

2 **SSB 5755** - S AMD 180

3 By Senators Haugen, Horn and Benton

4 ADOPTED 03/23/01

5 Strike everything after the enacting clause and insert the
6 following:

7 "NEW SECTION. **Sec. 1.** The legislature finds that transportation
8 in the state of Washington is in crisis. Congestion on the state
9 highways has reached unprecedented proportions in several parts of the
10 state, some roads and bridges are in poor condition and need
11 improvement, and the revenues that state and local governments have
12 traditionally used to fund projects are declining.

13 The legislature further finds that the Blue Ribbon Commission on
14 Transportation, in its final report, recognized that a lack of
15 governmental coordination among jurisdictions creates an inability to
16 provide an integrated transportation system and recommended that
17 efficiencies in agencies be accomplished whenever possible.

18 Therefore, it is the legislature's intent to create the
19 transportation funding board. It is the legislature's further intent
20 to consolidate three separately funded transportation agencies because
21 many of their services are duplicative with each other and with
22 services offered by the state department of transportation. In these
23 times of insufficient funding, it makes sense to achieve a savings for
24 the state that can be better spent in addressing the transportation
25 needs of the citizens of Washington. The legislature therefore intends
26 that some functions of the county road administration board, all of the
27 functions of the transportation improvement board, and all of the
28 functions of the freight mobility strategic investment board be
29 consolidated into the highway and local programs division of the
30 department of transportation and administered by the transportation
31 funding board.

32 It is the further intent of the legislature to create the
33 legislative transportation accountability program as a single point of
34 accountability at the state level to monitor and analyze the
35 performance of the state's transportation system and ensure that
36 statewide transportation benchmarks are achieved.

1 It is the further intent of the legislature to authorize the
2 governor to appoint the secretary of transportation and transfer the
3 functions of the transportation commission to the department of
4 transportation, the transportation funding board, and the legislative
5 transportation accountability program.

6 **PART I - DEPARTMENT OF TRANSPORTATION**

7 **Sec. 2.** RCW 47.01.021 and 1977 ex.s. c 151 s 2 are each amended to
8 read as follows:

9 As used in this title unless the context indicates otherwise:

10 (1) "Department" means the department of transportation created in
11 RCW 47.01.031;

12 (2) "~~((Commission))~~ Board" means the transportation ~~((commission))~~
13 funding board created in ~~((RCW 47.01.051))~~ section 9 of this act;

14 (3) "Secretary" means the secretary of transportation as provided
15 for in RCW 47.01.041.

16 NEW SECTION. **Sec. 3.** A new section is added to chapter 47.01 RCW
17 to read as follows:

18 The department has the following functions, powers, and duties:

19 (1) To propose policies to be adopted by the legislature designed
20 to assure the development and maintenance of a comprehensive and
21 balanced statewide transportation system that will meet the needs of
22 the people of this state for safe and efficient transportation
23 services. The department shall consider mobility and congestion
24 relief, and, where appropriate, develop policies for the use of
25 integrated, intermodal transportation systems to implement the travel
26 demands, economic and environmental policies, goals, and objectives of
27 the people of the state, and especially to conserve nonrenewable
28 natural resources, including land and energy. To this end, the
29 department shall:

30 (a) Develop transportation policies that are based on the policies,
31 goals, and objectives expressed and inherent in state laws and the
32 legislative transportation accountability program's transportation
33 benchmarks; and

34 (b) Inventory the adopted policies, goals, and objectives of the
35 local and areawide governmental bodies of the state and define the role
36 of the state, regional, and local governments in determining

1 transportation policies, in transportation planning, and in
2 implementing the state transportation plan.

3 (2) To prepare and submit a comprehensive and balanced statewide
4 transportation plan to the house and senate standing committees on
5 transportation, that must be based on the transportation policy adopted
6 by the legislature, the benchmarks adopted by the legislative
7 transportation accountability program, and applicable state and federal
8 laws. The plan must take into account federal law and regulations
9 relating to the planning, construction, and operation of transportation
10 facilities. The plan must be reviewed and revised before each regular
11 session of the legislature during an even-numbered year.

12 (3) To implement the policy of the state on each of the following
13 items:

14 (a) To provide for the effective coordination of state
15 transportation planning with national transportation policy, state and
16 local land use policies, and local and regional transportation plans
17 and programs;

18 (b) To provide for public involvement in transportation designed to
19 elicit the public's views both with respect to adequate transportation
20 services and appropriate means of minimizing adverse social, economic,
21 environmental, and energy impacts of transportation programs;

22 (c) To integrate the statewide transportation plan with the needs
23 of the elderly and handicapped, and to coordinate federal and state
24 programs directed at assisting local governments to answer those needs;

25 (d) To provide for the administration of grants in aid and other
26 financial assistance to counties and municipal corporations for
27 transportation purposes; and

28 (e) To provide for the management, sale, and lease of property or
29 property rights owned by the department that are not required for
30 transportation purposes.

31 (4) To approve and propose to the governor before the convening of
32 each regular session during an odd-numbered year a recommended budget
33 for the operation of the department and for carrying out the program of
34 the department for the ensuing biennium. The proposed budget must
35 separately state the appropriations to be made from the motor vehicle
36 fund for highway purposes in accordance with constitutional limitations
37 and appropriations and expenditures to be made from the general fund,
38 or accounts thereof, and other available sources for other operations
39 of the department.

1 (5) To approve the issuance and sale of all bonds authorized by the
2 legislature for capital construction of state highways, toll
3 facilities, Columbia Basin county roads (for which reimbursement to the
4 motor vehicle fund has been provided), urban arterial projects, and
5 aviation facilities.

6 (6) To adopt such rules and policy directives as may be necessary
7 to carry out reasonably and properly those functions expressly vested
8 in the department by statute.

9 **Sec. 4.** RCW 47.80.023 and 1998 c 171 s 8 are each amended to read
10 as follows:

11 Each regional transportation planning organization shall have the
12 following duties:

13 (1) Prepare and periodically update a transportation strategy for
14 the region that makes progress towards meeting the benchmarks set forth
15 in section 51 of this act. The strategy (~~shall~~) should address
16 alternative transportation modes and transportation demand management
17 measures in regional corridors and shall recommend preferred
18 transportation policies to implement adopted growth strategies. The
19 strategy shall serve as a guide in preparation of the regional
20 transportation plan.

21 (2) Prepare a regional transportation plan as set forth in RCW
22 47.80.030 that is consistent with countywide planning policies if such
23 have been adopted pursuant to chapter 36.70A RCW, with county, city,
24 and town comprehensive plans, and state transportation plans.

25 (3) Certify by December 31, 1996, that the transportation elements
26 of comprehensive plans adopted by counties, cities, and towns within
27 the region reflect the guidelines and principles developed pursuant to
28 RCW 47.80.026, are consistent with the adopted regional transportation
29 plan, and, where appropriate, conform with the requirements of RCW
30 36.70A.070.

31 (4) Where appropriate, certify that countywide planning policies
32 adopted under RCW 36.70A.210 and the adopted regional transportation
33 plan are consistent.

34 (5) Develop, in cooperation with the department of transportation,
35 operators of public transportation services and local governments
36 within the region, a six-year regional transportation improvement
37 program which proposes regionally significant transportation projects
38 and programs and transportation demand management measures. The

1 regional transportation improvement program (~~shall be based on the~~
2 ~~programs, projects, and transportation demand management measures of~~
3 ~~regional significance as~~) must consider mobility and congestion relief
4 in reviewing and adopting the programs, projects, and transportation
5 demand management measures of regional significance as identified by
6 its own analysis of population growth and travel demands, as well as
7 those identified by transit agencies, cities, and counties pursuant to
8 RCW 35.58.2795, 35.77.010, and 36.81.121, respectively. The program
9 shall include a priority list of projects and programs, project
10 segments and programs, transportation demand management measures, and
11 a specific financial plan that demonstrates how the transportation
12 improvement program can be funded. Included within the program must be
13 analysis of transportation corridors within the region to determine
14 whether an existing corridor should be expanded, a city or county road
15 should become a state route, and whether a new corridor is needed to
16 alleviate congestion and enhance mobility based on travel demand. The
17 program shall be updated at least every two years for the ensuing six-
18 year period.

19 (6) Designate a lead planning agency to coordinate preparation of
20 the regional transportation plan and carry out the other
21 responsibilities of the organization. The lead planning agency may be
22 a regional organization, a component county, city, or town agency, or
23 the appropriate Washington state department of transportation district
24 office.

25 (7) Review level of service methodologies used by cities and
26 counties planning under chapter 36.70A RCW to promote a consistent
27 regional evaluation of transportation facilities and corridors.

28 (8) Work with cities, counties, transit agencies, the department of
29 transportation, and others to develop level of service standards or
30 alternative transportation performance measures.

31 The department shall create subregion offices to provide assistance
32 and advice to urbanized areas on congestion relief efforts.

