
HOUSE BILL 1175

State of Washington

62nd Legislature

2011 Regular Session

By Representatives Clibborn, Armstrong, Lias, and Billig; by request of Governor Gregoire

Read first time 01/13/11. Referred to Committee on Transportation.

1 AN ACT Relating to transportation funding and appropriations;
2 amending RCW 43.19.642, 47.56.876, 46.68.320, 46.68.170, 47.12.244,
3 46.68.060, 46.16.685, 46.68.370, 47.12.340, 41.80.010, 41.80.020,
4 47.64.170, and 47.64.270; creating new sections; making appropriations
5 and authorizing expenditures for capital improvements; providing an
6 effective date; providing an expiration date; and declaring an
7 emergency.

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

9 **2011-2013 FISCAL BIENNIUM**

10 NEW SECTION. **Sec. 1.** (1) The transportation budget of the state
11 is hereby adopted and, subject to the provisions set forth, the several
12 amounts specified, or as much thereof as may be necessary to accomplish
13 the purposes designated, are hereby appropriated from the several
14 accounts and funds named to the designated state agencies and offices
15 for employee compensation and other expenses, for capital projects, and
16 for other specified purposes, including the payment of any final
17 judgments arising out of such activities, for the period ending June
18 30, 2013.

1 (2) Unless the context clearly requires otherwise, the definitions
2 in this subsection apply throughout this act.

3 (a) "Fiscal year 2012" or "FY 2012" means the fiscal year ending
4 June 30, 2012.

5 (b) "Fiscal year 2013" or "FY 2013" means the fiscal year ending
6 June 30, 2013.

7 (c) "FTE" means full-time equivalent.

8 (d) "Lapse" or "revert" means the amount shall return to an
9 unappropriated status.

10 (e) "Provided solely" means the specified amount may be spent only
11 for the specified purpose. Unless otherwise specifically authorized in
12 this act, any portion of an amount provided solely for a specified
13 purpose that is not expended subject to the specified conditions and
14 limitations to fulfill the specified purpose shall lapse.

15 (f) "Reappropriation" means appropriation and, unless the context
16 clearly provides otherwise, is subject to the relevant conditions and
17 limitations applicable to appropriations.

18 (g) "LEAP" means the legislative evaluation and accountability
19 program committee.

20 **GENERAL GOVERNMENT AGENCIES--OPERATING**

21 NEW SECTION. **Sec. 101. FOR THE DEPARTMENT OF ARCHAEOLOGY AND**
22 **HISTORIC PRESERVATION**

23 Motor Vehicle Account--State Appropriation \$198,000

24 The appropriation in this section is subject to the following
25 conditions and limitations: The entire appropriation is provided
26 solely for fiscal year 2012 for staffing costs to be dedicated to state
27 transportation activities. Staff hired to support transportation
28 activities must have practical experience with complex construction
29 projects. The appropriation for fiscal year 2013 is contained in
30 section 110 of this act.

31 NEW SECTION. **Sec. 102. FOR THE UTILITIES AND TRANSPORTATION**
32 **COMMISSION**

33 Grade Crossing Protective Account--State Appropriation \$504,000

1 NEW SECTION. **Sec. 103. FOR THE OFFICE OF FINANCIAL MANAGEMENT**

2 Motor Vehicle Account--State Appropriation \$861,000
3 Puget Sound Ferry Operations Account--State
4 Appropriation \$102,000
5 TOTAL APPROPRIATION \$963,000

6 NEW SECTION. **Sec. 104. FOR THE MARINE EMPLOYEES COMMISSION**

7 Puget Sound Ferry Operations Account--State
8 Appropriation \$398,000

9 NEW SECTION. **Sec. 105. FOR THE STATE PARKS AND RECREATION**
10 **COMMISSION**

11 Motor Vehicle Account--State Appropriation \$451,000

12 The appropriation in this section is subject to the following
13 conditions and limitations: The entire appropriation in this section
14 is provided solely for road maintenance purposes for fiscal year 2012.
15 The appropriation for fiscal year 2013 is contained in section 108 of
16 this act.

17 NEW SECTION. **Sec. 106. FOR THE DEPARTMENT OF AGRICULTURE**

18 Motor Vehicle Account--State Appropriation \$1,415,000

19 The appropriation in this section is subject to the following
20 conditions and limitations:

21 (1) \$351,000 of the motor vehicle account--state appropriation is
22 provided solely for costs associated with the motor fuel quality
23 program.

24 (2) \$1,004,000 of the motor vehicle account--state appropriation is
25 provided solely to test the quality of biofuel. The department must
26 test fuel quality at the biofuel manufacturer, distributor, and
27 retailer.

28 NEW SECTION. **Sec. 107. FOR THE LEGISLATIVE EVALUATION AND**
29 **ACCOUNTABILITY PROGRAM COMMITTEE**

30 Motor Vehicle Account--State Appropriation \$505,000

31 NEW SECTION. **Sec. 108. FOR THE DEPARTMENT OF CONSERVATION AND**
32 **RECREATION**

33 Motor Vehicle Account--State Appropriation \$467,000

1 The appropriation in this section is subject to the following
2 conditions and limitations: The entire appropriation in this section
3 is provided solely for fiscal year 2013.

4 **NEW SECTION. Sec. 109. FOR THE DEPARTMENT OF ENTERPRISE SERVICES**

5 Motor Vehicle Account--State Appropriation	\$8,691,000
6 Multimodal Transportation Account--State	
7 Appropriation	\$3,376,000
8 TOTAL APPROPRIATION	\$12,067,000

9 The appropriations in this section are subject to the following
10 conditions and limitations: \$8,186,000 of the motor vehicle account--
11 state appropriation and \$3,376,000 of the multimodal transportation
12 account--state appropriation are provided solely to initiate the
13 development of an enterprise time and attendance system for state
14 government. Upon completion of this project, the statewide financial
15 systems staff in collaboration with the state treasurer's office will
16 establish a repayment schedule to reimburse the transportation accounts
17 for the proportionate startup costs that should be borne by other state
18 agencies.

19 **NEW SECTION. Sec. 110. FOR THE DEPARTMENT OF NATURAL RESOURCES**

20 Motor Vehicle Account--State Appropriation	\$199,000
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21 The appropriation in this section is subject to the following
22 conditions and limitations: The entire appropriation is provided
23 solely for fiscal year 2013 staffing costs to be dedicated to state
24 transportation activities. Staff hired to support transportation
25 activities must have practical experience with complex construction
26 projects.

27 **TRANSPORTATION AGENCIES--OPERATING**

28 **NEW SECTION. Sec. 201. FOR THE WASHINGTON TRAFFIC SAFETY**

29 **COMMISSION**

30 Highway Safety Account--State Appropriation	\$2,538,000
31 Highway Safety Account--Federal Appropriation	\$42,586,000
32 Highway Safety Account--Private/Local Appropriation	\$50,000
33 School Zone Safety Account--State Appropriation	\$3,340,000

1 TOTAL APPROPRIATION \$48,514,000

2 NEW SECTION. Sec. 202. FOR THE COUNTY ROAD ADMINISTRATION BOARD
3 Rural Arterial Trust Account--State Appropriation \$936,000
4 Motor Vehicle Account--State Appropriation \$2,134,000
5 County Arterial Preservation Account--State
6 Appropriation \$1,460,000
7 TOTAL APPROPRIATION \$4,530,000

8 NEW SECTION. Sec. 203. FOR THE TRANSPORTATION IMPROVEMENT BOARD
9 Urban Arterial Trust Account--State Appropriation \$1,835,000
10 Transportation Improvement Account--State
11 Appropriation \$1,838,000
12 TOTAL APPROPRIATION \$3,673,000

13 NEW SECTION. Sec. 204. FOR THE JOINT TRANSPORTATION COMMITTEE
14 Motor Vehicle Account--State Appropriation \$976,000

15 NEW SECTION. Sec. 205. FOR THE TRANSPORTATION COMMISSION
16 Motor Vehicle Account--State Appropriation \$2,115,000
17 Multimodal Transportation Account--State Appropriation \$112,000
18 TOTAL APPROPRIATION \$2,227,000

19 The appropriations in this section are subject to the following
20 conditions and limitations:

21 (1) Pursuant to RCW 43.135.055, during the 2011-2013 fiscal
22 biennium, the transportation commission shall periodically review and,
23 if necessary, increase the schedule of fares for the Washington state
24 ferry system.

25 (2) Pursuant to RCW 43.135.055, during the 2011-2013 fiscal
26 biennium, the transportation commission shall periodically review and,
27 if necessary, increase a schedule of toll charges applicable to the
28 state route number 167 high occupancy toll lane pilot project, as
29 required under RCW 47.56.403.

30 (3) Pursuant to RCW 43.135.055, during the 2011-2013 fiscal
31 biennium, the transportation commission shall periodically review and,
32 if necessary, increase the schedule of toll charges applicable to the
33 Tacoma Narrows bridge, taking into consideration the recommendations of
34 the citizen advisory committee created under RCW 47.46.091.

1 (4) Pursuant to RCW 43.135.055, during the 2011-2013 fiscal
2 biennium, the transportation commission shall establish, periodically
3 review, and, if necessary, increase administrative fees related to toll
4 facility operations.

5 (5) Pursuant to RCW 43.135.055, the transportation commission shall
6 work with the department of transportation to develop a rule to impose
7 a fuel surcharge mechanism to recover cumulative deficits in the fuel
8 budget. Consideration must be given to the average price paid for
9 diesel fuel for the previous quarter and include the effects of
10 hedging. A surcharge should be applied only if the cumulative fuel
11 budget has been exceeded. This rule should go into effect as soon as
12 possible.

13 NEW SECTION. **Sec. 206. FOR THE WASHINGTON STATE PATROL**

14 State Patrol Highway Account--State Appropriation	\$378,396,000
15 State Patrol Highway Account--Federal Appropriation	\$10,903,000
16 State Patrol Highway Account--Private/Local	
17 Appropriation	\$3,369,000
18 TOTAL APPROPRIATION	\$392,668,000

19 The appropriations in this section are subject to the following
20 conditions and limitations:

21 (1) Washington state patrol officers engaged in off-duty uniformed
22 employment providing traffic control services to the department of
23 transportation or other state agencies may use state patrol vehicles
24 for the purpose of that employment, subject to guidelines adopted by
25 the chief of the Washington state patrol. The Washington state patrol
26 must be reimbursed for the use of the vehicle at the prevailing state
27 employee rate for mileage and hours of usage, subject to guidelines
28 developed by the chief of the Washington state patrol. Cessna pilots
29 funded from the state patrol highway account who are certified to fly
30 the King Airs may pilot those aircraft for general fund purposes with
31 the general fund reimbursing the state patrol highway account an hourly
32 rate to cover the costs incurred during the flights.

33 (2) The patrol shall not account for or record locally provided DUI
34 cost reimbursement payments as expenditure credits to the state patrol
35 highway account. The patrol shall report the amount of expected
36 locally provided DUI cost reimbursements to the office of financial

1 management and transportation committees of the legislature by
2 September 30th of each year.

3 (3) \$12,991,000 of the total appropriation is provided solely for
4 automobile fuel in the 2011-2013 fiscal biennium.

5 (4) \$7,421,000 of the total appropriation is provided solely for
6 the purchase of pursuit vehicles.

7 (5) \$6,611,000 of the total appropriation is provided solely for
8 vehicle repair and maintenance costs of vehicles used for highway
9 purposes.

10 (6) \$1,724,000 of the total appropriation is provided solely for
11 the purchase of mission vehicles used for highway purposes in the
12 commercial vehicle and traffic investigation sections of the Washington
13 state patrol.

14 NEW SECTION. **Sec. 207. FOR THE DEPARTMENT OF LICENSING**

15	Marine Fuel Tax Refund Account--State Appropriation	\$32,000
16	Motorcycle Safety Education Account--State	
17	Appropriation	\$4,394,000
18	State Wildlife Account--State Appropriation	\$847,000
19	Highway Safety Account--State Appropriation	\$147,502,000
20	Highway Safety Account--Federal Appropriation	\$5,463,000
21	Motor Vehicle Account--State Appropriation	\$80,995,000
22	Motor Vehicle Account--Federal Appropriation	\$242,000
23	Motor Vehicle Account--Private/Local Appropriation	\$1,378,000
24	Ignition Interlock Device Revolving Account--State	
25	Appropriation	\$1,315,000
26	Department of Licensing Services Account--State	
27	Appropriation	\$5,595,000
28	TOTAL APPROPRIATION	\$247,763,000

29 The appropriations in this section are subject to the following
30 conditions and limitations: Pursuant to RCW 43.135.055, the department
31 may assess and collect a five-dollar fee for each vehicle registration
32 renewal notice that is sent through the mail.

33 NEW SECTION. **Sec. 208. FOR THE DEPARTMENT OF TRANSPORTATION--**
34 **TOLL OPERATIONS AND MAINTENANCE--PROGRAM B**

35	High Occupancy Toll Lanes Operations Account--State	
36	Appropriation	\$1,029,000

1 (1) The department shall consult with the office of financial
2 management to: (a) Ensure that the department's current and future
3 information technology system development is consistent with the
4 overall direction of other key state systems; and (b) when possible,
5 use or develop common statewide information systems to encourage
6 coordination and integration of information used by the department and
7 other state agencies and to avoid duplication.

8 (2) The department may submit information technology-related
9 requests for funding only if the department has coordinated with the
10 office of financial management.

