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HOUSE BILL 1872

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State of Washington

55th Legislature

1997 Regular Session

By Representatives K. Schmidt, Scott, Mitchell and Hankins

Read first time 02/12/97. Referred to Committee on Transportation Policy & Budget.

1 AN ACT Relating to improving public transportation performance;  
2 amending RCW 35.58.2795, 35.58.2796, 36.57A.140, 35.58.273, 82.44.150,  
3 82.44.180, 47.78.010, 47.78.010, and 49.60.215; adding a new section to  
4 chapter 39.34 RCW; adding new sections to chapter 35.58 RCW; creating  
5 new sections; providing effective dates; providing an expiration date;  
6 and declaring an emergency.

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

8 **Sec. 1.** RCW 35.58.2795 and 1994 c 158 s 6 are each amended to read  
9 as follows:

10 By (~~April~~) June 1st of each year, the legislative authority of  
11 each municipality, as defined in RCW 35.58.272, and each regional  
12 transit authority shall prepare a six-year transit development plan for  
13 that calendar year and the ensuing five years. The program shall be  
14 consistent with the comprehensive plans adopted by counties, cities,  
15 and towns, pursuant to chapter 35.63, 35A.63, or 36.70 RCW, the  
16 inherent authority of a first class city or charter county derived from  
17 its charter, or chapter 36.70A RCW. The program shall contain  
18 information as to how the municipality intends to meet state and local  
19 long-range priorities for public transportation, capital improvements,

1 significant operating changes planned for the system, and how the  
2 municipality intends to fund program needs. The program must identify  
3 local strategies, goals, and performance objectives, as well as  
4 measures and standards of how they are being met. Revenue forecasts  
5 for each municipality must reflect revenue forecasts developed by the  
6 state except where stated otherwise and an explanation is provided as  
7 to why those forecasts were not used.

8 The six-year plan for each municipality and regional transit  
9 authority shall specifically set forth those projects of regional  
10 significance for inclusion in the transportation improvement program  
11 within that region. Each municipality and regional transit authority  
12 shall file the six-year (~~program~~) plan with the state department of  
13 transportation, the transportation improvement board, and cities,  
14 counties, and regional planning councils within which the municipality  
15 is located.

16 In developing its program, the municipality and the regional  
17 transit authority shall consider those policy recommendations affecting  
18 public transportation contained in the state transportation policy plan  
19 approved by the state transportation commission and, where appropriate,  
20 adopted by the legislature. The municipality shall conduct one or more  
21 public hearings while developing its program and for each annual  
22 update.

23 **Sec. 2.** RCW 35.58.2796 and 1989 c 396 s 2 are each amended to read  
24 as follows:

25 The department of transportation shall develop an annual report  
26 summarizing the status of public transportation systems in the state.  
27 By (~~September~~) October 1st of each year, copies of the report shall  
28 be submitted to the legislative transportation committee (~~and~~), to  
29 each member of the legislature, to each municipality, as defined in RCW  
30 35.58.272, and to each regional transit authority, and be mailed  
31 directly to individual members of the (~~municipality's~~) legislative  
32 authority of each of those agencies. (~~The department shall prepare~~  
33 and submit a preliminary report by December 1, 1989.) Copies must  
34 also be submitted to the mayor or chief executive of each city and to  
35 members of a county legislative authority of any county whose  
36 boundaries are located within a municipality.

37 To assist the department with preparation of the report, each  
38 municipality shall file a system report by (~~April~~) June 1st of each

1 year with the state department of transportation identifying its public  
2 transportation services for the previous calendar year and its  
3 objectives for improving the efficiency and effectiveness of those  
4 services. The system report shall address those items required for  
5 each public transportation system in the department's report.

