
ENGROSSED SUBSTITUTE SENATE BILL 5755

State of Washington

57th Legislature

2001 Regular Session

By Senate Committee on Transportation (originally sponsored by Senators Horn, Haugen, Winsley, McAuliffe and Oke; by request of The Blue Ribbon Commission on Transportation)

READ FIRST TIME 03/08/01.

1 AN ACT Relating to the responsibilities of the transportation
2 commission; amending RCW 47.01.021, 47.80.023, 43.17.020, 47.01.041,
3 36.57A.070, amending RCW 47.01.021, 47.80.023, 43.17.020, 47.01.041,
4 36.57A.070, 36.78.030, 36.78.070, 36.78.090, 36.78.100, 36.79.010,
5 36.79.020, 36.79.060, 36.79.110, 43.84.092, 47.06A.010, 47.06A.020,
6 47.26.044, 47.26.080, 47.26.084, 47.26.170, 47.26.185, 47.26.260,
7 47.26.270, 47.26.426, 47.26.440, 47.26.507, and 82.44.150; reenacting
8 and amending RCW 47.01.101 and 82.44.180; adding new sections to
9 chapter 47.01 RCW; adding a new chapter to Title 44 RCW; creating new
10 sections; repealing RCW 36.79.070, 47.01.051, 47.01.061, 47.01.070,
11 47.26.121, 47.26.130, 47.26.140, 47.26.150, 47.26.160, 47.26.164,
12 47.26.167, 47.06A.001, 47.06A.030, 47.06A.040, 47.06A.070, and
13 47.06A.900; providing effective dates; and declaring an emergency.

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

15 NEW SECTION. **Sec. 1.** The legislature finds that transportation in
16 the state of Washington is in crisis. Congestion on the state highways
17 has reached unprecedented proportions in several parts of the state,
18 some roads and bridges are in poor condition and need improvement, and

1 the revenues that state and local governments have traditionally used
2 to fund projects are declining.

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

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

22 It is the further intent of the legislature to create the
23 legislative transportation accountability program as a single point of
24 accountability at the state level to monitor and analyze the
25 performance of the state's transportation system and ensure that
26 statewide transportation benchmarks are achieved.

27 It is the further intent of the legislature to authorize the
28 governor to appoint the secretary of transportation and transfer the
29 functions of the transportation commission to the department of
30 transportation, the transportation funding board, and the legislative
31 transportation accountability program.

32 **PART I - DEPARTMENT OF TRANSPORTATION**

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

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

36 (1) "Department" means the department of transportation created in
37 RCW 47.01.031;

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

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

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

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

8 (1) To propose policies to be adopted by the legislature designed
9 to assure the development and maintenance of a comprehensive and
10 balanced statewide transportation system that will meet the needs of
11 the people of this state for safe and efficient transportation
12 services. The department shall consider mobility and congestion
13 relief, and, where appropriate, develop policies for the use of
14 integrated, intermodal transportation systems to implement the travel
15 demands, economic and environmental policies, goals, and objectives of
16 the people of the state, and especially to conserve nonrenewable
17 natural resources, including land and energy. To this end, the
18 department shall:

19 (a) Develop transportation policies that are based on the policies,
20 goals, and objectives expressed and inherent in state laws and the
21 legislative transportation accountability program's transportation
22 benchmarks; and

23 (b) Inventory the adopted policies, goals, and objectives of the
24 local and areawide governmental bodies of the state and define the role
25 of the state, regional, and local governments in determining
26 transportation policies, in transportation planning, and in
27 implementing the state transportation plan.

28 (2) To prepare and submit a comprehensive and balanced statewide
29 transportation plan to the house and senate standing committees on
30 transportation, that must be based on the transportation policy adopted
31 by the legislature, the benchmarks adopted by the legislative
32 transportation accountability program, and applicable state and federal
33 laws. The plan must take into account federal law and regulations
34 relating to the planning, construction, and operation of transportation
35 facilities. The plan must be reviewed and revised before each regular
36 session of the legislature during an even-numbered year.

37 (3) To implement the policy of the state on each of the following
38 items:

1 (a) To provide for the effective coordination of state
2 transportation planning with national transportation policy, state and
3 local land use policies, and local and regional transportation plans
4 and programs;

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

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

12 (d) To provide for the administration of grants in aid and other
13 financial assistance to counties and municipal corporations for
14 transportation purposes; and

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

18 (4) To approve and propose to the governor before the convening of
19 each regular session during an odd-numbered year a recommended budget
20 for the operation of the department and for carrying out the program of
21 the department for the ensuing biennium. The proposed budget must
22 separately state the appropriations to be made from the motor vehicle
23 fund for highway purposes in accordance with constitutional limitations
24 and appropriations and expenditures to be made from the general fund,
25 or accounts thereof, and other available sources for other operations
26 of the department.

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

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

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

37 Each regional transportation planning organization shall have the
38 following duties:

1 (1) Prepare and periodically update a transportation strategy for
2 the region that makes progress towards meeting the benchmarks set forth
3 in section 51 of this act. The strategy (~~(shall)~~) should address
4 alternative transportation modes and transportation demand management
5 measures in regional corridors and shall recommend preferred
6 transportation policies to implement adopted growth strategies. The
7 strategy shall serve as a guide in preparation of the regional
8 transportation plan.

9 (2) Prepare a regional transportation plan as set forth in RCW
10 47.80.030 that is consistent with countywide planning policies if such
11 have been adopted pursuant to chapter 36.70A RCW, with county, city,
12 and town comprehensive plans, and state transportation plans.

13 (3) Certify by December 31, 1996, that the transportation elements
14 of comprehensive plans adopted by counties, cities, and towns within
15 the region reflect the guidelines and principles developed pursuant to
16 RCW 47.80.026, are consistent with the adopted regional transportation
17 plan, and, where appropriate, conform with the requirements of RCW
18 36.70A.070.

