(DIGEST OF PROPOSED 2ND SUBSTITUTE)

Recognizes that telework has been found to reduce commute trips and provide flexibility for work-related travel. Additionally, telework enables employers to allow employees to work outside of urban areas, which reduces urban commute trips while strengthening rural economies.

Recognizes that telework is a key component in a comprehensive transportation demand management package.

Declares an intent to decrease traffic congestion with the creation of the telework enhancement funding board.

Requires the board to develop procedures and criteria for allocation of funds for telework enhancement projects and telework activities on a statewide basis to address the highest priorities for enhancing telework. To the extent practicable the board shall adopt an annual allocation of funding.

Requires telework project lists to be submitted to the telework enhancement funding board for funding by January 1st and July 1st of each year beginning in 2005. Beginning in 2006, the board shall provide the legislature with a list of the proposed projects and a list of the projects funded by October 1st of each year for informational purposes.

Directs the department of transportation to track all funds allocated for telework enhancement projects and telework activities on behalf of the board, including both funds allocated by the board and funds allocated by other state or federal agencies for telework enhancement.

Requires that, beginning in December 2006, the board shall provide a biennial report to the governor and the legislature on telework enhancement expenditures.