6 The department report shall describe individual public  
7 transportation systems, including contracted transportation services  
8 and dial-a-ride services, and include a state-wide summary of public  
9 transportation issues and data. The descriptions shall include the  
10 following elements and such other elements as the department deems  
11 appropriate after consultation with the municipalities and the  
12 legislative transportation committee:

13 (1) Equipment and facilities, including vehicle replacement  
14 standards;

15 (2) Services and service standards;

16 (3) Revenues, expenses, and ending balances, by fund source;

17 (4) Policy issues and system improvement objectives, including  
18 community participation in development of those objectives and how  
19 those objectives address state-wide transportation priorities;

20 (5) Operating indicators applied to public transportation services,  
21 revenues, and expenses. Operating indicators shall include, but not be  
22 limited to, passengers per capita, operating cost per passenger trip,  
23 operating cost per ((revenue)) vehicle ((service)) hour, the ratio of  
24 vehicle hours to vehicle service hours, operating cost per mile,  
25 passenger trips per ((revenue-service)) vehicle hour, passenger trips  
26 per vehicle service mile, vehicle service hours per employee, and  
27 farebox revenue as a percent of operating costs;

28 (6) Other requirements as provided for in state law.

29 NEW SECTION. Sec. 3. A new section is added to chapter 39.34 RCW  
30 to read as follows:

31 When developing transit vehicle acquisition plans, each public  
32 agency shall distribute those plans to other public agencies and shall,  
33 to the extent possible, allow other agencies to combine transit vehicle  
34 procurement with that agency.

35 **Sec. 4.** RCW 36.57A.140 and 1991 c 318 s 17 are each amended to  
36 read as follows:

1 (1) An election to authorize the annexation of territory contiguous  
2 to a public transportation benefit area (~~may~~) must be called within  
3 the area to be annexed pursuant to resolution or petition in the  
4 following manner:

5 (a) By resolution of a public transportation benefit area authority  
6 when it determines that the best interests and general welfare of the  
7 public transportation benefit area would be served. The authority  
8 shall consider the question of areas to be annexed to the public  
9 transportation benefit area at least once every two years.

10 (b) By petition calling for such an election signed by at least  
11 four percent of the (~~qualified~~) registered voters residing within the  
12 area to be annexed and filed with the auditor of the county wherein the  
13 largest portion of the public transportation benefit area is located,  
14 and notice thereof shall be given to the authority. Upon receipt of  
15 such a petition, the auditor shall examine it and certify to the  
16 sufficiency of the signatures thereon.

17 (c) By resolution of a public transportation benefit area authority  
18 upon request of any city for annexation thereto.

19 (2) If the area proposed to be annexed is located within another  
20 county, the petition or resolution for annexation as set forth in  
21 subsection (1) of this section must be approved by the legislative  
22 authority of the county if the area is unincorporated or by the  
23 legislative authority of the city or town if the area is incorporated.  
24 Any annexation under this subsection must involve contiguous areas.

25 (3) The resolution or petition shall describe the boundaries of the  
26 area to be annexed. It shall require that there also be submitted to  
27 the electorate of the territory sought to be annexed a proposition  
28 authorizing the inclusion of the area within the public transportation  
29 benefit area and authorizing the imposition of such taxes authorized by  
30 law to be collected by the authority.

31 NEW SECTION. **Sec. 5.** A new section is added to chapter 35.58 RCW  
32 to read as follows:

33 (1) Beginning January 1, 2000, no municipality as defined in RCW  
34 35.58.272 may have cash holding and other reserves greater than two  
35 hundred percent of the previous year's operating expense. By January  
36 1, 1999, the governing authority of each municipality shall adopt a  
37 policy and schedule to meet this requirement. For the purposes of this  
38 section, reserves are defined as all cash and investment, restricted or

1 unrestricted. It does not include employee retirement plans, Section  
2 457 plans or their successors, and similar plans. This section applies  
3 only to those expenditures, revenues, and reserves related to the  
4 public transportation functions of municipalities.

