

2 SSB 5755 - S AMD 180

3 By Senators Haugen, Horn and Benton

4

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((~~7~~  
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((~~7~~ ~~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((~~7~~)) and

37 ((~~9~~)) (8) To exercise all other powers and perform all other  
38 duties as are now or hereafter provided by law.



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

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 ---