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

22 (5) Develop, in cooperation with the department of transportation,
23 operators of public transportation services and local governments
24 within the region, a six-year regional transportation improvement
25 program which proposes regionally significant transportation projects
26 and programs and transportation demand management measures. The
27 regional transportation improvement program (~~(shall be based on the~~
28 ~~programs, projects, and transportation demand management measures of~~
29 ~~regional significance as)~~) must consider mobility and congestion relief
30 in reviewing and adopting the programs, projects, and transportation
31 demand management measures of regional significance as identified by
32 its own analysis of population growth and travel demands, as well as
33 those identified by transit agencies, cities, and counties pursuant to
34 RCW 35.58.2795, 35.77.010, and 36.81.121, respectively. The program
35 shall include a priority list of projects and programs, project
36 segments and programs, transportation demand management measures, and
37 a specific financial plan that demonstrates how the transportation
38 improvement program can be funded. Included within the program must be
39 analysis of transportation corridors within the region to determine

1 whether an existing corridor should be expanded, a city or county road
2 should become a state route, and whether a new corridor is needed to
3 alleviate congestion and enhance mobility based on travel demand. The
4 program shall be updated at least every two years for the ensuing six-
5 year period.

6 (6) Designate a lead planning agency to coordinate preparation of
7 the regional transportation plan and carry out the other
8 responsibilities of the organization. The lead planning agency may be
9 a regional organization, a component county, city, or town agency, or
10 the appropriate Washington state department of transportation district
11 office.

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

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

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

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

22 There shall be a chief executive officer of each department to be
23 known as: (1) The secretary of social and health services, (2) the
24 director of ecology, (3) the director of labor and industries, (4) the
25 director of agriculture, (5) the director of fish and wildlife, (6) the
26 secretary of transportation, (7) the director of licensing, (8) the
27 director of general administration, (9) the director of community,
28 trade, and economic development, (10) the director of veterans affairs,
29 (11) the director of revenue, (12) the director of retirement systems,
30 (13) the secretary of corrections, ((and)) (14) the secretary of
31 health, and (15) the director of financial institutions.

32 Such officers, except the ((secretary of transportation and the))
33 director of fish and wildlife, shall be appointed by the governor, with
34 the consent of the senate, and hold office at the pleasure of the
35 governor. ((The secretary of transportation shall be appointed by the
36 transportation commission as prescribed by RCW 47.01.041.)) The
37 director of fish and wildlife shall be appointed by the fish and
38 wildlife commission as prescribed by RCW 77.04.055.

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

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

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

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

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

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

30 (3) To designate and establish such transportation district or
31 branch offices as may be necessary or convenient, and to appoint
32 assistants and delegate any powers, duties, and functions to them or
33 any officer or employee of the department as deemed necessary to
34 administer the department efficiently;

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

1 (5) To adopt all department rules that are subject to the adoption
2 procedures contained in the state Administrative Procedure Act((
3 ~~except rules subject to adoption by the commission pursuant to~~
4 ~~statute~~));

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

8 ((~~To provide full staff support to the commission to assist it~~
9 ~~in carrying out its functions, powers, and duties and to execute the~~
10 ~~policy established by the commission pursuant to its legislative~~
11 ~~authority~~;

12 ~~(8))~~ To execute and implement the biennial operating budget for
13 the operation of the department in accordance with chapter 43.88 RCW
14 and with legislative appropriation and, in such manner as prescribed
15 therein, to make and report to the ((~~commission~~)) governor and the
16 chairs of the transportation committees of the senate and house of
17 representatives, including one copy to the staff of each of the
18 committees, deviations from the planned biennial category A and H
19 highway construction programs necessary to adjust to unexpected delays
20 or other unanticipated circumstances((~~-~~))i and

21 ((~~+9~~)) (8) To exercise all other powers and perform all other
22 duties as are now or hereafter provided by law.

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

25 All references in the Revised Code of Washington to the
26 transportation commission that assign committee membership or
27 administrative authority are transferred to the secretary of
28 transportation.

29 **PART II - TRANSPORTATION FUNDING BOARD**

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

32 (1) The transportation funding board is created.

33 (2) The board is composed of seventeen members. No appointee may
34 serve more than one year without senate confirmation. The following
35 fourteen members are appointed by the governor with the advice and

1 consent of the senate for terms of six years, except that six members
2 initially are appointed for terms of three years:

3 (a) Three representatives from counties, appointed from a list of
4 at least four persons nominated by the Washington state association of
5 counties or its successor;

6 (b) Three representatives from cities and towns, appointed from a
7 list of at least four persons nominated jointly by the association of
8 Washington cities or its successor and city councils of any
9 jurisdiction not represented by the association of Washington cities;

10 (c) One representative of the public transit system;

11 (d) One representative from the executive committee of the
12 Washington state ferry users;

13 (e) One member appointed as a representative of the trucking
14 industry from a list of two persons recommended by the Washington
15 trucking association or its successor;

16 (f) One member appointed as a representative of the railroads;

17 (g) One member appointed as a representative of the ports,
18 appointed from a list of at least two persons nominated by the
19 Washington public ports association or its successor;

20 (h) Two private sector representatives; and

21 (i) One member representing special needs transportation.

22 (3) The board must also include the three following
23 representatives:

24 (a) One member representing the highways division of the
25 department;

26 (b) One member representing the local programs division of the
27 department; and

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

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

31 (5) If a vacancy on the board occurs by death, resignation, or
32 otherwise, the governor shall fill the vacant position for the
33 unexpired term. Each vacancy in a position appointed from lists
34 provided by the associations under subsection (2) of this section must
35 be filled from a list of persons nominated by the appropriate
36 association or associations.

37 (6) The governor may not remove members from the board before the
38 expiration of their terms unless for cause based upon a determination
39 of incapacity, incompetence, neglect of duty, or malfeasance in office

1 by the Thurston county superior court, upon petition and show cause
2 proceedings brought for that purpose in that court and directed to the
3 board member in question.

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

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

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

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

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

15 (3) Each member of the board will be compensated in accordance with
16 RCW 43.03.250 and reimbursed for actual necessary traveling and other
17 expenses in going to, attending, and returning from meetings of the
18 board or that are incurred in the discharge of duties requested by the
19 chair. However, in no event may a board member be compensated in any
20 year for more than one hundred days, except the chair of the board may
21 be compensated for not more than one hundred twenty-five days. Service
22 on the board does not qualify as a service credit for the purposes of
23 a public retirement system.