5 (2) Beginning January 1, 2000, the state auditor shall assess  
6 compliance with the reserve requirement in audits performed under  
7 chapter 43.09 RCW. The auditor shall report any findings related to  
8 exceeding the reserve limit to the department of licensing. After a  
9 review by the director to ensure the validity of those findings, the  
10 department of licensing shall withhold each quarter, from distributions  
11 to a municipality of motor vehicle excise taxes imposed under RCW  
12 35.58.273, an amount equal to the amount by which that municipality's  
13 reserves are found to exceed two hundred percent of its previous year's  
14 operating expenses. This amount shall be deposited into the  
15 transportation fund.

16 (3) The department may otherwise resume regular quarterly payments  
17 upon a finding by the director that the municipality is no longer  
18 exceeding the maximum reserves permitted under this section.

19 NEW SECTION. **Sec. 6.** A new section is added to chapter 35.58 RCW  
20 to read as follows:

21 Effective January 1, 1998, the legislative authority of each  
22 municipality shall have in place an adopted policy for the investment  
23 of cash and other reserves in order to be eligible to receive  
24 distributions of the motor vehicle excise tax under RCW 82.44.150 that  
25 are imposed under RCW 35.58.273.

26 NEW SECTION. **Sec. 7.** A new section is added to chapter 35.58 RCW  
27 to read as follows:

28 Effective January 1, 1998, each municipality, as defined in RCW  
29 35.58.272, that operates in a county having a population of at least  
30 one million persons, or operates in a county having a population of at  
31 least two hundred thousand persons and bordering a county with a  
32 population of at least one million, or operates in a county that  
33 borders Puget Sound and that borders a county having a population of at  
34 least four hundred thousand persons that borders a county having a  
35 population of at least one million persons shall allocate a percentage  
36 of new service hours to services outside its boundaries in the same  
37 proportion as the percentage of all trips originating in that

1 municipality's boundaries and terminating in a county outside its  
2 boundaries.

3 NEW SECTION. **Sec. 8.** A new section is added to chapter 35.58 RCW  
4 to read as follows:

5 The state auditor shall provide for a performance audit of the  
6 transit functions of each municipality imposing the motor vehicle  
7 excise tax under RCW 35.58.273, except those municipalities located in  
8 a county with a population of at least one million persons, and those  
9 municipalities located in a county of at least four hundred thousand  
10 persons and bordering a county with a population of at least one  
11 million persons. An audit must be done once every three years.

12 The auditor shall specify the functional areas to be audited within  
13 each municipality. Potential areas for review and audit may include  
14 maintenance, service planning, operations, budgeting and financial  
15 planning, management reporting, purchasing, marketing, personnel  
16 management, and risk analysis, claims, and insurance. The audit must  
17 recommend methods for the municipality to improve the efficiency of its  
18 internal operations and the effectiveness of its public services. The  
19 audit must also assess the extent to which the municipality has met  
20 ridership goals and performance objectives set forth in its transit  
21 development plan prepared under RCW 35.58.2795. The audit process must  
22 provide for a municipality to comment on findings, any actions it will  
23 take in response to those findings, and a postaudit process to assess  
24 what changes occurred as a result of the audit. When developing this  
25 audit process, the auditor shall consult with the department of  
26 transportation and the legislative transportation committee.

27 The auditor may contract to conduct the audits. The auditor shall  
28 produce a report of its findings and recommendations and provide it to  
29 the legislative transportation committee, the department of  
30 transportation, and the municipality's governing authority. Each  
31 municipality shall reimburse the auditor for the cost of the audit  
32 within three months after receipt of its report.