33 **Sec. 5.** RCW 43.17.020 and 1995 1st sp.s. c 2 s 2 are each amended
34 to read as follows:

35 There shall be a chief executive officer of each department to be
36 known as: (1) The secretary of social and health services, (2) the
37 director of ecology, (3) the director of labor and industries, (4) the
38 director of agriculture, (5) the director of fish and wildlife, (6) the

1 secretary of transportation, (7) the director of licensing, (8) the
2 director of general administration, (9) the director of community,
3 trade, and economic development, (10) the director of veterans affairs,
4 (11) the director of revenue, (12) the director of retirement systems,
5 (13) the secretary of corrections, ((and)) (14) the secretary of
6 health, and (15) the director of financial institutions.

7 Such officers, except the ~~((secretary of transportation and the))~~
8 director of fish and wildlife, shall be appointed by the governor, with
9 the consent of the senate, and hold office at the pleasure of the
10 governor. ~~((The secretary of transportation shall be appointed by the
11 transportation commission as prescribed by RCW 47.01.041.))~~ The
12 director of fish and wildlife shall be appointed by the fish and
13 wildlife commission as prescribed by RCW 77.04.055.

14 **Sec. 6.** RCW 47.01.041 and 1983 1st ex.s. c 53 s 28 are each
15 amended to read as follows:

16 The executive head of the department of transportation shall be the
17 secretary of transportation, who shall be appointed by the
18 ~~((transportation commission, and))~~ governor for a term of six years
19 from appointment, but may serve no more than one year unless and until
20 confirmed by the senate, and may not be reappointed if senate
21 confirmation has not been received within one year of appointment. The
22 secretary shall be paid a salary to be fixed by the governor in
23 accordance with the provisions of RCW 43.03.040. The secretary ~~((shall~~
24 ~~be an ex officio member of the commission without a vote.—~~The
25 secretary shall be the chief executive officer of the commission and be
26 responsible to it, and shall be guided by policies established by it.
27 The secretary shall serve until removed by the commission, but only for
28 incapacity, incompetence, neglect of duty, malfeasance in office, or
29 failure to carry out the commission's policies. Before a motion for
30 dismissal shall be acted on by the commission, the secretary shall be
31 granted a hearing on formal written charges before the full commission.
32 An action by the commission to remove the secretary shall be final))
33 serves at the pleasure of the governor.

34 **Sec. 7.** RCW 47.01.101 and 1987 c 505 s 48 and 1987 c 179 s 1 are
35 each reenacted and amended to read as follows:

1 The secretary shall have the authority and it shall be his or her
2 duty, subject to policy guidance from the ~~((commission))~~ legislature
3 and the governor:

4 (1) To serve as chief executive officer of the department with full
5 administrative authority to direct all its activities;

6 (2) To organize the department as he or she may deem necessary to
7 carry out the work and responsibilities of the department effectively;

8 (3) To designate and establish such transportation district or
9 branch offices as may be necessary or convenient, and to appoint
10 assistants and delegate any powers, duties, and functions to them or
11 any officer or employee of the department as deemed necessary to
12 administer the department efficiently;

13 (4) To direct and coordinate the programs of the various divisions
14 of the department to assure that they achieve the greatest possible
15 mutual benefit, produce a balanced overall effort, and eliminate
16 unnecessary duplication of activity;

17 (5) To adopt all department rules that are subject to the adoption
18 procedures contained in the state Administrative Procedure Act~~((
19 except rules subject to adoption by the commission pursuant to
20 statute))~~);

21 (6) To maintain and safeguard the official records of the
22 department~~((, including the commission's recorded resolutions and
23 orders))~~);

24 ~~((To provide full staff support to the commission to assist it
25 in carrying out its functions, powers, and duties and to execute the
26 policy established by the commission pursuant to its legislative
27 authority;~~

28 ~~(8))~~ To execute and implement the biennial operating budget for
29 the operation of the department in accordance with chapter 43.88 RCW
30 and with legislative appropriation and, in such manner as prescribed
31 therein, to make and report to the ~~((commission))~~ governor and the
32 chairs of the transportation committees of the senate and house of
33 representatives, including one copy to the staff of each of the
34 committees, deviations from the planned biennial category A and H
35 highway construction programs necessary to adjust to unexpected delays
36 or other unanticipated circumstances~~((
37~~))); and

38 ~~((9))~~ (8) To exercise all other powers and perform all other
duties as are now or hereafter provided by law.

1 NEW SECTION. Sec. 8. A new section is added to chapter 47.01 RCW
2 to read as follows:

3 All references in the Revised Code of Washington to the
4 transportation commission that assign committee membership or
5 administrative authority are transferred to the secretary of
6 transportation.

7 **PART II - TRANSPORTATION FUNDING BOARD**

8 NEW SECTION. Sec. 9. A new section is added to chapter 47.01 RCW
9 to read as follows:

- 10 (1) The transportation funding board is created.
- 11 (2) The board is composed of seventeen members. No appointee may
12 serve more than one year without senate confirmation. The following
13 fourteen members are appointed by the governor with the advice and
14 consent of the senate for terms of six years, except that six members
15 initially are appointed for terms of three years:
 - 16 (a) Three representatives from counties, appointed from a list of
17 at least four persons nominated by the Washington state association of
18 counties or its successor;
 - 19 (b) Three representatives from cities and towns, appointed from a
20 list of at least four persons nominated jointly by the association of
21 Washington cities or its successor and city councils of any
22 jurisdiction not represented by the association of Washington cities;
 - 23 (c) One representative of the public transit system;
 - 24 (d) One representative from the executive committee of the
25 Washington state ferry users;
 - 26 (e) One member appointed as a representative of the trucking
27 industry from a list of two persons recommended by the Washington
28 trucking association or its successor;
 - 29 (f) One member appointed as a representative of the railroads;
 - 30 (g) One member appointed as a representative of the ports,
31 appointed from a list of at least two persons nominated by the
32 Washington public ports association or its successor;
 - 33 (h) Two private sector representatives; and
 - 34 (i) One member representing special needs transportation.
- 35 (3) The board must also include the three following
36 representatives:

1 (a) One member representing the highways division of the
2 department;

3 (b) One member representing the local programs division of the
4 department; and

5 (c) One member representing the office of financial management.

6 (4) In making appointments to the board, the governor shall ensure
7 that each geographic region of the state is represented.

8 (5) If a vacancy on the board occurs by death, resignation, or
9 otherwise, the governor shall fill the vacant position for the
10 unexpired term. Each vacancy in a position appointed from lists
11 provided by the associations under subsection (2) of this section must
12 be filled from a list of persons nominated by the appropriate
13 association or associations.

14 (6) The governor may not remove members from the board before the
15 expiration of their terms unless for cause based upon a determination
16 of incapacity, incompetence, neglect of duty, or malfeasance in office
17 by the Thurston county superior court, upon petition and show cause
18 proceedings brought for that purpose in that court and directed to the
19 board member in question.

20 (7) No member may be appointed for more than two consecutive terms.

21 (8) No member may serve for more than one year without the consent
22 of the senate.

23 NEW SECTION. **Sec. 10.** A new section is added to chapter 47.01 RCW
24 to read as follows:

25 (1) The board shall meet quarterly and upon the call of its chair.
26 It may adopt its own rules and may establish its own procedures. It
27 shall act collectively in harmony with recorded resolutions or motions
28 adopted by the majority vote of at least nine members.

29 (2) The board shall elect one of its members as the chair for a
30 term of one year. The chair may vote on all matters before the board.

31 (3) Each member of the board will be compensated in accordance with
32 RCW 43.03.250 and reimbursed for actual necessary traveling and other
33 expenses in going to, attending, and returning from meetings of the
34 board or that are incurred in the discharge of duties requested by the
35 chair. However, in no event may a board member be compensated in any
36 year for more than one hundred days, except the chair of the board may
37 be compensated for not more than one hundred twenty-five days. Service

1 on the board does not qualify as a service credit for the purposes of
2 a public retirement system.

3 (4) The highways and local programs division of the department
4 shall provide staff support to the board.

5 (5) The board shall keep proper records and is subject to audit by
6 the state auditor.

7 NEW SECTION. **Sec. 11.** A new section is added to chapter 47.01 RCW
8 to read as follows:

9 The board shall oversee and approve funding for improvements on
10 state, city, and county arterials as specified by law. The board shall
11 also select, prioritize, and create funding partnerships for freight
12 transportation projects and minimize the impact of freight movement on
13 local communities.

14 NEW SECTION. **Sec. 12.** A new section is added to chapter 47.01 RCW
15 to read as follows:

16 The board and the highways and local programs division of the
17 department shall:

18 (1) Adopt rules necessary to implement the board's responsibilities
19 relating to the allocation of funds; and

20 (2) Adopt reasonably uniform design standards for city and county
21 arterials.

22 NEW SECTION. **Sec. 13.** A new section is added to chapter 47.01 RCW
23 to read as follows:

24 All costs associated with staff to the transportation funding
25 board, together with travel expenses in accordance with RCW 43.03.050
26 and 43.03.060, will be paid from the urban arterial trust account, the
27 transportation improvement account, the rural arterial trust account,
28 and the motor vehicle account in the motor vehicle fund as determined
29 by the biennial appropriation.