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

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

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

30 The board shall oversee and approve funding for improvements on
31 state, city, and county arterials as specified by law. The board shall
32 also select, prioritize, and create funding partnerships for freight
33 transportation projects and minimize the impact of freight movement on
34 local communities.

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

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

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

5 (2) Adopt reasonably uniform design standards for city and county
6 arterials.

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

9 All costs associated with staff to the transportation funding
10 board, together with travel expenses in accordance with RCW 43.03.050
11 and 43.03.060, will be paid from the urban arterial trust account, the
12 transportation improvement account, the rural arterial trust account,
13 and the motor vehicle account in the motor vehicle fund as determined
14 by the biennial appropriation.

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

17 The highways and local programs division of the department shall
18 administer the rural arterial trust account created in RCW 36.79.020,
19 with the oversight and approval of the transportation funding board.
20 All rules and procedures previously adopted by the county road
21 administration board regarding this account must be adopted in their
22 entirety by the transportation funding board.

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

25 (1) The highways and local programs division of the department
26 shall administer the urban arterial trust account created in RCW
27 47.26.080, the arterial improvement grant program, the small city
28 program, the city hardship program, and the pedestrian safety and
29 mobility program, with oversight and approval by the transportation
30 funding board. All rules and procedures regarding the administration
31 of the account and programs must be adopted in their entirety by the
32 transportation funding board.

33 (2) The highways and local programs division of the department
34 shall administer the transportation improvement account created in RCW
35 47.26.084 and the transportation partnership grant program, with the
36 oversight and approval of the transportation funding board. All rules

1 and procedures regarding the administration of the account and program
2 must be adopted in their entirety by the transportation funding board.

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

5 The transportation funding board and the highways and local
6 programs division of the department shall adopt reasonable rules
7 necessary to implement the city hardship assistance program as
8 recommended by the road jurisdiction study.

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

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

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

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

18 (4) The board may also allocate funds from the city hardship
19 assistance program to cities with a population under twenty thousand to
20 offset extraordinary costs associated with the transfer of roadways
21 other than under chapter 342, Laws of 1991, that occur after January 1,
22 1991.

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

25 The legislature recognizes the need for a multijurisdictional body
26 to review future requests for jurisdictional transfers. The
27 transportation funding board shall receive petitions from cities,
28 counties, or the state requesting any addition or deletion from the
29 state highway system. Additionally, the board may conduct its own
30 analysis and make recommendations based upon that analysis to determine
31 additions or deletions from the state highway system. The board shall
32 use the criteria established in RCW 47.17.001 in evaluating petitions
33 and shall adopt rules for implementation of this process. The board
34 shall forward any recommended jurisdictional transfers to the
35 transportation committees of the house and senate by November 15th of
36 each year.

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

3 The legislative transportation accountability program committee
4 shall review the comprehensive transit plan adopted by the authority
5 (~~shall be reviewed by the state transportation commission~~) to
6 determine:

7 (1) The completeness of service to be offered and the economic
8 viability of the transit system proposed in such comprehensive transit
9 plan;

10 (2) Whether such plan integrates the proposed transportation system
11 with existing transportation modes and systems that serve the benefit
12 area;

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

15 (4) Whether such plan is eligible for matching state or federal
16 funds(~~(~~

17 ~~After reviewing the comprehensive transit plan, the state~~
18 ~~transportation commission shall have sixty days in which to approve~~
19 ~~such plan and to certify to the state treasurer that such public~~
20 ~~transportation benefit area shall be eligible to receive the motor~~
21 ~~vehicle excise tax proceeds authorized pursuant to RCW 35.58.273, as~~
22 ~~now or hereafter amended in the manner prescribed by chapter 82.44 RCW,~~
23 ~~as now or hereafter amended. To be approved a plan shall provide for~~
24 ~~coordinated transportation planning, the integration of such proposed~~
25 ~~transportation program with other transportation systems operating in~~
26 ~~areas adjacent to, or in the vicinity of the proposed public~~
27 ~~transportation benefit area, and be consistent with the public~~
28 ~~transportation coordination criteria adopted pursuant to the urban mass~~
29 ~~transportation act of 1964 as amended as of July 1, 1975. In the event~~
30 ~~such comprehensive plan is disapproved and ruled ineligible to receive~~
31 ~~motor vehicle tax proceeds, the state transportation commission shall~~
32 ~~provide written notice to the authority within thirty days as to the~~
33 ~~reasons for such plan's disapproval and such ineligibility. The~~
34 ~~authority may resubmit such plan upon reconsideration and correction of~~
35 ~~such deficiencies in the plan cited in such notice of disapproval)).~~

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

1 There is created hereby a county road administration board
2 consisting of nine members who shall be appointed by the executive
3 committee of the Washington state association of counties. ((Prior to
4 July 1, 1965 the executive committee of the Washington state
5 association of counties shall appoint the first members of the county
6 road administration board: Three members to serve one year; three
7 members to serve two years; and three members to serve three years from
8 July 1, 1965. Upon expiration of the original terms subsequent)).
9 Appointments ((shall)) must be made ((by the same appointing
10 authority)) for three year terms except in the case of a vacancy, in
11 which event the appointment ((shall)) will be only for the remainder of
12 the unexpired term in which the vacancy has occurred.

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

15 The county road administration board shall:

16 (1) Establish by rule, standards of good practice for the
17 administration of county roads and the efficient movement of people and
18 goods over county roads;

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

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

24 (4) ((Advise counties on issues relating to county roads and the
25 safe and efficient movement of people and goods over county roads and))
26 Assist counties in developing uniform and efficient transportation-
27 related information technology resources;

28 (5) Report annually before the fifteenth day of January, and
29 throughout the year as appropriate, to the state department of
30 transportation and to the chairs of the legislative transportation
31 committee and the house and senate transportation committees, and to
32 other entities as appropriate on the status of county road
33 administration in each county, including one copy to the staff of each
34 of the committees. The annual report shall contain recommendations for
35 improving administration of the county road programs;

36 (6) Administer the ((rural arterial program established by chapter
37 36.79 RCW and the)) program funded by the county arterial preservation

1 account established by RCW 46.68.090(~~(, as well as any other programs~~
2 ~~provided for in law)~~).