33 **Sec. 9.** RCW 35.58.273 and 1992 c 194 s 11 are each amended to read  
34 as follows:

35 (1) (~~Through June 30, 1992, any municipality, as defined in this~~  
36 ~~subsection, is authorized to levy and collect a special excise tax not~~  
37 ~~exceeding .7824 percent and beginning July 1, 1992, .725 percent on the~~

1 value, as determined under chapter 82.44 RCW, of every motor vehicle  
2 owned by a resident of such municipality for the privilege of using  
3 such motor vehicle provided that in no event shall the tax be less than  
4 one dollar and, subject to RCW 82.44.150 (3) and (4), the amount of  
5 such tax shall be credited against the amount of the excise tax levied  
6 by the state under RCW 82.44.020(1). As used in this subsection, the  
7 term "municipality" means a municipality that is located within (a)  
8 each county with a population of two hundred ten thousand or more and  
9 (b) each county with a population of from one hundred twenty five  
10 thousand to less than two hundred ten thousand except for those  
11 counties that do not border a county with a population as described  
12 under subsection (a) of this subsection.

13 ~~((2) Through June 30, 1992,))~~ The legislature acknowledges the need  
14 for funding of public transportation programs. As a mechanism to  
15 provide state support of local programs, subject to those requirements  
16 set forth in state law, any ((other)) municipality is authorized to  
17 levy and collect a special excise tax not exceeding ((.815 percent, and  
18 beginning July 1, 1992,)) .725 percent on the value, as determined  
19 under chapter 82.44 RCW, of every motor vehicle owned by a resident of  
20 such municipality for the privilege of using such motor vehicle  
21 provided that in no event shall the tax be less than one dollar and,  
22 subject to RCW 82.44.150 (3) and (4), the amount of such tax shall be  
23 credited against the amount of the excise tax levied by the state under  
24 RCW 82.44.020(1). Before utilization of any excise tax moneys  
25 collected under authorization of this section for acquisition of right  
26 of way or construction of a mass transit facility on a separate right  
27 of way the municipality shall adopt rules affording the public an  
28 opportunity for "corridor public hearings" and "design public hearings"  
29 as herein defined, which rule shall provide in detail the procedures  
30 necessary for public participation in the following instances: (a)  
31 Prior to adoption of location and design plans having a substantial  
32 social, economic or environmental effect upon the locality upon which  
33 they are to be constructed or (b) on such mass rapid transit systems  
34 operating on a separate right of way whenever a substantial change is  
35 proposed relating to location or design in the adopted plan. In  
36 adopting rules the municipality shall adhere to the provisions of the  
37 Administrative Procedure Act.

38 ~~((3))~~ (2) A "corridor public hearing" is a public hearing that:  
39 (a) Is held before the municipality is committed to a specific mass

1 transit route proposal, and before a route location is established; (b)  
2 is held to afford an opportunity for participation by those interested  
3 in the determination of the need for, and the location of, the mass  
4 rapid transit system; (c) provides a public forum that affords a full  
5 opportunity for presenting views on the mass rapid transit system route  
6 location, and the social, economic and environmental effects on that  
7 location and alternate locations: PROVIDED, That such hearing shall  
8 not be deemed to be necessary before adoption of an overall mass rapid  
9 transit system plan by a vote of the electorate of the municipality.

10 ~~((4))~~ (3) A "design public hearing" is a public hearing that:  
11 (a) Is held after the location is established but before the design is  
12 adopted; and (b) is held to afford an opportunity for participation by  
13 those interested in the determination of major design features of the  
14 mass rapid transit system; and (c) provides a public forum to afford a  
15 full opportunity for presenting views on the mass rapid transit system  
16 design, and the social, economic, environmental effects of that design  
17 and alternate designs.

18 ~~((5))~~ (4) A municipality imposing a tax under subsection (1) ~~((or~~  
19 ~~(2))~~) of this section may also impose a sales and use tax, in addition  
20 to the tax authorized by RCW 82.14.030, upon retail car rentals within  
21 the municipality that are taxable by the state under chapters 82.08 and  
22 82.12 RCW. The rate of tax shall bear the same ratio to the rate  
23 imposed under RCW 82.08.020(2) as the excise tax rate imposed under  
24 subsection (1) of this section bears to the excise tax rate imposed  
25 under RCW 82.44.020 (1) and (2). The base of the tax shall be the  
26 selling price in the case of a sales tax or the rental value of the  
27 vehicle used in the case of a use tax. The tax imposed under this  
28 section shall be deducted from the amount of tax otherwise due under  
29 RCW 82.08.020(2). The revenue collected under this subsection shall be  
30 distributed in the same manner as the special excise ~~((taxes))~~ tax  
31 under subsection~~((s))~~ (1) ~~((and(2))~~) of this section.

