CERTIFICATION OF ENROLLMENT

ENGROSSED SUBSTITUTE HOUSE BILL 2610

52nd Legislature 1992 Regular Session

Passed by the House March 9, 1992 Yeas 71 Nays 25

Speaker of the House of Representatives

Passed by the Senate March 6, 1992 Yeas 34 Nays 11

CERTIFICATE

I, Alan Thompson, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is ENGROSSED SUBSTITUTE HOUSE BILL 2610 as passed by the House of Representatives and the Senate on the dates hereon set forth.

President of the Senate

Approved

Chief Clerk

FILED

Governor of the State of Washington

Secretary of State State of Washington

ENGROSSED SUBSTITUTE HOUSE BILL 2610

AS AMENDED BY THE SENATE

Passed Legislature - 1992 Regular Session

State of Washington 52nd Legislature 1992 Regular Session

By House Committee on Transportation (originally sponsored by Representatives R. Fisher, Haugen, Hine, Zellinsky, Winsley, Nelson, Mitchell, Wang, Prentice, R. Meyers, R. King, Schmidt, Locke, Heavey, Pruitt, J. Kohl, Jacobsen, Dorn, Fraser, Appelwick, Franklin, Roland, Wineberry, Betrozoff, Cantwell, G. Cole, Belcher, Braddock, May, Valle, Ebersole, Morris, Leonard, Scott, Horn, Anderson, Vance, Basich, Kremen, Paris, G. Fisher, Ferguson and Spanel)

Read first time 02/11/92.

1 Relating to regional transportation; amending AN ACT RCW 2 81.104.010, 81.104.040, 81.104.050, 81.104.100, 81.104.120, 81.104.150, 3 81.104.160, 81.104.170, 81.104.180, and 81.104.190; reenacting and amending RCW 81.104.030 and 81.104.140; adding a new section to chapter 4 5 81.104 RCW; adding a new section to chapter 47.80 RCW; adding a new 6 chapter to Title 81 RCW; creating a new section; and providing an effective date. 7

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

9 NEW SECTION. Sec. 1. LEGISLATIVE INTENT. The legislature 10 recognizes that existing transportation facilities in the central Puget 11 Sound area are inadequate to address mobility needs of the area. The 12 geography of the region, travel demand growth, and public resistance to new roadways combine to further necessitate the rapid development of 13 14 alternative modes of travel.

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1 The legislature finds that local governments have been effective in 2 cooperatively planning a multicounty, high capacity transportation 3 system. However, a continued multijurisdictional approach to funding, 4 construction, and operation of а multicounty high capacity transportation system may impair the successful implementation of such 5 6 a system.

7 The legislature finds that a single agency will be more effective than several local jurisdictions working collectively at planning, 8 9 developing, operating, and funding a high capacity transportation 10 system. The single agency's services must be carefully integrated and coordinated with public transportation services currently provided. As 11 12 the single agency's services are established, any public transportation services currently provided that are duplicative should be eliminated. 13 14 Further, the single agency must coordinate its activities with other agencies providing local and state roadway services, implementing 15 16 comprehensive planning, and implementing transportation demand 17 management programs and assist in developing infrastructure to support 18 high capacity systems including but not limited to feeder systems, park 19 and ride facilities, intermodal centers, and related roadway and operational facilities. Coordination can be best achieved through 20 common governance, such as integrated governing boards. 21

It is therefore the policy of the state of Washington to empower counties in the state's most populous region to create a local agency for planning and implementing a high capacity transportation system within that region. The authorization for such an agency, except as specifically provided in this chapter, is not intended to limit the powers of existing transit agencies.

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<u>NEW SECTION.</u> Sec. 2. DEFINITIONS. Unless the context clearly
 requires otherwise, the definitions in this section apply throughout
 this chapter.

4 (1) "Authority" means a regional transit authority authorized under5 this chapter.

6 (2) "Board" means the board of a regional transit authority.

7 (3) "Service area" or "area" means the area included within the8 boundaries of a regional transit authority.

9 (4) "System" means a regional transit system authorized under this 10 chapter and under the jurisdiction of a regional transit authority.

