

CERTIFICATION OF ENROLLMENT
ENGROSSED SUBSTITUTE SENATE BILL 6456

55th Legislature
1998 Regular Session

Passed by the Senate March 12, 1998
YEAS 26 NAYS 23

President of the Senate

Passed by the House March 5, 1998
YEAS 81 NAYS 15

**Speaker of the
House of Representatives**

Approved

Governor of the State of Washington

CERTIFICATE

I, Mike O Connell, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 6456** as passed by the Senate and the House of Representatives on the dates hereon set forth.

Secretary

FILED

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE SENATE BILL 6456

AS AMENDED BY THE HOUSE

Passed Legislature - 1998 Regular Session

State of Washington

55th Legislature

1998 Regular Session

By Senate Committee on Transportation (originally sponsored by Senators Prince, Haugen, Wood, Kline and Horn; by request of Governor Locke)

Read first time 02/26/98.

1 AN ACT Relating to transportation funding and appropriations;
2 amending 1997 c 457 ss 101, 108, 107, 201, 205, 208, 209, 210, 211,
3 212, 213, 214, 216, 217, 218, 219, 220, 221, 222, 224, 225, 226, 227,
4 228, 301, 302, 401, 402, 407, 408, and 511 (uncodified); adding new
5 sections to 1997 c 457 (uncodified); creating new sections; repealing
6 1997 c 457 s 515; making appropriations; and declaring an emergency.

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

8 **LEGISLATIVE INTENT FOR 1998 TRANSPORTATION BUDGET**

9 NEW SECTION. **Sec. 1.** PURPOSE OF ENHANCED STATE AND LOCAL
10 TRANSPORTATION FUNDING PROGRAM. (1) The legislature finds and declares
11 that it is essential for the economic, social and environmental well-
12 being of the state and the maintenance of a high quality of life that
13 the people of the state have an efficient and effective transportation
14 system.

15 (2) This act provides funding, beyond that already provided in the
16 1997-99 biennium, from currently available revenue that is needed to
17 prepare for and advance the timely construction of essential

1 transportation projects and improve transportation services in
2 preparation for meeting the following objectives:

3 (a) Investment strategies that deal equitably with the
4 transportation needs of both eastern and western Washington and local
5 governments, critical to maintaining and expanding essential
6 multimodal, motorized and nonmotorized, urban, suburban and rural
7 transportation programs and systems;

8 (b) Cost-effective funding strategies that address the most
9 critical state-wide transportation needs for: Highway congestion
10 relief, economic development and freight mobility, highway safety and
11 bridge improvements, flood mitigation and fish passages, local
12 government funding, ferry system capital improvements, and passenger
13 and freight rail capital improvements; and

14 (c) Greater reliance on funding partnerships between the public and
15 private sectors to leverage the state's investment and assign
16 transportation project costs to the entities to which benefits accrue.

17 (3) State and federal fiscal constraints have resulted in
18 sprinkling limited resources over a wide variety of costly, critical
19 transportation needs. This fragmented approach has hindered the
20 development of a multimodal, state-wide system; failed to address
21 regional transportation improvements essential to addressing
22 congestion, expanding local economies, and maintaining environmental
23 quality; and created competition for transportation dollars among
24 various public beneficiaries. A legislative solution that addresses
25 long-term funding for critical transportation priorities is highly
26 dependent on public and private stakeholders coalescing to: Identify
27 and prioritize those critical elements that must be addressed if the
28 state is to continue to provide a transportation system that offers the
29 level of safe, unfettered travel and economic and environmental well-
30 being Washington's citizens expect and deserve; develop a funding
31 strategy for the future that provides adequacy and reliability; and
32 develop policy and program changes that will ensure the timely, cost-
33 effective delivery of transportation programs, projects, and services.

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PART I
GENERAL GOVERNMENT AGENCIES--OPERATING

Sec. 101. 1997 c 457 s 101 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF AGRICULTURE

Motor Vehicle Fund--State Appropriation \$ ((304,000))
314,000

The appropriation in this section is subject to the following conditions and limitations and specified amounts are provided solely for that activity:

(1) The department of agriculture shall report to the legislative transportation committee by January 15, 1998, and January 15, 1999, on the number of fuel samples tested and the findings of the tests for the motor fuel quality program.

(2) \$10,000 of this appropriation is provided solely for laboratory analysis of diesel fuel samples taken from retailers selling diesel fuel. The purpose of this testing is to detect the possible presence of illegally-blended diesel fuel.

Sec. 102. 1997 c 457 s 108 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Motor Vehicle Fund--State Appropriation \$ ((252,000))
126,000

The appropriation in this section is subject to the following conditions and limitations and specified amounts are provided solely for that activity: The entire appropriation is for the contracted staff at the Gateway Visitor Information Centers, and may not be used for any other purpose.

Sec. 103. 1997 c 457 s 107 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT

Motor Vehicle Fund--State Appropriation \$ ((116,000))

1

58,000

2 The appropriation in this section is subject to the following
3 conditions and limitations and specified amounts are provided solely
4 for that activity: The entire amount is provided as funding to the
5 office of financial management for a policy and budget analyst for the
6 transportation agencies.

7

(End of part)

PART II
TRANSPORTATION AGENCIES

Sec. 201. 1997 c 457 s 201 (uncodified) is amended to read as follows:

FOR THE WASHINGTON TRAFFIC SAFETY COMMISSION

Highway Safety Fund--State Appropriation \$	((491,000))
	<u>741,000</u>
Highway Safety Fund--Federal Appropriation . . . \$	5,216,000
Transportation Fund--State Appropriation \$	950,000
TOTAL APPROPRIATION \$	((6,657,000))
	<u>6,907,000</u>

The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for that activity:

(1) The transportation fund--state appropriation includes \$900,000 to fund community DUI task forces. Funding from the transportation fund for any community DUI task force may not exceed twenty-five percent of total expenditures in support of that task force.

(2) \$50,000 of the transportation fund--state appropriation is provided to support local law enforcement implementing the drug recognition expert (DRE) and drugged driving programs. Any funds not required for the DRE program may be used for programs related to heavy trucks that improve safety and enforcement of Washington state laws.

(3) \$250,000 of the highway safety fund--state appropriation is provided solely to advertise the changes to the DUI statutes enacted by the 1998 legislature. This appropriation shall lapse if changes to the DUI statutes are not enacted by June 30, 1998.

Sec. 202. 1997 c 457 s 205 (uncodified) is amended to read as follows:

FOR THE LEGISLATIVE TRANSPORTATION COMMITTEE

Motor Vehicle Fund--State Appropriation \$	((2,822,000))
	<u>3,822,000</u>
Transportation Fund--State Appropriation \$	((200,000))
	<u>250,000</u>

1	<u>Central Puget Sound Public Transportation</u>	
2	<u>Account--State Appropriation</u>	\$ <u>100,000</u>
3	TOTAL APPROPRIATION	\$ ((3,022,000))
4		<u>4,172,000</u>

5 The appropriations in this section are subject to the following
6 conditions and limitations and specified amounts are provided solely
7 for that activity:

8 (1) In order to meet the growing demand for services the
9 legislative transportation committee shall seek accountability and
10 efficiencies within transportation agency programs through in-depth
11 program evaluations. These program evaluations shall consider:

12 (a) Whether or not strategic planning and performance-based
13 budgeting is a preferable planning and budgeting tool to the current
14 incremental budgeting process for agency administrative programs and
15 capital program budgeting;

16 (b) How the programs are performing currently and how service would
17 be affected at different funding levels using performance measures; and

18 (c) What decision-making tools aid with the budgeting and oversight
19 of these programs, such as tools developed during the maintenance
20 accountability program (MAP) conducted by the legislative
21 transportation committee during the 1995-97 biennium.

22 (2) In consultation with other legislative committees, the
23 legislative transportation committee shall study ways to enhance budget
24 development tools and presentation documents that will better
25 illustrate agencies' full appropriation authority and the intended
26 outcomes of the appropriation.

27 (3) The legislative transportation committee shall conduct an
28 evaluation of services provided by the county road administration
29 board, the transportation improvement board and the TransAid division
30 within the department of transportation. The evaluation shall assess
31 whether consolidation of any of these activities will result in
32 efficiencies and improved service delivery. The evaluation shall also
33 assess the funding structure of these organizations to determine
34 whether there are any benefits gained from a more simplified structure.
35 The evaluation shall also assess other funding authorities to see if
36 there is potential for further expansion of these revenues. The
37 committee shall report its findings and recommendations to the 1998
38 legislature and, if needed, prepare legislation to implement those

1 recommendations. \$150,000 of the motor vehicle fund--state
2 appropriation is provided for this evaluation.

3 (4) The legislative transportation committee, in cooperation with
4 the house appropriations committee, the senate ways and means
5 committee, and the office of financial management, shall study and
6 report to the legislature its findings regarding the process and
7 procedures for calculation, determination, and collection of the
8 amounts of motor vehicle excise tax (MVET) collected on the sale or
9 lease of motor vehicles in this state. The report shall include
10 findings as to the base amount for calculation of MVET, the
11 amortization schedule for calculation of MVET, and adequacy and
12 efficiency of current systems to provide accurate and timely
13 information to those responsible for determining and collecting the
14 MVET due, including recommendations for determining the MVET due for
15 current and future multiple MVET tax structures. The report must also
16 include a status report as to the progress and feasibility of using
17 third party information providers or using private vendors to collect
18 the MVET. \$200,000 of the transportation fund--state appropriation is
19 provided for this evaluation including the use of a consultant. This
20 \$200,000 amount is null and void if an appropriation for this activity
21 is enacted in any other appropriations bill by June 30, 1997.

22 (5) During the 1998 interim, the legislative transportation
23 committee shall conduct a study relating to interagency reimbursements,
24 cost allocations, debt service authorizations, and other budget
25 accountability issues.