32 **Sec. 10.** RCW 82.44.150 and 1995 2nd sp.s. c 14 s 538 are each  
33 amended to read as follows:

34 (1) The director of licensing shall, on the twenty-fifth day of  
35 February, May, August, and November of each year, advise the state  
36 treasurer of the total amount of motor vehicle excise taxes imposed by  
37 RCW 82.44.020 (1) and (2) remitted to the department during the  
38 preceding calendar quarter ending on the last day of March, June,



1 September, and December, respectively, except for those payable under  
2 RCW 82.44.030, from motor vehicle owners residing within each  
3 municipality which has levied a tax under RCW 35.58.273, which amount  
4 of excise taxes shall be determined by the director as follows:

5 The total amount of motor vehicle excise taxes remitted to the  
6 department, except those payable under RCW 82.44.020(3) and 82.44.030,  
7 from each county shall be multiplied by a fraction, the numerator of  
8 which is the population of the municipality residing in such county,  
9 and the denominator of which is the total population of the county in  
10 which such municipality or portion thereof is located. The product of  
11 this computation shall be the amount of excise taxes from motor vehicle  
12 owners residing within such municipality or portion thereof. Where the  
13 municipality levying a tax under RCW 35.58.273 is located in more than  
14 one county, the above computation shall be made by county, and the  
15 combined products shall provide the total amount of motor vehicle  
16 excise taxes from motor vehicle owners residing in the municipality as  
17 a whole. Population figures required for these computations shall be  
18 supplied to the director by the office of financial management, who  
19 shall adjust the fraction annually.

20 (2) On the first day of the months of January, April, July, and  
21 October of each year, the state treasurer based upon information  
22 provided by the department shall, from motor vehicle excise taxes  
23 deposited in the general fund, under RCW 82.44.110(1)(g), make the  
24 following deposits:

25 (a) To the high capacity transportation account created in RCW  
26 47.78.010, a sum equal to four and five-tenths percent of the special  
27 excise tax levied under RCW 35.58.273 by those municipalities  
28 authorized to levy a special excise tax within each county that has a  
29 population of one hundred seventy-five thousand or more and has an  
30 interstate highway within its borders; except that in a case of a  
31 municipality located in a county that has a population of one hundred  
32 seventy-five thousand or more that does not have an interstate highway  
33 located within its borders, that sum shall be deposited in the  
34 passenger ferry account;

35 (b) To the central Puget Sound public transportation account  
36 created in RCW 82.44.180, for revenues distributed after (~~December 31,~~  
37 ~~1992~~) June 30, 1997, within a county with a population of one million  
38 or more and a county with a population of from two hundred thousand to  
39 less than one million bordering a county with a population of one

1 million or more, a sum equal to (~~the difference between (i) the~~  
2 ~~special excise tax levied and collected under RCW 35.58.273 by those~~  
3 ~~municipalities authorized to levy and collect a special excise tax~~  
4 ~~subject to the requirements of subsections (3) and (4) of this section~~  
5 ~~and (ii) the special excise tax that the municipality would otherwise~~  
6 ~~have been eligible to levy and collect at a tax rate of .815 percent~~  
7 ~~and been able to match with locally generated tax revenues, other than~~  
8 ~~the excise tax imposed under RCW 35.58.273, budgeted for any public~~  
9 ~~transportation purpose. Before this deposit, the sum shall be reduced~~  
10 ~~by an amount equal to the amount distributed under (a) of this~~  
11 ~~subsection for each of the municipalities within the counties to which~~  
12 ~~this subsection (2)(b) applies; however, any transfer under this~~  
13 ~~subsection (2)(b) must be greater than zero)) four and twenty-seven  
14 hundredths percent of the special excise tax levied and collected under  
15 RCW 35.58.273;~~