11 (3) \$210,000 of the motor vehicle account--state appropriation is
12 provided solely to continue compliance with stormwater permit
13 requirements.

14 (4) \$1,460,000 of the transportation partnership account--state
15 appropriation and \$1,460,000 of the transportation 2003 account (nickel
16 account)--state appropriation are provided solely for maintaining the
17 department's project management reporting system.

18 NEW SECTION. **Sec. 210. FOR THE DEPARTMENT OF TRANSPORTATION--**
19 **FACILITY MAINTENANCE, OPERATIONS, AND CONSTRUCTION--PROGRAM D--**
20 **OPERATING**

21 Motor Vehicle Account--State Appropriation \$26,060,000

22 The appropriation in this section is subject to the following
23 conditions and limitations: \$1,198,000 of the motor vehicle account--
24 state appropriation is provided solely to continue compliance with
25 stormwater permit requirements.

26 NEW SECTION. **Sec. 211. FOR THE DEPARTMENT OF TRANSPORTATION--**
27 **AVIATION--PROGRAM F**

28 Aeronautics Account--State Appropriation \$6,039,000
29 Aeronautics Account--Federal Appropriation \$2,150,000
30 TOTAL APPROPRIATION \$8,189,000

31 The appropriations in this section are subject to the following
32 conditions and limitations: \$200,000 of the aeronautics account--state
33 appropriation is a reappropriation provided solely to complete airport
34 aid construction projects.

1 NEW SECTION. **Sec. 212. FOR THE DEPARTMENT OF TRANSPORTATION--**
2 **PROGRAM DELIVERY MANAGEMENT AND SUPPORT--PROGRAM H**

3	Motor Vehicle Account--State Appropriation	\$47,249,000
4	Motor Vehicle Account--Federal Appropriation	\$500,000
5	Multimodal Transportation Account--State Appropriation	\$250,000
6	TOTAL APPROPRIATION	\$47,999,000

7 The appropriations in this section are subject to the following
8 conditions and limitations:

9 (1) \$3,754,000 of the motor vehicle account--state appropriation is
10 provided solely to continue compliance with stormwater permit
11 requirements.

12 (2) The department shall provide updated information on six project
13 milestones for all active projects, funded in part or in whole with
14 2005 transportation partnership account funds or 2003 nickel account
15 funds, on a quarterly basis in the transportation executive information
16 system (TEIS). The department shall also provide updated information
17 on six project milestones for projects, funded with preexisting funds
18 and that are agreed to by the legislature, office of financial
19 management, and the department, on a quarterly basis in TEIS.

20 NEW SECTION. **Sec. 213. FOR THE DEPARTMENT OF TRANSPORTATION--**
21 **ECONOMIC PARTNERSHIPS--PROGRAM K**

22	Motor Vehicle Account--State Appropriation	\$564,000
23	Multimodal Transportation Account--State Appropriation	\$80,000
24	TOTAL APPROPRIATION	\$644,000

25 The appropriations in this section are subject to the following
26 conditions and limitations:

27 (1) \$50,000 of the multimodal transportation account--state
28 appropriation is a reappropriation provided solely for the department
29 to develop and implement public private partnerships at high priority
30 terminals as identified in the January 12, 2009, final report on joint
31 development opportunities at Washington state ferries terminals. The
32 department shall first consider a mutually beneficial agreement at the
33 Edmonds terminal.

34 (2) \$30,000 of the motor vehicle account--state appropriation is a
35 reappropriation provided solely for the implementation of a pilot
36 project allowing advertisements and sponsorships on select web pages.
37 The pilot project must be organized under the partnership model

1 described in the department's web site monetizing feasibility study.
2 Once operational, the pilot project must operate for at least twelve
3 consecutive months. After twelve months of continuous operation, the
4 department shall provide a report with recommendations on whether to
5 continue project operations to the office of financial management and
6 the chairs of the transportation committees. The department may end
7 the pilot project after less than twelve consecutive months of
8 operation if insufficient bids or proposals are received from potential
9 sponsors or advertisers. For the purpose of this subsection, if a
10 consultant contract is warranted, the consultant contract is deemed a
11 revenue generation activity as that term is construed in section
12 602(2), chapter 3, Laws of 2010.

13 NEW SECTION. **Sec. 214. FOR THE DEPARTMENT OF TRANSPORTATION--**
14 **HIGHWAY MAINTENANCE--PROGRAM M**

15	Motor Vehicle Account--State Appropriation	\$381,972,000
16	Motor Vehicle Account--Federal Appropriation	\$7,000,000
17	TOTAL APPROPRIATION	\$388,972,000

18 The appropriations in this section are subject to the following
19 conditions and limitations:

20 (1) If portions of the appropriations in this section are required
21 to fund maintenance work resulting from major disasters not covered by
22 federal emergency funds such as fire, flooding, snow, and major slides,
23 supplemental appropriations must be requested to restore state funding
24 for ongoing maintenance activities.

25 (2) The department shall request an unanticipated receipt for any
26 federal moneys received for emergency snow and ice removal and shall
27 place an equal amount of the motor vehicle account--state into
28 unallotted status. This exchange shall not affect the amount of
29 funding available for snow and ice removal.

30 (3) \$7,840,000 of the motor vehicle account--state appropriation is
31 provided solely to continue compliance with stormwater permit
32 requirements.

33 (4) \$7,000,000 of the motor vehicle account--federal appropriation
34 is for unanticipated federal funds that may be received during the
35 2011-2013 fiscal biennium. Upon receipt of the funds, the department
36 shall provide a report on the use of the funds to the transportation
37 committees of the legislature and the office of financial management.

1 (5) \$7,007,000 of the motor vehicle account--state appropriation is
2 provided solely to maintain and operate new highway infrastructure
3 added to the state highway system since the beginning of the 2007-2009
4 fiscal biennium.

5 NEW SECTION. **Sec. 215. FOR THE DEPARTMENT OF TRANSPORTATION--**
6 **TRAFFIC OPERATIONS--PROGRAM Q--OPERATING**

7	Motor Vehicle Account--State Appropriation	\$49,842,000
8	Motor Vehicle Account--Federal Appropriation	\$2,050,000
9	Motor Vehicle Account--Private/Local Appropriation	\$127,000
10	TOTAL APPROPRIATION	\$52,019,000

11 The appropriations in this section are subject to the following
12 conditions and limitations:

13 (1) The department, in consultation with the Washington state
14 patrol, may continue a pilot program for the patrol to issue
15 infractions based on information from automated traffic safety cameras
16 in roadway construction zones on state highways. For the purpose of
17 this pilot program, during the 2011-2013 fiscal biennium, a roadway
18 construction zone includes areas where public employees or private
19 contractors are not present but where a driving condition exists that
20 would make it unsafe to drive at higher speeds, such as, when the
21 department is redirecting or realigning lanes on any public roadway
22 pursuant to ongoing construction. The department shall use the
23 following guidelines to administer the program:

24 (a) Automated traffic safety cameras may only take pictures of the
25 vehicle and vehicle license plate and only while an infraction is
26 occurring. The picture must not reveal the face of the driver or of
27 passengers in the vehicle;

28 (b) The department shall plainly mark the locations where the
29 automated traffic safety cameras are used by placing signs on locations
30 that clearly indicate to a driver that he or she is entering a roadway
31 construction zone where traffic laws are enforced by an automated
32 traffic safety camera;

33 (c) Notices of infractions must be mailed to the registered owner
34 of a vehicle within fourteen days of the infraction occurring;

35 (d) The owner of the vehicle is not responsible for the violation
36 if the owner of the vehicle, within fourteen days of receiving
37 notification of the violation, mails to the patrol, a declaration under

1 penalty of perjury, stating that the vehicle involved was, at the time,
2 stolen or in the care, custody, or control of some person other than
3 the registered owner, or any other extenuating circumstances;

4 (e) For purposes of the 2011-2013 fiscal biennium pilot program,
5 infractions detected through the use of automated traffic safety
6 cameras are not part of the registered owner's driving record under RCW
7 46.52.101 and 46.52.120. Additionally, infractions generated by the
8 use of automated traffic safety cameras must be processed in the same
9 manner as parking infractions for the purposes of RCW 3.50.100,
10 35.20.220, 46.16A.120, and 46.20.270(3). However, the amount of the
11 fine issued under this subsection (2) for an infraction generated
12 through the use of an automated traffic safety camera is one hundred
13 thirty-seven dollars. The court shall remit thirty-two dollars of the
14 fine to the state treasurer for deposit into the state patrol highway
15 account; and

16 (f) If a notice of infraction is sent to the registered owner and
17 the registered owner is a rental car business, the infraction must be
18 dismissed against the business if it mails to the patrol, within
19 fourteen days of receiving the notice, a declaration under penalty of
20 perjury of the name and known mailing address of the individual driving
21 or renting the vehicle when the infraction occurred. If the business
22 is unable to determine who was driving or renting the vehicle at the
23 time the infraction occurred, the business must sign a declaration
24 under penalty of perjury to this effect. The declaration must be
25 mailed to the patrol within fourteen days of receiving the notice of
26 traffic infraction. Timely mailing of this declaration to the issuing
27 agency relieves a rental car business of any liability under this
28 section for the notice of infraction. A declaration form suitable for
29 this purpose must be included with each notice of infraction issued,
30 along with instructions for its completion and use.

31 (2) \$9,000,000 from the motor vehicle account--state appropriation
32 is provided solely for the department's incident response program.

33 NEW SECTION. **Sec. 216. FOR THE DEPARTMENT OF TRANSPORTATION--**
34 **TRANSPORTATION MANAGEMENT AND SUPPORT--PROGRAM S**

35	Motor Vehicle Account--State Appropriation	\$28,143,000
36	Motor Vehicle Account--Federal Appropriation	\$30,000
37	Multimodal Transportation Account--State Appropriation	\$973,000

1 TOTAL APPROPRIATION \$29,146,000

2 NEW SECTION. **Sec. 217. FOR THE DEPARTMENT OF TRANSPORTATION--**
3 **TRANSPORTATION PLANNING, DATA, AND RESEARCH--PROGRAM T**

4 Motor Vehicle Account--State Appropriation \$23,411,000

5 Motor Vehicle Account--Federal Appropriation \$21,885,000

6 Multimodal Transportation Account--State Appropriation \$662,000

7 Multimodal Transportation Account--Federal
8 Appropriation \$2,809,000

9 Multimodal Transportation Account--Private/Local
10 Appropriation \$100,000

11 TOTAL APPROPRIATION \$48,867,000

12 The appropriations in this section are subject to the following
13 conditions and limitations:

14 (1) \$70,000 of the motor vehicle account--state appropriation is a
15 reappropriation provided solely for a corridor study of state route
16 number 516 from the eastern border of Maple Valley to state route
17 number 167 to determine whether improvements are needed and the costs
18 of any needed improvements.

19 (2) By October 1, 2011, the department shall make recommendations
20 to the office of financial management and the transportation committees
21 of the legislature on cost savings that can be achieved through
22 consolidating reporting and planning functions within the department.

23 NEW SECTION. **Sec. 218. FOR THE DEPARTMENT OF TRANSPORTATION--**
24 **CHARGES FROM OTHER AGENCIES--PROGRAM U**

25 Motor Vehicle Account--State Appropriation \$85,209,000

26 Motor Vehicle Account--Federal Appropriation \$400,000

27 Multimodal Transportation Account--State
28 Appropriation \$3,320,000

29 TOTAL APPROPRIATION \$88,929,000

30 The appropriations in this section are subject to the following
31 conditions and limitations:

32 (1) The office of financial management must provide a detailed
33 accounting of the revenues and expenditures of the self- insurance fund
34 to the transportation committees of the legislature on December 31st
35 and June 30th of each year.

1 (2) Payments in this section represent charges from other state
2 agencies to the department of transportation.

3 (a) FOR PAYMENT OF OFFICE OF FINANCIAL MANAGEMENT
4 DIVISION OF RISK MANAGEMENT FEES \$1,639,000

5 (b) FOR PAYMENT OF COSTS OF THE OFFICE OF THE STATE
6 AUDITOR \$937,000

7 (c) FOR PAYMENT OF COSTS OF THE DEPARTMENT OF GENERAL
8 ADMINISTRATION \$6,060,000

9 (d) FOR PAYMENT OF COSTS OF THE DEPARTMENT OF
10 PERSONNEL \$6,347,000

11 (e) FOR PAYMENT OF SELF-INSURANCE LIABILITY
12 PREMIUMS AND ADMINISTRATION \$44,418,000

13 (f) FOR ARCHIVES AND RECORDS MANAGEMENT \$623,000

14 (g) FOR OFFICE OF MINORITIES AND WOMEN BUSINESS
15 ENTERPRISES \$1,008,000

16 (h) FOR USE OF FINANCIAL AND REPORTING SYSTEMS
17 PROVIDED BY THE OFFICE OF FINANCIAL MANAGEMENT \$1,143,000

18 (i) FOR POLICY AND SYSTEM ASSISTANCE FROM THE
19 DEPARTMENT OF INFORMATION SERVICES \$1,980,000

20 (j) FOR LEGAL SERVICE PROVIDED BY THE ATTORNEY
21 GENERAL'S OFFICE \$8,526,000

22 (k) FOR LEGAL SERVICE PROVIDED BY THE ATTORNEY
23 GENERAL'S OFFICE FOR THE SECOND PHASE OF THE BOLDT
24 LITIGATION \$672,000

25 NEW SECTION. **Sec. 219. FOR THE DEPARTMENT OF TRANSPORTATION--**
26 **PUBLIC TRANSPORTATION--PROGRAM V**

27 State Vehicle Parking Account--State Appropriation \$452,000

28 Regional Mobility Grant Program Account--State
29 Appropriation \$28,942,000

30 Multimodal Transportation Account--State
31 Appropriation \$57,927,000

32 Multimodal Transportation Account--Federal
33 Appropriation \$2,582,000

34 Multimodal Transportation Account--Private/Local
35 Appropriation \$1,027,000

36 TOTAL APPROPRIATION \$90,930,000

1 The appropriations in this section are subject to the following
2 conditions and limitations:

3 (1) \$25,000,000 of the multimodal transportation account--state
4 appropriation is provided solely for a grant program for special needs
5 transportation provided by transit agencies and nonprofit providers of
6 transportation.