26 (6) The legislative transportation committee shall study and report
27 to the legislature its findings regarding the design-build method of
28 contracting. The report shall include findings as to opportunities
29 where it might be appropriate to use design-build, the type of process
30 to be used, and the budget savings potential to the state from the
31 design-build method of contracting.

32 (7) The legislative transportation committee shall study the
33 economic and transportation impact of a draw-down of the Columbia/Snake
34 river. At a minimum, the study should address the following issues:
35 (a) Impacts on alternate transportation modes: State and local road
36 deterioration, congestion, safety, rail, and truck capacity; (b)
37 impacts to producers, growers, and shippers, such as access to markets
38 and transportation costs; (c) impacts to river, such as transportation,
39 jobs, and businesses; and (d) impacts on the state's export sales.

1 (8) \$1,000,000 of the motor vehicle fund--state appropriation is
2 provided solely for the following purpose: By June 1, 1998, the
3 legislature and the governor shall convene a panel of transportation
4 beneficiaries to conduct a comprehensive analysis of state-wide
5 transportation needs and priorities; existing and potential
6 transportation funding mechanisms, and the policies and practices of
7 governmental entities, private businesses, and labor that affect the
8 delivery of transportation programs and projects. By May 1, 1998, the
9 speaker of the house of representatives and the majority leader of the
10 senate shall appoint two members from each caucus of the house of
11 representatives and senate and the governor shall appoint individuals
12 representing, at a minimum, the following entities: The governor;
13 state agencies whose policies, practices, and procedures have a direct
14 impact on the delivery of transportation programs, projects, and
15 services; cities; counties; regional transportation planning
16 organizations; ports; passenger rail; light density freight rail;
17 transit agencies; the trucking industry; the steamship industry; major
18 employers; the retail industry; agricultural business; labor;
19 contractors; and the general public.

20 The panel shall evaluate and make recommendations on the following
21 elements:

22 (a) The critical state and local transportation projects, programs,
23 and services needed to achieve an efficient, effective, state-wide,
24 multimodal transportation system that supports the state's social,
25 economic, and environmental well being;

26 (b) A realistic, achievable plan for funding transportation
27 programs, projects, and services over the next twenty years;

28 (c) The relationship between state and local government agencies in
29 delivering transportation programs, projects, and services and changes
30 in the ways such agencies interact that are necessary to achieve a more
31 efficient and effective delivery of transportation programs, projects,
32 and services;

33 (d) The role of the transportation commission and regional
34 transportation planning organizations in determining state and local
35 transportation needs and priorities;

36 (e) Federal and state labor laws that impact the cost and efficient
37 delivery of transportation programs, projects, and services;

38 (f) The process and procedures needed to implement managed
39 competition in contracting out transportation projects and services;

1 (g) Business operational practices that impact the cost and timely
2 delivery of freight and goods;

3 (h) A public involvement and outreach process to assess public
4 attitudes about transportation priorities, funding, and project,
5 program, and service delivery; and

6 (i) Other elements and issues as directed by the panel.

7 The panel shall provide quarterly progress reports to the governor,
8 the legislative transportation committee, and the house of
9 representatives and senate fiscal committees and shall report its final
10 findings and recommendations by December 1, 2000.

11 (9) Up to \$100,000 of the central Puget Sound public transportation
12 account--state appropriation and up to \$50,000 of the transportation
13 fund--state appropriation are provided solely for a contracted
14 performance and management audit of selected public transportation
15 systems to ascertain the relative effectiveness and efficiency of those
16 systems and, where appropriate, provide recommendations that would
17 improve efficiency and effectiveness. The audit shall also determine
18 the accuracy of the information contained in the annual public
19 transportation systems report published by the department of
20 transportation.

21 **Sec. 203.** 1997 c 457 s 208 (uncodified) is amended to read as
22 follows:

23 **FOR THE WASHINGTON STATE PATROL--FIELD OPERATIONS BUREAU**

24	Motor Vehicle Fund--State Patrol Highway	
25	Account--State Appropriation	\$ ((159,108,000))
26		<u>163,789,000</u>
27	Motor Vehicle Fund--State Patrol Highway	
28	Account--Federal Appropriation	\$ 4,374,000
29	Motor Vehicle Fund--State Patrol Highway	
30	Account--Local Appropriation	\$ 170,000
31	Transportation Fund--State Appropriation	\$ ((8,961,000))
32		<u>4,522,000</u>
33	TOTAL APPROPRIATION	\$ ((172,613,000))
34		<u>172,855,000</u>

35 The appropriations in this section are subject to the following
36 conditions and limitations and specified amounts are provided solely
37 for that activity:

1 (1) The Washington state patrol is authorized to use the federal
2 community oriented policing program (COPS) for 54 troopers with 18 COPS
3 troopers to begin in July 1998 and 36 COPS troopers to begin in January
4 1999.

5 (2) ~~\$(8,200,000))~~ 4,463,000 of the transportation fund--state
6 appropriation ~~((is))~~ and \$3,737,000 of the motor vehicle fund--state
7 patrol highway account--state appropriation are provided for an
8 equalization salary adjustment of three percent on July 1, 1997, and
9 six percent on July 1, 1998, for commissioned officers (entry level
10 trooper through captain), commercial vehicle enforcement officers, and
11 communication officers of the Washington state patrol. The salary
12 adjustments are intended to bring the existing salary levels into the
13 fiftieth percentile of other Washington state law enforcement
14 compensation plans. This is in addition to the salary increase
15 contained in the omnibus appropriation bill or bills. The total of the
16 two increases, in the transportation budget and omnibus appropriation
17 bill or bills, may not exceed twelve percent.

18 (3) The Washington state patrol will develop a vehicle replacement
19 plan for the next six years. The plan will include an analysis of the
20 current 100,000 miles replacement policy and agency assignment policy.
21 Projected future budget requirements will include forecasts of vehicle
22 replacement costs, vehicle equipment costs, and estimated surplus
23 vehicle values when sold at auction.

24 (4) The Washington state patrol vessel and terminal security (VATS)
25 program will be funded by the state patrol highway fund beginning July
26 1, 1997, and into future biennia.

27 (5) A personnel data base will be maintained of the 801
28 commissioned traffic law enforcement officers, with a reconciliation at
29 all times to the patrol allocation model and a vehicle assignment and
30 replacement plan.

31 (6) \$150,000 of the state patrol highway account appropriation is
32 to fund the Washington state patrol's portion of the drug recognition
33 expert training program previously funded by the traffic safety
34 commission.

35 (7) The Washington state patrol with legislative transportation
36 committee staff will perform an interim study of the Washington state
37 patrol's commercial vehicle enforcement program with a report to be
38 presented to the legislature and office of financial management in

1 January 1998 with a developed business plan and program recommendations
2 which includes, but is not limited to, weigh in motion technologies.

3 (8)(a) The Washington state patrol, in consultation with the
4 Washington traffic safety commission, shall conduct an analysis of the
5 most effective safety devices for preventing accidents while delivery
6 trucks are operating in reverse gear. The analysis shall focus on
7 trucks equipped with cube-style, walk-in cargo boxes, up to eighteen
8 feet long, that are most commonly used in the commercial delivery of
9 goods and services.

10 (b) The state patrol shall incorporate research and analysis
11 currently being conducted by the national highway traffic safety
12 administration.

13 (c) Upon completion of the analysis, the state patrol shall forward
14 its recommendations to the legislative transportation committee and
15 office of financial management.

16 (9) (~~(\$761,000)~~) \$381,000 of the transportation fund--state
17 appropriation is provided for the following traditional general fund
18 purposes: The governor's air travel, the license fraud program, and
19 the special services unit. This transportation fund--state
20 appropriation is not a permanent funding source for these purposes.

21 (10) \$461,000 of the state patrol highway account appropriation is
22 provided solely for monitoring and stopping fuel tax evasion. The
23 Washington state patrol will report on December 1, 1998, to the
24 legislative transportation committee on the activities and revenue
25 collected associated with fuel tax evasion.

26 (11) \$289,000 of the state patrol highway account appropriation is
27 provided solely for vehicle license fraud investigation. A report will
28 be presented each session to the legislature on the activities and
29 revenue collected by the vehicle license fraud unit.

30 (12) \$268,000 of the motor vehicle fund--state patrol highway
31 account is provided solely to cover the employer's share of medicare
32 premiums for commissioned officers hired prior to 1986. If a
33 referendum of these officers does not receive majority support this
34 appropriation shall not be expended by the state patrol.

35 (13) The chief of the Washington state patrol is prohibited from
36 using any of the funding provided in chapter 457, Laws of 1997 and this
37 act to increase salaries for positions above the rank of captain.

1 and measurement of the productivity gains achieved through reduction in
2 administrative time and paperwork processing. The agency shall submit
3 a copy of the proposed study workplan to the office of financial
4 management, the department of information services, and the legislative
5 transportation committee no later than October 1, 1997. A final report
6 shall be submitted to the legislative transportation committee, the
7 office of financial management, and the department of information
8 services no later than January 31, 1998. This project is subject to
9 the provisions of section 502 of this act.

10 (3) \$50,000 of the state patrol highway account--state
11 appropriation is provided solely for a review of the feasibility of
12 improving the patrol's computer-aided dispatch system to permit
13 tracking of trooper availability and response time to calls for
14 service. The agency shall submit a copy of the proposed study workplan
15 to the office of financial management, the department of information
16 services, and the legislative transportation committee no later than
17 October 1, 1997. A final report shall be submitted to the legislative
18 transportation committee, the office of financial management, and the
19 department of information services no later than January 31, 1998.
20 This project is subject to the provisions of section 502 of this act.