16 (c) To the public transportation systems account created in RCW  
17 82.44.180, for revenues distributed after (~~December 31, 1992~~) June  
18 30, 1997, within counties not described in (b) of this subsection, a  
19 sum equal to (~~the difference between (i) the special excise tax levied~~  
20 ~~and collected under RCW 35.58.273 by those municipalities authorized to~~  
21 ~~levy and collect a special excise tax subject to the requirements of~~  
22 ~~subsections (3) and (4) of this section and (ii) the special excise tax~~  
23 ~~that the municipality would otherwise have been eligible to levy and~~  
24 ~~collect at a tax rate of .815 percent and been able to match with~~  
25 ~~locally generated tax revenues, other than the excise tax imposed under~~  
26 ~~RCW 35.58.273, budgeted for any public transportation purpose. Before~~  
27 ~~this deposit, the sum shall be reduced by an amount equal to the amount~~  
28 ~~distributed under (a) of this subsection for each of the municipalities~~  
29 ~~within the counties to which this subsection (2)(c) applies; however,~~  
30 ~~any transfer under this subsection (2)(c) must be greater than zero))~~  
31 one and twenty-three hundredths percent of the special excise tax  
32 levied and collected under RCW 35.58.273; ((and))

33 (d) To the general fund, for revenues distributed after June 30,  
34 1993, and to the transportation fund, for revenues distributed after  
35 June 30, 1995, a sum equal to the difference between (i) the special  
36 excise tax levied and collected under RCW 35.58.273 by those  
37 municipalities authorized to levy and collect a special excise tax  
38 subject to the requirements of subsections (3) and (4) of this section  
39 and (ii) the special excise tax that the municipality would otherwise

1 have been eligible to levy and collect at a tax rate of .815 percent  
2 notwithstanding the requirements set forth in subsections (3) through  
3 (6) of this section, reduced by an amount equal to distributions made  
4 under (a), (b), and (c) of this subsection and RCW 82.14.046;

5 (e) To the transportation fund, an amount equal to those amounts  
6 withheld from municipalities under section 5(2) of this act.

7 (3) On the first day of the months of January, April, July, and  
8 October of each year, the state treasurer, based upon information  
9 provided by the department, shall remit motor vehicle excise tax  
10 revenues imposed and collected under RCW 35.58.273 as follows:

11 (a) The amount required to be remitted by the state treasurer to  
12 the treasurer of any municipality levying the tax shall not exceed in  
13 any calendar year the amount of locally-generated tax revenues,  
14 excluding (i) the excise tax imposed under RCW 35.58.273 for the  
15 purposes of this section, which shall have been budgeted by the  
16 municipality to be collected in such calendar year for any public  
17 transportation purposes including but not limited to operating costs,  
18 capital costs, and debt service on general obligation or revenue bonds  
19 issued for these purposes; and (ii) the sales and use tax equalization  
20 distributions provided under RCW 82.14.046; and

21 (b) In no event may the amount remitted in a single calendar  
22 quarter exceed the amount collected on behalf of the municipality under  
23 RCW 35.58.273 during the calendar quarter next preceding the  
24 immediately preceding quarter, excluding the sales and use tax  
25 equalization distributions provided under RCW 82.14.046 and less an  
26 amount provided for in section 5 of this act.