7 (a) \$5,500,000 of the amount provided in this subsection is
8 provided solely for grants to nonprofit providers of special needs
9 transportation. Grants for nonprofit providers must be based on need,
10 including the availability of other providers of service in the area,
11 efforts to coordinate trips among providers and riders, and the cost
12 effectiveness of trips provided.

13 (b) \$19,500,000 of the amount provided in this subsection is
14 provided solely for grants to transit agencies to transport persons
15 with special transportation needs. To receive a grant, the transit
16 agency must have a maintenance of effort for special needs
17 transportation that is no less than the previous year's maintenance of
18 effort for special needs transportation. Grants for transit agencies
19 must be prorated based on the amount expended for demand response
20 service and route deviated service in calendar year 2009 as reported in
21 the "Summary of Public Transportation - 2009" published by the
22 department of transportation in January 2011. No transit agency may
23 receive more than thirty percent of these distributions.

24 (2) Funds are provided for the rural mobility grant program as
25 follows:

26 (a) \$7,000,000 of the multimodal transportation account--state
27 appropriation is provided solely for grants for those transit systems
28 serving small cities and rural areas as identified in the "Summary of
29 Public Transportation - 2009" published by the department of
30 transportation in January 2011. Noncompetitive grants must be
31 distributed to the transit systems serving small cities and rural areas
32 in a manner similar to past disparity equalization programs.

33 (b) \$8,500,000 of the multimodal transportation account--state
34 appropriation is provided solely to providers of rural mobility service
35 in areas not served or underserved by transit agencies through a
36 competitive grant process.

37 (3) \$4,614,000 of the multimodal transportation account--state
38 appropriation is provided solely for a vanpool grant program for: (a)

1 Public transit agencies to add vanpools or replace vans; and (b)
2 incentives for employers to increase employee vanpool use. The grant
3 program for public transit agencies will cover capital costs only;
4 operating costs for public transit agencies are not eligible for
5 funding under this grant program. Additional employees may not be
6 hired from the funds provided in this section for the vanpool grant
7 program, and supplanting of transit funds currently funding vanpools is
8 not allowed. The department shall encourage grant applicants and
9 recipients to leverage funds other than state funds. At least
10 \$1,600,000 of this amount must be used for vanpool grants in congested
11 corridors.

12 (4) \$120,000 of the multimodal transportation account--state
13 appropriation is a reappropriation provided solely for a grant for a
14 flexible carpooling pilot project program to be administered and
15 monitored by the department.

16 (5) \$3,470,000 of the regional mobility grant program account--
17 state appropriation is reappropriated and provided solely for the
18 regional mobility grant projects identified on the LEAP Transportation
19 Document 2007-B, as developed April 20, 2007, or the LEAP
20 Transportation Document 2006-D, as developed March 8, 2006. The
21 department shall continue to review all projects receiving grant awards
22 under this program at least semiannually to determine whether the
23 projects are making satisfactory progress.

24 (6) \$5,472,000 of the regional mobility grant program account--
25 state appropriation is a reappropriation provided solely for the
26 regional mobility grant projects identified in LEAP Transportation
27 Document 2009-B, as developed April 24, 2009. The department shall
28 review all projects receiving grant awards under this program at least
29 semiannually to determine whether the projects are making satisfactory
30 progress.

31 (7) Funds provided for the commute trip reduction program may also
32 be used for the growth and transportation efficiency center program.

33 (8) An affected urban growth area that has not previously
34 implemented a commute trip reduction program is exempt from the
35 requirements in RCW 70.94.527 if a solution to address the state
36 highway deficiency that exceeds the person hours of delay threshold has
37 been funded and is in progress during the 2011-2013 fiscal biennium.

1 The appropriation in this section is subject to the following
2 conditions and limitations:

3 (1) \$653,000 of the state patrol highway account--state
4 appropriation is provided solely for the following minor works
5 projects: \$200,000 for emergency infrastructure repairs; \$75,000 for
6 water and sewer upgrades; \$210,000 for emergency backup system
7 replacement; \$85,000 for chiller replacement; and \$83,000 for roof
8 replacements.

9 (2) \$3,100,000 of the state patrol highway account--state
10 appropriation is provided solely for the Shelton academy of the
11 Washington state patrol for the new waste water treatment lines, waste
12 water plants, water lines, and water systems.

13 **NEW SECTION. Sec. 302. FOR THE COUNTY ROAD ADMINISTRATION BOARD**

14 Rural Arterial Trust Account--State Appropriation	\$54,517,000
15 Motor Vehicle Account--State Appropriation	\$874,000
16 County Arterial Preservation Account--State	
17 Appropriation	\$29,360,000
18 TOTAL APPROPRIATION	\$84,751,000

19 The appropriations in this section are subject to the following
20 conditions and limitations:

21 (1) \$874,000 of the motor vehicle account--state appropriation may
22 be used for county ferry projects as developed pursuant to RCW
23 47.56.725(4).

24 (2) The appropriations in this section include funding to counties
25 to assist them in efforts to recover from federally declared
26 emergencies by providing capitalization advances and local match for
27 federal emergency funding as determined by the county road
28 administration board. The county road administration board shall
29 specifically identify any such selected projects and shall include
30 information concerning such selected projects in its next annual report
31 to the legislature.

32 **NEW SECTION. Sec. 303. FOR THE TRANSPORTATION IMPROVEMENT BOARD**

33 Small City Pavement and Sidewalk Account--State	
34 Appropriation	\$4,193,000
35 Urban Arterial Trust Account--State Appropriation	\$118,666,000
36 Transportation Improvement Account--State	

1 Appropriation \$79,181,000
2 TOTAL APPROPRIATION \$202,040,000

3 The appropriations in this section are subject to the following
4 conditions and limitations:

5 (1) The transportation improvement account--state appropriation
6 includes up to \$7,143,000 in proceeds from the sale of bonds authorized
7 in RCW 47.26.500.

8 (2) The urban arterial trust account--state appropriation includes
9 up to \$15,000,000 in proceeds from the sale of bonds authorized in RCW
10 47.26.420.

11 NEW SECTION. **Sec. 304. FOR THE DEPARTMENT OF TRANSPORTATION--**
12 **PROGRAM D (DEPARTMENT OF TRANSPORTATION-ONLY PROJECTS)--CAPITAL**
13 Motor Vehicle Account--State Appropriation \$6,718,000

14 The appropriation in this section is subject to the following
15 conditions and limitations:

16 (1) \$1,364,000 of the motor vehicle account--state appropriation is
17 provided solely for the Olympic region site acquisition debt service
18 payments and administrative costs associated with capital improvement
19 and preservation project and financial management.

20 (2) \$3,669,000 of the motor vehicle account--state appropriation is
21 provided solely for high priority safety projects that are directly
22 linked to employee safety, environmental risk, or minor works that
23 prevent facility deterioration. This includes the administrative costs
24 associated with those projects and the reconstruction of the Wandermere
25 facility that was destroyed in the 2008-09 winter storms.

26 (3) \$1,685,000 of the motor vehicle account--state appropriation is
27 provided solely to continue compliance with new stormwater permit
28 requirements mandated by the department of ecology.

29 NEW SECTION. **Sec. 305. FOR THE DEPARTMENT OF TRANSPORTATION--**
30 **IMPROVEMENTS--PROGRAM I**

31 Transportation Partnership Account--State
32 Appropriation \$1,953,002,000
33 Motor Vehicle Account--State Appropriation \$47,302,000
34 Motor Vehicle Account--Federal Appropriation \$383,496,000
35 Motor Vehicle Account--Private/Local Appropriation \$50,318,000
36 State Route Number 520 Corridor Account--State

1	Appropriation	\$1,020,567,000
2	Multimodal Transportation Account--State	
3	Appropriation\$34,703,000
4	Transportation 2003 Account (Nickel Account)--State	
5	Appropriation	\$433,414,000
6	TOTAL APPROPRIATION	\$3,922,802,000

7 The appropriations in this section are subject to the following
8 conditions and limitations:

9 (1) Except as provided otherwise in this section, the entire
10 transportation 2003 account (nickel account) appropriation and the
11 entire transportation partnership account appropriation are provided
12 solely for the projects and activities as listed by fund, project, and
13 amount in TEIS Document 11GOV001 as developed December 5, 2010, Program
14 - Highway Improvement Program (I). However, limited transfers of
15 specific line-item project appropriations may occur between projects
16 for those amounts listed subject to the conditions and limitations in
17 section 602 of this act.

18 (2) \$218,486,000 of the transportation partnership account--state
19 appropriation, \$140,000 of the motor vehicle account--federal
20 appropriation, and \$1,020,567,000 of the state route number 520
21 corridor account--state appropriation are provided solely for the state
22 route number 520 bridge replacement and HOV project.

23 (3) The department shall, on a quarterly basis beginning July 1,
24 2011, provide to the office of financial management and the legislature
25 reports providing the status on each active project funded in part or
26 whole by the transportation 2003 account (nickel account) or the
27 transportation partnership account. Funding provided at a programmatic
28 level for transportation partnership account and transportation 2003
29 account (nickel account) projects relating to bridge rail, guard rail,
30 fish passage barrier removal, and roadside safety projects should be
31 reported on a programmatic basis. Projects within this programmatic
32 level funding should be completed on a priority basis and scoped to be
33 completed within the current programmatic budget. Report formatting
34 and elements must be consistent with the October 2009 quarterly project
35 report. On a representative sample of new construction contracts
36 valued at fifteen million dollars or more, the department must also use
37 an earned value method of project monitoring.

1 (4) The transportation 2003 account (nickel account)--state
2 appropriation includes up to \$405,000,000 in proceeds from the sale of
3 bonds authorized by RCW 47.10.861.

4 (5) The transportation partnership account--state appropriation
5 includes up to \$1,625,000,000 in proceeds from the sale of bonds
6 authorized in RCW 47.10.873.

7 (6) The motor vehicle account--state appropriation includes up to
8 \$47,302,000 in proceeds from the sale of bonds authorized in RCW
9 47.10.843.

10 (7) The state route number 520 corridor account--state
11 appropriation includes up to \$982,824,000 in proceeds from the sale of
12 bonds authorized in RCW 47.10.879.

13 (8) The multimodal transportation account--state appropriation
14 includes up to \$34,703,000 in proceeds from the sale of bonds
15 authorized in RCW 47.10.873.

16 (9) With the department's 2012 supplemental budget submittal, the
17 department shall provide a report that provides:

18 (a) The amount of state funding that has been reappropriated from
19 the 2009-2011 fiscal biennium into the 2011-2013 fiscal biennium; and

20 (b) For each project, the amount of cost savings or increases in
21 state funding that have been identified as compared to the 2011 enacted
22 budget.

23 (10)(a) The Columbia river crossing project finance plan must
24 include recognition of funding sources that include: Between
25 \$750,000,000 and \$850,000,000 in equal contributions from the states of
26 Washington and Oregon; \$850,000,000 from federal transit administration
27 new starts funding; \$400,000,000 from federal funding for
28 transportation projects of national significance; and \$1,000,000,000 to
29 \$1,500,000,000 in funding secured by tolls and supported by an
30 investment grade traffic and revenue analysis.

31 (b) Following the development of the finance plan as recommended by
32 the Columbia river crossing independent review panel and the submission
33 of the report on a bistate toll setting framework required in section
34 303(45), chapter 247, Laws of 2010, the department may seek
35 authorization from the legislature to collect tolls on the existing
36 Columbia river crossing or on a replacement crossing over Interstate 5.

37 (11) By January 2012, the department must prepare a traffic and

1 revenue study and finance plan for the state route number 509 project.
2 The study may not include tolling of existing local roadways. The
3 department must:

4 (a) Confer with the mayors, city councils, and port commissions of
5 jurisdictions in the vicinity of the project regarding the
6 implementation of tolling and the impacts that the implementation of
7 tolling might have on the operation of the corridor and adjacent local
8 streets;

9 (b) Conduct public work sessions and open houses to provide
10 information to citizens regarding implementation of tolling and to
11 solicit citizen views;

12 (c) Regularly report to the Washington state transportation
13 commission regarding the progress of the study for the purpose of
14 guiding the commission's toll setting on the project; and

15 (d) Provide a report to the governor and the legislature by January
16 2012.