(5) "Facilities" means any lands, interest in land, air rights over lands, and improvements thereto including vessel terminals, and any equipment, vehicles, vessels, and other components necessary to support the system.

15 <u>NEW SECTION.</u> Sec. 3. REGIONAL TRANSIT AUTHORITY. Two or more 16 contiguous counties each having a population of four hundred thousand 17 persons or more may establish a regional transit authority to develop 18 and operate a high capacity transportation system as defined in chapter 19 81.104 RCW.

20 The authority shall be formed in the following manner:

(1) The joint regional policy committee created pursuant to RCW 21 81.104.040 shall adopt a system and financing plan, including the 22 23 definition of the service area. This action shall be completed by September 1, 1992, contingent upon satisfactory completion of the 24 planning process defined in RCW 81.104.100. In addition to the 25 requirements of RCW 81.104.100, the plan for the proposed system shall 26 provide explicitly for a minimum portion of new tax revenues to be 27 28 allocated to local transit agencies for interim express services. Upon adoption the joint regional policy committee shall immediately transmit 29

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the plan to the county legislative authorities within the adopted
 service area.

3 (2) The legislative authorities of the counties within the service 4 area shall decide by resolution whether to participate in the 5 authority. This action shall be completed within forty-five days 6 following receipt of the adopted plan.

7 (3) If any of the counties does not opt to participate in the 8 authority, the joint regional policy committee shall, within forty-five 9 days, redefine the system and financing plan and resubmit the adopted 10 redefined plan to the remaining county legislative authorities for 11 their decision as to whether to participate. This action shall be 12 completed within forty-five days following receipt of the redefined 13 plan.

14 (4) Each county that chooses to participate in the authority shall 15 appoint its board members as set forth in section 4 of this act and 16 shall submit its list of members to the secretary of the Washington 17 state department of transportation. These actions must be completed 18 within thirty days following each county's decision to participate in 19 the authority.

(5) The secretary shall call the first meeting of the authority, to be held within thirty days following receipt of the appointments. At its first meeting, the authority shall elect officers and provide for the adoption of rules and other operating procedures.

24 (6) The authority is formally constituted at its first meeting and 25 the board shall begin taking steps toward implementation of the system and financing plan adopted by the joint regional policy committee. 26 Upon formation of the authority, the joint regional policy committee 27 shall cease to exist. The authority may make minor modifications to 28 29 the plan as deemed necessary and shall at a minimum review local transit agencies' plans to ensure feeder service/high capacity transit 30 ESHB 2610.PL p. 4 of 33

service integration, ensure fare integration, and ensure avoidance of
 parallel competitive services.

(7) The authority shall place on the ballot within two years of the authority's formation, a single ballot proposition to ratify formation of the authority, approve the system and finance plan, and authorize the imposition of the taxes to support the plan within its service area. In addition to the system plan requirements contained in RCW 81.104.100(2)(d), the system plan submitted to voters shall contain an equity element which:

(a) Identifies revenues anticipated to be generated by corridor andby county within the authority's boundaries;

(b) Identifies the phasing of construction and operation of high capacity system facilities, services, and benefits in each corridor. Phasing decisions should give priority to jurisdictions which have adopted transit-supportive land use plans; and

16 (c) Identifies the degree to which revenues generated within each 17 county will benefit the residents of that county, and identifies when 18 such benefits will accrue.

A simple majority of those voting within the boundaries of the authority is required for approval. If the vote is affirmative, the authority shall begin implementation of the plan. However, the authority may not submit any authorizing proposition for voter-approved taxes prior to July 1, 1993; nor may the authority issue bonds or form any local improvement district prior to July 1, 1993.

(8) If the vote fails, the board may redefine the system and financing plan, make changes to the authority boundaries, and make corresponding changes to the composition of the board. If the composition of the board is changed, the participating counties shall revise the membership of the board accordingly. The board may then

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submit the revised plan to voters. No single system and financing plan
 may be submitted to the voters more than twice.

If the authority is unable to achieve a positive vote within two years from the date of the first election on a system plan, the board may, by resolution, reconstitute the authority as a single-county body. With a two-thirds vote of the entire membership of the voting members, the board may also dissolve the authority.