30 NEW SECTION. **Sec. 14.** A new section is added to chapter 47.01 RCW
31 to read as follows:

32 The highways and local programs division of the department shall
33 administer the rural arterial trust account created in RCW 36.79.020,
34 with the oversight and approval of the transportation funding board.
35 All rules and procedures previously adopted by the county road

1 administration board regarding this account must be adopted in their
2 entirety by the transportation funding board.

3 NEW SECTION. **Sec. 15.** A new section is added to chapter 47.01 RCW
4 to read as follows:

5 (1) The highways and local programs division of the department
6 shall administer the urban arterial trust account created in RCW
7 47.26.080, the arterial improvement grant program, the small city
8 program, the city hardship program, and the pedestrian safety and
9 mobility program, with oversight and approval by the transportation
10 funding board. All rules and procedures regarding the administration
11 of the account and programs must be adopted in their entirety by the
12 transportation funding board.

13 (2) The highways and local programs division of the department
14 shall administer the transportation improvement account created in RCW
15 47.26.084 and the transportation partnership grant program, with the
16 oversight and approval of the transportation funding board. All rules
17 and procedures regarding the administration of the account and program
18 must be adopted in their entirety by the transportation funding board.

19 NEW SECTION. **Sec. 16.** A new section is added to chapter 47.01 RCW
20 to read as follows:

21 The transportation funding board and the highways and local
22 programs division of the department shall adopt reasonable rules
23 necessary to implement the city hardship assistance program as
24 recommended by the road jurisdiction study.

25 The following criteria should be used to implement the program:

26 (1) Only those cities with a net gain in cost responsibility due to
27 jurisdictional transfers in chapter 342, Laws of 1991, as determined by
28 the board, may participate;

29 (2) Cities with populations of fifteen thousand or less, as
30 determined by the office of financial management, may participate;

31 (3) The board shall develop criteria and procedures under which
32 eligible cities may request funding for rehabilitation projects on city
33 streets acquired under chapter 342, Laws of 1991; and

34 (4) The board may also allocate funds from the city hardship
35 assistance program to cities with a population under twenty thousand to
36 offset extraordinary costs associated with the transfer of roadways

1 other than under chapter 342, Laws of 1991, that occur after January 1,
2 1991.

3 NEW SECTION. **Sec. 17.** A new section is added to chapter 47.01 RCW
4 to read as follows:

5 The legislature recognizes the need for a multijurisdictional body
6 to review future requests for jurisdictional transfers. The
7 transportation funding board shall receive petitions from cities,
8 counties, or the state requesting any addition or deletion from the
9 state highway system. Additionally, the board may conduct its own
10 analysis and make recommendations based upon that analysis to determine
11 additions or deletions from the state highway system. The board shall
12 use the criteria established in RCW 47.17.001 in evaluating petitions
13 and shall adopt rules for implementation of this process. The board
14 shall forward any recommended jurisdictional transfers to the
15 transportation committees of the house and senate by November 15th of
16 each year.

17 **Sec. 18.** RCW 36.57A.070 and 1985 c 6 s 5 are each amended to read
18 as follows:

19 The legislative transportation accountability program committee
20 shall review the comprehensive transit plan adopted by the authority
21 ~~((shall be reviewed by the state transportation commission))~~ to
22 determine:

23 (1) The completeness of service to be offered and the economic
24 viability of the transit system proposed in such comprehensive transit
25 plan;

26 (2) Whether such plan integrates the proposed transportation system
27 with existing transportation modes and systems that serve the benefit
28 area;

29 (3) Whether such plan coordinates that area's system and service
30 with nearby public transportation systems;

31 (4) Whether such plan is eligible for matching state or federal
32 funds((÷

33 ~~After reviewing the comprehensive transit plan, the state~~
34 ~~transportation commission shall have sixty days in which to approve~~
35 ~~such plan and to certify to the state treasurer that such public~~
36 ~~transportation benefit area shall be eligible to receive the motor~~
37 ~~vehicle excise tax proceeds authorized pursuant to RCW 35.58.273, as~~

1 now or hereafter amended in the manner prescribed by chapter 82.44 RCW,
2 as now or hereafter amended. To be approved a plan shall provide for
3 coordinated transportation planning, the integration of such proposed
4 transportation program with other transportation systems operating in
5 areas adjacent to, or in the vicinity of the proposed public
6 transportation benefit area, and be consistent with the public
7 transportation coordination criteria adopted pursuant to the urban mass
8 transportation act of 1964 as amended as of July 1, 1975. In the event
9 such comprehensive plan is disapproved and ruled ineligible to receive
10 motor vehicle tax proceeds, the state transportation commission shall
11 provide written notice to the authority within thirty days as to the
12 reasons for such plan's disapproval and such ineligibility. The
13 authority may resubmit such plan upon reconsideration and correction of
14 such deficiencies in the plan cited in such notice of disapproval).

15 **Sec. 19.** RCW 36.78.030 and 1971 ex.s. c 85 s 5 are each amended to
16 read as follows:

17 There is created hereby a county road administration board
18 consisting of nine members who shall be appointed by the executive
19 committee of the Washington state association of counties. ((Prior to
20 July 1, 1965 the executive committee of the Washington state
21 association of counties shall appoint the first members of the county
22 road administration board: Three members to serve one year; three
23 members to serve two years; and three members to serve three years from
24 July 1, 1965. Upon expiration of the original terms subsequent)).
25 Appointments ((shall)) must be made ((by the same appointing
26 authority)) for three year terms except in the case of a vacancy, in
27 which event the appointment ((shall)) will be only for the remainder of
28 the unexpired term in which the vacancy has occurred.

29 **Sec. 20.** RCW 36.78.070 and 1999 c 269 s 1 are each amended to read
30 as follows:

31 The county road administration board shall:

32 (1) Establish by rule, standards of good practice for the
33 administration of county roads and the efficient movement of people and
34 goods over county roads;

35 (2) Establish reporting requirements for counties with respect to
36 the standards of good practice adopted by the board;

1 (3) Receive and review reports from counties and reports from its
2 executive director to determine compliance with legislative directives
3 and the standards of good practice adopted by the board;

4 ~~(4) ((Advise counties on issues relating to county roads and the
5 safe and efficient movement of people and goods over county roads and))~~
6 Assist counties in developing uniform and efficient transportation-
7 related information technology resources;

8 (5) Report annually before the fifteenth day of January, and
9 throughout the year as appropriate, to the state department of
10 transportation and to the chairs of the legislative transportation
11 committee and the house and senate transportation committees, and to
12 other entities as appropriate on the status of county road
13 administration in each county, including one copy to the staff of each
14 of the committees. The annual report shall contain recommendations for
15 improving administration of the county road programs;

16 (6) Administer the ~~((rural arterial program established by chapter
17 36.79 RCW and the))~~ program funded by the county arterial preservation
18 account established by RCW 46.68.090(~~(, as well as any other programs
19 provided for in law))~~).

20 **Sec. 21.** RCW 36.78.090 and 1984 c 7 s 33 are each amended to read
21 as follows:

22 (1) Before May 1st of each year the board shall transmit to the
23 state treasurer certificates of good practice on behalf of the counties
24 which during the preceding calendar year:

25 (a) Have submitted to the state department of transportation or to
26 the board all reports required by law or regulation of the board; and

27 (b) Have reasonably complied with provisions of law relating to
28 county road administration and with the standards of good practice as
29 formulated and adopted by the board.

30 (2) The board shall not transmit to the state treasurer a
31 certificate of good practice on behalf of any county failing to meet
32 the requirements of subsection (1) of this section, but the board shall
33 in such case and before May 1st, notify the county and the state
34 treasurer of its reasons for withholding the certificate.

35 (3) The state treasurer, upon receiving a notice that a certificate
36 of good practice will not be issued on behalf of a county, or that a
37 previously issued certificate of good practice has been revoked, shall,
38 effective the first day of the month after that in which notice is

1 received, withhold from such county its share of motor vehicle fuel
2 taxes distributable (~~(pursuant to)~~) under RCW 46.68.120 until the board
3 (~~(thereafter)~~) issues on behalf of such county a certificate of good
4 practice or a conditional certificate. After withholding or revoking
5 a certificate of good practice with respect to any county, the board
6 may (~~(thereafter)~~) at any time issue such a certificate or a
7 conditional certificate when the board is satisfied that the county has
8 complied or is diligently attempting to comply with the requirements of
9 subsection (1) of this section.

10 (4) The board may, upon notice and a hearing, revoke a previously
11 issued certificate of good practice or substitute a conditional
12 certificate (~~(therefor)~~) when, after issuance of a certificate of good
13 practice, any county fails to meet the requirements of subsection (1)
14 (a) and (b) of this section, but the board shall in such case notify
15 the county and the state treasurer of its reasons for the revocation or
16 substitution.