17 (12) By January 2012, the department must prepare a traffic and
18 revenue study and finance plan for the state route number 167 extension
19 project in Pierce county. For the project, the department must:

20 (a) Confer with the mayors, city councils, and port commissions of
21 jurisdictions in the vicinity of the project regarding the
22 implementation of tolling and the impacts that the implementation of
23 tolling might have on the operation of the corridor and adjacent local
24 streets;

25 (b) Conduct public work sessions and open houses to provide
26 information to citizens regarding implementation of tolling and to
27 solicit citizen views;

28 (c) Regularly report to the Washington state transportation
29 commission regarding the progress of the study for the purpose of
30 guiding the commission's toll setting on the project; and

31 (d) Provide a report to the governor and the legislature by January
32 2012.

33 (13) Within the motor vehicle account--state appropriation and
34 motor vehicle account--federal appropriation, the department may
35 transfer funds between programs I and P, except for funds that are
36 otherwise restricted in this act.

37 (14) The department shall work with the department of archaeology
38 and historic preservation to ensure that the cultural resources

1 investigation is properly conducted on all mega-highway projects and
2 large ferry terminal projects. These projects must be conducted with
3 active archaeological management. Additionally, the department shall
4 establish a scientific peer review of independent archaeologists that
5 are knowledgeable about the region and its cultural resources.

6 NEW SECTION. **Sec. 306. FOR THE DEPARTMENT OF TRANSPORTATION--**
7 **PRESERVATION--PROGRAM P**

8 Transportation Partnership Account--State

9	Appropriation	\$41,288,000
10	Motor Vehicle Account--State Appropriation	\$97,547,000
11	Motor Vehicle Account--Federal Appropriation	\$616,630,000
12	Motor Vehicle Account--Private/Local Appropriation	\$16,620,000
13	TOTAL APPROPRIATION	\$772,085,000

14 The appropriations in this section are subject to the following
15 conditions and limitations:

16 (1) Except as provided otherwise in this section, the entire
17 transportation 2003 account (nickel account) appropriation and the
18 entire transportation partnership account appropriation are provided
19 solely for the projects and activities as listed by fund, project, and
20 amount in TEIS Document 11GOV001 as developed December 5, 2010, Program
21 - Highway Preservation Program (P). However, limited transfers of
22 specific line-item project appropriations may occur between projects
23 for those amounts listed subject to the conditions and limitations in
24 section 602 of this act.

25 (2) With the department's 2012 supplemental budget submittal, the
26 department shall provide a report that provides:

27 (a) The amount of state funding that has been reappropriated from
28 the 2009-2011 fiscal biennium into the 2011-2013 fiscal biennium; and

29 (b) For each project, the amount of cost savings or increases in
30 state funding that have been identified as compared to the 2011-2013
31 enacted budget.

32 (3) The department shall apply for surface transportation program
33 (STP) enhancement funds to be expended in lieu of or in addition to
34 state funds for eligible costs of projects in Programs I and P.

35 (4) The department shall, on a quarterly basis beginning July 1,
36 2011, provide to the office of financial management and the legislature
37 reports providing the status on each active project funded in part or

1 whole by the transportation 2003 account (nickel account) or the
 2 transportation partnership account. Funding provided at a programmatic
 3 level for transportation partnership account projects relating to
 4 seismic bridges should be reported on a programmatic basis. Projects
 5 within this programmatic level funding should be completed on a
 6 priority basis and scoped to be completed within the current
 7 programmatic budget. The department shall work with the office of
 8 financial management and the transportation committees of the
 9 legislature to agree on report formatting and elements. Elements must
 10 include, but not be limited to, project scope, schedule, and costs.
 11 For new construction contracts valued at fifteen million dollars or
 12 more, the department must also use an earned value method of project
 13 monitoring. The department shall also provide the information required
 14 under this subsection on a quarterly basis via the transportation
 15 executive information systems (TEIS).

16 (5) The motor vehicle account--state appropriation includes up to
 17 \$10,647,000 in proceeds from the sale of bonds authorized in RCW
 18 47.10.873.

19 NEW SECTION. **Sec. 307. FOR THE DEPARTMENT OF TRANSPORTATION--**
 20 **TRAFFIC OPERATIONS--PROGRAM Q--CAPITAL**

21	Motor Vehicle Account--State Appropriation	\$7,039,000
22	Motor Vehicle Account--Federal Appropriation	\$5,600,000
23	TOTAL APPROPRIATION	\$12,639,000

24 NEW SECTION. **Sec. 308. FOR THE DEPARTMENT OF TRANSPORTATION--**
 25 **WASHINGTON STATE FERRIES CONSTRUCTION--PROGRAM W**

26	Puget Sound Capital Construction Account--State	
27	Appropriation	\$78,527,000
28	Puget Sound Capital Construction Account--Federal	
29	Appropriation	\$50,613,000
30	Transportation Partnership Account--State	
31	Appropriation	\$1,026,000
32	Multimodal Transportation Account--State	
33	Appropriation	\$11,861,000
34	Transportation 2003 Account (Nickel Account)--State	
35	Appropriation	\$36,942,000
36	TOTAL APPROPRIATION	\$178,969,000

1 The appropriations in this section are subject to the following
2 conditions and limitations:

3 (1) \$78,527,000 of the Puget Sound capital construction account--
4 state appropriation, \$50,613,000 of the Puget Sound capital
5 construction account--federal appropriation, \$1,026,000 of the
6 transportation partnership account--state appropriation, \$36,942,000 of
7 the transportation 2003 account (nickel account)--state appropriation,
8 and \$11,861,000 of the multimodal transportation account--state
9 appropriation are provided solely for ferry capital projects, project
10 support, and administration as listed in TEIS Document 11GOV001 as
11 developed December 5, 2010, Program - Ferries Construction Program (W).
12 Of the total appropriation, a maximum of \$10,906,000 may be used for
13 administrative support, a maximum of \$7,890,000 may be used for
14 terminal project support, and a maximum of \$3,707,000 may be used for
15 vessel project support.

16 (2) The department may purchase three Kwa-di Tabil 64-car class
17 vessels. Two of the vessels will be delivered in the 2009-2011 fiscal
18 biennium and one of the vessels will be delivered in the 2011-2013
19 fiscal biennium. \$1,537,000 of the Puget Sound capital construction
20 account--state appropriation, \$20,906,000 of the transportation 2003
21 account (nickel account)--state appropriation, and \$11,711,000 of the
22 multimodal transportation account--state appropriation are provided
23 solely for construction of the third vessel.

24 (3) \$4,579,000 of the Puget Sound capital construction account--
25 state appropriation is provided solely for emergency capital costs.

26 (4) The department shall provide to the office of financial
27 management and the legislature quarterly reports providing the status
28 on each project listed in this section and in the project lists
29 submitted pursuant to this act and on any additional projects for which
30 the department has expended funds during the 2011-2013 fiscal biennium.
31 Elements must include, but not be limited to, project scope, schedule,
32 and costs. The department shall also provide the information required
33 under this subsection via the transportation executive information
34 systems (TEIS). The quarterly report regarding the status of projects
35 identified on the list referenced in subsection (1) of this section
36 must be developed according to an earned value method of project
37 monitoring.

1 (5) The department shall work with the department of archaeology
2 and historic preservation to ensure that the cultural resources
3 investigation is properly conducted on all large ferry terminal
4 projects. These projects must be conducted with active archaeological
5 management. Additionally, the department shall establish a scientific
6 peer review of independent archaeologists that are knowledgeable about
7 the region and its cultural resources.

8 (6) The Puget Sound capital construction account--state
9 appropriation includes up to \$73,855,000 in proceeds from the sale of
10 bonds authorized in RCW 47.10.843.

11 (7) The multimodal transportation account--state appropriation
12 includes up to \$11,861,000 in proceeds from the sale of bonds
13 authorized in RCW 47.10.873.

14 NEW SECTION. **Sec. 309. FOR THE DEPARTMENT OF TRANSPORTATION--**
15 **RAIL--PROGRAM Y--CAPITAL**

16	Essential Rail Assistance Account--State	
17	Appropriation	\$1,000,000
18	Transportation Infrastructure Account--State	
19	Appropriation	\$5,000,000
20	Multimodal Transportation Account--State	
21	Appropriation	\$60,169,000
22	Multimodal Transportation Account--Federal	
23	Appropriation	\$365,439,000
24	Multimodal Transportation Account--Private/Local	
25	Appropriation	\$1,211,000
26	TOTAL APPROPRIATION	\$432,819,000

27 The appropriations in this section are subject to the following
28 conditions and limitations:

29 (1)(a) Except as provided otherwise in this section, the entire
30 appropriations in this section are provided solely for the projects and
31 activities as listed by project and amount in TEIS Document 11GOV001 as
32 developed December 5, 2010, Program - Rail Capital Program (Y).

33 (b)(i) Within the amounts provided in this section, \$5,000,000 of
34 the transportation infrastructure account--state appropriation is for
35 low-interest loans through the freight rail investment bank program.

36 (ii) The department shall issue the loans referenced in this

1 subsection (1)(b) with a repayment period of no more than ten years,
2 and only so much interest as is necessary to recoup the department's
3 costs to administer the loans.

4 (c) Within the amounts provided in this section, \$1,750,000 of the
5 multimodal transportation account--state appropriation and \$1,000,000
6 of the essential rail assistance account--state appropriation are for
7 statewide - emergent freight rail assistance projects.

8 (2)(a) The department shall issue a call for projects for the
9 freight rail investment bank program and the emergent freight rail
10 assistance program, and shall evaluate the applications according to
11 the cost benefit methodology developed during the 2008 interim using
12 the legislative priorities specified in (c) of this subsection. By
13 November 1, 2012, the department shall submit a prioritized list of
14 recommended projects to the office of financial management and the
15 transportation committees of the legislature.

16 (b) When the department identifies a prospective rail project that
17 may have strategic significance for the state, or at the request of a
18 proponent of a prospective rail project or a member of the legislature,
19 the department shall evaluate the prospective project according to the
20 cost benefit methodology developed during the 2008 interim using the
21 legislative priorities specified in (c) of this subsection. The
22 department shall report its cost benefit evaluation of the prospective
23 rail project, as well as the department's best estimate of an
24 appropriate construction schedule and total project costs, to the
25 office of financial management and the transportation committees of the
26 legislature.

27 (c) The legislative priorities to be used in the cost benefit
28 methodology are, in order of relative importance:

29 (i) Economic, safety, or environmental advantages of freight
30 movement by rail compared to alternative modes;

31 (ii) Self-sustaining economic development that creates family-wage
32 jobs;

33 (iii) Preservation of transportation corridors that would otherwise
34 be lost;

35 (iv) Increased access to efficient and cost-effective transport to
36 market for Washington's agricultural and industrial products;

37 (v) Better integration and cooperation within the regional,
38 national, and international systems of freight distribution; and

1 (vi) Mitigation of impacts of increased rail traffic on
2 communities.

3 (3) The department is directed to seek the use of unprogrammed
4 federal rail crossing funds to be expended in lieu of or in addition to
5 state funds for eligible costs of projects in program Y.

6 (4) At the earliest possible date, the department shall apply, and
7 assist ports and local jurisdictions in applying, for any federal
8 funding that may be available for any projects that may qualify for
9 such federal funding. State projects must be (a) currently identified
10 on the project list referenced in subsection (1)(a) of this section or
11 (b) projects for which no state match is required to complete the
12 project. Local or port projects must not require additional state
13 funding in order to complete the project, with the exception of (c)
14 state funds currently appropriated for such project if currently
15 identified on the project list referenced in subsection (1)(a) of this
16 section or (d) potential grants awarded in the competitive grant
17 process for the essential rail assistance program. If the department
18 receives any federal funding, the department is authorized to obligate
19 and spend the federal funds in accordance with federal law. To the
20 extent permissible by federal law, federal funds may be used (e) in
21 addition to state funds appropriated for projects currently identified
22 on the project list referenced in subsection (1)(a) of this section in
23 order to advance funding from future biennia for such projects or (f)
24 in lieu of state funds; however, the state funds must be redirected
25 within the rail capital program to advance funding for other projects
26 currently identified on the project list referenced in subsection
27 (1)(a) of this section. State funds may be redirected only upon
28 consultation with the transportation committees of the legislature and
29 the office of financial management and approval by the director of the
30 office of financial management. The department shall spend the federal
31 funds before the state funds, and shall consult the office of financial
32 management and the transportation committees of the legislature
33 regarding project scope changes.

34 (5) The department shall provide quarterly reports to the office of
35 financial management and the transportation committees of the
36 legislature regarding applications that the department submits for
37 federal funds and the status of such applications.

1 (6) The department shall, on a quarterly basis, provide to the
2 office of financial management and the legislature reports providing
3 the status on active projects identified in the TEIS document described
4 in subsection (1)(a) of this section.

5 (7) \$313,681,000 of the multimodal transportation account--federal
6 appropriation is provided solely for high-speed rail projects awarded
7 to Washington state from the high-speed intercity passenger rail
8 program under the American recovery and reinvestment act. Funding will
9 allow for two additional round trips between Seattle and Portland, and
10 other rail improvements.