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

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

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

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

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

18 (3) The state treasurer, upon receiving a notice that a certificate
19 of good practice will not be issued on behalf of a county, or that a
20 previously issued certificate of good practice has been revoked, shall,
21 effective the first day of the month after that in which notice is
22 received, withhold from such county its share of motor vehicle fuel
23 taxes distributable (~~(pursuant to)~~) under RCW 46.68.120 until the board
24 (~~(thereafter)~~) issues on behalf of such county a certificate of good
25 practice or a conditional certificate. After withholding or revoking
26 a certificate of good practice with respect to any county, the board
27 may (~~(thereafter)~~) at any time issue such a certificate or a
28 conditional certificate when the board is satisfied that the county has
29 complied or is diligently attempting to comply with the requirements of
30 subsection (1) of this section.

31 (4) The board may, upon notice and a hearing, revoke a previously
32 issued certificate of good practice or substitute a conditional
33 certificate (~~(therefor)~~) when, after issuance of a certificate of good
34 practice, any county fails to meet the requirements of subsection (1)
35 (a) and (b) of this section, but the board shall in such case notify
36 the county and the state treasurer of its reasons for the revocation or
37 substitution.

1 (5) Motor vehicle fuel taxes withheld from any county pursuant to
2 this section shall not be distributed to any other county, but shall be
3 retained in the motor vehicle fund to the credit of the county
4 originally entitled (~~thereto~~) to them. Whenever the state treasurer
5 receives from the board a certificate of good practice issued on behalf
6 of such county he shall distribute to such county all of the funds
7 theretofore retained in the motor vehicle fund to the credit of such
8 county.

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

11 Whenever the board finds that a county has failed to submit the
12 reports required by RCW 36.78.090, or has failed to comply with
13 provisions of law relating to county road administration or has failed
14 to meet the standards of good practice as formulated and adopted by the
15 board, the board may in lieu of withholding or revoking a certificate
16 of good practice issue and transmit to the state treasurer on behalf of
17 such county a conditional certificate which will authorize the
18 continued distribution to such county all or a designated portion of
19 its share of motor vehicle fuel taxes. The (~~issuance of such~~) board
20 shall issue a conditional certificate (~~shall be~~) upon terms and
21 conditions as (~~shall be deemed by the board to be~~) appropriate. (~~In~~
22 ~~the event~~) If a county on whose behalf a conditional certificate is
23 issued fails to comply with the terms and conditions of such
24 certificate, the board may (~~forthwith~~) cancel or modify such
25 certificate notifying the state treasurer (~~thereof~~) of its action.
26 In such case the state treasurer shall (~~thereafter~~) withhold from
27 such county all or the designated portion of its share of the motor
28 vehicle fuel taxes as provided in RCW 36.78.090.

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

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

33 (1) "Rural arterial program" means improvement projects on those
34 county roads in rural areas classified as rural arterials and
35 collectors in accordance with the federal functional classification
36 system and the construction of replacement bridges funded by the
37 federal bridge replacement program on access roads in rural areas.

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

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

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

9 There is created in the motor vehicle fund the rural arterial trust
10 account. All moneys deposited in the motor vehicle fund to be credited
11 to the rural arterial trust account shall be expended for (1) the
12 construction and improvement of county rural arterials and collectors,
13 (2) the construction of replacement bridges funded by the federal
14 bridge replacement program on access roads in rural areas, and (3)
15 those expenses of the board associated with the administration of the
16 rural arterial program. No more than three percent of moneys in the
17 account may be spent on the expenses of the board associated with the
18 administration of the rural arterial program.

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

21 The highways and local programs division of the department of
22 transportation and the board shall:

23 (1) Adopt rules necessary to implement the provisions of this
24 chapter relating to the allocation of funds in the rural arterial trust
25 account to counties;

26 (2) Adopt reasonably uniform design standards for county rural
27 arterials and collectors that meet the requirements for trucks
28 transporting commodities.

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

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

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

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

6 (2) The treasury income account shall be utilized to pay or receive
7 funds associated with federal programs as required by the federal cash
8 management improvement act of 1990. The treasury income account is
9 subject in all respects to chapter 43.88 RCW, but no appropriation is
10 required for refunds or allocations of interest earnings required by
11 the cash management improvement act. Refunds of interest to the
12 federal treasury required under the cash management improvement act
13 fall under RCW 43.88.180 and shall not require appropriation. The
14 office of financial management shall determine the amounts due to or
15 from the federal government pursuant to the cash management improvement
16 act. The office of financial management may direct transfers of funds
17 between accounts as deemed necessary to implement the provisions of the
18 cash management improvement act, and this subsection. Refunds or
19 allocations shall occur prior to the distributions of earnings set
20 forth in subsection (4) of this section.

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

29 (4) Monthly, the state treasurer shall distribute the earnings
30 credited to the treasury income account. The state treasurer shall
31 credit the general fund with all the earnings credited to the treasury
32 income account except:

33 (a) The following accounts and funds shall receive their
34 proportionate share of earnings based upon each account's and fund's
35 average daily balance for the period: The capitol building
36 construction account, the Cedar River channel construction and
37 operation account, the Central Washington University capital projects
38 account, the charitable, educational, penal and reformatory
39 institutions account, the common school construction fund, the county