8 NEW SECTION. Sec. 4. GOVERNANCE. (1) The regional transit 9 authority shall be governed by a board consisting of representatives appointed by the county executive and confirmed by the council or other 10 legislative authority of each member county. Membership shall be based 11 on population from that portion of each county which lies within the 12 13 service area. Board members shall be appointed initially on the basis of one for each one hundred forty-five thousand population within the 14 county. Such appointments shall be made following consultation with 15 16 city and town jurisdictions within the service area. In addition, the secretary of transportation or the secretary's designee shall serve as 17 18 a member of the board and may have voting status with approval of a 19 majority of the other members of the board.

20 Each member of the board except the secretary of transportation or the secretary's designee shall be an elected official who serves on the 21 legislative authority of or as mayor of a city within the boundaries of 22 23 the authority, or on the legislative authority of the county and fifty 24 percent of the population of whose district is within the authority 25 boundaries. When making appointments, each county executive shall 26 ensure that representation on the board includes an elected city 27 official representing the largest city in each county and assures 28 proportional representation from other cities, and representation from unincorporated areas of each county within the service area. At least 29 ESHB 2610.PL p. 6 of 33

one-half of all appointees from each county shall serve on the
 governing authority of a public transportation system.

Members appointed from each county shall serve staggered four-year terms. Vacancies shall be filled by appointment for the remainder of the unexpired term of the position being vacated.

6 The governing board shall be reconstituted, with regard to the 7 number of representatives from each county, on a population basis, 8 using the official office of financial management population estimates, 9 five years after its initial formation and, at minimum, in the year 10 following each official federal census. The board membership may be 11 reduced, maintained, or expanded to reflect population changes but 12 under no circumstances may the board membership exceed twenty-five.

(2) Major decisions of the authority shall require a favorable vote 13 14 of two-thirds of the entire membership of the voting members. "Major decisions" include at least the following: System plan adoption and 15 decisions; annual 16 amendment; system phasing budget adoption; 17 authorization of annexations; modification of board composition; and executive director employment. 18

19 (3) Each member of the board is eligible to be reimbursed for 20 travel expenses in accordance with RCW 43.03.050 and 43.03.060 and to 21 receive compensation as provided in RCW 43.03.250.

22 5. (1) At the time of NEW SECTION. Sec. AREA INCLUDED. 23 formation, the area to be included within the boundary of the authority shall be that area set forth in the system plan adopted by the joint 24 regional policy committee. Prior to submitting the system and 25 financing plan to the voters, the authority may make adjustments to the 26 27 boundaries as deemed appropriate but must assure that, to the extent 28 possible, the boundaries: (a) Include the largest-population urban growth area designated by each county under chapter 36.70A RCW; and (b) 29

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follow election precinct boundaries. If a portion of any city is
 determined to be within the service area, the entire city must be
 included within the boundaries of the authority.

4 (2) After voters within the authority boundaries have approved the system and financing plan, elections to add areas contiguous to the 5 6 authority boundaries may be called by resolution of the regional transit authority, after consultation with affected transit agencies 7 and with the concurrence of the legislative authority of the city or 8 9 town if the area is incorporated, or with the concurrence of the county 10 legislative authority if the area is unincorporated. Only those areas that would benefit from the services provided by the authority may be 11 included and services or projects proposed for the area must be 12 consistent with the regional transportation plan. The election may 13 include a single ballot proposition providing for annexation to the 14 authority boundaries and imposition of the taxes at rates already 15 imposed within the authority boundaries. 16

17 <u>NEW SECTION.</u> Sec. 6. AUTHORITY POWERS. An authority shall have 18 the following powers:

(1) To establish offices, departments, boards, and commissions that are necessary to carry out the purposes of the authority, and to prescribe the functions, powers, and duties thereof.

(2) To appoint or provide for the appointment of, and to remove or to provide for the removal of, all officers and employees of the authority.

(3) To fix the salaries, wages, and other compensation of allofficers and employees of the authority.