17 (5) Motor vehicle fuel taxes withheld from any county pursuant to
18 this section shall not be distributed to any other county, but shall be
19 retained in the motor vehicle fund to the credit of the county
20 originally entitled (~~(thereto)~~) to them. Whenever the state treasurer
21 receives from the board a certificate of good practice issued on behalf
22 of such county he shall distribute to such county all of the funds
23 theretofore retained in the motor vehicle fund to the credit of such
24 county.

25 **Sec. 22.** RCW 36.78.100 and 1977 ex.s. c 257 s 2 are each amended
26 to read as follows:

27 Whenever the board finds that a county has failed to submit the
28 reports required by RCW 36.78.090, or has failed to comply with
29 provisions of law relating to county road administration or has failed
30 to meet the standards of good practice as formulated and adopted by the
31 board, the board may in lieu of withholding or revoking a certificate
32 of good practice issue and transmit to the state treasurer on behalf of
33 such county a conditional certificate which will authorize the
34 continued distribution to such county all or a designated portion of
35 its share of motor vehicle fuel taxes. The (~~(issuance of such)~~) board
36 shall issue a conditional certificate (~~(shall be)~~) upon terms and
37 conditions as (~~(shall be deemed by the board to be)~~) appropriate. (~~(In~~
38 ~~the event)~~) If a county on whose behalf a conditional certificate is

1 issued fails to comply with the terms and conditions of such
2 certificate, the board may (~~forthwith~~) cancel or modify such
3 certificate notifying the state treasurer (~~thereof~~) of its action.
4 In such case the state treasurer shall (~~thereafter~~) withhold from
5 such county all or the designated portion of its share of the motor
6 vehicle fuel taxes as provided in RCW 36.78.090.

7 **Sec. 23.** RCW 36.79.010 and 1997 c 81 s 1 are each amended to read
8 as follows:

9 The definitions set forth in this section apply throughout this
10 chapter unless the context clearly requires otherwise.

11 (1) "Rural arterial program" means improvement projects on those
12 county roads in rural areas classified as rural arterials and
13 collectors in accordance with the federal functional classification
14 system and the construction of replacement bridges funded by the
15 federal bridge replacement program on access roads in rural areas.

16 (2) "Rural area" means every area of the state outside of areas
17 designated as urban areas by the state transportation commission with
18 the approval of the secretary of the United States department of
19 transportation in accordance with federal law.

20 (3) "Board" means the (~~county road administration~~) transportation
21 funding board created by (~~RCW 36.78.030~~) section 9 of this act.

22 **Sec. 24.** RCW 36.79.020 and 1997 c 81 s 2 are each amended to read
23 as follows:

24 There is created in the motor vehicle fund the rural arterial trust
25 account. All moneys deposited in the motor vehicle fund to be credited
26 to the rural arterial trust account shall be expended for (1) the
27 construction and improvement of county rural arterials and collectors,
28 (2) the construction of replacement bridges funded by the federal
29 bridge replacement program on access roads in rural areas, and (3)
30 those expenses of the board associated with the administration of the
31 rural arterial program. No more than three percent of moneys in the
32 account may be spent on the expenses of the board associated with the
33 administration of the rural arterial program.

34 **Sec. 25.** RCW 36.79.060 and 1998 c 245 s 31 are each amended to
35 read as follows:

1 The highways and local programs division of the department of
2 transportation and the board shall:

3 (1) Adopt rules necessary to implement the provisions of this
4 chapter relating to the allocation of funds in the rural arterial trust
5 account to counties;

6 (2) Adopt reasonably uniform design standards for county rural
7 arterials and collectors that meet the requirements for trucks
8 transporting commodities.

9 **Sec. 26.** RCW 36.79.110 and 1988 c 167 s 7 are each amended to read
10 as follows:

11 The county road administration board and the transportation
12 (~~(improvement)~~) funding board shall jointly adopt rules to assure
13 coordination of their respective programs especially with respect to
14 projects proposed by the group of incorporated cities outside the
15 boundaries of federally approved urban areas, and to encourage the
16 system development of county-city arterials in rural areas.

17 **Sec. 27.** RCW 43.84.092 and 2000 2nd sp.s. c 4 s 6 are each amended
18 to read as follows:

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

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

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

9 (4) Monthly, the state treasurer shall distribute the earnings
10 credited to the treasury income account. The state treasurer shall
11 credit the general fund with all the earnings credited to the treasury
12 income account except:

13 (a) The following accounts and funds shall receive their
14 proportionate share of earnings based upon each account's and fund's
15 average daily balance for the period: The capitol building
16 construction account, the Cedar River channel construction and
17 operation account, the Central Washington University capital projects
18 account, the charitable, educational, penal and reformatory
19 institutions account, the common school construction fund, the county
20 criminal justice assistance account, the county sales and use tax
21 equalization account, the data processing building construction
22 account, the deferred compensation administrative account, the deferred
23 compensation principal account, the department of retirement systems
24 expense account, the drinking water assistance account, the Eastern
25 Washington University capital projects account, the education
26 construction fund, the emergency reserve fund, the federal forest
27 revolving account, the health services account, the public health
28 services account, the health system capacity account, the personal
29 health services account, the state higher education construction
30 account, the higher education construction account, the highway
31 infrastructure account, the industrial insurance premium refund
32 account, the judges' retirement account, the judicial retirement
33 administrative account, the judicial retirement principal account, the
34 local leasehold excise tax account, the local real estate excise tax
35 account, the local sales and use tax account, the medical aid account,
36 the mobile home park relocation fund, the multimodal transportation
37 account, the municipal criminal justice assistance account, the
38 municipal sales and use tax equalization account, the natural resources
39 deposit account, the perpetual surveillance and maintenance account,

1 the public employees' retirement system plan 1 account, the public
2 employees' retirement system combined plan 2 and plan 3 account, the
3 Puyallup tribal settlement account, the resource management cost
4 account, the site closure account, the special wildlife account, the
5 state employees' insurance account, the state employees' insurance
6 reserve account, the state investment board expense account, the state
7 investment board commingled trust fund accounts, the supplemental
8 pension account, the teachers' retirement system plan 1 account, the
9 teachers' retirement system combined plan 2 and plan 3 account, the
10 tobacco prevention and control account, the tobacco settlement account,
11 the transportation infrastructure account, the tuition recovery trust
12 fund, the University of Washington bond retirement fund, the University
13 of Washington building account, the volunteer fire fighters' and
14 reserve officers' relief and pension principal fund, the volunteer fire
15 fighters' and reserve officers' administrative fund, the Washington
16 judicial retirement system account, the Washington law enforcement
17 officers' and fire fighters' system plan 1 retirement account, the
18 Washington law enforcement officers' and fire fighters' system plan 2
19 retirement account, the Washington school employees' retirement system
20 combined plan 2 and 3 account, the Washington state health insurance
21 pool account, the Washington state patrol retirement account, the
22 Washington State University building account, the Washington State
23 University bond retirement fund, the water pollution control revolving
24 fund, and the Western Washington University capital projects account.
25 Earnings derived from investing balances of the agricultural permanent
26 fund, the normal school permanent fund, the permanent common school
27 fund, the scientific permanent fund, and the state university permanent
28 fund shall be allocated to their respective beneficiary accounts. All
29 earnings to be distributed under this subsection (4)(a) shall first be
30 reduced by the allocation to the state treasurer's service fund
31 pursuant to RCW 43.08.190.

32 (b) The following accounts and funds shall receive eighty percent
33 of their proportionate share of earnings based upon each account's or
34 fund's average daily balance for the period: The aeronautics account,
35 the aircraft search and rescue account, the county arterial
36 preservation account, the department of licensing services account, the
37 essential rail assistance account, the ferry bond retirement fund, the
38 grade crossing protective fund, the high capacity transportation
39 account, the highway bond retirement fund, the highway safety account,

1 the motor vehicle fund, the motorcycle safety education account, the
2 pilotage account, (~~the public transportation systems account,~~) the
3 Puget Sound capital construction account, the Puget Sound ferry
4 operations account, the recreational vehicle account, the rural
5 arterial trust account, the safety and education account, the special
6 category C account, the state patrol highway account, the
7 transportation equipment fund, the transportation fund, the
8 transportation improvement account, the transportation improvement
9 board bond retirement account, and the urban arterial trust account.

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

13 **Sec. 28.** RCW 47.06A.010 and 1998 c 175 s 2 are each amended to
14 read as follows:

15 Unless the context clearly requires otherwise, the definitions in
16 this section apply throughout this chapter.

17 (1) "Board" means the (~~freight mobility strategic investment~~)
18 transportation funding board created in (~~RCW 47.06A.030~~) section 9 of
19 this act.

20 (2) "Department" means the department of transportation.

21 (3) "Freight mobility" means the safe, reliable, and efficient
22 movement of goods within and through the state to ensure the state's
23 economic vitality.

24 (4) "Local governments" means cities, towns, counties, special
25 purpose districts, port districts, and any other municipal corporations
26 or quasi-municipal corporations in the state excluding school
27 districts.