21 (4) These appropriations maintain current level funding for the
22 Washington state patrol service center and have no budget savings
23 included for a consolidation of service centers based on the study
24 conducted by the technology management group. During the 1997 interim,
25 the costs for current level will be reviewed by the office of financial
26 management and department of information services with a formal data
27 center recommendation, that has been approved by the information
28 services board, to the legislature in January 1998. Current level
29 funding will be split between fiscal year 1998 and fiscal year 1999
30 with consideration of funding adjustments based on the review and the
31 formal policy and budget recommendations.

32 (5) (~~(\$4,965,000)~~) \$2,513,000 of the transportation fund--state
33 appropriation is for the following traditional general fund purposes:
34 The executive protection unit, revolving fund charges, budget and
35 fiscal services, computer services, personnel, human resources,
36 administrative services, and property management. This appropriation
37 is not a permanent funding source for these purposes.

38 (6) \$22,000 of the motor vehicle fund--state patrol highway account
39 appropriation is provided solely to cover the employer's share of

1 medicare premiums for commissioned officers hired prior to 1986. If a
2 referendum of these officers does not receive majority support this
3 appropriation shall not be expended by the state patrol.

4 (7) The 1998 Washington state patrol interim working group shall
5 review the data center, electronic services division, communications
6 division, and strategic planning and shall provide recommendations on
7 increasing the effectiveness and efficiencies of the programs under
8 review and audit.

9 (8) \$1,580,000 of the state patrol highway account--state
10 appropriation is provided solely for the transition of the Washington
11 state patrol mainframe data processing functions to the Washington
12 state department of information services data center in Olympia,
13 Washington. The Washington state patrol and the department of
14 information services shall work cooperatively to ensure the transition
15 to the department of information services is completed successfully.

16 **Sec. 206.** 1997 c 457 s 211 (uncodified) is amended to read as
17 follows:

18 **FOR THE DEPARTMENT OF LICENSING--MANAGEMENT AND SUPPORT SERVICES**

19 Highway Safety Fund--Motorcycle Safety Education

20	Account--State Appropriation	\$	((77,000))
21			<u>120,000</u>
22	State Wildlife Account--State Appropriation . . .	\$	((57,000))
23			<u>52,000</u>
24	Highway Safety Fund--State Appropriation	\$	((5,538,000))
25			<u>6,047,000</u>
26	Motor Vehicle Fund--State Appropriation	\$	((4,501,000))
27			<u>4,624,000</u>
28	Transportation Fund--State Appropriation	\$	((900,000))
29			<u>605,000</u>
30	TOTAL APPROPRIATION	\$	((11,073,000))
31			<u>11,448,000</u>

32 The appropriations in this section are subject to the following
33 conditions and limitations and specified amounts are provided solely
34 for that activity: The agency is directed to develop a proposal for
35 implementing alternative approaches to delivering agency services to
36 the public. The alternative approaches may include the use of credit
37 card payment for telephone or use of the internet for renewals of

1 vehicle registrations. The proposal shall also include collocated
2 services for greater convenience to the public. The agency shall
3 submit a copy of the proposal to the legislative transportation
4 committee and to the office of financial management no later than
5 December 1, 1997.

6 **Sec. 207.** 1997 c 457 s 212 (uncodified) is amended to read as
7 follows:

8 **FOR THE DEPARTMENT OF LICENSING--INFORMATION SYSTEMS**

9 Highway Safety Fund--Motorcycle Safety Education

10 Account--State Appropriation \$ ((2,000))
11 94,000

12 General Fund--Wildlife Account--State

13 Appropriation \$ ((123,000))
14 42,000

15 Highway Safety Fund--State Appropriation \$ ((4,396,000))
16 10,732,000

17 Motor Vehicle Fund--State Appropriation \$ ((5,858,000))
18 5,610,000

19 Transportation Fund--State Appropriation \$ ((1,190,000))
20 441,000

21 TOTAL APPROPRIATION \$ ((11,569,000))
22 16,919,000

23 The appropriations in this section are subject to the following
24 conditions and limitations and specified amounts are provided solely
25 for that activity:

26 (1) \$2,498,000 of the highway safety fund--state appropriation and
27 \$793,000 of the motor vehicle fund--state appropriation are provided
28 for the following activities: (1) Identify business objectives and
29 needs relating to technology improvements and integration of the
30 drivers' licensing and vehicle title and registrations systems; (2)
31 converting the drivers' licensing software applications to achieve Year
32 2000 compliance; (3) convert the drivers' field network from a uniscope
33 to a frame-relay network; (4) develop an interface between the unisys
34 system and the CRASH system; and (5) operate and maintain the highways-
35 licensing building network and the drivers' field network.

36 (2) \$1,769,000 of the highway safety fund--state appropriation and
37 \$875,000 of the motor vehicle fund--state appropriation are provided to

1 implement the following business and technology assessment project
2 recommendations contained in the feasibility study delivered to the
3 legislature in January 1998: (a) Search and Query, option 2 and; (b)
4 licensing service office improvements, option 2. If the driver's
5 license fee increase contained in sections 6 and 7 of Engrossed
6 Substitute House Bill No. 2730 is not enacted by June 30, 1998, the
7 amounts provided in this subsection shall lapse.

8 **Sec. 208.** 1997 c 457 s 213 (uncodified) is amended to read as
9 follows:

10 **FOR THE DEPARTMENT OF LICENSING--VEHICLE SERVICES**

11	General Fund--Marine Fuel Tax Refund Account--		
12	State Appropriation	\$	26,000
13	General Fund--Wildlife Account--State		
14	Appropriation	\$	549,000
15	Motor Vehicle Fund--State Appropriation	\$	((50,003,000))
16			<u>49,630,000</u>
17	Department of Licensing Services Account--		
18	State Appropriation	\$	2,944,000
19	TOTAL APPROPRIATION	\$	((53,522,000))
20			<u>53,149,000</u>

21 The appropriations in this section are subject to the following
22 conditions and limitations and specified amounts are provided solely
23 for that activity:

24 (1) \$600,000 of the licensing service account--state appropriation
25 is provided for replacement of printers for county auditors and
26 subagents.

27 (2) The department of licensing, in cooperation with the fuel tax
28 advisory committee, shall prepare and submit a report to the
29 legislative transportation committee containing recommendations for
30 special fuel and motor vehicle fuel recordkeeping and reporting
31 requirements, including but not limited to recommendations regarding
32 the form and manner in which records and tax reports must be maintained
33 and made available to the department; which persons engaged in the
34 business of selling, purchasing, distributing, storing, transporting,
35 or delivering fuel should be required to submit periodic reports
36 regarding the disposition of such fuel; and the feasibility of

1 implementing an automated fuel tracking system. The report is due no
2 later than October 31, 1997.

3 (3) The department of licensing, in cooperation with
4 representatives of local governments and the department of revenue
5 shall analyze the collection of the local option fuel tax under RCW
6 82.80.010. Based on that analysis the department of licensing shall
7 offer recommendations regarding the appropriate government entity to
8 collect the local option fuel tax and the best method to accomplish
9 that collection. The department of licensing shall report its findings
10 and recommendations to the legislative transportation committee and the
11 office of financial management by December 1, 1998.

12 (4) The department of licensing, in conjunction with the
13 interagency commission on outdoor recreation, the department of
14 transportation, and other affected entities, shall conduct a study and
15 make recommendations regarding:

16 (a) Whether the study required by RCW 43.99.030 to determine what
17 portion of the motor vehicle fuel tax collected is tax on marine fuel
18 is an effective and efficient mechanism for determining what portion of
19 fuel tax revenues should be refunded to the marine fuel tax refund
20 account;

21 (b) Other possible methodologies for determining the appropriate
22 amount of tax revenue to refund from the motor vehicle fund to the
23 marine tax refund account; and

24 (c) Whether the tax on fuel used by illegally nonregistered boats
25 should be refunded to the marine tax refund account.

26 The department of licensing shall make a report of its findings and
27 recommendations to the legislative transportation committee and the
28 office of financial management by December 1, 1998.

29 (5) \$382,000 of the motor vehicle fund--state appropriation is
30 provided solely to implement Substitute House Bill No. 2659. If
31 Substitute House Bill No. 2659 is not enacted by June 30, 1998, this
32 amount shall lapse.

33 **Sec. 209.** 1997 c 457 s 214 (uncodified) is amended to read as
34 follows:

35 **FOR THE DEPARTMENT OF LICENSING--DRIVER SERVICES**

36 Highway Safety Fund--Motorcycle Safety Education

37 Account--State Appropriation \$ ((1,160,000))

38 1,411,000

1	Highway Safety Fund--State Appropriation \$	((61,087,000))
2		57,716,000
3	Transportation Fund--State Appropriation \$	4,985,000
4	TOTAL APPROPRIATION \$	((67,232,000))
5		64,112,000

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

8 (1) \$225,000 of the highway safety account--state appropriation is
9 provided solely to implement Substitute House Bill No. 2442 or Senate
10 Bill No. 6190. If neither bill is enacted by June 30, 1998, this
11 amount shall lapse.

12 (2) \$480,000 of the highway safety account--state appropriation is
13 provided solely to implement Senate Bill No. 6165. If Senate Bill No.
14 6165 is not enacted by June 30, 1998, this amount shall lapse.

15 (3) \$117,000 of the highway safety account--state appropriation is
16 provided solely to implement House Bill No. 3054. If House Bill No.
17 3054 is not enacted by June 30, 1998, this amount shall lapse.

18 (4) \$80,000 of the highway safety account--state appropriation is
19 provided solely to implement House Bill No. 2730. If House Bill No.
20 2730 is not enacted by June 30, 1998, this amount shall lapse.

21 (5) \$124,000 of the highway safety account--state appropriation is
22 provided solely to implement Senate Bill No. 6591. If Senate Bill No.
23 6591 is not enacted by June 30, 1998, this amount shall lapse.

24 (6) \$1,000,000 of the highway safety account--state appropriation
25 is provided solely to implement 1998 legislation that changes statutes
26 relating to driving under the influence. If legislation changing the
27 DUI statutes is not enacted by June 30, 1998, this amount shall lapse.