1 criminal justice assistance account, the county sales and use tax
2 equalization account, the data processing building construction
3 account, the deferred compensation administrative account, the deferred
4 compensation principal account, the department of retirement systems
5 expense account, the drinking water assistance account, the Eastern
6 Washington University capital projects account, the education
7 construction fund, the emergency reserve fund, the federal forest
8 revolving account, the health services account, the public health
9 services account, the health system capacity account, the personal
10 health services account, the state higher education construction
11 account, the higher education construction account, the highway
12 infrastructure account, the industrial insurance premium refund
13 account, the judges' retirement account, the judicial retirement
14 administrative account, the judicial retirement principal account, the
15 local leasehold excise tax account, the local real estate excise tax
16 account, the local sales and use tax account, the medical aid account,
17 the mobile home park relocation fund, the multimodal transportation
18 account, the municipal criminal justice assistance account, the
19 municipal sales and use tax equalization account, the natural resources
20 deposit account, the perpetual surveillance and maintenance account,
21 the public employees' retirement system plan 1 account, the public
22 employees' retirement system combined plan 2 and plan 3 account, the
23 Puyallup tribal settlement account, the resource management cost
24 account, the site closure account, the special wildlife account, the
25 state employees' insurance account, the state employees' insurance
26 reserve account, the state investment board expense account, the state
27 investment board commingled trust fund accounts, the supplemental
28 pension account, the teachers' retirement system plan 1 account, the
29 teachers' retirement system combined plan 2 and plan 3 account, the
30 tobacco prevention and control account, the tobacco settlement account,
31 the transportation infrastructure account, the tuition recovery trust
32 fund, the University of Washington bond retirement fund, the University
33 of Washington building account, the volunteer fire fighters' and
34 reserve officers' relief and pension principal fund, the volunteer fire
35 fighters' and reserve officers' administrative fund, the Washington
36 judicial retirement system account, the Washington law enforcement
37 officers' and fire fighters' system plan 1 retirement account, the
38 Washington law enforcement officers' and fire fighters' system plan 2
39 retirement account, the Washington school employees' retirement system

1 combined plan 2 and 3 account, the Washington state health insurance
2 pool account, the Washington state patrol retirement account, the
3 Washington State University building account, the Washington State
4 University bond retirement fund, the water pollution control revolving
5 fund, and the Western Washington University capital projects account.
6 Earnings derived from investing balances of the agricultural permanent
7 fund, the normal school permanent fund, the permanent common school
8 fund, the scientific permanent fund, and the state university permanent
9 fund shall be allocated to their respective beneficiary accounts. All
10 earnings to be distributed under this subsection (4)(a) shall first be
11 reduced by the allocation to the state treasurer's service fund
12 pursuant to RCW 43.08.190.

13 (b) The following accounts and funds shall receive eighty percent
14 of their proportionate share of earnings based upon each account's or
15 fund's average daily balance for the period: The aeronautics account,
16 the aircraft search and rescue account, the county arterial
17 preservation account, the department of licensing services account, the
18 essential rail assistance account, the ferry bond retirement fund, the
19 grade crossing protective fund, the high capacity transportation
20 account, the highway bond retirement fund, the highway safety account,
21 the motor vehicle fund, the motorcycle safety education account, the
22 pilotage account, (~~the public transportation systems account,~~) the
23 Puget Sound capital construction account, the Puget Sound ferry
24 operations account, the recreational vehicle account, the rural
25 arterial trust account, the safety and education account, the special
26 category C account, the state patrol highway account, the
27 transportation equipment fund, the transportation fund, the
28 transportation improvement account, the transportation improvement
29 board bond retirement account, and the urban arterial trust account.

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

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

35 Unless the context clearly requires otherwise, the definitions in
36 this section apply throughout this chapter.

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

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

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

8 (4) "Local governments" means cities, towns, counties, special
9 purpose districts, port districts, and any other municipal corporations
10 or quasi-municipal corporations in the state excluding school
11 districts.

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

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

16 (a) Serves international and domestic interstate and intrastate
17 trade;

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

20 (c) Carries freight tonnages of at least:

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

23 (ii) Five million gross tons annually on railroads; or

24 (iii) Two and one-half million net tons on waterways; and

25 (d) Has been designated a strategic corridor by the board under RCW
26 47.06A.020(3). However, new alignments to, realignments of, and new
27 links to strategic corridors that enhance freight movement may qualify,
28 even though no tonnage data exists for facilities to be built in the
29 future.

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

32 (1) The highways and local programs division of the department and
33 the board shall:

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

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

1 (c) Review and evaluate project applications based on criteria
2 established under this section, and prioritize and select projects
3 comprising a portfolio to be funded in part with grants from state
4 funds appropriated for the freight mobility strategic investment
5 program. In determining the appropriate level of state funding for a
6 project, the board shall ensure that state funds are allocated to
7 leverage the greatest amount of partnership funding possible. After
8 selecting projects comprising the portfolio, the board shall submit
9 them as part of its budget request to the office of financial
10 management and the legislature. The board shall ensure that projects
11 submitted as part of the portfolio are not more appropriately funded
12 with other federal, state, or local government funding mechanisms or
13 programs. The board shall reject those projects that appear to improve
14 overall general mobility with limited enhancement for freight mobility.

15 The board shall provide periodic progress reports on its activities
16 to the office of financial management and the legislative
17 transportation committee.

18 (2) The board may:

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

22 (b) Provide technical assistance to project applicants;

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

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

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

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

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

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

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

1 (i) It is primarily aimed at reducing identified barriers to
2 freight movement with only incidental benefits to general or personal
3 mobility; or

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

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

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

12 (5) From June 11, 1998, through the biennium ending June 30, 2001,
13 the board shall use the multicriteria analysis and scoring framework
14 for evaluating and ranking eligible freight mobility and freight
15 mitigation projects developed by the freight mobility project
16 prioritization committee and contained in the January 16, 1998, report
17 entitled "Project Eligibility, Priority and Selection Process for a
18 Strategic Freight Investment Program." The prioritization process
19 shall measure the degree to which projects address important program
20 objectives and shall generate a project score that reflects a project's
21 priority compared to other projects. The board shall assign scoring
22 points to each criterion that indicate the relative importance of the
23 criterion in the overall determination of project priority. After June
24 30, 2001, the board may supplement and refine the initial project
25 priority criteria and scoring framework developed by the freight
26 mobility project prioritization committee as expertise and experience
27 is gained in administering the freight mobility program.

