonds or interest thereon taken from motor  
32 vehicle or special fuel tax revenues that are distributable to the  
33 state, counties, cities, and towns shall be repaid from the first  
34 moneys distributed to the urban arterial trust account and the small  
35 city account not required for redemption of the first authorization  
36 bonds, series II bonds, or series III bonds or interest on these bonds.

37 **Sec. 25.** RCW 47.26.440 and 1988 c 167 s 32 are each amended to  
38 read as follows:

1 Not later than November 1st of each even-numbered year the  
2 transportation improvement board shall prepare and present to the  
3 commission for comment and recommendation an adopted budget for  
4 expenditures from ~~((the urban arterial trust account and the  
5 transportation improvement account))~~ funds administered by the board  
6 during the ensuing biennium. The budget shall contain an estimate of  
7 the revenues to be credited to the ~~((urban arterial trust account and  
8 the transportation improvement))~~ several accounts and the amount, if  
9 any, of bond proceeds which the board determines should be made  
10 available ~~((to the urban arterial trust account))~~ through the sale of  
11 bonds in the ensuing biennium.

12 ~~((The commission shall include the budget for the transportation  
13 improvement board as a separate section of the transportation budget  
14 which it shall submit to the governor and the legislature at the time  
15 of its convening.))~~

16 **Sec. 26.** RCW 47.26.450 and 1988 c 167 s 33 are each amended to  
17 read as follows:

18 ~~((At the time the transportation improvement board reviews the six-  
19 year program of each county and city each even numbered year, it shall  
20 consider and shall approve for inclusion in its recommended budget, as  
21 required by RCW 47.26.440, the portion of the urban arterial  
22 construction program scheduled to be performed during the biennial  
23 period beginning the following July 1st.))~~ The board shall adopt rules  
24 and procedures to govern the allocation of funds subject to the  
25 appropriations actually approved by the legislature~~((, the board shall  
26 as soon as feasible approve urban arterial trust account funds to be  
27 spent during the ensuing biennium for preliminary proposals in priority  
28 sequence as established pursuant to RCW 47.26.240. In the case of  
29 projects whose total cost exceeds one million dollars as reflected in  
30 the six year program, the agency with jurisdiction shall furnish to the  
31 board a value engineering study performed by an interagency team  
32 approved by the board, to determine whether the proposed improvement  
33 provides a cost effective solution for the project before the board may  
34 approve urban arterial trust funds for either the preliminary or  
35 construction phase of the project. The board may authorize a variance  
36 from the value engineering study upon a determination that the study is  
37 not warranted. The board may also require a value engineering study~~

1 for a project whose total cost is less than one million dollars upon a  
2 determination by the board that the study is warranted.

3 The board shall authorize urban arterial trust account funds for  
4 the construction project portion of a project previously authorized for  
5 a preliminary proposal in the sequence in which the preliminary  
6 proposal has been completed and the construction project is to be  
7 placed under contract. At such time the board may reserve urban  
8 arterial trust account funds for expenditure in future years as may be  
9 necessary for completion of preliminary proposals and construction  
10 projects to be commenced in the ensuing biennium.

11 The board may, within the constraints of available urban arterial  
12 trust funds, consider additional projects for authorization upon a  
13 clear and conclusive showing by the submitting local government that  
14 the proposed project is of an emergent nature and that its need was  
15 unable to be anticipated at the time the six year program of the local  
16 government was developed. Such proposed projects shall be evaluated on  
17 the basis of the priority rating factors specified in RCW 47.26.220)).

18 The board shall develop rules and procedures to require value  
19 engineering studies performed by an interagency team for certain board  
20 funded projects. When determining the process, the board shall  
21 consider the project cost, length, and complexity.