(4) To employ such engineering, legal, financial, or other specialized personnel as may be necessary to accomplish the purposes of the authority.

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1 NEW SECTION. Sec. 7. GENERAL POWERS. In addition to the powers 2 specifically granted by this chapter an authority shall have all powers 3 necessary to implement a high capacity transportation system and to 4 develop revenues for system support. An authority may contract with 5 the United States or any agency thereof, any state or agency thereof, б public transportation benefit area, any any county, county transportation authority, city, metropolitan municipal corporation, 7 special district, or governmental agency, within or without the state, 8 9 and any private person, firm, or corporation for: (1) The purpose of 10 receiving gifts or grants or securing loans or advances for preliminary planning and feasibility studies; (2) the design, construction, or 11 operation of high capacity transportation system facilities; or (3) the 12 provision or receipt of services, facilities, or property rights to 13 14 provide revenues for the system. An authority shall have the power to contract pursuant to RCW 39.33.050. In addition, an authority may 15 contract with any governmental agency or with any private person, firm, 16 17 or corporation for the use by either contracting party of all or any part of the facilities, structures, lands, interests in lands, air 18 19 rights over lands and rights of way of all kinds which are owned, 20 leased, or held by the other party and for the purpose of planning, constructing, or operating any facility or performing any service that 21 the authority may be authorized to operate or perform, on such terms as 22 may be agreed upon by the contracting parties. Before any contract for 23 24 the lease or operation of any authority facilities is let to any 25 private person, firm, or corporation, a general schedule of rental rates for equipment with or without operators applicable to all private 26 27 certificated carriers shall be publicly posted, and for other 28 facilities competitive bids shall first be called upon such notice, 29 bidder qualifications, and bid conditions as the board shall determine. This shall allow use of negotiated procurements. 30

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<u>NEW SECTION.</u> Sec. 8. ADDITIONAL POWERS--ACQUISITION OF
 FACILITIES. An authority shall have the following powers in addition
 to the general powers granted by this chapter:

4 (1) To carry out the planning processes set forth in RCW 5 81.104.100;

6 (2) To acquire by purchase, condemnation, gift, or grant and to lease, construct, add to, improve, replace, repair, maintain, operate, 7 8 and regulate the use of high capacity transportation facilities and 9 properties within authority boundaries including surface, underground, 10 or overhead railways, tramways, busways, buses, bus sets, entrained and linked buses, ferries, or other means of local transportation except 11 taxis, and including escalators, moving sidewalks, personal rapid 12 13 transit systems or other people-moving systems, passenger terminal and 14 parking facilities and properties, and such other facilities and properties as may be necessary for passenger, vehicular, and vessel 15 16 access to and from such people-moving systems, terminal and parking 17 facilities and properties, together with all lands, rights of way, property, equipment, and accessories necessary for such high capacity 18 19 transportation systems. When developing specifications for high 20 capacity transportation system operating equipment, an authority shall into account efforts to establish or sustain a domestic 21 take 22 manufacturing capacity for such equipment. The right of eminent domain shall be exercised by an authority in the same manner and by the same 23 24 procedure as or may be provided by law for cities of the first class, 25 except insofar as such laws may be inconsistent with the provisions of 26 this chapter. Public transportation facilities and properties which 27 are owned by any city, county, county transportation authority, public transportation benefit area, or metropolitan municipal corporation may 28 29 be acquired or used by an authority only with the consent of the agency 30 owning such facilities. Such agencies are hereby authorized to convey ESHB 2610.PL p. 10 of 33

or lease such facilities to an authority or to contract for their joint
 use on such terms as may be fixed by agreement between the agency and
 the authority.

The facilities and properties of an authority whose vehicles will operate primarily within the rights of way of public streets, roads, or highways, may be acquired, developed, and operated without the corridor and design hearings that are required by RCW 35.58.273 for mass transit facilities operating on a separate right of way;

9 (3) To dispose of any real or personal property acquired in 10 connection with any authority function and that is no longer required for the purposes of the authority, in the same manner as provided for 11 cities of the first class. When an authority determines that a 12 facility or any part thereof that has been acquired from any public 13 14 agency without compensation is no longer required for authority purposes, but is required by the agency from which it was acquired, the 15 authority shall by resolution transfer it to such agency. 16

17 (4) To fix rates, tolls, fares, and charges for the use of such
18 facilities and to establish various routes and classes of service.
19 Fares or charges may be adjusted or eliminated for any distinguishable
20 class of users.