28 (6) It is the intent of the legislature that each freight mobility
29 project contained in the project portfolio submitted by the board
30 utilize the greatest amount of nonstate funding possible. The board
31 shall adopt rules that give preference to projects that contain the
32 greatest levels of financial participation from nonprogram fund
33 sources. The board shall consider twenty percent as the minimum
34 partnership contribution, but shall also ensure that there are
35 provisions allowing exceptions for projects that are located in areas
36 where minimal local funding capacity exists or where the magnitude of
37 the project makes the adopted partnership contribution financially
38 unfeasible.

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

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

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

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

12 There is hereby created in the motor vehicle fund the urban
13 arterial trust account. The intent of the urban arterial trust account
14 program is to improve the arterial street system of the state by
15 improving mobility and safety while supporting an environment essential
16 to the quality of life of the citizens of the state of Washington. The
17 city hardship assistance program, as provided in (~~RCW 47.26.164~~)
18 section 16 of this act, and the small city program, as provided for in
19 RCW 47.26.115, are implemented within the urban arterial trust account.

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

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

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

28 The transportation improvement account is hereby created in the
29 motor vehicle fund. The intent of the program is to improve mobility
30 of people and goods in Washington state by supporting economic
31 development and environmentally responsive solutions to our statewide
32 transportation system needs.

33 Within one year after board approval of an application for funding,
34 a county, city, or transportation benefit district shall provide
35 written certification to the board of the pledged local and/or private

1 funding. Funds allocated to an applicant that does not certify its
2 funding within one year after approval may be reallocated by the board.

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

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

7 Each county having within its boundaries an urban area and cities
8 and towns shall prepare and submit to the ((~~transportation~~
9 ~~improvement~~)) board arterial inventory data required to determine the
10 long-range arterial construction needs. The counties, cities, and
11 towns shall revise the arterial inventory data every four years to show
12 the current arterial construction needs through the advanced planning
13 period, and as revised shall submit them to the ((~~transportation~~
14 ~~improvement~~)) board during the first week of January every four years
15 beginning in 1996. The inventory data shall be prepared pursuant to
16 guidelines established by the ((~~transportation improvement~~)) board. As
17 information is updated, it shall be made available to the ((~~commission~~
18 ~~and the legislative~~)) transportation committees of the house and
19 senate.

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

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

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

1 The (~~transportation improvement~~) board shall adopt rules
2 providing for the approval of payments of funds in the accounts to a
3 county, city, town, or transportation benefit district for costs of
4 predesign, design, engineering, and costs of construction of an
5 approved project from time to time as work progresses. These payments
6 shall at no time exceed the account share of the costs incurred to the
7 date of the voucher covering such payment.

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

10 Counties, cities, towns, and transportation benefit districts
11 receiving funds from the board shall provide such matching funds as
12 established by rules adopted by the (~~transportation improvement~~)
13 board. When determining matching requirements, the board shall
14 consider (1) financial resources available to counties and cities to
15 meet arterial needs, (2) the amounts and percentages of funds available
16 for road or street construction traditionally expended by counties and
17 cities on arterials, (3) in the case of counties, the relative needs of
18 arterials lying outside urban areas, and (4) the requirements necessary
19 to avoid diversion of funds traditionally expended for arterial
20 construction to other street or road purposes or to nonhighway
21 purposes.

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

24 At least one year (~~prior to~~) before the date any interest is due
25 and payable on such first authorization bonds, series II bonds, and
26 series III bonds or before the maturity date of any such bonds, the
27 state finance committee shall estimate, subject to the provisions of
28 RCW 47.26.425, 47.26.4252, and 47.26.4254 the percentage of the
29 receipts in money of the motor vehicle fund, resulting from collection
30 of excise taxes on motor vehicle and special fuels, for each month of
31 the year which shall be required to meet interest or bond payments
32 hereunder when due, and shall notify the state treasurer of such
33 estimated requirement. The state treasurer, subject to RCW 47.26.425,
34 47.26.4252, and 47.26.4254, shall thereafter from time to time each
35 month as such funds are paid into the motor vehicle fund, transfer such
36 percentage of the monthly receipts from excise taxes on motor vehicle
37 and special fuels of the motor vehicle fund to the transportation

1 ((~~improvement~~)) funding board bond retirement account, maintained in
2 the office of the state treasurer, which fund shall be available for
3 payment of interest or bonds when due. If in any month it shall appear
4 that the estimated percentage of money so made is insufficient to meet
5 the requirements for interest or bond retirement, the treasurer shall
6 notify the state finance committee forthwith and such committee shall
7 adjust its estimates so that all requirements for interest and
8 principal of all bonds issued shall be fully met at all times.

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

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

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

21 Whenever the percentage of the motor vehicle fund arising from
22 excise taxes on motor vehicle and special fuels payable into the
23 transportation ((~~improvement~~)) funding board bond retirement account,
24 shall prove more than is required for the payment of interest on bonds
25 when due, or current retirement of bonds, any excess may, in the
26 discretion of the state finance committee, be available for the prior
27 redemption of any bonds or remain available in the ((~~fund {account}~~))
28 account to reduce the requirements upon the fuel excise tax portion of
29 the motor vehicle fund at the next interest or bond payment period.

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

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

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

5 The total amount of motor vehicle excise taxes remitted to the
6 department, except those payable under RCW 82.44.020(2) and 82.44.030,
7 from each county shall be multiplied by a fraction, the numerator of
8 which is the population of the municipality residing in such county,
9 and the denominator of which is the total population of the county in
10 which such municipality or portion thereof is located. The product of
11 this computation shall be the amount of excise taxes from motor vehicle
12 owners residing within such municipality or portion thereof. Where the
13 municipality levying a tax under RCW 35.58.273 is located in more than
14 one county, the above computation shall be made by county, and the
15 combined products shall provide the total amount of motor vehicle
16 excise taxes from motor vehicle owners residing in the municipality as
17 a whole. Population figures required for these computations shall be
18 supplied to the director by the office of financial management, who
19 shall adjust the fraction annually.