28 (5) "Public entity" means a state agency, city, town, county, port
29 district, or municipal or regional planning organization.

30 (6) "Strategic freight corridor" means a transportation corridor of
31 great economic importance within an integrated freight system that:

32 (a) Serves international and domestic interstate and intrastate
33 trade;

34 (b) Enhances the state's competitive position through regional and
35 global gateways;

36 (c) Carries freight tonnages of at least:

37 (i) Four million gross tons annually on state highways, city
38 streets, and county roads;

1 (ii) Five million gross tons annually on railroads; or
2 (iii) Two and one-half million net tons on waterways; and
3 (d) Has been designated a strategic corridor by the board under RCW
4 47.06A.020(3). However, new alignments to, realignments of, and new
5 links to strategic corridors that enhance freight movement may qualify,
6 even though no tonnage data exists for facilities to be built in the
7 future.

8 **Sec. 29.** RCW 47.06A.020 and 1999 c 216 s 1 are each amended to
9 read as follows:

10 (1) The highways and local programs division of the department and
11 the board shall:

12 (a) Adopt rules and procedures necessary to implement the freight
13 mobility strategic investment program;

14 (b) Solicit from public entities proposed projects that meet
15 eligibility criteria established in accordance with subsection (4) of
16 this section; and

17 (c) Review and evaluate project applications based on criteria
18 established under this section, and prioritize and select projects
19 comprising a portfolio to be funded in part with grants from state
20 funds appropriated for the freight mobility strategic investment
21 program. In determining the appropriate level of state funding for a
22 project, the board shall ensure that state funds are allocated to
23 leverage the greatest amount of partnership funding possible. After
24 selecting projects comprising the portfolio, the board shall submit
25 them as part of its budget request to the office of financial
26 management and the legislature. The board shall ensure that projects
27 submitted as part of the portfolio are not more appropriately funded
28 with other federal, state, or local government funding mechanisms or
29 programs. The board shall reject those projects that appear to improve
30 overall general mobility with limited enhancement for freight mobility.

31 The board shall provide periodic progress reports on its activities
32 to the office of financial management and the legislative
33 transportation committee.

34 (2) The board may:

35 (a) Accept from any state or federal agency, loans or grants for
36 the financing of any transportation project and enter into agreements
37 with any such agency concerning the loans or grants;

38 (b) Provide technical assistance to project applicants;

1 (c) Accept any gifts, grants, or loans of funds, property, or
2 financial, or other aid in any form from any other source on any terms
3 and conditions which are not in conflict with this chapter;

4 (d) Adopt rules under chapter 34.05 RCW as necessary to carry out
5 the purposes of this chapter; and

6 (e) Do all things necessary or convenient to carry out the powers
7 expressly granted or implied under this chapter.

8 (3) The board shall designate strategic freight corridors within
9 the state. The board shall update the list of designated strategic
10 corridors not less than every two years, and shall establish a method
11 of collecting and verifying data, including information on city and
12 county-owned roadways.

13 (4) From June 11, 1998, through the biennium ending June 30, 2001,
14 the board shall utilize threshold project eligibility criteria that, at
15 a minimum, includes the following:

16 (a) The project must be on a strategic freight corridor;

17 (b) The project must meet one of the following conditions:

18 (i) It is primarily aimed at reducing identified barriers to
19 freight movement with only incidental benefits to general or personal
20 mobility; or

21 (ii) It is primarily aimed at increasing capacity for the movement
22 of freight with only incidental benefits to general or personal
23 mobility; or

24 (iii) It is primarily aimed at mitigating the impact on communities
25 of increasing freight movement, including roadway/railway conflicts;
26 and

27 (c) The project must have a total public benefit/total public cost
28 ratio of equal to or greater than one.

29 (5) From June 11, 1998, through the biennium ending June 30, 2001,
30 the board shall use the multicriteria analysis and scoring framework
31 for evaluating and ranking eligible freight mobility and freight
32 mitigation projects developed by the freight mobility project
33 prioritization committee and contained in the January 16, 1998, report
34 entitled "Project Eligibility, Priority and Selection Process for a
35 Strategic Freight Investment Program." The prioritization process
36 shall measure the degree to which projects address important program
37 objectives and shall generate a project score that reflects a project's
38 priority compared to other projects. The board shall assign scoring
39 points to each criterion that indicate the relative importance of the

1 criterion in the overall determination of project priority. After June
2 30, 2001, the board may supplement and refine the initial project
3 priority criteria and scoring framework developed by the freight
4 mobility project prioritization committee as expertise and experience
5 is gained in administering the freight mobility program.

6 (6) It is the intent of the legislature that each freight mobility
7 project contained in the project portfolio submitted by the board
8 utilize the greatest amount of nonstate funding possible. The board
9 shall adopt rules that give preference to projects that contain the
10 greatest levels of financial participation from nonprogram fund
11 sources. The board shall consider twenty percent as the minimum
12 partnership contribution, but shall also ensure that there are
13 provisions allowing exceptions for projects that are located in areas
14 where minimal local funding capacity exists or where the magnitude of
15 the project makes the adopted partnership contribution financially
16 unfeasible.

17 (7) The board shall develop and recommend policies that address
18 operational improvements that primarily benefit and enhance freight
19 movement, including, but not limited to, policies that reduce
20 congestion in truck lanes at border crossings and weigh stations and
21 provide for access to ports during nonpeak hours.

22 **Sec. 30.** RCW 47.26.044 and 1994 c 179 s 6 are each amended to read
23 as follows:

24 The term "board" as used in this chapter means the transportation
25 (~~improvement~~) funding board.

26 **Sec. 31.** RCW 47.26.080 and 1999 c 94 s 16 are each amended to read
27 as follows:

28 There is hereby created in the motor vehicle fund the urban
29 arterial trust account. The intent of the urban arterial trust account
30 program is to improve the arterial street system of the state by
31 improving mobility and safety while supporting an environment essential
32 to the quality of life of the citizens of the state of Washington. The
33 city hardship assistance program, as provided in (~~RCW 47.26.164~~)
34 section 16 of this act, and the small city program, as provided for in
35 RCW 47.26.115, are implemented within the urban arterial trust account.

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 No more than two percent of the funds in the urban arterial trust
5 account may be spent on administrative costs in implementing programs
6 under this account.

7 **Sec. 32.** RCW 47.26.084 and 1999 c 94 s 17 are each amended to read
8 as follows:

9 The transportation improvement account is hereby created in the
10 motor vehicle fund. The intent of the program is to improve mobility
11 of people and goods in Washington state by supporting economic
12 development and environmentally responsive solutions to our statewide
13 transportation system needs.

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

19 No more than two percent of the funding in the account may be spent
20 for the administrative costs to operate the program.

21 **Sec. 33.** RCW 47.26.170 and 1994 c 179 s 16 are each amended to
22 read as follows:

23 Each county having within its boundaries an urban area and cities
24 and towns shall prepare and submit to the ((~~transportation~~
25 ~~improvement~~)) board arterial inventory data required to determine the
26 long-range arterial construction needs. The counties, cities, and
27 towns shall revise the arterial inventory data every four years to show
28 the current arterial construction needs through the advanced planning
29 period, and as revised shall submit them to the ((~~transportation~~
30 ~~improvement~~)) board during the first week of January every four years
31 beginning in 1996. The inventory data shall be prepared pursuant to
32 guidelines established by the ((~~transportation improvement~~)) board. As
33 information is updated, it shall be made available to the ((~~commission~~
34 ~~and the legislative~~)) transportation committees of the house and
35 senate.

1 **Sec. 34.** RCW 47.26.185 and 1994 c 179 s 17 are each amended to
2 read as follows:

3 The ((~~transportation—improvement~~)) board may adopt rules
4 establishing qualifications for cities and counties administering and
5 supervising the design and construction of projects financed in part
6 from funds administered by the board. The rules establishing
7 qualification shall take into account the resources and population of
8 the city or county, its permanent engineering staff, its design and
9 construction supervision experience, and other factors the board deems
10 appropriate. Any city or county failing to meet the qualifications
11 established by the board for administering and supervising a project
12 shall contract with a qualified city or county or the department for
13 the administration and supervision of the design and construction of
14 any approved project as a condition for receiving funds for the
15 project.

16 **Sec. 35.** RCW 47.26.260 and 1994 c 179 s 19 are each amended to
17 read as follows:

18 The ((~~transportation—improvement~~)) board shall adopt rules
19 providing for the approval of payments of funds in the accounts to a
20 county, city, town, or transportation benefit district for costs of
21 predesign, design, engineering, and costs of construction of an
22 approved project from time to time as work progresses. These payments
23 shall at no time exceed the account share of the costs incurred to the
24 date of the voucher covering such payment.