28 **Sec. 210.** 1997 c 457 s 216 (uncodified) is amended to read as
29 follows:

30 **FOR THE DEPARTMENT OF TRANSPORTATION--AVIATION--PROGRAM F**

31	Transportation Fund--Aeronautics Account--State	
32	Appropriation \$	((3,301,000))
33		3,801,000
34	Transportation Fund--Aeronautics Account--Federal	
35	Appropriation \$	1,000
36	Aircraft Search and Rescue, Safety, and Education	
37	Account--State Appropriation \$	((170,000))

1		<u>190,000</u>
2	Transportation Account--State Appropriation . . . \$	250,000
3	TOTAL APPROPRIATION \$	((3,722,000))
4		<u>4,242,000</u>

5 **Sec. 211.** 1997 c 457 s 217 (uncodified) is amended to read as
6 follows:

7 **FOR THE DEPARTMENT OF TRANSPORTATION--IMPROVEMENTS--PROGRAM I**

8	Motor Vehicle Fund--Economic Development Account--	
9	State Appropriation \$	2,434,000
10	Motor Vehicle Fund--State Appropriation \$	((113,341,000))
11		<u>163,275,000</u>
12	Motor Vehicle Fund--Federal Appropriation \$	((130,485,000))
13		<u>155,485,000</u>
14	Motor Vehicle Fund--Private/Local	
15	Appropriation \$	40,000,000
16	Special Category C Account--State Appropriation . \$	((78,600,000))
17		<u>73,271,000</u>
18	Transportation Fund--State Appropriation \$	((278,546,000))
19		<u>230,546,000</u>
20	Puyallup Tribal Settlement Account--State	
21	Appropriation \$	5,000,000
22	Puyallup Tribal Settlement Account--Private/Local	
23	Appropriation \$	200,000
24	High Capacity Transportation Account--State	
25	Appropriation \$	((1,288,000))
26		<u>1,401,000</u>
27	TOTAL APPROPRIATION \$	((649,894,000))
28		<u>671,612,000</u>

29 The appropriations in this section are provided for the location,
30 design, right of way acquisition, ~~((and))~~ or construction of state
31 highway projects designated as improvements under RCW 47.05.030. The
32 appropriations in this section are subject to the following conditions
33 and limitations and specified amounts are provided solely for that
34 activity:

35 ~~((b) State funds conditioned in (a) of this subsection may also be~~
36 ~~used as match for federally funded projects of similar nature.~~

1 ~~(2))~~ (1) The special category C account--state appropriation of
2 ~~((\$78,600,000))~~ \$73,271,000 includes \$26,000,000 in proceeds from the
3 sale of bonds authorized by RCW 47.10.812 through 47.10.817 and
4 includes ~~((\$19,000,000))~~ \$12,000,000 in proceeds from the sale of bonds
5 authorized by House Bill No. 1012. The transportation commission may
6 authorize the use of current revenues available to the department of
7 transportation in lieu of bond proceeds for any part of the state
8 appropriation. If House Bill No. 1012 is not enacted by June 30,
9 ~~((1997))~~ 1998, ~~((\$19,000,000))~~ \$7,800,000 of the special category C
10 account--state appropriation shall lapse.

11 ~~((3))~~ (2) The motor vehicle fund--state appropriation includes
12 \$2,685,000 in proceeds from the sale of bonds authorized by RCW
13 47.10.819(1) for match on federal demonstration projects. The
14 transportation commission may authorize the use of current revenues
15 available to the department of transportation in lieu of bond proceeds
16 for any part of the state appropriation.

17 ~~((4))~~ (3) The department shall report annually to the legislative
18 transportation committee on the status of the projects funded by the
19 special category C appropriations contained in this section. The
20 report shall be submitted by January 1 of each year.

21 ~~((5))~~ (4) The motor vehicle fund--state appropriation in this
22 section includes \$600,000 solely for a rest area and information
23 facility in the Nisqually gateway area to Mt. Rainier, provided that at
24 least forty percent of the total project costs are provided from
25 federal, local, or private sources. The contributions from the
26 nonstate sources may be in the form of in-kind contributions including,
27 but not limited to, donations of property and services.

28 ~~((6))~~ (5) The appropriations in this section contain \$118,247,000
29 reappropriation from the 1995-97 biennium.

30 ~~((8))~~ (6) The motor vehicle fund--state appropriation in this
31 section includes \$250,000 to establish a wetland mitigation pilot
32 project. This appropriation may only be expended if the department of
33 transportation establishes a technical committee to better implement
34 the department's strategic plan. The technical committee shall
35 include, but is not limited to, cities, counties, environmental groups,
36 business groups, tribes, the Puget Sound action team, and the state
37 departments of ecology, fish and wildlife, and community, trade, and
38 economic development, and appropriate federal agencies. The committee
39 shall assist the department in implementing its wetland strategic plan,

1 including working to eliminate barriers to improved wetland and
2 watershed management. To this end, the technical committee shall: (a)
3 Work to facilitate sharing of agency environmental data, including
4 evaluation of off-site and out-of-kind mitigation options; (b) develop
5 agreed-upon guidance that will enable the preservation of wetlands that
6 are under imminent threat from development for use as an acceptable
7 mitigation option; (c) develop strategies that will facilitate the
8 implementation of mitigation banking, including developing mechanisms
9 for valuing and transferring credits; (d) provide input in the
10 development of wetland functions assessment protocols related to
11 transportation projects; (e) develop incentives for interagency
12 participation in joint mitigation projects within watersheds; and (f)
13 explore options for funding environmental mitigation strategies. The
14 department shall prepare an annual report to the legislative
15 transportation committee and legislative natural resources committees
16 on recommendations developed by the technical committee.

17 (7) The department shall report January 1st and July 1st of each
18 year, to the legislative transportation committee and the office of
19 financial management of the timing and the scope of work being
20 performed for the regional transit authority. This report shall
21 provide a description of all department activities related to the
22 regional transit authority including investments in state-owned
23 infrastructure.

24 (8) The translake study funded in this section shall include
25 recommendations to address methods for mitigating traffic noise in the
26 study area.

27 (9) Funding for the SR 509 project extending south and east from
28 south 188th street in King county is contingent on the development of
29 a proposal linking the project to other freight corridors and a funding
30 plan with participation from partners of the state that are agreed to
31 by the legislative transportation committee and the governor.

32 (10) The motor vehicle account--federal appropriation in this
33 section is transferrable to the transportation account to ensure
34 efficient funds management and program delivery.

35 (11) \$2,000,000 of the motor vehicle fund--state appropriation is
36 provided solely for transfer to the advanced environmental mitigation
37 revolving account--state.

38 (12) The legislature finds that the state's economic development
39 efforts can be enhanced by, in certain instances, providing funds to

1 improve state highways in the vicinity of new industries considering
2 locating in this state or existing industries that are considering
3 significant expansion. The department shall develop criteria for
4 programming and prioritization of highway infrastructure projects that
5 will contribute to economic development as required by RCW
6 47.05.051(2). The department shall report to the legislative
7 transportation committee on the criteria developed by December 1, 1998.

8 (13) In conducting the preliminary engineering funded by this 1998
9 act, the department of transportation will use its existing workforce.
10 The department may not contract for any of the preliminary engineering
11 services funded by this 1998 act without prior approval of the
12 legislative transportation committee.

13 (14) \$13,000,000 of the motor vehicle fund--state appropriation and
14 \$12,000,000 of the transportation fund--state appropriation are
15 provided solely for preliminary engineering and purchase of right of
16 way for highway construction.

17 (15) \$35,000,000 of the motor vehicle fund--state appropriation is
18 conditioned upon voter approval of a referendum on a state-wide ballot
19 that provides funding for transportation purposes. If the voters
20 approve such a referendum, \$35,000,000 of the motor vehicle fund--state
21 appropriation is put in reserve solely to be used for the purposes of
22 preliminary engineering and purchase of right of way for highway
23 construction. These moneys may only be expended upon approval of both
24 the legislative transportation committee and the office of financial
25 management.

26 **Sec. 212.** 1997 c 457 s 218 (uncodified) is amended to read as
27 follows:

28 **FOR THE DEPARTMENT OF TRANSPORTATION--TRANSPORTATION ECONOMIC**
29 **PARTNERSHIPS--PROGRAM K**

30	Transportation Fund--State Appropriation \$	1,280,000
31	Motor Vehicle Fund--State Appropriation \$	16,235,000
32	TOTAL APPROPRIATION \$	17,515,000

33 The appropriations in this section are subject to the following
34 conditions and limitations and specified amounts are provided solely
35 for that activity:

36 (1) The motor vehicle fund--state appropriation includes
37 \$16,235,000 in proceeds from the sale of bonds authorized in RCW

1 47.10.834 for all forms of cash contributions, or the payment of other
2 costs incident to the location, development, design, right of way, and
3 construction of only the SR 16 corridor improvements and park and ride
4 projects selected under the public-private transportation initiative
5 program authorized under chapter 47.46 RCW; and support costs of the
6 public-private transportation initiatives program.

7 (2) The appropriations in this section contain \$16,235,000
8 reappropriated from the 1995-97 biennium.

9 (3) \$100,000 of the motor vehicle fund--state appropriation is
10 provided solely for the purpose of the program evaluation and audit of
11 the public private initiatives in transportation program required under
12 RCW 47.46.030(2). The legislative transportation committee shall act
13 as project manager of the evaluation and audit and shall contract with
14 a consultant or consultants to conduct the evaluation and audit.