11 NEW SECTION. **Sec. 310. FOR THE DEPARTMENT OF TRANSPORTATION--**
12 **LOCAL PROGRAMS--PROGRAM Z--CAPITAL**

13	Highway Infrastructure Account--State Appropriation	\$207,000
14	Highway Infrastructure Account--Federal Appropriation	\$1,602,000
15	Freight Mobility Investment Account--State	
16	Appropriation	\$11,947,000
17	Transportation Partnership Account--State	
18	Appropriation	\$4,743,000
19	Motor Vehicle Account--State Appropriation	\$6,291,000
20	Motor Vehicle Account--Federal Appropriation	\$31,244,000
21	Freight Mobility Multimodal Account--State	
22	Appropriation	\$8,668,000
23	Freight Mobility Multimodal Account--Private/Local	
24	Appropriation	\$2,200,000
25	Passenger Ferry Account--State Appropriation	\$1,115,000
26	Multimodal Transportation Account--State	
27	Appropriation	\$13,970,000
28	TOTAL APPROPRIATION	\$81,987,000

29 The appropriations in this section are subject to the following
30 conditions and limitations:

31 (1) The department shall, on a quarterly basis, provide status
32 reports to the legislature on the delivery of projects as outlined in
33 the project lists incorporated in this section. For projects funded by
34 new revenue in the 2003 and 2005 transportation packages, reporting
35 elements must include, but not be limited to, project scope, schedule,
36 and costs. Other projects may be reported on a programmatic basis.

1 The department shall also provide the information required under this
2 subsection on a quarterly basis via the transportation executive
3 information system (TEIS).

4 (2) \$1,115,000 of the passenger ferry account--state appropriation
5 is provided solely for costs of capital improvements and operating
6 expenses that are consistent with the business plan approved by the
7 governor for passenger ferry service.

8 (3) The department shall seek the use of unprogrammed federal rail
9 crossing funds to be expended in lieu of or in addition to state funds
10 for eligible costs of projects in local programs, program Z capital.

11 (4) The department shall apply for surface transportation program
12 (STP) enhancement funds to be expended in lieu of or in addition to
13 state funds for eligible costs of projects in local programs, program
14 Z capital.

15 (5) Federal funds may be transferred from program Z to programs I
16 and P and state funds must be transferred from programs I and P to
17 program Z to replace those federal funds in a dollar-for-dollar match.
18 Fund transfers authorized under this subsection shall not affect
19 project prioritization status. Appropriations must initially be
20 allotted as appropriated in this act. The department may not transfer
21 funds as authorized under this subsection without approval of the
22 office of financial management. The department shall submit a report
23 on those projects receiving fund transfers to the office of financial
24 management and the transportation committees of the legislature by
25 December 1, 2011, and December 1, 2012.

26 (6) \$10,600,000 of the multimodal transportation account--state
27 appropriation, \$14,713,000 of the motor vehicle account--federal
28 appropriation, and \$4,323,000 of the transportation partnership
29 account--state appropriation are provided solely for the pedestrian and
30 bicycle safety program projects and safe routes to schools program
31 projects identified in LEAP Transportation Document 2009-A, pedestrian
32 and bicycle safety program projects and safe routes to schools program
33 projects, as developed March 30, 2009, LEAP Transportation Document
34 2007-A, pedestrian and bicycle safety program projects and safe routes
35 to schools program projects, as developed April 20, 2007, LEAP
36 Transportation Document 2006-B, pedestrian and bicycle safety program
37 projects and safe routes to schools program projects, as developed
38 March 8, 2006, and projects selected by the legislature from the

1 priority lists of projects submitted by the department in December
 2 2010. Projects must be allocated funding based on order of priority.
 3 The department shall review all projects receiving grant awards under
 4 this program at least semiannually to determine whether the projects
 5 are making satisfactory progress. Any project that has been awarded
 6 funds, but does not report activity on the project within one year of
 7 the grant award must be reviewed by the department to determine whether
 8 the grant should be terminated. The department shall promptly close
 9 out grants when projects have been completed, and identify where unused
 10 grant funds remain because actual project costs were lower than
 11 estimated in the grant award.

12 (7) Except as provided otherwise in this section, the entire
 13 appropriations in this section are provided solely for the projects and
 14 activities as listed by project and amount in TEIS Document 11GOV001 as
 15 developed December 5, 2010, Program - Local Program (Z).

16 (8) With each department budget submittal, the department shall
 17 provide an update on the status of the repayment of the twenty million
 18 dollars of unobligated federal funds authority advanced by the
 19 department in September 2010 to the city of Tacoma for the Murray
 20 Morgan/11th Street bridge project.

21 **TRANSFERS AND DISTRIBUTIONS**

22 **NEW SECTION. Sec. 401. FOR THE STATE TREASURER--BOND RETIREMENT**
 23 **AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR**
 24 **BOND SALES DISCOUNTS AND DEBT TO BE PAID BY MOTOR VEHICLE ACCOUNT AND**
 25 **TRANSPORTATION FUND REVENUE**

26 Transportation Partnership Account--State

27	Appropriation	\$4,737,000
28	Motor Vehicle Account--State Appropriation	\$365,000
29	Urban Arterial Trust Account--State Appropriation	\$29,000
30	Transportation Improvement Account--State Appropriation	\$15,000
31	State Route Number 520 Corridor Account--State	
32	Appropriation	\$2,018,000
33	Multimodal Transportation Account--State Appropriation	\$207,000
34	Highway Bond Retirement Account--State	
35	Appropriation	\$1,004,883,000
36	Ferry Bond Retirement Account--State Appropriation	\$31,801,000

1	Transportation Improvement Board Bond Retirement	
2	Account--State Appropriation	\$17,615,000
3	Nondebt-Limit Reimbursable Bond Retirement Account--	
4	State Appropriation	\$27,507,000
5	Toll Facility Bond Retirement Account--State	
6	Appropriation	\$34,492,000
7	Transportation 2003 Account (Nickel Account)--State	
8	Appropriation	\$1,435,000
9	TOTAL APPROPRIATION	\$1,125,104,000

10 NEW SECTION. **Sec. 402. FOR THE STATE TREASURER--BOND RETIREMENT**
11 **AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR**
12 **BOND SALE EXPENSES AND FISCAL AGENT CHARGES**

13	Transportation Partnership Account--State Appropriation . . .	\$755,000
14	Motor Vehicle Account--State Appropriation	\$59,000
15	Urban Arterial Trust Account--State Appropriation	\$3,000
16	Transportation Improvement Account--State Appropriation	\$2,000
17	State Route Number 520 Corridor Account--State	
18	Appropriation	\$322,000
19	Multimodal Transportation Account--State Appropriation	\$33,000
20	Transportation 2003 Account (Nickel Account)--State	
21	Appropriation	\$229,000
22	TOTAL APPROPRIATION	\$1,403,000

23 NEW SECTION. **Sec. 403. FOR THE STATE TREASURER--BOND RETIREMENT**
24 **AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR**
25 **MVFT BONDS AND TRANSFERS**

26	Motor Vehicle Account--State Appropriation: For	
27	transfer to the Puget Sound Capital Construction	
28	Account--State	\$73,855,000

29 The transfer identified in this section is subject to the following
30 conditions and limitations: The department of transportation is
31 authorized to sell up to \$73,855,000 in bonds authorized by RCW
32 47.10.843 for vessel and terminal acquisition, major and minor
33 improvements, and long lead-time materials acquisition for the
34 Washington state ferries.

1 (8) Recreational Vehicle Account--State
 2 Appropriation: For transfer to the Motor Vehicle
 3 Account--State \$1,500,000
 4 (9) Advanced Right-of-Way Revolving Account--State
 5 Appropriation: For transfer to the Motor Vehicle
 6 Account--State \$5,000,000
 7 (10) Highway Safety Account--State Appropriation:
 8 For transfer to the Motor Vehicle Account--State \$17,500,000
 9 (11) License Plate Technology Account--State
 10 Appropriation: For transfer to the Highway Safety
 11 Account--State \$3,000,000
 12 (12) Advanced Environmental Mitigation Revolving
 13 Account--State Appropriation: For transfer to the
 14 Motor Vehicle Account--State \$1,000,000
 15 (13) Tacoma Narrows Toll Bridge Account--State
 16 Appropriation: For transfer to the Motor Vehicle
 17 Account--State \$2,008,000

18 (14) The transfers identified in this section are subject to the
 19 following conditions and limitations:

20 (a) The transfer in subsection (5) of this section represents toll
 21 revenue collected from toll violations.

22 (b) The amount transferred in subsection (8) of this section shall
 23 not exceed the expenditures incurred from the motor vehicle account--
 24 state for the recreational vehicle sanitary disposal systems program.
 25 The office of the state treasurer shall only transfer funds in
 26 subsection (8) of this section up to the level provided on an as-needed
 27 basis.

28 **COMPENSATION**

29 **NEW SECTION. Sec. 501. COMPENSATION--REVISE PENSION CONTRIBUTION**
 30 **RATES**

31 The appropriations for state agencies are subject to the following
 32 conditions and limitations: Appropriations are adjusted to reflect
 33 changes to agency appropriations to reflect savings resulting from
 34 changes to pension plans under chapter . . . (House Bill No.),
 35 Laws of 2011 and chapter . . . (Senate Bill No.), Laws of 2011.

1 NEW SECTION. **Sec. 502. SALARY ADJUSTMENT**

2 Various Other Accounts Appropriation (\$17,954,000)

3 The appropriation in this section must be expended solely for the
4 purposes designated in this section and is subject to the following
5 conditions and limitations:

6 (1) The appropriation in this section is provided solely for a
7 three percent salary reduction effective July 1, 2011, through June 30,
8 2013, for all employees of the executive, legislative, and judicial
9 branches, including employees in the Washington management service and
10 employees exempt from merit system rules, except for:

11 (a) Elected officials whose salaries are set by the commission on
12 salaries for elected officials;

13 (b) Student employees at state institutions of higher education;

14 (c) Faculty employees at state institutions of higher education,
15 provided that appropriations to higher education institutions are
16 reduced in an amount reflecting a three percent reduction in faculty
17 salary expenditures;

18 (d) Certificated employees of the state school for the blind and
19 the center for childhood deafness and hearing loss;

20 (e) Commissioned officers of the Washington state patrol
21 represented by the state patrol troopers' association and the
22 Washington state patrol lieutenants' association;

23 (f) Represented ferry workers of the Washington state department of
24 transportation, provided that other reductions are included in section
25 504 of this act;

26 (g) Employees whose salary is less than \$2,500 per month; and

27 (h) Employees as specified in subsection (3) of this section.

28 (2) For employees subject to the three percent reduction in salary
29 under subsection (1) of this section, employees will receive temporary
30 salary reduction leave of up to 5.2 hours per month. The director of
31 personnel shall adopt rules governing the accrual and use of temporary
32 salary reduction leave.

33 (3) The appropriation also reflects a three percent cost saving in
34 expenditures as specified in section 505 of this act.

35 (4) The department of retirement systems shall include any forgone
36 salary or lost work hours under subsections (1) and (3) of this section
37 in the final average compensation of employees affected for purposes of

1 calculating retirement benefits, as specified in executive request
2 legislation, chapter . . . (House Bill No.), Laws of 2011 and
3 chapter . . . (Senate Bill No.), Laws of 2011.

4 (5) The appropriation from dedicated funds and accounts must be
5 made in the amounts specified and from the dedicated funds and accounts
6 specified in OFM Document 2011-01, which is incorporated by reference.
7 The office of financial management shall allocate the moneys
8 appropriated in this section in the amounts specified and to the state
9 agencies specified in OFM Document 2011-01 and adjust appropriation
10 schedules accordingly.

11 NEW SECTION. **Sec. 503. COLLECTIVE BARGAINING AGREEMENTS**

12 Provisions or terms and conditions of collective bargaining
13 agreements contained in this act are described in general terms. The
14 collective bargaining agreements or terms and conditions contained in
15 sections 501, 502, and 503 through 510 of this act may also be funded
16 by expenditures from nonappropriated accounts. If positions are funded
17 with lidded grants or dedicated fund sources with insufficient revenue,
18 additional funding from other sources is not provided.

19 NEW SECTION. **Sec. 504. DEPARTMENT OF TRANSPORTATION MARINE**
20 **DIVISION COLLECTIVE BARGAINING AGREEMENTS/TERMS AND CONDITIONS**

21 Appropriations in this act reflect funding to maintain the
22 provisions or terms and conditions of the 2009-2011 agreements for
23 fiscal year 2012. Fiscal year 2013 appropriations are reduced to
24 reflect management priorities in collective bargaining.

25 NEW SECTION. **Sec. 505. GENERAL GOVERNMENT COLLECTIVE BARGAINING**
26 **AGREEMENTS**

27 Agreements have been reached between the governor and the
28 Washington federation of state employees and the international
29 federation of professional and technical engineers local 17 under
30 chapter 41.80 RCW for the 2011-2013 fiscal biennium subject to union
31 internal processes/procedures. Funding is reduced to reflect a three
32 percent temporary salary reduction for all employees making \$2,500 or
33 more per month covered under the agreements for fiscal years 2012 and
34 2013 through June 29, 2013. Effective June 30, 2013, the salary

1 schedules effective July 1, 2009, through June 30, 2011, will be
2 reinstated. Temporary salary reduction leave is granted for the term
3 of the 2011-2013 agreement.

4 NEW SECTION. **Sec. 506. COLLECTIVE BARGAINING AGREEMENT--WSP**
5 **TROOPERS ASSOCIATION**

6 No agreement has been reached between the governor and the
7 Washington state patrol trooper's association under chapter 41.56 RCW
8 for the 2011-2013 fiscal biennium. Appropriations for the Washington
9 state patrol in this act are sufficient to fund the provisions of the
10 2009-2011 agreement.