NEW SECTION. Sec. 9. AGREEMENTS WITH OPERATORS OF HIGH CAPACITY 21 TRANSPORTATION SERVICES. Except in accordance with an agreement made 22 23 as provided in this section, upon the date an authority begins high 24 capacity transportation service, no person or private corporation may operate a high capacity transportation service within the authority 25 26 boundary with the exception of services owned or operated by any 27 corporation or organization solely for the purposes of the corporation 28 or organization and for the use of which no fee or fare is charged.

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1 The authority and any person or corporation legally operating a 2 high capacity transportation service wholly within or partly within and 3 partly without the authority boundary on the date an authority begins 4 high capacity transportation service may enter into an agreement under 5 which such person or corporation may continue to operate such service б or any part thereof for such time and upon such terms and conditions as provided in such agreement. Such agreement shall provide for a 7 periodic review of the terms and conditions contained therein. 8 Where 9 any such high capacity transportation service will be required to cease 10 to operate within the authority boundary, the authority may agree with 11 the owner of such service to purchase the assets used in providing such service, or if no agreement can be reached, an authority shall condemn 12 13 such assets in the manner and by the same procedure as is or may be 14 provided by law for the condemnation of other properties for cities of 15 the first class, except insofar as such laws may be inconsistent with 16 this chapter.

Wherever a privately owned public carrier operates wholly or partly within an authority boundary, the Washington utilities and transportation commission shall continue to exercise jurisdiction over such operation as provided by law.

Sec. 10. TRANSFER OF LOCAL GOVERNMENT POWERS TO 21 NEW SECTION. An authority shall have and exercise all rights with 22 AUTHORITY. 23 respect to the construction, acquisition, maintenance, operation, 24 extension, alteration, repair, control and management of high capacity transportation system facilities that are identified in the system plan 25 26 developed pursuant to RCW 81.104.100 that any city, county, county 27 transportation authority, metropolitan municipal corporation, or public 28 transportation benefit area within the authority boundary has been previously empowered to exercise and such powers shall not thereafter 29 ESHB 2610.PL p. 12 of 33

be exercised by such agencies without the consent of the authority.
 Nothing in this chapter shall restrict development, construction, or
 operation of a personal rapid transit system by a city or county.

An authority may adopt, in whole or in part, and may complete, modify, or terminate any planning, environmental review, or procurement processes related to the high capacity transportation system that had been commenced by a joint regional policy committee or a city, county, county transportation authority, metropolitan municipality, or public transportation benefit area prior to the formation of the authority.

10 <u>NEW SECTION.</u> Sec. 11. ACQUISITION OF EXISTING SYSTEM. If an authority acquires any existing components of a high capacity 11 12 transportation system, it shall assume and observe all existing labor 13 contracts relating to the transportation system and, to the extent necessary for operation of facilities, all of the employees of such 14 acquired transportation system whose duties are necessary to operate 15 16 efficiently the facilities acquired shall be appointed to comparable 17 positions to those which they held at the time of such transfer, and no 18 employee or retired or pensioned employee of such transportation 19 systems shall be placed in any worse position with respect to pension seniority, wages, sick leave, vacation or other benefits that he or she 20 enjoyed as an employee of the transportation system prior to such 21 22 acquisition. At such times as may be required by such contracts, the 23 authority shall engage in collective bargaining with the duly appointed 24 representatives of any employee labor organization having existing 25 contracts with the acquired transportation system and may enter into 26 labor contracts with such employee labor organization. Facilities and 27 equipment which are acquired after July 1, 1993, related to high 28 capacity transportation services which are to be assumed by the authority as specifically identified in the adopted system plan shall 29

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be acquired by the authority in a manner consistent with sections 7
 through 10 of this act.