15 **Sec. 213.** 1997 c 457 s 219 (uncodified) is amended to read as
16 follows:

17 **FOR THE DEPARTMENT OF TRANSPORTATION--HIGHWAY MAINTENANCE--PROGRAM M**

18 Motor Vehicle Fund--State Appropriation	\$	((238,200,000))
19		<u>239,200,000</u>
20 Motor Vehicle Fund--Federal Appropriation	\$	465,000
21 Motor Vehicle Fund--Private/Local Appropriation	\$	3,335,000
22 TOTAL APPROPRIATION	\$	((242,000,000))
23		<u>243,000,000</u>

24 The appropriations in this section are subject to the following
25 conditions and limitations and specified amounts are provided solely
26 for that activity:

27 (1) If portions of the appropriations in this section are required
28 to fund maintenance work resulting from major disasters not covered by
29 federal emergency funds such as fire, flooding, and major slides,
30 supplemental appropriations will be requested to restore state funding
31 for ongoing maintenance activities.

32 (2) The department shall deliver the highway maintenance program
33 according to the plans for each major maintenance group to the extent
34 practical. However, snow and ice expenditures are highly variable
35 depending on actual weather conditions encountered. If extraordinary
36 winter needs result in increased winter maintenance expenditures, the
37 department shall, after prior consultation with the transportation

1 commission, the office of financial management, and the legislative
2 transportation committee adopt one or both of the following courses of
3 action: (a) Reduce planned maintenance activities in other groups to
4 offset the necessary increases for snow and ice control; or (b)
5 continue delivery as planned within other major maintenance groups and
6 request a supplemental appropriation in the following legislative
7 session to fund the additional snow and ice control expenditures.

8 (3) The department shall request an unanticipated receipt for any
9 federal moneys received for emergency snow and ice removal and shall
10 place an equal amount of the motor vehicle fund--state into unallotted
11 status. This exchange shall not affect the amount of funding available
12 for snow and ice removal.

13 (4) Funding appropriated for local storm water charges assessed
14 under RCW 90.03.525, which is allocated for, but not paid to, a local
15 storm water utility because the utility did not meet the conditions
16 provided under RCW 90.03.525, may be transferred by the department to
17 program Z of the department to be distributed as grants under the storm
18 water grant program.

19 **Sec. 214.** 1997 c 457 s 220 (uncodified) is amended to read as
20 follows:

21 **FOR THE DEPARTMENT OF TRANSPORTATION--PRESERVATION--PROGRAM P**

22 Motor Vehicle Fund--State Appropriation	\$	((289,777,000))
		<u>288,720,000</u>
24 Motor Vehicle Fund--Federal Appropriation	\$	274,259,000
25 Motor Vehicle Fund--Private/Local Appropriation	\$	2,400,000
26 TOTAL APPROPRIATION	\$	((566,436,000))
		<u>568,379,000</u>

27

28 The appropriations in this section are subject to the following
29 conditions and limitations and specified amounts are provided solely
30 for that activity:

31 (1) The motor vehicle fund--state appropriation includes \$6,800,000
32 in proceeds from the sale of bonds authorized in RCW 47.10.761 and
33 47.10.762 for emergency purposes. However, the transportation
34 commission may authorize the use of current revenues available to the
35 department of transportation in lieu of bond proceeds for any part of
36 the state appropriation.

1 (2) The appropriations in this section contain \$27,552,000
2 reappropriated from the 1995-97 biennium.

3 (3) If the Oregon state legislature enacts a public/private
4 partnership program and the Washington state transportation commission,
5 in consultation with the legislative transportation committee,
6 negotiates and enters into an agreement between Washington and Oregon
7 to place the Lewis and Clark bridge into Oregon's public/private
8 partnership program, up to \$3,000,000 of the motor vehicle fund--state
9 appropriation may be used as Washington's contribution toward the
10 design of the project pursuant to the agreement between Washington and
11 Oregon. Any additional contributions shall be subject to Washington
12 state legislative appropriations and approvals. The department shall
13 provide a status report on this project to the legislative
14 transportation committee by June 30, 1998.

15 (4) The transportation commission shall develop a comprehensive
16 policy on tolling that shall include, but not be limited to,
17 identification of the criteria for determining which facilities shall
18 be considered for toll financing, a process for determining the amount
19 of tolls to be assessed, and a process for soliciting and incorporating
20 public input. A report on the policy shall be provided to the
21 legislative transportation committee and the office of financial
22 management by March 1, 1999.

23 (5) The twenty-year bridge system plan is assumed to be fully
24 funded by existing revenues. The current straight-line planning and
25 budgeting methods for bridge preservation projects do not accommodate
26 the cash flow requirements of major bridge preservation projects such
27 as the Hood Canal Bridge. The department shall recommend to the
28 legislative transportation committee, by December 1, 1998, a sequencing
29 plan for the twenty-year bridge system plan that includes the cash flow
30 requirements associated with the major bridge replacement/
31 rehabilitation projects.

32 (6) \$630,000 of the motor vehicle fund--state appropriation is
33 provided for slope stabilization along state route 166 in the Ross
34 Point vicinity. This amount is intended to fund preliminary
35 engineering, right of way acquisition, and to begin construction.

36 **Sec. 215.** 1997 c 457 s 221 (uncodified) is amended to read as
37 follows:

38 **FOR THE DEPARTMENT OF TRANSPORTATION--TRAFFIC OPERATIONS--PROGRAM Q**

1	<u>State Patrol Highway Account--State</u>	
2	<u>Appropriation</u>	\$ 153,000
3	Motor Vehicle Fund--State Appropriation	\$ ((29,140,000))
4		<u>30,412,000</u>
5	<u>Motor Vehicle Fund--Federal Appropriation</u>	\$ 1,000,000
6	<u>Motor Vehicle Fund--Private/Local</u>	
7	<u>Appropriation</u>	\$ 275,000
8	<u>TOTAL APPROPRIATION</u>	\$ <u>31,840,000</u>

9 The appropriation in this section is subject to the following
10 conditions and limitations and specified amount is provided solely for
11 that activity:

12 (1) The department, in cooperation with the Washington state patrol
13 and the tow truck industry, shall develop and submit to the legislative
14 transportation committee by October 31, 1997, a recommendation for
15 implementing new tow truck services during peak hours on the Puget
16 Sound freeway system.

17 (2) The department, in cooperation with the Washington state
18 patrol, the department of licensing, the state of Oregon, and the
19 United States department of transportation, shall install and operate
20 the commercial vehicle information systems and network (CVISN) at a
21 selected pilot site. If the state department of transportation
22 receives additional federal funding for this project that is eligible
23 to supplant state funding, the appropriation in this section shall be
24 reduced by the amount of the state funds supplanted.

25 **Sec. 216.** 1997 c 457 s 222 (uncodified) is amended to read as
26 follows:

27 **FOR THE DEPARTMENT OF TRANSPORTATION--TRANSPORTATION MANAGEMENT AND**
28 **SUPPORT--PROGRAM S**

29	Motor Vehicle Fund--Puget Sound Capital	
30	Construction Account--State Appropriation	\$ 777,000
31	Motor Vehicle Fund--State Appropriation	\$ ((57,462,000))
32		<u>70,032,000</u>
33	Motor Vehicle Fund--Puget Sound Ferry Operations	
34	Account--State Appropriation	\$ 1,093,000
35	Transportation Fund--State Appropriation	\$ 1,158,000
36	TOTAL APPROPRIATION	\$ ((60,490,000))
37		<u>73,060,000</u>

1 The appropriations in this section are subject to the following
2 conditions and limitations and specified amounts are provided solely
3 for that activity:

4 (1)(a) The motor vehicle fund--state appropriation includes
5 \$(~~(2,650,000)~~) 14,300,000 provided solely for programming activities
6 and other efforts needed to bring the department's information systems,
7 and devices with computers built into them, into compliance with the
8 year 2000 requirements of the department of information services. The
9 department is directed to expend the moneys internally reallocated for
10 this purpose before spending from this appropriation. The department
11 is directed to provide quarterly reports on this effort to the
12 legislative transportation committee and the office of financial
13 management beginning October 1, 1997.

14 (b) Up to \$2,900,000 of the amount provided in (a) of this
15 subsection may be expended for testing and required modifications to
16 electronic devices and other equipment and specialized software that
17 are essential for department operations to ensure they are year 2000
18 compliant. Before expending any of this amount for these purposes, the
19 department shall consult with the legislative transportation committee
20 and the office of financial management.

21 (2) The legislative transportation committee shall review and
22 analyze freight mobility issues affecting eastern and southeastern
23 Washington as recommended by the freight mobility advisory committee
24 and report back to the legislature by November 1, 1997. \$500,000 of
25 the motor vehicle fund--state appropriation is provided for this review
26 and analysis. The funding conditioned in this subsection shall be from
27 revenues provided for interjurisdictional studies.

28 (3) In order to increase visibility for decision making, the
29 department shall review its budgeting and accounting methods for
30 management information systems. The review shall include, but not be
31 limited to, the cost-benefit analysis of existing processes and
32 evaluation of less complex alternatives such as direct appropriations.
33 The results of the review shall be reported to the legislative
34 transportation committee and the office of financial management by July
35 1, 1998.