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

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

35 ~~(b) To the public transportation systems account created in RCW~~
36 ~~82.44.180, for revenues distributed after June 30, 1999, within a~~
37 ~~county with a population of one million or more and a county with a~~
38 ~~population of from two hundred thousand to less than one million~~
39 ~~bordering a county with a population of one million or more with which~~

1 ~~it shares a border of more than five miles, a sum equal to 6.8688~~
2 ~~percent of the special excise tax distributed under RCW 35.58.273; and~~

3 ~~(c) To the public transportation systems account created in RCW~~
4 ~~82.44.180, for revenues distributed after June 30, 1999, within~~
5 ~~counties not described in (b) of this subsection, a sum equal to 1.0534~~
6 ~~percent of the special excise tax levied and collected under RCW~~
7 ~~35.58.273)).~~

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

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

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

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

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

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

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

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

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

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

31 ~~((2) There is hereby created the public transportation systems
32 account within the transportation fund. Moneys deposited into the
33 account under RCW 82.44.150(2) (b) and (c) shall be appropriated to the
34 transportation improvement board and allocated by the transportation
35 improvement board to public transportation projects submitted by the
36 public transportation systems as defined by chapters 36.56, 36.57, and
37 36.57A RCW and RCW 35.84.060 and 81.112.030, and the Washington state
38 ferry system, solely for:~~

- 1 ~~(a) Planning;~~
2 ~~(b) Development of capital projects;~~
3 ~~(c) Development of high capacity transportation systems as defined~~
4 ~~in RCW 81.104.015;~~
5 ~~(d) Development of high occupancy vehicle lanes and related~~
6 ~~facilities as defined in RCW 81.100.020;~~
7 ~~(e) Other public transportation system related roadway projects on~~
8 ~~state highways, county roads, or city streets;~~
9 ~~(f) Public transportation system contributions required to fund~~
10 ~~projects under federal programs and those approved by the~~
11 ~~transportation improvement board from other fund sources; and~~
12 ~~(g) Reimbursement to the general fund of tax credits authorized~~
13 ~~under RCW 82.04.4453 and 82.16.048, subject to appropriation.))~~

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

15 NEW SECTION. **Sec. 42.** The legislative transportation
16 accountability program committee is created, consisting of four
17 senators, two from each of the two largest caucuses, and four
18 representatives, two from each of the two largest caucuses, from the
19 legislature. The president of the senate shall appoint the senate
20 members of the committee, and the speaker of the house shall appoint
21 the house members of the committee. Not more than two members from
22 each house may be from the same political party. All members must be
23 appointed before the close of the 2001 session of the legislature and
24 before the close of each regular session during each succeeding odd-
25 numbered year. Members are subject to confirmation, as to the senate
26 members by the senate, and as to the house members by the house.

27 NEW SECTION. **Sec. 43.** The term of office of the members of the
28 committee who continue to be members of the senate and house is from
29 the close of the session in which they were appointed or elected as
30 provided in section 42 of this act until the close of the next regular
31 session during an odd-numbered year, or, if the appointments or
32 elections are not made, until the close of the next regular session
33 during an odd-numbered year during which successors are appointed or
34 elected. The terms of office of committee members who do not continue
35 to be members of the senate and house cease upon the convening of the
36 next regular session of the legislature during an odd-numbered year

1 after their confirmation, election, or appointment. Vacancies on the
2 committee must be filled by interim appointment by the speaker of the
3 house and president of the senate. All such vacancies must be filled
4 from the same political party and from the same house as the member
5 whose seat was vacated.

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

13 NEW SECTION. **Sec. 45.** The members of the committee shall serve
14 without additional compensation, but will be reimbursed under RCW
15 44.04.120 while attending sessions of the committee or meetings of any
16 subcommittee of the committee, or on other committee business
17 authorized by the committee.

18 NEW SECTION. **Sec. 46.** All expenses incurred by the committee,
19 including salaries and expenses of employees, will be paid upon voucher
20 forms as provided by the administrator and signed by the chair or vice-
21 chair of the committee and attested by the secretary of the committee,
22 and the authority of the chair and secretary to sign vouchers continues
23 until their successors are selected after each ensuing session of the
24 legislature. Vouchers may be drawn on funds appropriated by law for
25 the committee. The senate and the house may authorize the committee to
26 draw on funds appropriated by the legislature for legislative expenses.

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

29 NEW SECTION. **Sec. 48.** The committee shall acquire a data
30 processing service capability under the exclusive jurisdiction and
31 control of the legislature acting through the committee and its
32 administrator for the purpose of providing the legislature and its
33 staff with the type of information required for in-depth analysis and
34 monitoring of state transportation activities. The legislative

1 transportation accountability program established in this section may
2 be referred to in this chapter as the LTAP administration.

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

5 (1) Automated data bases and application systems in support of
6 legislative requirements to monitor, evaluate, analyze, report, and
7 review;

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

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

11 (4) Procedural documentation support; and

12 (5) Consulting assistance on special projects.

13 NEW SECTION. **Sec. 50.** The legislature recognizes that the Blue
14 Ribbon Commission on Transportation issued comprehensive reports on
15 transportation in November of 2000, in which seventeen separate
16 benchmarks to measure performance were outlined. These benchmarks set
17 forth a vision of comprehensive transportation system performance
18 measurements and goals towards which all levels of government and modes
19 of transportation should work. Adoption of these benchmarks is
20 essential to forming the cornerstone of government accountability at
21 the state, city, county, and transit district levels. The legislature
22 intends to adopt these benchmarks, and further intends that they be
23 used to measure results and monitor performance of the state's
24 transportation system at the state, city, county, and transit district
25 levels. These benchmarks will provide a baseline of transportation
26 performance against which future action can be measured and performance
27 goals set to achieve these benchmarks. The legislature intends that
28 transportation funding be tied to progress in achieving these
29 benchmarks. All modes and facets of the transportation system, both
30 existing and new or proposed systems, are subject, and must work, to
31 ensure that these benchmarks are met at the state, city, county, and
32 transit district levels.