27 (4) At the close of each calendar year accounting period, but not  
28 later than April 1, each municipality that has received motor vehicle  
29 excise taxes under subsection (3) of this section shall transmit to the  
30 director of licensing and the state auditor a written report showing by  
31 source the previous year's budgeted tax revenues for public  
32 transportation purposes as compared to actual collections. Any  
33 municipality that has not submitted the report by April 1 shall cease  
34 to be eligible to receive motor vehicle excise taxes under subsection  
35 (3) of this section until the report is received by the director of  
36 licensing. If a municipality has received more or less money under  
37 subsection (3) of this section for the period covered by the report  
38 than it is entitled to receive by reason of its locally-generated  
39 collected tax revenues, the director of licensing shall, during the

1 next ensuing quarter that the municipality is eligible to receive motor  
2 vehicle excise tax funds, increase or decrease the amount to be  
3 remitted in an amount equal to the difference between the locally-  
4 generated budgeted tax revenues and the locally-generated collected tax  
5 revenues. In no event may the amount remitted for a calendar year  
6 exceed the amount collected on behalf of the municipality under RCW  
7 35.58.273 during that same calendar year excluding the sales and use  
8 tax equalization distributions provided under RCW 82.14.046. At the  
9 time of the next fiscal audit of each municipality, the state auditor  
10 shall verify the accuracy of the report submitted and notify the  
11 director of licensing of any discrepancies.

12 (5) The motor vehicle excise taxes imposed under RCW 35.58.273 and  
13 required to be remitted under this section and RCW 82.14.046 shall be  
14 remitted without legislative appropriation.

15 (6) Any municipality levying and collecting a tax under RCW  
16 35.58.273 which does not have an operating, public transit system or a  
17 contract for public transportation services in effect within one year  
18 from the initial effective date of the tax shall return to the state  
19 treasurer all motor vehicle excise taxes received under subsection (3)  
20 of this section.

21 **Sec. 11.** RCW 82.44.180 and 1995 c 269 s 2601 are each amended to  
22 read as follows:

23 (1) The transportation fund is created in the state treasury.  
24 Revenues under RCW 82.44.020 (1) and (2), 82.44.110, 82.44.150, and the  
25 surcharge under RCW 82.50.510 shall be deposited into the fund as  
26 provided in those sections.

27 Moneys in the fund may be spent only after appropriation.  
28 Expenditures from the fund may be used only for transportation purposes  
29 and activities and operations of the Washington state patrol not  
30 directly related to the policing of public highways and that are not  
31 authorized under Article II, section 40 of the state Constitution.

32 (2) There is hereby created the central Puget Sound public  
33 transportation account within the transportation fund. Moneys  
34 deposited into the account under RCW 82.44.150(2)(b) shall be  
35 appropriated to the transportation improvement board and allocated by  
36 the transportation improvement board to public transportation projects  
37 submitted by a public agency within the region from which the funds are  
38 derived, solely for:

1 (a) Planning;  
2 (b) Development of capital projects;  
3 (c) Development of high capacity transportation systems as defined  
4 in RCW 81.104.015;

5 (d) Development of high occupancy vehicle lanes and related  
6 facilities as defined in RCW 81.100.020; and

7 (e) Public transportation system contributions required to fund  
8 projects under federal programs and those approved by the  
9 transportation improvement board from other fund sources.

10 Priority will be given to projects under (a) through (e) of this  
11 subsection that achieve annual transit ridership forecasts, promote  
12 cross-jurisdictional travel, and facilitate service coordination among  
13 public agencies that provide transportation. All projects funded under  
14 this subsection are subject to a minimum thirty percent matching  
15 requirement by the organization submitting the project.

16 (3) There is hereby created the public transportation systems  
17 account within the transportation fund. Moneys deposited into the  
18 account under RCW 82.44.150(2)(c) shall be appropriated to the  
19 transportation improvement board and allocated by the transportation  
20 improvement board to public transportation projects submitted by  
21 ((the)) a public ((transportation systems from which the funds are  
22 derived)) agency within the boundaries of a municipality defined in RCW  
23 35.58.272, excluding agencies located within the counties identified in  
24 RCW 82.44.150(2)(b), solely for:

25 (a) Planning;  
26 (b) Development of capital projects;  
27 (c) Development of high capacity transportation systems as defined  
28 in RCW 81.104.015;

29 (d) Development of high occupancy vehicle lanes and related  
30 facilities as defined in RCW 81.100.020;

31 (e) Other public transportation system-related roadway projects on  
32 state highways, county roads, or city streets; and

33 (f) Public transportation system contributions required to fund  
34 projects under federal programs and those approved by the  
35 transportation improvement board from other fund sources.