36 **Sec. 217.** 1997 c 457 s 224 (uncodified) is amended to read as
37 follows:

1 **FOR THE DEPARTMENT OF TRANSPORTATION--CHARGES FROM OTHER AGENCIES--**

2 **PROGRAM U**

3 (1) FOR PAYMENT OF COSTS OF ATTORNEY GENERAL TORT CLAIMS SUPPORT
4 Motor Vehicle Fund--State Appropriation \$ 2,515,000

5 (2) FOR PAYMENT OF COSTS OF THE OFFICE OF THE STATE AUDITOR
6 Motor Vehicle Fund--State Appropriation \$ 840,000

7 (3) FOR PAYMENT OF COSTS OF DEPARTMENT OF GENERAL ADMINISTRATION
8 FACILITIES AND SERVICES AND CONSOLIDATED MAIL SERVICES
9 Motor Vehicle Fund--State Appropriation \$ 3,391,000

10 (4) FOR PAYMENT OF COSTS OF THE DEPARTMENT OF PERSONNEL
11 Motor Vehicle Fund--State Appropriation \$ 2,240,000

12 (5) FOR PAYMENT OF SELF-INSURANCE LIABILITY PREMIUMS AND
13 ADMINISTRATION
14 Motor Vehicle Fund--State Appropriation \$ ((12,120,000))
15 12,535,000

16 (6) FOR PAYMENT OF SELF-INSURANCE LIABILITY PREMIUMS AND
17 ADMINISTRATION
18 Motor Vehicle Fund--Puget Sound Ferry Operations
19 Account--State Appropriation \$ 2,928,000

20 (7) FOR PAYMENT OF COSTS OF THE OFFICE OF MINORITY AND WOMEN'S
21 BUSINESS ENTERPRISES
22 Motor Vehicle Fund--State Appropriation \$ 536,000

23 (8) FOR PAYMENT OF COSTS OF THE DEPARTMENT OF GENERAL
24 ADMINISTRATION STATE PARKING SERVICES
25 Motor Vehicle Fund--State Appropriation \$ 90,000

26 (9) FOR PAYMENT OF THE DEPARTMENT OF GENERAL ADMINISTRATION CAPITAL
27 PROJECTS SURCHARGE
28 Motor Vehicle Fund--State Appropriation \$ 735,000

29 (10) FOR ARCHIVES AND RECORDS MANAGEMENT
30 Motor Vehicle Fund--State Appropriation \$ ((295,000))
31 355,000

32 **Sec. 218.** 1997 c 457 s 225 (uncodified) is amended to read as
33 follows:

34 **FOR THE DEPARTMENT OF TRANSPORTATION--WASHINGTON STATE FERRIES**
35 **CONSTRUCTION--PROGRAM W**

36 Motor Vehicle Fund--Puget Sound Capital
37 Construction Account--State Appropriation . . \$ ((243,229,000))
38 209,886,000

1 appropriation or Puget Sound capital construction account--federal
2 appropriation to the city of Bremerton and the port of Bremerton for
3 Washington state ferries' financial participation in the development of
4 a Bremerton multimodal transportation terminal, port of Bremerton
5 passenger-only terminal expansion, and ferry vehicular connections to
6 downtown traffic circulation improvements. The reimbursement shall
7 specifically support the construction of the following components:
8 Appropriate passenger-only ferry terminal linkages to accommodate bow-
9 loading catamaran type vessels and the needed transit connections; and
10 the Washington state ferries' component of the Bremerton multimodal
11 transportation terminal as part of the downtown Bremerton redevelopment
12 project, including appropriate access to the new downtown traffic
13 circulation road network.

14 (5) The Puget Sound capital construction account--state
15 appropriation includes funding for capital improvements on vessels to
16 meet United States Coast Guard Subchapter W regulation revisions
17 impacting SOLAS (safety of life at sea) requirements for ferry
18 operations on the Anacortes to Sidney, B.C. ferry route.

19 (6) The Puget Sound capital construction account--state
20 appropriation, the Puget Sound capital construction account--federal
21 appropriation, and the passenger ferry account--state appropriation
22 include funding for the construction of one new passenger-only vessel
23 and the department's exercise of the option to build a second
24 passenger-only vessel.

25 (7) The Puget Sound capital construction account--state
26 appropriation includes funding for the exploration and acquisition of
27 a design for constructing a millennium class ferry vessel.

28 (8) The Puget Sound capital construction account--state
29 appropriation includes \$90,000 for the purchase of defibrillators. At
30 least one defibrillator shall be placed on each vessel in the ferry
31 fleet.

32 (9) The appropriations in this section contain \$46,962,000
33 reappropriated from the 1995-97 biennium.

34 ~~((10)(a) The Puget Sound capital construction account--state~~
35 ~~appropriation includes \$57,461,000 for the 1997-99 biennium portion of~~
36 ~~the design and construction of a fourth Jumbo Mark II ferry and for~~
37 ~~payments related to the lease purchase of the vessel's engines and~~
38 ~~propulsion system.~~

1 ~~(b) If House Bill No. 2108 authorizing the department to procure~~
2 ~~the vessel utilizing existing construction and equipment acquisition~~
3 ~~contracts is not enacted during the 1997 legislative session, (a) of~~
4 ~~this subsection is null and void; \$50,000,000 of the motor vehicle~~
5 ~~fund—Puget Sound capital construction account—state appropriation~~
6 ~~shall not be allotted; and \$7,461,000 may be allotted for preservation~~
7 ~~or renovation of Super class ferries.))~~

8 **Sec. 219.** 1997 c 457 s 226 (uncodified) is amended to read as
9 follows:

10 **FOR THE DEPARTMENT OF TRANSPORTATION--MARINE--PROGRAM X**

11 Marine Operating Fund--State Appropriation . . . \$ ((267,358,000))
12 270,522,000

13 The appropriation in this section is subject to the following
14 conditions and limitations and specified amounts are provided solely
15 for that activity:

16 (1) The appropriation is based on the budgeted expenditure of
17 ~~((\$29,151,000))~~ \$28,696,000 for vessel operating fuel in the 1997-99
18 biennium. If the actual cost of fuel is less than this budgeted
19 amount, the excess amount may not be expended. If the actual cost
20 exceeds this amount, the department shall request a supplemental
21 appropriation.

22 (2) The appropriation provides for the compensation of ferry
23 employees. The expenditures for compensation paid to ferry employees
24 during the 1997-99 biennium may not exceed ~~((\$177,347,000))~~
25 \$179,095,000 plus a dollar amount, as prescribed by the office of
26 financial management, that is equal to any insurance benefit increase
27 granted general government employees in excess of \$313.95 a month
28 annualized per eligible marine employee multiplied by the number of
29 eligible marine employees for the respective fiscal year, a dollar
30 amount as prescribed by the office of financial management for costs
31 associated with pension amortization charges, and a dollar amount
32 prescribed by the office of financial management for salary increases
33 during the 1997-99 biennium. For the purposes of this section, the
34 expenditures for compensation paid to ferry employees shall be limited
35 to salaries and wages and employee benefits as defined in the office of
36 financial management's policies, regulations, and procedures named
37 under objects of expenditure "A" and "B" (7.2.6.2).

1 The prescribed salary and insurance benefit increase or decrease
2 dollar amount that shall be allocated from the governor's compensation
3 appropriations is in addition to the appropriation contained in this
4 section and may be used to increase or decrease compensation costs,
5 effective July 1, 1997, and thereafter, as established in the 1997-99
6 general fund operating budget.

7 (3) The department of transportation shall provide to the
8 legislative transportation committee and office of financial management
9 a quarterly financial report concerning the status of the operating
10 program authorized in this section.

11 (4) The appropriation in this section includes up to \$1,566,000 for
12 additional operating expenses required to comply with United States
13 Coast Guard Subchapter W regulation revisions for vessels operating on
14 the Anacortes to Sidney, B.C. ferry route. The department shall
15 explore methods to minimize the cost of meeting United States Coast
16 Guard requirements and shall report the results to the legislative
17 transportation committee and office of financial management by
18 September 1, 1997.

19 (5) The department shall request a reduction of the costs
20 associated with the use of the terminal leased from the Port of
21 Anacortes and costs associated with use of the Sidney, British Columbia
22 terminal.

23 (6) Agreements between Washington state ferries and concessionaires
24 for automatic teller machines on ferry terminals or vessels shall
25 provide for and include banks and credit unions that primarily serve
26 the west side of Puget Sound.

27 (7) In the event federal funding is provided for one or more
28 passenger-only ferry vessels for the purpose of transporting United
29 States naval personnel, the department of transportation is authorized
30 to acquire and construct such vessels in accordance with the authority
31 provided in RCW 47.56.030, and the department shall establish a
32 temporary advisory committee comprised of representatives of the
33 Washington state ferries, transportation commission, legislative
34 transportation committee, office of financial management, and the
35 United States Navy to analyze and make recommendations on, at a
36 minimum, vessel performance criteria, docking, vessel deployment, and
37 operating issues.

38 ~~((+9))~~ (8) The appropriation provides funding for House Bill No.
39 2165 (paying interest on retroactive raises for ferry workers).

1 (9) The commission is authorized to increase Washington state ferry
2 tariffs in excess of the fiscal growth factor, established under
3 chapter 43.135 RCW, in fiscal year 1998 and fiscal year 1999.

4 (10) Funding for Anacortes to Sidney advertising is contingent upon
5 partners meeting their commitment. In no event may the state share
6 exceed fifty percent of the cash contribution toward the project.

7 (11) \$1,370,000 of this appropriation is provided solely for the
8 Hiyu operation for Southworth/Vashon 5 days per week for 16 hours per
9 day. Prior to placing the Hiyu in permanent service on a route between
10 Vashon and Southworth, the Washington state ferries shall conduct a
11 study of the impact of additional service on Vashon and Southworth and
12 report back to the legislative transportation committee by May 15,
13 1998.

14 (12) \$446,000 of this appropriation is provided solely to provide
15 an additional crew member on Jumbo Mark 2 ferries as required by
16 emergency evacuation regulations adopted by the United States Coast
17 Guard. If the Coast Guard requirement can be met without the hiring of
18 additional staff, the portion of this appropriation provided to meet
19 that requirement shall not be expended.