11 NEW SECTION. **Sec. 507. COLLECTIVE BARGAINING AGREEMENTS--WSP**
12 **LIEUTENANTS ASSOCIATION**

13 No agreement has been reached between the governor and the
14 Washington state patrol lieutenant's association under chapter 41.56
15 RCW for the 2011-2013 fiscal biennium. Appropriations for the
16 Washington state patrol in this act are sufficient to fund the
17 provisions of the 2009-2011 agreement.

18 NEW SECTION. **Sec. 508. COMPENSATION--NONREPRESENTED EMPLOYEES--**
19 **INSURANCE BENEFITS**

20 Appropriations in this act for state agencies are sufficient to
21 fund nonrepresented state employee health benefits for state agencies
22 and are subject to the following conditions and limitations:

23 (1)(a) The monthly employer funding rate for insurance benefit
24 premiums, public employees' benefits board administration, and the
25 uniform medical plan shall not exceed \$850 per eligible employee for
26 fiscal year 2012. For fiscal year 2013, the monthly employer funding
27 rate shall not exceed \$850 per eligible employee.

28 (b) In order to achieve the level of funding provided for health
29 benefits, the public employees' benefits board shall require any or all
30 of the following: Employee premium copayments; increases in point-of-
31 service cost sharing; the implementation of managed competition; or
32 make other changes to benefits consistent with RCW 41.05.065.

33 (c) The health care authority shall deposit any moneys received on
34 behalf of the uniform medical plan as a result of rebates on
35 prescription drugs, audits of hospitals, subrogation payments, or any

1 other moneys recovered as a result of prior uniform medical plan claims
2 payments, into the public employees' and retirees' insurance account to
3 be used for insurance benefits. Such receipts shall not be used for
4 administrative expenditures.

5 (2) The health care authority, subject to the approval of the
6 public employees' benefits board, shall provide subsidies for health
7 benefit premiums to eligible retired or disabled public employees and
8 school district employees who are eligible for medicare, pursuant to
9 RCW 41.05.085. For calendar years 2012 and 2013, the subsidy shall be
10 \$150.00 per month.

11 NEW SECTION. **Sec. 509. COMPENSATION--REPRESENTED EMPLOYEES**
12 **OUTSIDE SUPER COALITION--INSURANCE BENEFITS**

13 Appropriations in this act for state agencies are sufficient to
14 fund health benefits for represented state employees outside the super
15 coalition on health benefits and are subject to the following
16 conditions and limitations:

17 (1)(a) The monthly employer funding rate for insurance benefit
18 premiums, public employees' benefits board administration, and the
19 uniform medical plan shall not exceed \$850 per eligible employee for
20 fiscal year 2012. For fiscal year 2013, the monthly employer funding
21 rate shall not exceed \$850 per eligible employee.

22 (b) In order to achieve the level of funding provided for health
23 benefits, the public employees' benefits board shall require any or all
24 of the following: Employee premium copayments; increases in point-of-
25 service cost sharing; the implementation of managed competition; or
26 make other changes to benefits consistent with RCW 41.05.065.

27 (c) The health care authority shall deposit any moneys received on
28 behalf of the uniform medical plan as a result of rebates on
29 prescription drugs, audits of hospitals, subrogation payments, or any
30 other moneys recovered as a result of prior uniform medical plan claims
31 payments, into the public employees' and retirees' insurance account to
32 be used for insurance benefits. Such receipts shall not be used for
33 administrative expenditures.

34 (2) The health care authority, subject to the approval of the
35 public employees' benefits board, shall provide subsidies for health
36 benefit premiums to eligible retired or disabled public employees and

1 school district employees who are eligible for medicare, pursuant to
2 RCW 41.05.085. For calendar years 2012 and 2013, the subsidy shall be
3 \$150.00 per month.

4 NEW SECTION. **Sec. 510. COMPENSATION--REPRESENTED EMPLOYEES--**
5 **SUPER COALITION--INSURANCE BENEFITS**

6 The collective bargaining agreement negotiated with the super
7 coalition under chapter 41.80 RCW includes employer premiums at eighty-
8 five percent of the total weighted average of the projected health care
9 premiums across all plans and tiers. Appropriations in this act for
10 state agencies are sufficient to fund state employees health benefits
11 for employees represented by the super coalition on health benefits and
12 are subject to the following conditions and limitations:

13 (1)(a) The monthly employer funding rate for insurance benefit
14 premiums, public employees' benefits board administration, and the
15 uniform medical plan shall not exceed \$850 per eligible employee for
16 fiscal year 2012. For fiscal year 2013, the monthly employer funding
17 rate shall not exceed \$850 per eligible employee.

18 (b) In order to achieve the level of funding provided for health
19 benefits, the public employees' benefits board shall require any or all
20 of the following: Employee premium copayments; increases in point-of-
21 service cost sharing; the implementation of managed competition; or
22 make other changes to benefits consistent with RCW 41.05.065.

23 (c) The health care authority shall deposit any moneys received on
24 behalf of the uniform medical plan as a result of rebates on
25 prescription drugs, audits of hospitals, subrogation payments, or any
26 other moneys recovered as a result of prior uniform medical plan claims
27 payments, into the public employees' and retirees' insurance account to
28 be used for insurance benefits. Such receipts shall not be used for
29 administrative expenditures.

30 (2) The health care authority, subject to the approval of the
31 public employees' benefits board, shall provide subsidies for health
32 benefit premiums to eligible retired or disabled public employees and
33 school district employees who are eligible for medicare, pursuant to
34 RCW 41.05.085. For calendar years 2012 and 2013, the subsidy shall be
35 \$150.00 per month.

1 **IMPLEMENTING PROVISIONS**

2 **NEW SECTION. Sec. 601. FOR THE DEPARTMENT OF TRANSPORTATION**

3 By July 1, 2011, the department shall provide a report to the
4 legislature and the office of financial management that:

5 (1) Compares the original project cost estimates approved in the
6 2003 and 2005 project lists to the completed cost of the project, or
7 the most recent legislatively approved budget and total project costs
8 for projects not yet completed;

9 (2) Identifies highway projects that may be reduced in scope and
10 still achieve a functional benefit;

11 (3) Identifies highway projects that have experienced scope
12 increases and that can be reduced in scope;

13 (4) Identifies highway projects that have lost significant local or
14 regional contributions that were essential to completing the project;

15 and

16 (5) Identifies contingency amounts allocated to projects.

17 **NEW SECTION. Sec. 602. FUND TRANSFERS**

18 (1) The transportation 2003 projects or improvements and the 2005
19 transportation partnership projects or improvements are listed in TEIS
20 Document 11GOV001 as developed December 5, 2010, which consists of a
21 list of specific projects by fund source and amount over a ten-year
22 period. Current fiscal biennium funding for each project is a line
23 item appropriation, while the outer year funding allocations represent
24 a ten-year plan. The department is expected to use the flexibility
25 provided in this section to assist in the delivery and completion of
26 all transportation partnership account and transportation 2003 (nickel)
27 account projects on the LEAP lists referenced in this act. For the
28 2011-13 project appropriations, unless otherwise provided in this act,
29 the director of financial management may authorize a transfer of
30 appropriation authority between projects funded with transportation
31 2003 account (nickel account) appropriations or transportation
32 partnership account appropriations, in order to manage project spending
33 and efficiently deliver all projects in the respective program under
34 the following conditions and limitations:

35 (a) Transfers may only be made within each specific fund source
36 referenced on the respective project list;

1 (b) Transfers from a project may not be made as a result of the
2 reduction of the scope of a project, nor shall a transfer be made to
3 support increases in the scope of a project;

4 (c) Each transfer between projects may only occur if the director
5 of financial management finds that any resulting change will not hinder
6 the completion of the projects as approved by the legislature. Until
7 the legislature reconvenes to consider the 2012 supplemental budget,
8 any unexpended 2011-13 appropriation balance as approved by the office
9 of financial management, in consultation with the legislative staff of
10 the house of representatives and senate transportation committees, may
11 be considered when transferring funds between projects;

12 (d) Transfers from a project may be made if the funds appropriated
13 to the project are in excess of the amount needed to complete the
14 project;

15 (e) Transfers may not occur to projects not identified on the
16 applicable project list, except for those projects that were expected
17 to be completed in the 2011-2013 fiscal biennium;

18 (f) Transfers may not be made while the legislature is in session;
19 and

20 (g) Transfers between projects may be made by the department of
21 transportation until the transfer amount by project exceeds two hundred
22 fifty thousand dollars, or ten percent of the project, whichever is
23 less. These transfers must be reported quarterly to the director of
24 financial management and the chairs of the house of representatives and
25 senate transportation committees.

26 (2) At the time the department submits a request to transfer funds
27 under this section, a copy of the request must be submitted to the
28 transportation committees of the legislature.

29 (3) The office of financial management shall work with legislative
30 staff of the house of representatives and senate transportation
31 committees to review the requested transfers.

32 (4) The office of financial management shall document approved
33 transfers and/or schedule changes in the transportation executive
34 information system (TEIS), compare changes to the legislative baseline
35 funding and schedules identified by project identification number
36 identified in the LEAP lists adopted in this act, and transmit revised
37 project lists to chairs of the transportation committees of the
38 legislature on a quarterly basis

1 NEW SECTION. **Sec. 603.** (1) As the department of transportation
2 completes delivery of the projects funded by the 2003 and 2005
3 transportation revenue packages, it is clear that the current staffing
4 levels necessary to deliver these projects are not sustainable into the
5 future. Therefore, the department is directed to quickly move forward
6 to develop and implement new business practices so that a smaller, more
7 nimble state workforce can effectively and efficiently deliver
8 transportation improvement programs as they are approved in the future,
9 in strong partnership with the private sector, while protecting the
10 public's interests and assets.

11 (2) To this end, the department is directed to reduce the size of
12 its engineering and technical workforce to a level sustained by current
13 law revenue levels. The department's current two thousand eight
14 hundred FTE engineering and technical workforce levels for highway
15 construction must be reduced in the 2011-2013 fiscal biennium to two
16 thousand six hundred FTEs, with a target of reducing these workforce
17 levels to two thousand four hundred FTEs by June 30, 2013. The
18 department's engineering and technical workforce levels for highway
19 construction must be further reduced to two thousand two hundred FTEs
20 for the 2013-2015 fiscal biennium, with a target of reducing these
21 workforce levels to two thousand FTEs by June 30, 2015.

22 (3) In order to meet these targets and to continue to successfully
23 deliver the highway construction program, the department may contract
24 out engineering and technical services. In addition, the department
25 may continue the incentive program for retirements and employee
26 separations. The department shall report to the office of financial
27 management by November 2011 on its progress and plans to reduce highway
28 construction workforce levels to two thousand FTEs by June 2015.

29 NEW SECTION. **Sec. 604.** To the extent that any appropriation
30 authorizes expenditures of state funds from the motor vehicle account,
31 special category C account, Tacoma Narrows toll bridge account,
32 transportation 2003 account (nickel account), transportation
33 partnership account, transportation improvement account, Puget Sound
34 capital construction account, multimodal transportation account, state
35 route number 520 corridor account, or other transportation capital
36 project accounts in the state treasury for a state transportation
37 program that is specified to be funded with proceeds from the sale of

1 bonds authorized in chapter 47.10 RCW, the legislature declares that
2 any such expenditures made prior to the issue date of the applicable
3 transportation bonds for that state transportation program are intended
4 to be reimbursed from proceeds of those transportation bonds in a
5 maximum amount equal to the amount of such appropriation.

6 NEW SECTION. **Sec. 605.** For the 2011-2013 fiscal biennium, the
7 department of transportation may enter into a distributor controlled
8 fuel hedging program. On July 1, 2011, no more than ninety percent of
9 the gallons of diesel fuel budgeted for fiscal year 2012 and fifty
10 percent of the gallons of diesel fuel budgeted for fiscal year 2013 may
11 be hedged. On July 1, 2012, no more than ninety percent of the gallons
12 of diesel fuel budgeted for fiscal year 2013 may be hedged.

13 **MISCELLANEOUS 2011-2013 FISCAL BIENNIUM**

14 **Sec. 701.** RCW 43.19.642 and 2010 c 247 s 701 are each amended to
15 read as follows:

16 (1) Effective June 1, 2006, for agencies complying with the ultra-
17 low sulfur diesel mandate of the United States environmental protection
18 agency for on-highway diesel fuel, agencies shall use biodiesel as an
19 additive to ultra-low sulfur diesel for lubricity, provided that the
20 use of a lubricity additive is warranted and that the use of biodiesel
21 is comparable in performance and cost with other available lubricity
22 additives. The amount of biodiesel added to the ultra-low sulfur
23 diesel fuel shall be not less than two percent.

24 (2) Effective June 1, 2009, state agencies are required to use a
25 minimum of twenty percent biodiesel as compared to total volume of all
26 diesel purchases made by the agencies for the operation of the
27 agencies' diesel-powered vessels, vehicles, and construction equipment.

28 (3) All state agencies using biodiesel fuel shall, beginning on
29 July 1, 2006, file biannual reports with the department of general
30 administration documenting the use of the fuel and a description of how
31 any problems encountered were resolved.

32 (4) For the 2009-2011 fiscal biennium, all fuel purchased by the
33 Washington state ferries at Harbor Island for the operation of the
34 Washington state ferries diesel powered vessels must be a minimum of
35 five percent biodiesel blend so long as the per gallon price of diesel

1 containing a five percent biodiesel blend level does not exceed the per
2 gallon price of diesel by more than five percent. If the per gallon
3 price of diesel containing a five percent biodiesel blend level exceeds
4 the per gallon price of diesel by more than five percent, the
5 requirements of this section do not apply to vessel fuel purchases by
6 the Washington state ferries.