25 **Sec. 36.** RCW 47.26.270 and 1994 c 179 s 20 are each amended to
26 read as follows:

27 Counties, cities, towns, and transportation benefit districts
28 receiving funds from the board shall provide such matching funds as
29 established by rules adopted by the ((~~transportation—improvement~~))
30 board. When determining matching requirements, the board shall
31 consider (1) financial resources available to counties and cities to
32 meet arterial needs, (2) the amounts and percentages of funds available
33 for road or street construction traditionally expended by counties and
34 cities on arterials, (3) in the case of counties, the relative needs of
35 arterials lying outside urban areas, and (4) the requirements necessary
36 to avoid diversion of funds traditionally expended for arterial

1 construction to other street or road purposes or to nonhighway
2 purposes.

3 **Sec. 37.** RCW 47.26.426 and 1999 c 268 s 1 are each amended to read
4 as follows:

5 At least one year (~~((prior to))~~) before the date any interest is due
6 and payable on such first authorization bonds, series II bonds, and
7 series III bonds or before the maturity date of any such bonds, the
8 state finance committee shall estimate, subject to the provisions of
9 RCW 47.26.425, 47.26.4252, and 47.26.4254 the percentage of the
10 receipts in money of the motor vehicle fund, resulting from collection
11 of excise taxes on motor vehicle and special fuels, for each month of
12 the year which shall be required to meet interest or bond payments
13 hereunder when due, and shall notify the state treasurer of such
14 estimated requirement. The state treasurer, subject to RCW 47.26.425,
15 47.26.4252, and 47.26.4254, shall thereafter from time to time each
16 month as such funds are paid into the motor vehicle fund, transfer such
17 percentage of the monthly receipts from excise taxes on motor vehicle
18 and special fuels of the motor vehicle fund to the transportation
19 (~~((improvement))~~) funding board bond retirement account, maintained in
20 the office of the state treasurer, which fund shall be available for
21 payment of interest or bonds when due. If in any month it shall appear
22 that the estimated percentage of money so made is insufficient to meet
23 the requirements for interest or bond retirement, the treasurer shall
24 notify the state finance committee forthwith and such committee shall
25 adjust its estimates so that all requirements for interest and
26 principal of all bonds issued shall be fully met at all times.

27 **Sec. 38.** RCW 47.26.440 and 1994 c 179 s 25 are each amended to
28 read as follows:

29 Not later than November 1st of each even-numbered year the
30 (~~((transportation improvement))~~) board shall prepare and present to the
31 (~~((commission))~~) department for comment and recommendation an adopted
32 budget for expenditures from funds administered by the board during the
33 ensuing biennium. The budget shall contain an estimate of the revenues
34 to be credited to the several accounts and the amount, if any, of bond
35 proceeds which the board determines should be made available through
36 the sale of bonds in the ensuing biennium.

1 **Sec. 39.** RCW 47.26.507 and 1999 c 268 s 3 are each amended to read
2 as follows:

3 Whenever the percentage of the motor vehicle fund arising from
4 excise taxes on motor vehicle and special fuels payable into the
5 transportation (~~(improvement)~~) funding board bond retirement account,
6 shall prove more than is required for the payment of interest on bonds
7 when due, or current retirement of bonds, any excess may, in the
8 discretion of the state finance committee, be available for the prior
9 redemption of any bonds or remain available in the (~~(fund-[account])~~)
10 account to reduce the requirements upon the fuel excise tax portion of
11 the motor vehicle fund at the next interest or bond payment period.

12 **Sec. 40.** RCW 82.44.150 and 1999 c 94 s 30 are each amended to read
13 as follows:

14 (1) The director of licensing shall, on the twenty-fifth day of
15 February, May, August, and November of each year, advise the state
16 treasurer of the total amount of motor vehicle excise taxes imposed by
17 RCW 82.44.020(1) remitted to the department during the preceding
18 calendar quarter ending on the last day of March, June, September, and
19 December, respectively, except for those payable under RCW 82.44.030,
20 from motor vehicle owners residing within each municipality which has
21 levied a tax under RCW 35.58.273, which amount of excise taxes shall be
22 determined by the director as follows:

23 The total amount of motor vehicle excise taxes remitted to the
24 department, except those payable under RCW 82.44.020(2) and 82.44.030,
25 from each county shall be multiplied by a fraction, the numerator of
26 which is the population of the municipality residing in such county,
27 and the denominator of which is the total population of the county in
28 which such municipality or portion thereof is located. The product of
29 this computation shall be the amount of excise taxes from motor vehicle
30 owners residing within such municipality or portion thereof. Where the
31 municipality levying a tax under RCW 35.58.273 is located in more than
32 one county, the above computation shall be made by county, and the
33 combined products shall provide the total amount of motor vehicle
34 excise taxes from motor vehicle owners residing in the municipality as
35 a whole. Population figures required for these computations shall be
36 supplied to the director by the office of financial management, who
37 shall adjust the fraction annually.

1 (2) On the first day of the months of January, April, July, and
2 October of each year, the state treasurer based upon information
3 provided by the department shall, from motor vehicle excise taxes
4 deposited in the transportation fund under RCW 82.44.110, (~~make the~~
5 ~~following deposits:~~

6 (a)) deposit to the high capacity transportation account created
7 in RCW 47.78.010, a sum equal to four and five-tenths percent of the
8 special excise tax levied under RCW 35.58.273 by those municipalities
9 authorized to levy a special excise tax within each county that has a
10 population of one hundred seventy-five thousand or more and has an
11 interstate highway within its borders; except that in a case of a
12 municipality located in a county that has a population of one hundred
13 seventy-five thousand or more that does not have an interstate highway
14 located within its borders, that sum shall be deposited in the
15 passenger ferry account((+

16 (b) ~~To the public transportation systems account created in RCW~~
17 ~~82.44.180, for revenues distributed after June 30, 1999, within a~~
18 ~~county with a population of one million or more and a county with a~~
19 ~~population of from two hundred thousand to less than one million~~
20 ~~bordering a county with a population of one million or more with which~~
21 ~~it shares a border of more than five miles, a sum equal to 6.8688~~
22 ~~percent of the special excise tax distributed under RCW 35.58.273; and~~

23 (c) ~~To the public transportation systems account created in RCW~~
24 ~~82.44.180, for revenues distributed after June 30, 1999, within~~
25 ~~counties not described in (b) of this subsection, a sum equal to 1.0534~~
26 ~~percent of the special excise tax levied and collected under RCW~~
27 ~~35.58.273)).~~

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

32 (a) The amount required to be remitted by the state treasurer to
33 the treasurer of any municipality levying the tax shall not exceed in
34 any calendar year the amount of locally-generated tax revenues,
35 excluding (i) the excise tax imposed under RCW 35.58.273 for the
36 purposes of this section, which shall have been budgeted by the
37 municipality to be collected in such calendar year for any public
38 transportation purposes including but not limited to operating costs,
39 capital costs, and debt service on general obligation or revenue bonds

1 issued for these purposes; and (ii) the sales and use tax equalization
2 distributions provided under RCW 82.14.046; and

3 (b) In no event may the amount remitted in a single calendar
4 quarter exceed the amount collected on behalf of the municipality under
5 RCW 35.58.273 during the calendar quarter next preceding the
6 immediately preceding quarter, excluding the sales and use tax
7 equalization distributions provided under RCW 82.14.046.

8 (4) At the close of each calendar year accounting period, but not
9 later than April 1, each municipality that has received motor vehicle
10 excise taxes under subsection (3) of this section shall transmit to the
11 director of licensing and the state auditor a written report showing by
12 source the previous year's budgeted tax revenues for public
13 transportation purposes as compared to actual collections. Any
14 municipality that has not submitted the report by April 1 shall cease
15 to be eligible to receive motor vehicle excise taxes under subsection
16 (3) of this section until the report is received by the director of
17 licensing. If a municipality has received more or less money under
18 subsection (3) of this section for the period covered by the report
19 than it is entitled to receive by reason of its locally-generated
20 collected tax revenues, the director of licensing shall, during the
21 next ensuing quarter that the municipality is eligible to receive motor
22 vehicle excise tax funds, increase or decrease the amount to be
23 remitted in an amount equal to the difference between the locally-
24 generated budgeted tax revenues and the locally-generated collected tax
25 revenues. In no event may the amount remitted for a calendar year
26 exceed the amount collected on behalf of the municipality under RCW
27 35.58.273 during that same calendar year excluding the sales and use
28 tax equalization distributions provided under RCW 82.14.046. At the
29 time of the next fiscal audit of each municipality, the state auditor
30 shall verify the accuracy of the report submitted and notify the
31 director of licensing of any discrepancies.

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

35 (6) Any municipality levying and collecting a tax under RCW
36 35.58.273 which does not have an operating, public transit system or a
37 contract for public transportation services in effect within one year
38 from the initial effective date of the tax shall return to the state

1 treasurer all motor vehicle excise taxes received under subsection (3)
2 of this section.

3 **Sec. 41.** RCW 82.44.180 and 1999 c 402 s 5 and 1999 c 94 s 31 are
4 each reenacted and amended to read as follows:

5 ~~((1))~~ The transportation fund is created in the state treasury.
6 Revenues under RCW 82.44.110 and 82.50.510 shall be deposited into the
7 fund as provided in those sections.