20 **Sec. 220.** 1997 c 457 s 227 (uncodified) is amended to read as
21 follows:

22 **FOR THE DEPARTMENT OF TRANSPORTATION--PUBLIC TRANSPORTATION AND RAIL--**
23 **PROGRAM Y**

24	Essential Rail Assistance Account--State	
25	Appropriation	\$ 256,000
26	High Capacity Transportation Account--State	
27	Appropriation	\$ ((6,225,000))
28		<u>13,225,000</u>
29	Air Pollution Control Account--State	
30	Appropriation	\$ 6,290,000
31	Transportation Fund--State Appropriation	\$ ((48,529,000))
32		<u>55,029,000</u>
33	Transportation Fund--Federal Appropriation	\$ 3,947,000
34	Transportation Fund--Private/Local	
35	Appropriation	\$ 105,000
36	Central Puget Sound Public Transportation	
37	Account--State Appropriation	\$ ((250,000))
38		<u>4,250,000</u>

1 TOTAL APPROPRIATION \$ ((65,602,000))
2 83,102,000

3 The appropriations in this section are subject to the following
4 conditions and limitations and specified amounts are provided solely
5 for that activity:

6 (1) Up to (~~(\$40,180,000)~~) \$46,180,000 of the transportation fund--
7 state appropriation is provided for intercity rail passenger service
8 including up to \$8,000,000 for lease purchase of two advanced
9 technology train sets with total purchase costs not to exceed
10 \$20,000,000; up to \$1,000,000 for one spare advanced technology train
11 power-car and other spare parts, subsidies for operating costs not to
12 exceed \$12,000,000, to maintain service of two state contracted round
13 trips between Seattle and Portland and one state contracted round trip
14 between Seattle and Vancouver, British Columbia, and capital projects
15 necessary to provide Seattle-Vancouver, British Columbia, train
16 operating times of under 4 hours.

17 (2) Up to (~~(\$2,500,000)~~) \$3,000,000 of the transportation fund--
18 state appropriation is provided for the rural mobility program
19 administered by the department of transportation. Priority for grants
20 provided from this account shall be given to projects and programs that
21 can be accomplished in the 1997-99 biennium.

22 (3) Up to \$600,000 of the high capacity transportation account--
23 state appropriation is provided for rail freight coordination,
24 technical assistance, and planning.

25 (4) The department shall provide biannual reports to the
26 legislative transportation committee and office of financial management
27 regarding the department's rail freight program. The department shall
28 also notify the committee for project expenditures from all fund
29 sources prior to making those expenditures. The department shall
30 examine the ownership of grain cars and the potential for divestiture
31 of those cars and other similar assets and report those findings to the
32 committee prior to the 1998 legislative session.

33 (5) Up to \$750,000 of the transportation fund--state appropriation
34 and up to \$250,000 of the central Puget Sound public transportation
35 account--state appropriation are provided to fund activities relating
36 to coordinating special needs transportation among state and local
37 providers. These activities may include demonstration projects,
38 assessments of resources available versus needs, and identification of

1 barriers to coordinating special needs transportation. The department
2 will consult with the superintendent of public instruction, the
3 secretary of the department of social and health services, the office
4 of financial management, the fiscal committees of the house of
5 representatives and senate, special needs consumers, and specialized
6 transportation providers in meeting the goals of this subsection.

7 (6) The appropriations in this section contain \$4,599,000
8 reappropriated from the 1995-97 biennium.

9 (7) The high capacity transportation account--state appropriation
10 includes \$75,000 for the department to develop a strategy and to
11 identify how the agency would expend additional moneys to enhance the
12 commute trip reduction program. The report would include
13 recommendations for grant programs for employers and jurisdictions to
14 reduce SOV usage and to provide transit incentives to meet future
15 commute trip reduction requirements. The report is due to the
16 legislative transportation committee by January 1, 1998.

17 (8) In addition to the appropriations contained in this section,
18 the office of financial management shall release the \$2,000,000
19 transportation fund--state funds appropriated for the intercity rail
20 passenger program in the 1995-97 biennium but held in reserve pursuant
21 to section 502, chapter 165, Laws of 1996.

22 (9) Up to \$150,000 of the transportation fund--state appropriation
23 is provided for the management and control of the transportation
24 corridor known as the Milwaukee Road corridor owned by the state
25 between Ellensburg and Lind, and to take actions necessary to allow the
26 department to be in a position, with further legislative authorization,
27 to begin to negotiate a franchise with a rail carrier to establish and
28 maintain a rail line over portions of the corridor by July 1, 1999.

29 (10) Up to \$2,500,000 of the high capacity transportation account--
30 state appropriation and \$4,000,000 of the central Puget Sound public
31 transportation account--state appropriation may be used by the
32 department for activities related to improvement of the King Street
33 station. The department shall provide monthly reports to the
34 legislative transportation committee on activities related to the
35 station, including discussions of funding commitments from others for
36 future improvements to the station.

37 (11) \$4,000,000 of the high capacity transportation account--state
38 appropriation for passenger rail infrastructure improvement is provided
39 solely for rail improvements to add rail passenger service north of

1 Seattle. These funds are conditioned on match of at least equal
2 amounts from both Burlington Northern Sante Fe and Amtrak for rail line
3 improvements and upon Amtrak purchasing an additional train set for
4 operation in the corridor. These funds shall not be expended until
5 authorized by the legislative transportation committee and the office
6 of financial management; and the participation of international
7 partners in service provided in the corridor shall be considered in
8 such a decision.

9 **Sec. 221.** 1997 c 457 s 228 (uncodified) is amended to read as
10 follows:

11 **FOR THE DEPARTMENT OF TRANSPORTATION--LOCAL PROGRAMS--PROGRAM Z**

12 Motor Vehicle Fund--State Appropriation	\$	((8,452,000))
		<u>9,802,000</u>
14 Motor Vehicle Fund--Federal Appropriation	\$	33,726,000
15 High Capacity Transportation Account--		
16 State Appropriation	\$	((500,000))
		<u>650,000</u>
18 <u>Transportation Account--State Appropriation</u>	<u>\$</u>	<u>1,175,000</u>
19 TOTAL APPROPRIATION	\$	((42,678,000))
20		<u>45,353,000</u>

21 The appropriations in this section are subject to the following
22 conditions and limitations and specified amounts are provided solely
23 for that activity:

24 (1) The motor vehicle fund--state appropriation includes \$1,785,000
25 in proceeds from the sale of bonds authorized by RCW 47.10.819(1). The
26 transportation commission may authorize the use of current revenues
27 available to the department of transportation in lieu of bond proceeds
28 for any part of the state appropriation.

29 (2) As a condition of receiving the full state subsidy in support
30 of the Puget Island ferry, Wahkiakum county must, by December 31, 1997,
31 increase ferry fares for passengers and vehicles by at least ten
32 percent. If the fares are not increased to meet this requirement, the
33 department, in determining the state subsidy after December 31, 1997,
34 shall reduce the operating deficit by the amount that would have been
35 generated if the ten percent fare increase had been implemented.

36 (3) The appropriations in this section contain \$1,750,000
37 reappropriated from the 1995-97 biennium.

1 (4) Up to \$500,000 of the high capacity transportation account--
2 state appropriation is provided for implementation of the
3 recommendations of the freight mobility advisory committee, and any
4 legislation enacted resulting from those recommendations.

5 (5) \$175,000 of the transportation fund--state appropriation is
6 provided solely to fund the freight mobility strategic investment
7 board. If Second Substitute House Bill No. 2180 is not enacted by June
8 30, 1998, this amount shall lapse.

9 (6) The transportation account--state appropriation includes
10 \$600,000 to establish alternatives for flood management and flood
11 hazard reduction projects in the Chehalis Basin. A technical committee
12 comprised of the department of transportation, department of ecology,
13 the United States army corps of engineers, federal emergency management
14 administration, United States geological survey, affected counties and
15 tribes, and other entities with critical knowledge related to flood
16 hazard reduction projects in the Chehalis Basin shall be formed. Funds
17 shall be distributed to counties within the Chehalis Basin by the
18 department of transportation for projects that further understanding of
19 the causes of flooding and options for flood hazard reduction.
20 Alternatives shall be consistent with fish and habitat recovery
21 efforts. Projects funded shall be coordinated with the technical
22 committee. The department of transportation shall present a report to
23 the legislative transportation committee and other appropriate
24 legislative committees regarding findings and/or progress made by
25 funded projects by December 1, 1998.

26 (7) The executive director of the transportation improvement board,
27 the director of the county road administration board, and the assistant
28 secretary of the Transaid service center within the department of
29 transportation shall submit to the legislative transportation committee
30 and the office of financial management, by December 1, 1998, a plan and
31 time schedule to consolidate the county road administration board, the
32 transportation improvement board, and the transaid division. Progress
33 reports are required in June 1998 and September 1998.

34 The plan must attempt to achieve the savings identified in the
35 local government assistance study delivered to the budget development
36 working group of the legislative transportation committee in January
37 1998, except the plan may use up to thirty percent of the savings to
38 increase technical assistance above current levels. Elements of the
39 plan must include but not be limited to:

1 and analysis shall address, as a minimum, the historical growth of the
2 agencies facilities requirements; a comprehensive cost/benefit analysis
3 of current leased vs. owned facilities using the office of financial
4 management lease/purchase decision model; and short-term, mid-term, and
5 long-term facilities proposals, including a comprehensive life-cycle
6 analysis of the proposals. The review and analysis is to be performed
7 jointly by the department of transportation, Washington state patrol,
8 department of licensing, traffic safety commission, department of
9 general administration, and office of financial management. Monthly
10 progress reports shall be provided to the legislative transportation
11 committee. Agencies will make a recommendation on a transportation
12 center to reduce the number of leased facilities and move toward a
13 state-owned facility. A report is to be presented to the legislative
14 transportation committee and the office of financial management no
15 later than September 30, 1998.

16 **Sec. 302.** 1997 c 457 s 302 (uncodified) is amended to read as
17 follows:

18 **FOR THE WASHINGTON STATE PATROL--CAPITAL PROJECTS**

19 Motor Vehicle Fund--State Patrol Highway

20	Account--State Appropriation	\$	((7,075,000))
21			<u>10,425,000</u>
22	Transportation Fund--State Appropriation	\$	((4,000,000))
23			<u>1,000,000</u>
24	TOTAL APPROPRIATION	\$	((11,075,000))
25			<u>11,425,000</u>

26 The appropriations in this section are subject to the following
27 conditions and limitations and specified amounts are provided solely
28 for that activity:

29 (1) The appropriations in the transportation fund and the motor
30 vehicle fund--state patrol highway account are provided for the
31 microwave migration, Yakima district 3 headquarters office, weigh
32 station facilities identified in the budget notes, training academy
33 HVAC system, Vancouver Ridgefield commercial vehicle inspection
34 building, and regular facilities maintenance.