3 <u>NEW SECTION</u>. Sec. 12. AUTHORITY FINANCES. The board of an 4 authority, by resolution, shall designate a person having experience in 5 financial or fiscal matters as treasurer of the authority. The board may designate, with the concurrence of the treasurer, the treasurer of б a county within which the authority is located. Such a treasurer shall 7 8 possess all of the powers, responsibilities, and duties the county 9 treasurer possesses for a public transportation benefit area authority 10 related to investing surplus authority funds. The board shall require a bond with a surety company authorized to do business in the state of 11 12 Washington in an amount and under the terms and conditions the board, by resolution, from time to time finds will protect the authority 13 against loss. The premium on any such bond shall be paid by the 14 15 authority.

All authority funds shall be paid to the treasurer and shall be disbursed by the treasurer only on warrants issued by the authority upon orders or vouchers approved by the board.

19 The treasurer shall establish a special fund, into which shall be 20 paid all authority funds, and the treasurer shall maintain such special 21 accounts as may be created by the authority into which shall be placed 22 all money as the board may, by resolution, direct.

If the treasurer of the authority is the treasurer of a county, all authority funds shall be deposited with the county depositary under the same restrictions, contracts, and security as provided for county depositaries. If the treasurer of the authority is some other person, all funds shall be deposited in such bank or banks authorized to do business in this state that have qualified for insured deposits under any federal deposit insurance act as the board, by resolution, shall
 designate.

3 The authority may by resolution designate a person having experience in financial or fiscal matters, as the auditor of the 4 5 authority. Such auditor shall possess all of the powers, б responsibilities, and duties related to creating and maintaining funds, issuing warrants, and maintaining a record of 7 receipts and disbursements. 8

9 The board may provide and require a reasonable bond of any other 10 person handling moneys or securities of the authority, but the 11 authority shall pay the premium on the bond.

NEW SECTION. Sec. 13. BONDING. Notwithstanding RCW 39.36.020(1), 12 13 an authority may at any time contract indebtedness or borrow money for authority purposes and may issue general obligation bonds in an amount 14 not exceeding, together with any existing indebtedness of the authority 15 16 not authorized by the voters, one and one-half percent of the value of the taxable property within the boundaries of the authority; and with 17 18 the assent of three-fifths of the voters therein voting at an election 19 called for that purpose, may contract indebtedness or borrow money for authority purposes and may issue general obligation bonds therefor, 20 provided the total indebtedness of the authority shall not exceed five 21 percent of the value of the taxable property therein. Such bonds shall 22 be issued and sold in accordance with chapter 39.46 RCW. 23

The term "value of the taxable property" shall have the meaning set forth in RCW 39.36.015.

26 <u>NEW SECTION.</u> Sec. 14. REVENUE BONDS. (1) An authority may issue 27 revenue bonds to provide funds to carry out its authorized functions 28 without submitting the matter to the voters of the authority. The

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authority shall create a special fund or funds for the sole purpose of 1 paying the principal of and interest on the bonds of each such issue, 2 3 into which fund or funds the authority may obligate itself to pay such 4 amounts of the gross revenue of the high capacity transportation system 5 constructed, acquired, improved, added to, or repaired out of the б proceeds of sale of such bonds, as the authority shall determine and may obligate the authority to pay such amounts out of otherwise 7 unpledged revenue that may be derived from the ownership, use, or 8 9 operation of properties or facilities owned, used, or operated incident 10 to the performance of the authorized function for which such bonds are issued or out of otherwise unpledged fees, tolls, charges, tariffs, 11 12 fares, rentals, special taxes, or other sources of payment lawfully authorized for such purpose, as the authority shall determine. 13 The 14 principal of, and interest on, such bonds shall be payable only out of 15 such special fund or funds, and the owners of such bonds shall have a 16 lien and charge against the gross revenue of such high capacity 17 transportation system or any other revenue, fees, tolls, charges, 18 tariffs, fares, special taxes, or other authorized sources pledged to 19 the payment of such bonds.

20 Such revenue bonds and the interest thereon issued against such 21 fund or funds shall be a valid claim of the owners thereof only as 22 against such fund or funds and the revenue pledged therefor, and shall 23 not constitute a general indebtedness of the authority.