33 NEW SECTION. **Sec. 51.** On December 15th of each year, the LTAP
34 committee shall prepare and submit to the house and senate standing
35 committees on transportation and the office of financial management, a
36 comprehensive statewide report on transportation systems at the state,

1 county, city, and transit levels, measuring each system's performance
2 and progress in achieving the following benchmarks:

3 (1) No interstate highway within the state is in poor condition;

4 (2) No major state route is in poor condition;

5 (3) No local arterial in the state is in poor condition;

6 (4) No bridge in the state is structurally deficient;

7 (5) Traffic congestion on urban interstate highways does not exceed
8 the national mean for national metropolitan areas;

9 (6) Driver delay in metropolitan areas does not exceed the national
10 mean for national metropolitan areas;

11 (7) All bridges within the state have been retrofitted for seismic
12 safety, and are maintained to ensure seismic safety;

13 (8) Per capita vehicle miles traveled does not exceed the total per
14 capita vehicle miles driven in calendar year 2000;

15 (9) Nonautomobile trips in urban centers are a significant portion
16 of all trips within urban area;

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

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

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

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

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

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

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

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

36 These benchmarks represent only minimum standards, and while each
37 system need not meet all benchmarks at any given time, each system must
38 consistently work towards achieving, maintaining, and surpassing these
39 benchmarks.

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

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

7 (a) Take responsibility for overseeing the attainment of benchmarks
8 adopted by the Blue Ribbon Commission on Transportation on November 29,
9 2000;

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

11 (i) Progress toward achieving reform and efficiencies;

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

14 (iii) Policy proposals for furthering progress toward benchmarks
15 and related transportation policies;

16 (c) Review regional and integrated statewide transportation plans
17 and budgets and advise local and state entities on whether those plans
18 and budgets are consistent with statewide transportation benchmarks;
19 and

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

23 (2) The committee may:

24 (a) Have timely access, upon written request of the administrator,
25 to all machine readable, printed, and other data of state
26 transportation agencies relative to expenditures, budgets, and related
27 fiscal matters; and

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

32 NEW SECTION. **Sec. 53.** The committee may make reports to the
33 legislature. The committee shall keep complete minutes of its
34 meetings.

35 NEW SECTION. **Sec. 54.** Each person who appears before the
36 committee, other than a state official or employee, may upon request

1 receive for attendance the fees and mileage provided for witnesses in
2 civil cases in courts of record in accordance with RCW 2.40.010. The
3 requests must be audited and paid upon the presentation of proper
4 vouchers signed by the person and approved by the secretary and chair
5 of the committee.

6 NEW SECTION. **Sec. 55.** The committee may appoint an officer to be
7 known as the LTAP administrator to serve as the executive officer of
8 the committee, assist in its duties, and compile information for the
9 committee.

10 The committee may select and employ temporary and permanent
11 personnel and fix their salaries.

12 The administrator shall:

13 (1) Manage the LTAP operations;

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

17 (3) Provide the legislature with information obtained under the
18 direction of the committee;

19 (4) Maintain a record of all work performed by the administrator
20 under the direction of the committee and to keep and make available all
21 documents, data, and reports submitted to the administrator by any
22 legislative committee.

23 NEW SECTION. **Sec. 56.** The committee is expressly exempted from
24 chapter 43.105 RCW.

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

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

31 NEW SECTION. **Sec. 59.** The executive director of the
32 transportation improvement board, the freight mobility strategic
33 investment board, the director of the county road administration board,
34 and the assistant secretary of the highways and local programs division

1 within the department of transportation, along with the secretary of
2 transportation, the chair of the transportation improvement board, the
3 chair of the county road administration board, the chair of the
4 transportation commission, the director of the office of financial
5 management, the chair of the senate transportation committee, and the
6 chair of the house transportation committee, or their designees shall
7 submit to the legislature and the office of financial management, by
8 December 1, 2001, an interim plan and time schedule to consolidate the
9 rural arterial trust account responsibilities of the county road
10 administration board, the transportation improvement board, and the
11 freight mobility strategic investment board. A final plan and time
12 schedule must be submitted to the legislature and the office of
13 financial management by December 1, 2002.

14 The legislative transportation accountability program committee
15 shall submit an interim report to the legislature and the office of
16 financial management by December 1, 2001, providing a plan and schedule
17 for beginning operations of the LTAP. A final plan and schedule must
18 be submitted to the legislature and the office of financial management
19 by December 1, 2002.

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

22 (1) RCW 36.79.070 (Board may contract with department of
23 transportation for staff services and facilities) and 1983 1st ex.s. c
24 49 s 7;

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

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

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

32 (5) RCW 47.26.121 (Transportation improvement board--Membership--
33 Chair--Expenses) and 1996 c 49 s 1, 1995 c 269 s 2603, 1994 c 179 s 13,
34 & 1993 c 172 s 1;

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

1 (7) RCW 47.26.140 (Transportation improvement board--Executive
2 director, staff--Finances) and 1999 c 94 s 19, 1996 c 49 s 2, 1995 c
3 269 s 2605, 1994 c 179 s 14, 1988 c 167 s 16, 1977 ex.s. c 151 s 58,
4 1975-'76 2nd ex.s. c 34 s 140, 1969 ex.s. c 171 s 3, & 1967 ex.s. c 83
5 s 20;

6 (8) RCW 47.26.150 (Transportation improvement board--Meetings) and
7 1988 c 167 s 17;

8 (9) RCW 47.26.160 (Transportation improvement board--Powers and
9 duties) and 1995 c 269 s 2607, 1994 c 179 s 15, 1988 c 167 s 18, 1987
10 c 505 s 51, 1984 c 7 s 155, 1977 ex.s. c 235 s 17, 1971 ex.s. c 291 s
11 1, & 1967 ex.s. c 83 s 22;

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

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

15 (12) RCW 47.06A.001 (Findings) and 1998 c 175 s 1;

16 (13) RCW 47.06A.030 (Board--Creation--Membership) and 1999 c 216 s
17 2 & 1998 c 175 s 4;

18 (14) RCW 47.06A.040 (Board--Administration and staffing) and 1999
19 c 216 s 3 & 1998 c 175 s 5;

20 (15) RCW 47.06A.070 (Records) and 1998 c 175 s 8; and

21 (16) RCW 47.06A.900 (Severability--1998 c 175) and 1998 c 175 s 15.

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

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

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

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

--- END ---