7 ~~(5) ((By December 1, 2009, the department of general administration~~
8 ~~shall:~~

9 ~~(a) Report to the legislature on the average true price~~
10 ~~differential for biodiesel by blend and location; and~~

11 ~~(b) Examine alternative fuel procurement methods that work to~~
12 ~~address potential market barriers for in-state biodiesel producers and~~
13 ~~report these findings to the legislature.)) For the 2011-2013 fiscal~~
14 ~~biennium, the Washington state ferries must use a minimum of five~~
15 ~~percent biodiesel as compared to total volume of all diesel purchases~~
16 ~~for the operation of the Washington state ferries' diesel powered~~
17 ~~vessels.~~

18 **Sec. 702.** RCW 47.56.876 and 2010 c 248 s 5 are each amended to
19 read as follows:

20 (1) A special account to be known as the state route number 520
21 civil penalties account is created in the state treasury. All state
22 route number 520 bridge replacement and HOV program civil penalties
23 generated from the nonpayment of tolls on the state route number 520
24 corridor must be deposited into the account, as provided under RCW
25 47.56.870(4)(b)(vii). Moneys in the account may be spent only after
26 appropriation. Expenditures from the account may be used to fund any
27 project within the state route number 520 bridge replacement and HOV
28 program, including mitigation. During the 2011-2013 fiscal biennium,
29 the legislature may transfer from the state route number 520 civil
30 penalties account to the state route number 520 corridor account such
31 amounts as reflect the excess fund balance of the state route number
32 520 civil penalties account.

33 (2) This section is contingent on the enactment by June 30, 2010,
34 of either chapter 249, Laws of 2010 or chapter . . . (Substitute House
35 Bill No. 2897), Laws of 2010, but if the enacted bill does not
36 designate the department as the toll penalty adjudicating agency, this
37 section is null and void.

1 **Sec. 703.** RCW 46.68.320 and 2010 c 247 s 702 are each amended to
2 read as follows:

3 (1) The regional mobility grant program account is hereby created
4 in the state treasury. Moneys in the account may be spent only after
5 appropriation. Expenditures from the account may be used only for the
6 grants provided under RCW 47.66.030.

7 (2) Beginning with September 2007, by the last day of September,
8 December, March, and June of each year, the state treasurer shall
9 transfer from the multimodal transportation account to the regional
10 mobility grant program account five million dollars.

11 (3) Beginning with September 2015, by the last day of September,
12 December, March, and June of each year, the state treasurer shall
13 transfer from the multimodal transportation account to the regional
14 mobility grant program account six million two hundred fifty thousand
15 dollars.

16 (4) During the 2009-2011 and 2011-2013 fiscal (~~(biennium)~~) biennia,
17 the legislature may transfer from the regional mobility grant program
18 account to the multimodal transportation account such amounts as
19 reflect the excess fund balance of the regional mobility grant program
20 account.

21 **Sec. 704.** RCW 46.68.170 and 2009 c 470 s 701 are each amended to
22 read as follows:

23 There is hereby created in the motor vehicle fund the RV account.
24 All moneys hereafter deposited in said account shall be used by the
25 department of transportation for the construction, maintenance, and
26 operation of recreational vehicle sanitary disposal systems at safety
27 rest areas in accordance with the department's highway system plan as
28 prescribed in chapter 47.06 RCW. During the (~~(2007-2009—and)~~)
29 2009-2011 and 2011-2013 fiscal biennia, the legislature may transfer
30 from the RV account to the motor vehicle fund such amounts as reflect
31 the excess fund balance of the RV account to accomplish the purposes
32 identified in this section.

33 **Sec. 705.** RCW 47.12.244 and 2009 c 470 s 709 are each amended to
34 read as follows:

35 There is created the "advance right-of-way revolving fund" in the

1 custody of the treasurer, into which the department is authorized to
2 deposit directly and expend without appropriation:

3 (1) An initial deposit of ten million dollars from the motor
4 vehicle fund included in the department of transportation's 1991-93
5 budget;

6 (2) All moneys received by the department as rental income from
7 real properties that are not subject to federal aid reimbursement,
8 except moneys received from rental of capital facilities properties as
9 defined in chapter 47.13 RCW; and

10 (3) Any federal moneys available for acquisition of right-of-way
11 for future construction under the provisions of section 108 of Title
12 23, United States Code.

13 During the (~~2007-2009~~ and) 2009-2011 and 2011-2013 fiscal
14 biennia, the legislature may transfer from the advance right-of-way
15 revolving fund to the motor vehicle account amounts as reflect the
16 excess fund balance of the advance right-of-way revolving fund.

17 **Sec. 706.** RCW 46.68.060 and 2009 c 470 s 711 are each amended to
18 read as follows:

19 There is hereby created in the state treasury a fund to be known as
20 the highway safety fund to the credit of which shall be deposited all
21 moneys directed by law to be deposited therein. This fund shall be
22 used for carrying out the provisions of law relating to driver
23 licensing, driver improvement, financial responsibility, cost of
24 furnishing abstracts of driving records and maintaining such case
25 records, and to carry out the purposes set forth in RCW 43.59.010.
26 During the (~~2007-2009~~ and) 2009-2011 and 2011-2013 fiscal biennia,
27 the legislature may transfer from the highway safety fund to the motor
28 vehicle fund and the multimodal transportation account such amounts as
29 reflect the excess fund balance of the highway safety fund. During the
30 2011-2013 fiscal biennium, the legislature may transfer from the
31 highway safety fund to the motor vehicle fund such amounts as reflect
32 the excess fund balance of the highway safety fund.

33 **Sec. 707.** RCW 46.16.685 and 2009 c 470 s 704 are each amended to
34 read as follows:

35 The license plate technology account is created in the state
36 treasury. All receipts collected under RCW 46.01.140(4)(e)(ii) must be

1 deposited into this account. Expenditures from this account must
2 support current and future license plate technology and systems
3 integration upgrades for both the department and correctional
4 industries. Moneys in the account may be spent only after
5 appropriation. Additionally, the moneys in this account may be used to
6 reimburse the motor vehicle account for any appropriation made to
7 implement the digital license plate system. During the ((2007-2009
8 and)) 2009-2011 and 2011-2013 fiscal biennia, the legislature may
9 transfer from the license plate technology account to the highway
10 safety account such amounts as reflect the excess fund balance of the
11 license plate technology account.

12 **Sec. 708.** RCW 46.68.370 and 2010 c 161 s 818 are each amended to
13 read as follows:

14 The license plate technology account is created in the state
15 treasury. All receipts collected under RCW 46.17.015 must be deposited
16 into this account. Expenditures from this account must support current
17 and future license plate technology and systems integration upgrades
18 for both the department and correctional industries. Moneys in the
19 account may be spent only after appropriation. Additionally, the
20 moneys in this account may be used to reimburse the motor vehicle
21 account for any appropriation made to implement the digital license
22 plate system. During the 2009-2011 and 2011-2013 fiscal ((~~biennium~~)
23 biennia, the legislature may transfer from the license plate technology
24 account to the highway safety account such amounts as reflect the
25 excess fund balance of the license plate technology account.

26 **Sec. 709.** RCW 47.12.340 and 2010 c 247 s 703 are each amended to
27 read as follows:

28 The advanced environmental mitigation revolving account is created
29 in the custody of the treasurer, into which the department shall
30 deposit directly and may expend without appropriation:

31 (1) An initial appropriation included in the department of
32 transportation's 1997-99 budget, and deposits from other identified
33 sources;

34 (2) All moneys received by the department from internal and
35 external sources for the purposes of conducting advanced environmental
36 mitigation; and

1 (3) Interest gained from the management of the advanced
2 environmental mitigation revolving account.

3 (4) During the 2009-2011 and 2011-2013 fiscal (~~(biennium)~~) biennia,
4 the legislature may transfer from the advanced environmental mitigation
5 revolving account to the motor vehicle account such amounts as reflect
6 the excess fund balance of the advanced environmental mitigation
7 revolving account.

8 **Sec. 710.** RCW 41.80.010 and 2010 c 104 s 1 are each amended to
9 read as follows:

10 (1) For the purpose of negotiating collective bargaining agreements
11 under this chapter, the employer shall be represented by the governor
12 or governor's designee, except as provided for institutions of higher
13 education in subsection (4) of this section.

14 (2)(a) If an exclusive bargaining representative represents more
15 than one bargaining unit, the exclusive bargaining representative shall
16 negotiate with each employer representative as designated in subsection
17 (1) of this section one master collective bargaining agreement on
18 behalf of all the employees in bargaining units that the exclusive
19 bargaining representative represents. For those exclusive bargaining
20 representatives who represent fewer than a total of five hundred
21 employees each, negotiation shall be by a coalition of all those
22 exclusive bargaining representatives. The coalition shall bargain for
23 a master collective bargaining agreement covering all of the employees
24 represented by the coalition. The governor's designee and the
25 exclusive bargaining representative or representatives are authorized
26 to enter into supplemental bargaining of agency-specific issues for
27 inclusion in or as an addendum to the master collective bargaining
28 agreement, subject to the parties' agreement regarding the issues and
29 procedures for supplemental bargaining. This section does not prohibit
30 cooperation and coordination of bargaining between two or more
31 exclusive bargaining representatives.

32 (b) This subsection (2) does not apply to exclusive bargaining
33 representatives who represent employees of institutions of higher
34 education, except when the institution of higher education has elected
35 to exercise its option under subsection (4) of this section to have its
36 negotiations conducted by the governor or governor's designee under the

1 procedures provided for general government agencies in subsections (1)
2 through (3) of this section.

3 (c) If five hundred or more employees of an independent state
4 elected official listed in RCW 43.01.010 are organized in a bargaining
5 unit or bargaining units under RCW 41.80.070, the official shall be
6 consulted by the governor or the governor's designee before any
7 agreement is reached under (a) of this subsection concerning
8 supplemental bargaining of agency specific issues affecting the
9 employees in such bargaining unit.

10 (3) Except as provided in subsection (8) of this section, the
11 governor shall submit a request for funds necessary to implement the
12 compensation and fringe benefit provisions in the master collective
13 bargaining agreement or for legislation necessary to implement the
14 agreement. Requests for funds necessary to implement the provisions of
15 bargaining agreements shall not be submitted to the legislature by the
16 governor unless such requests:

17 (a) Have been submitted to the director of the office of financial
18 management by October 1 prior to the legislative session at which the
19 requests are to be considered; and

20 (b) Have been certified by the director of the office of financial
21 management as being feasible financially for the state.

22 The legislature shall approve or reject the submission of the
23 request for funds as a whole. The legislature shall not consider a
24 request for funds to implement a collective bargaining agreement unless
25 the request is transmitted to the legislature as part of the governor's
26 budget document submitted under RCW 43.88.030 and 43.88.060. If the
27 legislature rejects or fails to act on the submission, either party may
28 reopen all or part of the agreement or the exclusive bargaining
29 representative may seek to implement the procedures provided for in RCW
30 41.80.090.

31 (4)(a)(i) For the purpose of negotiating agreements for
32 institutions of higher education, the employer shall be the respective
33 governing board of each of the universities, colleges, or community
34 colleges or a designee chosen by the board to negotiate on its behalf.

35 (ii) A governing board of a university or college may elect to have
36 its negotiations conducted by the governor or governor's designee under
37 the procedures provided for general government agencies in subsections
38 (1) through (3) of this section, except that:

1 (A) The governor or the governor's designee and an exclusive
2 bargaining representative shall negotiate one master collective
3 bargaining agreement for all of the bargaining units of employees of a
4 university or college that the representative represents; or

5 (B) If the parties mutually agree, the governor or the governor's
6 designee and an exclusive bargaining representative shall negotiate one
7 master collective bargaining agreement for all of the bargaining units
8 of employees of more than one university or college that the
9 representative represents.

10 (iii) A governing board of a community college may elect to have
11 its negotiations conducted by the governor or governor's designee under
12 the procedures provided for general government agencies in subsections
13 (1) through (3) of this section.

14 (b) Prior to entering into negotiations under this chapter, the
15 institutions of higher education or their designees shall consult with
16 the director of the office of financial management regarding financial
17 and budgetary issues that are likely to arise in the impending
18 negotiations.

19 (c)(i) If appropriations are necessary to implement the
20 compensation and fringe benefit provisions of the bargaining agreements
21 reached between institutions of higher education and exclusive
22 bargaining representatives agreed to under the provisions of this
23 chapter, the governor shall submit a request for such funds to the
24 legislature according to the provisions of subsection (3) of this
25 section, except as provided in (c)(ii) of this subsection.

26 (ii) In the case of a bargaining unit of employees of institutions
27 of higher education in which the exclusive bargaining representative is
28 certified during or after the conclusion of a legislative session, the
29 legislature may act upon the compensation and fringe benefit provisions
30 of the unit's initial collective bargaining agreement if those
31 provisions are agreed upon and submitted to the office of financial
32 management and legislative budget committees before final legislative
33 action on the biennial or supplemental operating budget by the sitting
34 legislature.