22 **Sec. 27.** RCW 47.26.460 and 1969 ex.s. c 171 s 7 are each amended  
23 to read as follows:

24 ((Whenever the board approves an urban arterial project it shall  
25 determine the amount of urban arterial trust account funds to be  
26 allocated for such project. The allocation shall be based upon  
27 information contained in the six year plan submitted by the county or  
28 city seeking approval of the project and upon such further  
29 investigation as the board deems necessary.)) The board shall adopt  
30 reasonable ((regulations)) rules pursuant to which ((urban arterial  
31 trust account)) funds allocated to a project may be increased upon a  
32 subsequent application of the county ((or)), city, town, or  
33 transportation benefit district constructing the project. The  
34 ((regulations)) rules adopted by the board shall ((take into account,  
35 but shall not be limited to,)) consider the following factors: (1) The  
36 financial effect of increasing the original allocation for the project  
37 upon other urban arterial projects either approved or requested; (2)  
38 whether the project for which an additional ((allocation))

1 authorization is requested can be reduced in scope while retaining a  
2 usable segment; (3) whether the (~~(original)~~) cost of the project shown  
3 in the (~~(applicant's six-year program)~~) original application was based  
4 upon reasonable engineering estimates; and (4) whether the requested  
5 additional (~~(allocation)~~) authorization is to pay for an expansion in  
6 the scope of work originally approved.

7 **Sec. 28.** RCW 47.26.500 and 1993 c 440 s 1 are each amended to read  
8 as follows:

9 In order to provide funds necessary to meet the urgent construction  
10 needs on state, county, and city transportation projects (~~(within urban~~  
11 ~~areas)~~), there are hereby authorized for issuance general obligation  
12 bonds of the state of Washington in the sum of fifty million dollars,  
13 which shall be issued and sold in such amounts and at such times as  
14 determined to be necessary by the state transportation improvement  
15 board. The amount of such bonds issued and sold under the provisions  
16 of RCW 47.26.500 through 47.26.507 in any biennium shall not exceed the  
17 amount of a specific appropriation therefor, from the proceeds of such  
18 bonds, for the construction of state, county, and city transportation  
19 projects (~~(in urban areas)~~). The issuance, sale, and retirement of the  
20 bonds shall be under the supervision and control of the state finance  
21 committee which, upon request being made by the (~~(state transportation~~  
22 ~~commission on behalf of the transportation improvement)~~) board, shall  
23 provide for the issuance, sale, and retirement of coupon or registered  
24 bonds to be dated, issued, and sold from time to time in such amounts  
25 as shall be requested by the (~~(state transportation)~~) board. The board  
26 shall report all bond sale requests to the commission.

27 **Sec. 29.** RCW 47.26.505 and 1993 c 440 s 6 are each amended to read  
28 as follows:

29 Any funds required to repay such bonds, or the interest thereon  
30 when due, shall be taken from that portion of the motor vehicle fund  
31 which results from the imposition of excise taxes on motor vehicle and  
32 special fuels and which is distributed to the transportation  
33 improvement account in the motor vehicle fund and the sums received by  
34 the small city account in the motor vehicle fund under RCW 46.68.095,  
35 and shall never constitute a charge against any allocations of any  
36 other such funds in the motor vehicle fund to the state, counties,  
37 cities, and towns unless and until the amount of the motor vehicle fund

1 arising from the excise tax on motor vehicle and special fuels and  
2 distributed to the transportation improvement account proves  
3 insufficient to meet the requirements for bond retirement or interest  
4 on any such bonds.

5 **Sec. 30.** RCW 82.36.025 and 1991 c 342 s 57 are each amended to  
6 read as follows:

7 The motor vehicle fuel tax rate shall be computed as the sum of the  
8 tax rate provided in subsection (1) of this section and the additional  
9 tax rates provided in subsections (2) through (5) of this section.

10 (1) A motor vehicle fuel tax rate of seventeen cents per gallon  
11 shall apply to the sale, distribution, or use of motor vehicle fuel.