36 Priority will be given to projects under (a) through (f) of this  
37 subsection that promote cross-jurisdictional travel and service  
38 coordination among public agencies that provide transportation. All  
39 projects funded under this subsection are subject to a minimum thirty

1 percent matching requirement by the organization submitting the  
2 project.

3 **Sec. 12.** RCW 47.78.010 and 1991 sp.s. c 13 ss 66, 121 are each  
4 amended to read as follows:

5 There is hereby established in the state treasury the high capacity  
6 transportation account. Money in the account shall be used, after  
7 appropriation, for local high capacity transportation purposes  
8 including rail freight and commute trip reduction activities.

9 **Sec. 13.** RCW 47.78.010 and 1997 c ... s 12 (section 12 of this  
10 act) are each amended to read as follows:

11 There is hereby established in the state treasury the high capacity  
12 transportation account. Money in the account shall be used, after  
13 appropriation, for (~~local high capacity transportation purposes~~  
14 ~~including~~) rail freight and commute trip reduction activities.

15 NEW SECTION. **Sec. 14.** A new section is added to chapter 35.58 RCW  
16 to read as follows:

17 (1) As authorized under the Americans with Disabilities Act, public  
18 transportation systems may impose a fee for specialized paratransit  
19 service not to exceed twice the fee that is charged to an individual  
20 for a trip of similar length, at a similar time of day, on the fixed  
21 route transit system.

22 (2) For purposes of this section, "public transportation system"  
23 means the same as "municipality" as defined under RCW 35.58.272.

24 **Sec. 15.** RCW 49.60.215 and 1993 c 510 s 16 are each amended to  
25 read as follows:

26 It shall be an unfair practice for any person or the person's agent  
27 or employee to commit an act which directly or indirectly results in  
28 any distinction, restriction, or discrimination, or the requiring of  
29 any person to pay a larger sum than the uniform rates charged other  
30 persons except as provided for specialized paratransit service in  
31 section 14 of this act, or the refusing or withholding from any person  
32 the admission, patronage, custom, presence, frequenting, dwelling,  
33 staying, or lodging in any place of public resort, accommodation,  
34 assemblage, or amusement, except for conditions and limitations  
35 established by law and applicable to all persons, regardless of race,

1 creed, color, national origin, sex, the presence of any sensory,  
2 mental, or physical disability, or the use of a trained guide dog or  
3 service dog by a disabled person: PROVIDED, That this section shall  
4 not be construed to require structural changes, modifications, or  
5 additions to make any place accessible to a disabled person except as  
6 otherwise required by law: PROVIDED, That behavior or actions  
7 constituting a risk to property or other persons can be grounds for  
8 refusal and shall not constitute an unfair practice.

9 NEW SECTION. **Sec. 16.** The legislature finds and declares that  
10 reductions in the cost of transit operations and that better assessment  
11 of transit goals and accomplishments are in the best interest of the  
12 citizens of the state of Washington. This section will address the  
13 Puget Sound Transit Performance Program.

14 NEW SECTION. **Sec. 17.** The legislature finds and declares that  
15 improved coordination between public transit agencies and other public  
16 agencies providing transportation services for their clients would  
17 improve service delivery and reduce public costs. This section will  
18 address the Agency Council on Coordinated Transportation.

19 NEW SECTION. **Sec. 18.** Sections 8 and 10 through 12 of this act  
20 are necessary for the immediate preservation of the public peace,  
21 health, or safety, or support of the state government and its existing  
22 public institutions, and take effect July 1, 1997.

23 NEW SECTION. **Sec. 19.** Section 8 of this act expires June 30,  
24 2003.

25 NEW SECTION. **Sec. 20.** Section 13 of this act takes effect July 1,  
26 2003.

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