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

13 ~~((2) There is hereby created the public transportation systems
14 account within the transportation fund. Moneys deposited into the
15 account under RCW 82.44.150(2) (b) and (c) shall be appropriated to the
16 transportation improvement board and allocated by the transportation
17 improvement board to public transportation projects submitted by the
18 public transportation systems as defined by chapters 36.56, 36.57, and
19 36.57A RCW and RCW 35.84.060 and 81.112.030, and the Washington state
20 ferry system, solely for:~~

21 ~~(a) Planning;~~

22 ~~(b) Development of capital projects;~~

23 ~~(c) Development of high capacity transportation systems as defined
24 in RCW 81.104.015;~~

25 ~~(d) Development of high occupancy vehicle lanes and related
26 facilities as defined in RCW 81.100.020;~~

27 ~~(e) Other public transportation system-related roadway projects on
28 state highways, county roads, or city streets;~~

29 ~~(f) Public transportation system contributions required to fund
30 projects under federal programs and those approved by the
31 transportation improvement board from other fund sources; and~~

32 ~~(g) Reimbursement to the general fund of tax credits authorized
33 under RCW 82.04.4453 and 82.16.048, subject to appropriation.)~~

34 **PART III - LEGISLATIVE TRANSPORTATION ACCOUNTABILITY PROGRAM**

35 NEW SECTION. **Sec. 42.** The legislative transportation
36 accountability program committee is created, consisting of four

1 senators, two from each of the two largest caucuses, and four
2 representatives, two from each of the two largest caucuses, from the
3 legislature. The president of the senate shall appoint the senate
4 members of the committee, and the speaker of the house shall appoint
5 the house members of the committee. Not more than two members from
6 each house may be from the same political party. All members must be
7 appointed before the close of the 2001 session of the legislature and
8 before the close of each regular session during each succeeding odd-
9 numbered year. Members are subject to confirmation, as to the senate
10 members by the senate, and as to the house members by the house.

11 NEW SECTION. **Sec. 43.** The term of office of the members of the
12 committee who continue to be members of the senate and house is from
13 the close of the session in which they were appointed or elected as
14 provided in section 42 of this act until the close of the next regular
15 session during an odd-numbered year, or, if the appointments or
16 elections are not made, until the close of the next regular session
17 during an odd-numbered year during which successors are appointed or
18 elected. The terms of office of committee members who do not continue
19 to be members of the senate and house cease upon the convening of the
20 next regular session of the legislature during an odd-numbered year
21 after their confirmation, election, or appointment. Vacancies on the
22 committee must be filled by interim appointment by the speaker of the
23 house and president of the senate. All such vacancies must be filled
24 from the same political party and from the same house as the member
25 whose seat was vacated.

26 NEW SECTION. **Sec. 44.** Upon the commencement of a succeeding
27 regular session of the legislature during an odd-numbered year, those
28 members of the committee who continue to be members of the senate and
29 house, respectively, shall continue as members of the committee as
30 indicated in section 43 of this act and the committee shall continue
31 with all its powers, duties, authorities, records, papers, personnel,
32 and staff, and all funds made available for its use.

33 NEW SECTION. **Sec. 45.** The members of the committee shall serve
34 without additional compensation, but will be reimbursed under RCW
35 44.04.120 while attending sessions of the committee or meetings of any

1 subcommittee of the committee, or on other committee business
2 authorized by the committee.

3 NEW SECTION. **Sec. 46.** All expenses incurred by the committee,
4 including salaries and expenses of employees, will be paid upon voucher
5 forms as provided by the administrator and signed by the chair or vice-
6 chair of the committee and attested by the secretary of the committee,
7 and the authority of the chair and secretary to sign vouchers continues
8 until their successors are selected after each ensuing session of the
9 legislature. Vouchers may be drawn on funds appropriated by law for
10 the committee. The senate and the house may authorize the committee to
11 draw on funds appropriated by the legislature for legislative expenses.

12 NEW SECTION. **Sec. 47.** The committee shall appoint its own chair,
13 vice-chair, and other officers; and make rules for orderly procedure.

14 NEW SECTION. **Sec. 48.** The committee shall acquire a data
15 processing service capability under the exclusive jurisdiction and
16 control of the legislature acting through the committee and its
17 administrator for the purpose of providing the legislature and its
18 staff with the type of information required for in-depth analysis and
19 monitoring of state transportation activities. The legislative
20 transportation accountability program established in this section may
21 be referred to in this chapter as the LTAP administration.

22 NEW SECTION. **Sec. 49.** To carry out section 48 of this act the
23 LTAP administration shall provide for:

24 (1) Automated data bases and application systems in support of
25 legislative requirements to monitor, evaluate, analyze, report, and
26 review;

27 (2) Maintenance of computer software, application programs, data
28 bases, and related documentation;

29 (3) Education, training, and programming services;

30 (4) Procedural documentation support; and

31 (5) Consulting assistance on special projects.

32 NEW SECTION. **Sec. 50.** The legislature recognizes that the Blue
33 Ribbon Commission on Transportation issued comprehensive reports on
34 transportation in November of 2000, in which seventeen separate

1 benchmarks to measure performance were outlined. These benchmarks set
2 forth a vision of comprehensive transportation system performance
3 measurements and goals towards which all levels of government and modes
4 of transportation should work. Adoption of these benchmarks is
5 essential to forming the cornerstone of government accountability at
6 the state, city, county, and transit district levels. The legislature
7 intends to adopt these benchmarks, and further intends that they be
8 used to measure results and monitor performance of the state's
9 transportation system at the state, city, county, and transit district
10 levels. These benchmarks will provide a baseline of transportation
11 performance against which future action can be measured and performance
12 goals set to achieve these benchmarks. The legislature intends that
13 transportation funding be tied to progress in achieving these
14 benchmarks. All modes and facets of the transportation system, both
15 existing and new or proposed systems, are subject, and must work, to
16 ensure that these benchmarks are met at the state, city, county, and
17 transit district levels.

18 NEW SECTION. **Sec. 51.** On December 15th of each year, the LTAP
19 committee shall prepare and submit to the house and senate standing
20 committees on transportation and the office of financial management, a
21 comprehensive statewide report on transportation systems at the state,
22 county, city, and transit levels, measuring each system's performance
23 and progress in achieving the following benchmarks:

- 24 (1) No interstate highway within the state is in poor condition;
- 25 (2) No major state route is in poor condition;
- 26 (3) No local arterial in the state is in poor condition;
- 27 (4) No bridge in the state is structurally deficient;
- 28 (5) Traffic congestion on urban interstate highways does not exceed
29 the national mean for national metropolitan areas;
- 30 (6) Driver delay in metropolitan areas does not exceed the national
31 mean for national metropolitan areas;
- 32 (7) All bridges within the state have been retrofitted for seismic
33 safety, and are maintained to ensure seismic safety;
- 34 (8) Per capita vehicle miles traveled does not exceed the total per
35 capita vehicle miles driven in calendar year 2000;
- 36 (9) Nonautomobile trips in urban centers are a significant portion
37 of all trips within urban area;

1 (10) Administrative costs as a percentage of transportation
2 spending are no greater than the national median, and are consistently
3 improved until they are at least within the most efficient quartile
4 nationally;

5 (11) Public transit agencies achieve the median cost per vehicle
6 revenue hour of peer group transit agencies, after adjustment to
7 reflect regional cost-of-living is made;

8 (12) The number of traffic accidents on systems throughout the
9 state continues to decline;

10 (13) Air quality is maintained at federally required levels;

11 (14) Operations, maintenance, and project delivery costs are
12 continuously improved to incorporate the best and most cost-effective
13 practices available;

14 (15) There are adequate funding sources to ensure that the
15 transportation system keeps pace with growth in population and economy;

16 (16) Freight mobility is accommodated within the transportation
17 system; and

18 (17) Overall hours of travel delay per person in congested
19 corridors are reduced to and maintained at reasonable levels.

20 These benchmarks represent only minimum standards, and while each
21 system need not meet all benchmarks at any given time, each system must
22 consistently work towards achieving, maintaining, and surpassing these
23 benchmarks.

24 The LTAP may compile data and adopt rules and standards necessary
25 to define and measure these benchmarks.

26 NEW SECTION. **Sec. 52.** (1) The LTAP shall serve as a single,
27 independent, statewide point of accountability for reporting, funding,
28 and monitoring the performance of an integrated transportation system.
29 The LTAP has the following functions:

30 (a) Take responsibility for overseeing the attainment of benchmarks
31 adopted by the Blue Ribbon Commission on Transportation on November 29,
32 2000;

33 (b) Report annually to the governor and the legislature on:

34 (i) Progress toward achieving reform and efficiencies;

35 (ii) Progress toward accomplishment of the legislature's adopted
36 investment strategies; and

37 (iii) Policy proposals for furthering progress toward benchmarks
38 and related transportation policies;

1 (c) Review regional and integrated statewide transportation plans
2 and budgets and advise local and state entities on whether those plans
3 and budgets are consistent with statewide transportation benchmarks;
4 and

5 (d) Monitor and report the efforts at the state, city, county, and
6 transit district levels on adopting leading edge transportation
7 strategies and achieving transportation benchmarks.