35 (5) There is hereby created a joint committee on employment
36 relations, which consists of two members with leadership positions in
37 the house of representatives, representing each of the two largest
38 caucuses; the chair and ranking minority member of the house

1 appropriations committee, or its successor, representing each of the
2 two largest caucuses; two members with leadership positions in the
3 senate, representing each of the two largest caucuses; and the chair
4 and ranking minority member of the senate ways and means committee, or
5 its successor, representing each of the two largest caucuses. The
6 governor shall periodically consult with the committee regarding
7 appropriations necessary to implement the compensation and fringe
8 benefit provisions in the master collective bargaining agreements, and
9 upon completion of negotiations, advise the committee on the elements
10 of the agreements and on any legislation necessary to implement the
11 agreements.

12 (6) If, after the compensation and fringe benefit provisions of an
13 agreement are approved by the legislature, a significant revenue
14 shortfall occurs resulting in reduced appropriations, as declared by
15 proclamation of the governor or by resolution of the legislature, both
16 parties shall immediately enter into collective bargaining for a
17 mutually agreed upon modification of the agreement.

18 (7) After the expiration date of a collective bargaining agreement
19 negotiated under this chapter, all of the terms and conditions
20 specified in the collective bargaining agreement remain in effect until
21 the effective date of a subsequently negotiated agreement, not to
22 exceed one year from the expiration date stated in the agreement.
23 Thereafter, the employer may unilaterally implement according to law.

24 (8) For the collective bargaining agreements negotiated for the
25 2011-2013 fiscal biennium, the governor may request funds necessary to
26 implement the terms and conditions of an agreement submitted to the
27 office of financial management after October 1st if that agreement is
28 determined to be feasible financially to the state by the director of
29 the office of financial management. For the 2011-2013 fiscal biennium,
30 a collective bargaining agreement related to employee health care
31 benefits negotiated between the employer and coalition pursuant to RCW
32 41.80.020(3) regarding the dollar amount expended on behalf of each
33 employee must be a separate agreement for which the governor may
34 request funds necessary to implement the agreement. If such an
35 agreement is negotiated and funded by the legislature, this agreement
36 will supersede any terms and conditions of an expired 2009-2011
37 biennial master collective bargaining agreement under this chapter
38 regarding health care benefits.

1 **Sec. 711.** RCW 41.80.020 and 2010 c 283 s 16 are each amended to
2 read as follows:

3 (1) Except as otherwise provided in this chapter, the matters
4 subject to bargaining include wages, hours, and other terms and
5 conditions of employment, and the negotiation of any question arising
6 under a collective bargaining agreement.

7 (2) The employer is not required to bargain over matters pertaining
8 to:

9 (a) Health care benefits or other employee insurance benefits,
10 except as required in subsection (3) of this section;

11 (b) Any retirement system or retirement benefit; or

12 (c) Rules of the director of personnel or the Washington personnel
13 resources board adopted under section 203, chapter 354, Laws of 2002.

14 (3) Matters subject to bargaining include the number of names to be
15 certified for vacancies, promotional preferences, and the dollar amount
16 expended on behalf of each employee for health care benefits. However,
17 except as provided otherwise in this subsection for institutions of
18 higher education, negotiations regarding the number of names to be
19 certified for vacancies, promotional preferences, and the dollar amount
20 expended on behalf of each employee for health care benefits shall be
21 conducted between the employer and one coalition of all the exclusive
22 bargaining representatives subject to this chapter. The exclusive
23 bargaining representatives for employees that are subject to chapter
24 47.64 RCW shall bargain the dollar amount expended on behalf of each
25 employee for health care benefits with the employer as part of the
26 coalition under this subsection. Any such provision agreed to by the
27 employer and the coalition shall be included in all master collective
28 bargaining agreements negotiated by the parties. For institutions of
29 higher education, promotional preferences and the number of names to be
30 certified for vacancies shall be bargained under the provisions of RCW
31 41.80.010(4). For agreements covering the 2011-2013 fiscal biennium,
32 any agreement between the employer and the coalition regarding the
33 dollar amount expended on behalf of each employee for health care
34 benefits is a separate agreement and shall not be included in the
35 master collective bargaining agreements negotiated by the parties.

36 (4) The employer and the exclusive bargaining representative shall
37 not agree to any proposal that would prevent the implementation of
38 approved affirmative action plans or that would be inconsistent with

1 the comparable worth agreement that provided the basis for the salary
2 changes implemented beginning with the 1983-1985 biennium to achieve
3 comparable worth.

4 (5) The employer and the exclusive bargaining representative shall
5 not bargain over matters pertaining to management rights established in
6 RCW 41.80.040.

7 (6) Except as otherwise provided in this chapter, if a conflict
8 exists between an executive order, administrative rule, or agency
9 policy relating to wages, hours, and terms and conditions of employment
10 and a collective bargaining agreement negotiated under this chapter,
11 the collective bargaining agreement shall prevail. A provision of a
12 collective bargaining agreement that conflicts with the terms of a
13 statute is invalid and unenforceable.

14 (7) This section does not prohibit bargaining that affects
15 contracts authorized by RCW 41.06.142.

16 **Sec. 712.** RCW 47.64.170 and 2010 c 283 s 11 are each amended to
17 read as follows:

18 (1) Any ferry employee organization certified as the bargaining
19 representative shall be the exclusive representative of all ferry
20 employees in the bargaining unit and shall represent all such employees
21 fairly.

22 (2) A ferry employee organization or organizations and the governor
23 may each designate any individual as its representative to engage in
24 collective bargaining negotiations.

25 (3) Negotiating sessions, including strategy meetings of the
26 employer or employee organizations, mediation, and the deliberative
27 process of arbitrators are exempt from the provisions of chapter 42.30
28 RCW. Hearings conducted by arbitrators may be open to the public by
29 mutual consent of the parties.

30 (4) Terms of any collective bargaining agreement may be enforced by
31 civil action in Thurston county superior court upon the initiative of
32 either party.

33 (5) Ferry system employees or any employee organization shall not
34 negotiate or attempt to negotiate directly with anyone other than the
35 person who has been appointed or authorized a bargaining representative
36 for the purpose of bargaining with the ferry employees or their
37 representative.

1 (6)(a) Within ten working days after the first Monday in September
2 of every odd-numbered year, the parties shall attempt to agree on an
3 interest arbitrator to be used if the parties are not successful in
4 negotiating a comprehensive collective bargaining agreement. If the
5 parties cannot agree on an arbitrator within the ten-day period, either
6 party may request a list of seven arbitrators from the federal
7 mediation and conciliation service. The parties shall select an
8 interest arbitrator using the coin toss/alternate strike method within
9 thirty calendar days of receipt of the list. Immediately upon
10 selecting an interest arbitrator, the parties shall cooperate to
11 reserve dates with the arbitrator for potential arbitration between
12 August 1st and September 15th of the following even-numbered year. The
13 parties shall also prepare a schedule of at least five negotiation
14 dates for the following year, absent an agreement to the contrary. The
15 parties shall execute a written agreement before November 1st of each
16 odd-numbered year setting forth the name of the arbitrator and the
17 dates reserved for bargaining and arbitration. This subsection (6)(a)
18 imposes minimum obligations only and is not intended to define or limit
19 a party's full, good faith bargaining obligation under other sections
20 of this chapter.

21 (b) The negotiation of a proposed collective bargaining agreement
22 by representatives of the employer and a ferry employee organization
23 shall commence on or about February 1st of every even-numbered year.

24 (c) For negotiations covering the 2009-2011 biennium and subsequent
25 biennia, the time periods specified in this section, and in RCW
26 47.64.210 and 47.64.300 through 47.64.320, must ensure conclusion of
27 all agreements on or before October 1st of the even-numbered year next
28 preceding the biennial budget period during which the agreement should
29 take effect. These time periods may only be altered by mutual
30 agreement of the parties in writing. Any such agreement and any
31 impasse procedures agreed to by the parties under RCW 47.64.200 must
32 include an agreement regarding the new time periods that will allow
33 final resolution by negotiations or arbitration by October 1st of each
34 even-numbered year.

35 (7) It is the intent of this section that the collective bargaining
36 agreement or arbitrator's award shall commence on July 1st of each odd-
37 numbered year and shall terminate on June 30th of the next odd-numbered
38 year to coincide with the ensuing biennial budget year, as defined by

1 RCW 43.88.020(7), to the extent practical. It is further the intent of
2 this section that all collective bargaining agreements be concluded by
3 October 1st of the even-numbered year before the commencement of the
4 biennial budget year during which the agreements are to be in effect.
5 After the expiration date of a collective bargaining agreement
6 negotiated under this chapter, all of the terms and conditions
7 specified in the collective bargaining agreement remain in effect until
8 the effective date of a subsequently negotiated agreement, not to
9 exceed one year from the expiration date stated in the agreement.
10 Thereafter, the employer may unilaterally implement according to law.

11 (8) The office of financial management shall conduct a salary
12 survey, for use in collective bargaining and arbitration, which must be
13 conducted through a contract with a firm nationally recognized in the
14 field of human resources management consulting.

15 (9) Except as provided in subsection (10) of this section:

16 (a) The governor shall submit a request either for funds necessary
17 to implement the collective bargaining agreements including, but not
18 limited to, the compensation and fringe benefit provisions or for
19 legislation necessary to implement the agreement, or both. Requests
20 for funds necessary to implement the collective bargaining agreements
21 shall not be submitted to the legislature by the governor unless such
22 requests:

23 (i) Have been submitted to the director of the office of financial
24 management by October 1st before the legislative session at which the
25 requests are to be considered; and

26 (ii) Have been certified by the director of the office of financial
27 management as being feasible financially for the state.

28 (b) The governor shall submit a request either for funds necessary
29 to implement the arbitration awards or for legislation necessary to
30 implement the arbitration awards, or both. Requests for funds
31 necessary to implement the arbitration awards shall not be submitted to
32 the legislature by the governor unless such requests:

33 (i) Have been submitted to the director of the office of financial
34 management by October 1st before the legislative session at which the
35 requests are to be considered; and

36 (ii) Have been certified by the director of the office of financial
37 management as being feasible financially for the state.

1 (c) The legislature shall approve or reject the submission of the
2 request for funds necessary to implement the collective bargaining
3 agreements or arbitration awards as a whole for each agreement or
4 award. The legislature shall not consider a request for funds to
5 implement a collective bargaining agreement or arbitration award unless
6 the request is transmitted to the legislature as part of the governor's
7 budget document submitted under RCW 43.88.030 and 43.88.060. If the
8 legislature rejects or fails to act on the submission, either party may
9 reopen all or part of the agreement and award or the exclusive
10 bargaining representative may seek to implement the procedures provided
11 for in RCW 47.64.210 and 47.64.300.

12 (10) For the collective bargaining agreements negotiated for the
13 2011-2013 fiscal biennium, the governor may request funds necessary to
14 implement the terms and conditions of an agreement submitted to the
15 office of financial management after October 1st if that agreement is
16 determined to be feasible financially to the state by the director of
17 the office of financial management. For the 2011-2013 fiscal biennium,
18 a collective bargaining agreement related to employee health care
19 benefits negotiated between the employer and coalition pursuant to RCW
20 41.80.020(3) regarding the dollar amount expended on behalf of each
21 employee must be a separate agreement for which the governor may
22 request funds necessary to implement the agreement. If such an
23 agreement is negotiated and funded by the legislature, this agreement
24 will supersede any terms and conditions of an expired 2009-2011
25 biennial master collective bargaining agreement under this chapter
26 regarding health care benefits.

27 (11) If, after the compensation and fringe benefit provisions of an
28 agreement are approved by the legislature, a significant revenue
29 shortfall occurs resulting in reduced appropriations, as declared by
30 proclamation of the governor or by resolution of the legislature, both
31 parties shall immediately enter into collective bargaining for a
32 mutually agreed upon modification of the agreement.

33 **Sec. 713.** RCW 47.64.270 and 2010 c 283 s 13 are each amended to
34 read as follows:

35 (1) The employer and one coalition of all the exclusive bargaining
36 representatives subject to this chapter and chapter 41.80 RCW shall
37 conduct negotiations regarding the dollar amount expended on behalf of

1 each employee for health care benefits. For agreements covering the
2 2011-2013 fiscal biennium, any agreement between the employer and the
3 coalition regarding the dollar amount expended on behalf of each
4 employee for health care benefits is a separate agreement and shall not
5 be included in the master collective bargaining agreements negotiated
6 by the parties.

7 (2) Absent a collective bargaining agreement to the contrary, the
8 department of transportation shall provide contributions to insurance
9 and health care plans for ferry system employees and dependents, as
10 determined by the state health care authority, under chapter 41.05 RCW.

11 (3) The employer and employee organizations may collectively
12 bargain for insurance plans other than health care benefits, and
13 employer contributions may exceed that of other state agencies as
14 provided in RCW 41.05.050.

15 **MISCELLANEOUS**

16 NEW SECTION. Sec. 801. If any provision of this act or its
17 application to any person or circumstance is held invalid, the
18 remainder of the act or the application of the provision to other
19 persons or circumstances is not affected.

20 NEW SECTION. Sec. 802. Section 707 of this act expires July 1,
21 2011.

22 NEW SECTION. Sec. 803. Section 708 of this act takes effect July
23 1, 2011.

24 NEW SECTION. Sec. 804. Except for section 708 of this act, this
25 act is necessary for the immediate preservation of the public peace,
26 health, or safety, or support of the state government and its existing
27 public institutions, and takes effect immediately.

(End of bill)

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