12 (2) An additional motor vehicle fuel tax rate of one-third cent per  
13 gallon shall apply to the sale, distribution, or use of motor vehicle  
14 fuel, and the proceeds from this additional tax rate, reduced by an  
15 amount equal to the sum of the payments under RCW 46.68.090 (1) (a),  
16 (b), and (c) multiplied by the additional tax rate prescribed by this  
17 subsection divided by the motor vehicle fuel tax rate provided in this  
18 section, shall be deposited in the rural arterial trust account in the  
19 motor vehicle fund for expenditures under RCW 36.79.020.

20 (3) An additional motor vehicle fuel tax rate of one-third cent per  
21 gallon shall apply to the sale, distribution, or use of motor vehicle  
22 fuel, and the proceeds from this additional tax rate, reduced by an  
23 amount equal to the sum of the payments under RCW 46.68.090 (1) (a),  
24 (b), and (c) multiplied by the additional tax rate prescribed by this  
25 subsection divided by the motor vehicle fuel tax rate provided in this  
26 section, shall be deposited in the urban arterial trust account in the  
27 motor vehicle fund. After June 30, 1995, ninety-five percent of this  
28 revenue shall be deposited in the urban arterial trust account in the  
29 motor vehicle fund and five percent shall be deposited in the small  
30 city account in the motor vehicle fund.

31 (4) An additional motor vehicle fuel tax rate of one-third cent per  
32 gallon shall be applied to the sale, distribution, or use of motor  
33 vehicle fuel, and the proceeds from this additional tax rate, reduced  
34 by an amount equal to the sum of the payments under RCW 46.68.090 (1)  
35 (a), (b), and (c) multiplied by the additional tax rate prescribed by  
36 this subsection divided by the motor vehicle fuel tax rate provided in  
37 this section, shall be deposited in the motor vehicle fund to be  
38 expended for highway purposes of the state as defined in RCW 46.68.130.

1 (5) An additional motor vehicle fuel tax rate of four cents per  
2 gallon from April 1, 1990, through March 31, 1991, and five cents per  
3 gallon from April 1, 1991, applies to the sale, distribution, or use of  
4 motor vehicle fuel. The proceeds from the additional tax rate under  
5 this subsection, reduced by an amount equal to the sum of the payments  
6 under RCW 46.68.090 (1) (a), (b), and (c) multiplied by the additional  
7 tax rate prescribed by this subsection divided by the motor fuel tax  
8 rate provided in this section, shall be deposited in the motor vehicle  
9 fund and shall be distributed by the state treasurer according to RCW  
10 46.68.095.

11 NEW SECTION. **Sec. 31.** The following acts or parts of acts are  
12 each repealed:

13 (1) RCW 47.26.042 and 1973 1st ex.s. c 126 s 4;

14 (2) RCW 47.26.043 and 1973 1st ex.s. c 126 s 5;

15 (3) RCW 47.26.180 and 1988 c 167 s 20, 1979 ex.s. c 122 s 8, 1977  
16 ex.s. c 317 s 13, 1975 1st ex.s. c 253 s 2, & 1967 ex.s. c 83 s 24;

17 (4) RCW 47.26.220 and 1989 c 160 s 1, 1988 c 167 s 23, & 1967 ex.s.  
18 c 83 s 28;

19 (5) RCW 47.26.230 and 1988 c 167 s 24, 1984 c 7 s 158, & 1967 ex.s.  
20 c 83 s 29;

21 (6) RCW 47.26.240 and 1988 c 167 s 25, 1977 ex.s. c 317 s 15, &  
22 1967 ex.s. c 83 s 30;

23 (7) RCW 47.26.265 and 1988 c 167 s 3;

24 (8) RCW 47.26.310 and 1988 c 167 s 29, 1984 c 7 s 160, & 1974 ex.s.  
25 c 141 s 3;

26 (9) RCW 47.26.315 and 1974 ex.s. c 141 s 6; and

27 (10) RCW 47.26.430 and 1988 c 167 s 31, 1981 c 315 s 12, & 1967  
28 ex.s. c 83 s 53.

Passed the House February 11, 1994.

Passed the Senate March 8, 1994.

Approved by the Governor March 30, 1994.

Filed in Office of Secretary of State March 30, 1994.