8 (2) The committee may:

9 (a) Have timely access, upon written request of the administrator,
10 to all machine readable, printed, and other data of state
11 transportation agencies relative to expenditures, budgets, and related
12 fiscal matters; and

13 (b) Enter into contracts; and when entering into a contract for
14 computer access, make necessary provisions relative to the scheduling
15 of computer time and use in recognition of the unique requirements and
16 priorities of the legislative process.

17 NEW SECTION. **Sec. 53.** The committee may make reports to the
18 legislature. The committee shall keep complete minutes of its
19 meetings.

20 NEW SECTION. **Sec. 54.** Each person who appears before the
21 committee, other than a state official or employee, may upon request
22 receive for attendance the fees and mileage provided for witnesses in
23 civil cases in courts of record in accordance with RCW 2.40.010. The
24 requests must be audited and paid upon the presentation of proper
25 vouchers signed by the person and approved by the secretary and chair
26 of the committee.

27 NEW SECTION. **Sec. 55.** The committee may appoint an officer to be
28 known as the LTAP administrator to serve as the executive officer of
29 the committee, assist in its duties, and compile information for the
30 committee.

31 The committee may select and employ temporary and permanent
32 personnel and fix their salaries.

33 The administrator shall:

34 (1) Manage the LTAP operations;

1 (2) Assist the several standing committees of the house and senate;
2 appear before other legislative committees; and assist any other
3 legislative committee upon instruction by the committee;

4 (3) Provide the legislature with information obtained under the
5 direction of the committee;

6 (4) Maintain a record of all work performed by the administrator
7 under the direction of the committee and to keep and make available all
8 documents, data, and reports submitted to the administrator by any
9 legislative committee.

10 NEW SECTION. **Sec. 56.** The committee is expressly exempted from
11 chapter 43.105 RCW.

12 NEW SECTION. **Sec. 57.** The committee shall cooperate, act, and
13 function with Washington state legislative committees and may cooperate
14 with the councils or committees of other states similar to this
15 committee and with other interstate research organizations.

16 NEW SECTION. **Sec. 58.** Sections 42 through 57 of this act
17 constitute a new chapter in Title 44 RCW.

18 NEW SECTION. **Sec. 59.** The executive director of the
19 transportation improvement board, the freight mobility strategic
20 investment board, the director of the county road administration board,
21 and the assistant secretary of the highways and local programs division
22 within the department of transportation, along with the secretary of
23 transportation, the chair of the transportation improvement board, the
24 chair of the county road administration board, the chair of the
25 transportation commission, the director of the office of financial
26 management, the chair of the senate transportation committee, and the
27 chair of the house transportation committee, or their designees shall
28 submit to the legislature and the office of financial management, by
29 December 1, 2001, an interim plan and time schedule to consolidate the
30 rural arterial trust account responsibilities of the county road
31 administration board, the transportation improvement board, and the
32 freight mobility strategic investment board. A final plan and time
33 schedule must be submitted to the legislature and the office of
34 financial management by December 1, 2002.

1 The legislative transportation accountability program committee
2 shall submit an interim report to the legislature and the office of
3 financial management by December 1, 2001, providing a plan and schedule
4 for beginning operations of the LTAP. A final plan and schedule must
5 be submitted to the legislature and the office of financial management
6 by December 1, 2002.

7 NEW SECTION. **Sec. 60.** The following acts or parts of acts are
8 each repealed:

9 (1) RCW 36.79.070 (Board may contract with department of
10 transportation for staff services and facilities) and 1983 1st ex.s. c
11 49 s 7;

12 (2) RCW 47.01.051 (Commission created--Appointment of members--
13 Terms--Qualifications--Removal) and 1977 ex.s. c 151 s 5;

14 (3) RCW 47.01.061 (Commission--Procedures and internal operations)
15 and 1987 c 364 s 2, 1984 c 287 s 94, 1983 1st ex.s. c 53 s 29, 1981 c
16 59 s 1, & 1977 ex.s. c 151 s 6;

17 (4) RCW 47.01.070 (Director's and commissioner's prior assignments
18 may be delegated) and 1977 ex.s. c 151 s 27 & 1961 c 13 s 47.01.070;

19 (5) RCW 47.26.121 (Transportation improvement board--Membership--
20 Chair--Expenses) and 1996 c 49 s 1, 1995 c 269 s 2603, 1994 c 179 s 13,
21 & 1993 c 172 s 1;

22 (6) RCW 47.26.130 (Transportation improvement board--Travel
23 expenses) and 1988 c 167 s 15, 1975-'76 2nd ex.s. c 34 s 139, 1975 1st
24 ex.s. c 1 s 2, 1969 ex.s. c 171 s 2, & 1967 ex.s. c 83 s 19;

25 (7) RCW 47.26.140 (Transportation improvement board--Executive
26 director, staff--Finances) and 1999 c 94 s 19, 1996 c 49 s 2, 1995 c
27 269 s 2605, 1994 c 179 s 14, 1988 c 167 s 16, 1977 ex.s. c 151 s 58,
28 1975-'76 2nd ex.s. c 34 s 140, 1969 ex.s. c 171 s 3, & 1967 ex.s. c 83
29 s 20;

30 (8) RCW 47.26.150 (Transportation improvement board--Meetings) and
31 1988 c 167 s 17;

32 (9) RCW 47.26.160 (Transportation improvement board--Powers and
33 duties) and 1995 c 269 s 2607, 1994 c 179 s 15, 1988 c 167 s 18, 1987
34 c 505 s 51, 1984 c 7 s 155, 1977 ex.s. c 235 s 17, 1971 ex.s. c 291 s
35 1, & 1967 ex.s. c 83 s 22;

36 (10) RCW 47.26.164 (City hardship assistance program--
37 Implementation) and 1999 c 94 s 20 & 1991 c 342 s 60;

38 (11) RCW 47.26.167 (Jurisdictional transfers) and 1991 c 342 s 62;

- 1 (12) RCW 47.06A.001 (Findings) and 1998 c 175 s 1;
2 (13) RCW 47.06A.030 (Board--Creation--Membership) and 1999 c 216 s
3 2 & 1998 c 175 s 4;
4 (14) RCW 47.06A.040 (Board--Administration and staffing) and 1999
5 c 216 s 3 & 1998 c 175 s 5;
6 (15) RCW 47.06A.070 (Records) and 1998 c 175 s 8; and
7 (16) RCW 47.06A.900 (Severability--1998 c 175) and 1998 c 175 s 15.

8 NEW SECTION. **Sec. 61.** Part headings used in this act are not part
9 of the law.

10 NEW SECTION. **Sec. 62.** (1) Sections 42 and 59 of this act are
11 necessary for the immediate preservation of the public peace, health,
12 or safety, or support of the state government and its existing public
13 institutions, and take effect immediately.

14 (2) Sections 4 through 7 of this act take effect January 1, 2002.

15 (3) The remainder of this act takes effect July 1, 2003."

16 **SSB 5755** - S AMD 180

17 By Senators Haugen, Horn and Benton

18 ADOPTED 03/23/01

19 In line 2 of the title, after "commission;" strike the remainder of
20 the title and insert "amending RCW 47.01.021, 47.80.023, 43.17.020,
21 47.01.041, 36.57A.070, 36.78.030, 36.78.070, 36.78.090, 36.78.100,
22 36.79.010, 36.79.020, 36.79.060, 36.79.110, 43.84.092, 47.06A.010,
23 47.06A.020, 47.26.044, 47.26.080, 47.26.084, 47.26.170, 47.26.185,
24 47.26.260, 47.26.270, 47.26.426, 47.26.440, 47.26.507, and 82.44.150;
25 reenacting and amending RCW 47.01.101 and 82.44.180; adding new
26 sections to chapter 47.01 RCW; adding a new chapter to Title 44 RCW;
27 creating new sections; repealing RCW 36.79.070, 47.01.051, 47.01.061,
28 47.01.070, 47.26.121, 47.26.130, 47.26.140, 47.26.150, 47.26.160,
29 47.26.164, 47.26.167, 47.06A.001, 47.06A.030, 47.06A.040, 47.06A.070,
30 and 47.06A.900; providing effective dates; and declaring an emergency."

EFFECT: Transportation investment decisions must be based on
considerations regarding mobility and congestion relief. The
transportation funding board may conduct its own analysis and make

recommendations to the Legislature on additions or deletions from the state highway system.

The secretary of transportation must not serve more than one year without the confirmation of the senate. No secretary of transportation may serve more than six years without reappointment.

The reorganization of the Transportation Improvement Board, the Freight Mobility Strategic Investment Board, and a portion of the County Road Administration Board takes effect July 1, 2003.

--- END ---