35 (2) The Washington state patrol, based on an independent real
36 estate appraisal, is authorized to purchase the Port Angeles detachment
37 office for a maximum of \$600,000 provided the appraisal is \$600,000 or

1 above in value. If the appraisal is less than \$600,000, the Washington
2 state patrol is authorized to purchase the building for the appraised
3 value. Certificates of participation will be used for financing the
4 cost of the building and related financing fees.

5 (3) A report will be prepared and presented to the legislature and
6 office of financial management in January 1998 on the microwave
7 migration project.

8 (4) The funding for the microwave migration project is limited to
9 \$4,400,000, the amount of revenue from frequency sales.

10 (5) The intent of the legislature is to have vehicle identification
11 number (VIN) lanes and encourage colocation of other transportation and
12 state services wherever feasible in transportation facilities.

13 (6) The Washington state patrol is authorized to proceed with the
14 exchange of the Olympia, Washington Martin Way property for a light
15 industrial land complex to be used to consolidate existing separately
16 located state activities and functions. The agency will work with the
17 office of financial management, department of general administration,
18 and the legislative transportation committee in the exchange and
19 approval processes.

20 (End of part)

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**PART IV
TRANSFERS AND DISTRIBUTIONS**

Sec. 401. 1997 c 457 s 401 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALES DISCOUNTS AND DEBT TO BE PAID BY MOTOR VEHICLE FUND AND TRANSPORTATION FUND REVENUE

Highway Bond Retirement Account Appropriation . . . \$	195,062,000
Ferry Bond Retirement Account Appropriation . . . \$	49,606,000
<u>Transportation Improvement Board Bond Retirement Account Appropriation \$</u>	<u>40,000,000</u>
TOTAL APPROPRIATION \$	((244,668,000))
	<u>284,668,000</u>

The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for that activity. If either House Bill No. 2582 or Senate Bill No. 6315 is enacted by June 30, 1998, then \$40,000,000 of the highway bond retirement account appropriation shall lapse. If neither House Bill No. 2582 nor Senate Bill No. 6315 is enacted by June 30, 1998, then the appropriation for the transportation improvement board bond retirement account shall lapse.

Sec. 402. 1997 c 457 s 402 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES AND FISCAL AGENT CHARGES

Motor Vehicle Fund--Puget Sound Capital Construction Account Appropriation \$	500,000
Motor Vehicle Fund Appropriation \$	((130,000))
	<u>1,099,000</u>
Transportation Improvement Account Appropriation \$	200,000
Special Category C Account Appropriation \$	((350,000))

1		<u>190,000</u>
2	Transportation Capital Facilities Account	
3	Appropriation	\$ 1,000
4	Urban Arterial Account Appropriation	\$ 5,000
5	TOTAL APPROPRIATION	\$ ((1,186,000))
6		<u>1,995,000</u>

7 NEW SECTION. **Sec. 403.** A new section is added to 1997 c 457
8 (uncodified) to read as follows:

9 The office of the state treasurer is authorized to transfer any
10 transportation improvement account and urban arterial trust account
11 balances available in the highway bond retirement account into the
12 transportation improvement board bond retirement account following a
13 cooperative agreement by the department of transportation and the
14 transportation improvement board on the exact amount of the transfer.

15 **Sec. 404.** 1997 c 457 s 407 (uncodified) is amended to read as
16 follows:

17 **FOR THE STATE TREASURER--TRANSFERS**

18 (1) R V Account--State Appropriation:
19 For transfer to the Motor Vehicle Fund--
20 State \$ 1,176,000

21 (2) Motor Vehicle Fund--State Appropriation:
22 For transfer to the Transportation Capital
23 Facilities Account--State \$ ((47,569,000))
24 42,569,000

25 (3) ((Small City Account--State Appropriation:
26 For transfer to the Urban Arterial Trust
27 Account--State \$ 3,359,000

28 (4)) Small City Account--State Appropriation:
29 For transfer to the Transportation Improvement
30 Account--State \$ 7,500,000

31 **Sec. 405.** 1997 c 457 s 408 (uncodified) is amended to read as
32 follows:

33 **FOR THE DEPARTMENT OF TRANSPORTATION--TRANSFERS**

34 Motor Vehicle Fund--State Appropriation
35 For transfer to the Transportation Equipment Fund--
36 State Appropriation \$ 500,000

1 Transportation Equipment Fund--State Appropriation
2 For transfer to the Motor Vehicle
3 Fund--State \$ 3,500,000

4 The appropriations transfers in this section (~~is~~) are provided
5 for the purchase of equipment for the highway maintenance program from
6 the transportation equipment fund - operations.

7 NEW SECTION. Sec. 406. A new section is added to 1997 c 457
8 (uncodified) to read as follows:

9 The department of transportation is authorized to transfer any
10 balances available in the highway construction stabilization account to
11 the motor vehicle account to fund the appropriations contained in this
12 act.

13 (End of part)

1 (4) The legislative transportation committee, the office of
2 financial management, and the transportation agencies shall establish
3 the means of conducting program authorization reviews of all
4 transportation programs. The reviews shall include:

5 (a) An agency self-assessment to judge the quality and usefulness
6 of: (i) The agency's long-term strategic program goals; (ii) program
7 priorities and objectives; (iii) activities necessary to achieve
8 program priorities and objectives; (iv) service level criteria for the
9 necessary activities; (v) best practices by other states as a possible
10 benchmark of the performance of their programs; and (vi) service level
11 criteria, as measured against different funding levels;

12 (b) A review of the agency self-assessment and a report to the
13 legislature; and

14 (c) A report which recommends whether to retain, eliminate, or
15 modify funding and related statutory references for the agency. The
16 parties conducting the review shall consider: (i) Whether the agency
17 performance measures adequately measure the agency goals; (ii) whether
18 the program performs efficiently and effectively, including comparisons
19 with other jurisdictions, if applicable; (iii) whether there are other
20 cost-effective alternative methods of accomplishing the program's
21 mission; and (iv) whether there are any funds saved by the agency's
22 performance.

23 (5) The transportation agencies shall each designate a program to
24 test the effectiveness of performance-based budgeting for the 1999-2001
25 budget submittal period.

26 (6) Each agency shall submit a program list to the legislative
27 transportation committee and the office of financial management at the
28 end of each fiscal year, which describes the functions of the program,
29 the fund sources for the program, and the number of full-time
30 equivalents.

31 (7) The transportation agencies shall develop agency biennial
32 budget requests at the agency budget program level, rather than the
33 object level, and submit their biennial and supplemental budget
34 requests to the office of financial management via a common budget
35 system beginning July 1, 1998.

36 (8) The agencies shall input monthly their financial information
37 and quarterly program performance measurements into the transportation
38 executive information system and other systems as required by the

1 office of financial management. There is no requirement to submit a
2 monthly hard copy report to the legislature.

3 (9) Agencies are not required to develop a new strategic plan,
4 performance measures, or management quality initiatives in place of
5 current performance-based budgeting activities.

6 (10) If Substitute Senate Bill No. 2890 is enacted by June 30,
7 1998, this section is null and void.

8 **D. BILLS NECESSARY TO IMPLEMENT THIS ACT**

9 **Sec. 504.** 1997 c 457 s 511 (uncodified) is amended to read as
10 follows:

11 The following bills, as identified by bill number in the form as
12 passed by the legislature, are necessary to implement portions of this
13 act: ((~~Engrossed Substitute House Bill No. 1011, Substitute House Bill~~
14 No. ~~2108, or Substitute Senate Bill No. 5718~~)) (1) House Bill Nos.
15 2659, 2615, 1553, 3110, 2892, 1012, 1487, 1009, 1014, 2417, 2180, 2526,
16 2839, 3015, 3098, 3117, and 2734.

17 (2) Senate Bill Nos. 6439 and 6050.

18 **E. EFFICIENCIES AND NEW POLICIES**

19 NEW SECTION. **Sec. 505.** (1) The secretary of transportation shall
20 implement efficiency measures:

21 (a) Identified by the department, with particular focus on improved
22 efficiency in the department's administrative services and programs;
23 and

24 (b) Recommended by the joint legislative audit and review committee
25 performance audit.

26 (2) The secretary shall report on the results and progress of the
27 efficiency measures implementation. The secretary shall deliver the
28 report to the legislative transportation committee by December 1, 1998.

29 NEW SECTION. **Sec. 506.** The department shall develop a process for
30 expediting the acquisition of state highway rights-of-way through
31 cooperative agreements with private entities that address the purchase
32 of rights-of-way by the private sector and reimbursement by the
33 department of the private entities' costs of acquisition.

1 **F. HIGHWAY CONSTRUCTION PROJECTS**

2 NEW SECTION. **Sec. 507.** A new section is added to 1997 c 457
3 (uncodified) to read as follows:

4 The department of transportation shall use appropriations for
5 programs I and P in this act to fund projects identified in the
6 transportation executive management system and legislative budget
7 notes.

8 NEW SECTION. **Sec. 508.** 1997 c 457 s 515 is repealed.

9 NEW SECTION. **Sec. 509.** If any provision of this act or its
10 application to any person or circumstance is held invalid, the
11 remainder of the act or the application of the provision to other
12 persons or circumstances is not affected.

13 NEW SECTION. **Sec. 510.** This act is necessary for the immediate
14 preservation of the public peace, health, or safety, or support of the
15 state government and its existing public institutions, and takes effect
16 immediately.

17 (End of part)

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