(2) Notwithstanding subsection (1) of this section, such bonds may
25 be issued and sold in accordance with chapter 39.46 RCW.

26 <u>NEW SECTION.</u> Sec. 15. LOCAL IMPROVEMENT DISTRICTS AUTHORIZED.
 27 (1) An authority may form a local improvement district to provide any
 28 transportation improvement it has the authority to provide, impose
 29 special assessments on all property specially benefited by the
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1 transportation improvements, and issue special assessment bonds or 2 revenue bonds to fund the costs of the transportation improvement. 3 Local improvement districts shall be created and assessments shall be 4 made and collected pursuant to chapters 35.43, 35.44, 35.49, 35.50, 5 35.51, 35.53, and 35.54 RCW.

6 (2) The board shall by resolution establish for each special bond issue the amount, date, terms, conditions, 7 assessment denominations, maximum fixed or variable interest rate or rates, 8 9 maturity or maturities, redemption rights, registration privileges, if 10 any, covenants, and form, including registration as to principal and interest, registration as to principal only, or bearer. Registration 11 12 may include, but not be limited to: (a) A book entry system of recording the ownership of a bond whether or not physical bonds are 13 14 issued; or (b) recording the ownership of a bond together with the 15 requirement that the transfer of ownership may only be effected by the surrender of the old bond and either the reissuance of the old bond or 16 the issuance of a new bond to the new owner. Facsimile signatures may 17 18 be used on the bonds and any coupons. The maximum term of any special 19 assessment bonds shall not exceed thirty years beyond the date of 20 issue. Special assessment bonds issued pursuant to this section shall not be an indebtedness of the authority issuing the bonds, and the 21 interest and principal on the bonds shall only be payable from special 22 assessments made for the improvement for which the bonds were issued 23 24 and any local improvement guaranty fund that the authority has created. 25 The owner or bearer of a special assessment bond or any interest coupon 26 issued pursuant to this section shall not have any claim against the authority arising from the bond or coupon except for the payment from 27 28 special assessments made for the improvement for which the bonds were 29 issued and any local improvement guaranty fund the authority has The authority issuing the special assessment bonds is not 30 created.

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1 liable to the owner or bearer of any special assessment bond or any 2 interest coupon issued pursuant to this section for any loss occurring 3 in the lawful operation of its local improvement guaranty fund. The 4 substance of the limitations included in this subsection shall be 5 plainly printed, written, or engraved on each special assessment bond 6 issued pursuant to this section.

7 (3) Assessments shall reflect any credits given by the authority
8 for real property or property right donations made pursuant to RCW
9 47.14.030.

10 (4) The board may establish and pay moneys into a local improvement 11 guaranty fund to guarantee special assessment bonds issued by the 12 authority.

13 <u>NEW SECTION.</u> Sec. 16. COUNTY ASSESSOR'S DUTIES. It shall be the 14 duty of the assessor of each component county to certify annually to a 15 regional transit authority the aggregate assessed valuation of all 16 taxable property within the boundaries of the authority as the same 17 appears from the last assessment roll of the county.

18 <u>NEW SECTION.</u> Sec. 17. INTERIM FINANCING. A regional transit 19 authority may apply for high capacity transportation account funds and 20 for central Puget Sound account funds for high capacity transit 21 planning and system development.

22 Transit agencies contained wholly or partly within a regional 23 transit authority may make grants or loans to the authority for high 24 capacity transportation planning and system development.

25 Sec. 18. RCW 81.104.010 and 1991 c 318 s 1 are each amended to 26 read as follows:

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1 congestion Washington's calls for Increasing on roadways 2 identification and implementation of high capacity transportation 3 system alternatives. (("High capacity transportation system" means a 4 system of public transportation services within an urbanized region operating principally on exclusive rights of way, and the supporting 5 б services and facilities necessary to implement such a system, including high occupancy vehicle lanes, which taken as a whole, provides a 7 substantially higher level of passenger capacity, speed, and service 8 9 frequency than traditional public transportation systems operating 10 principally in general purpose roadways.)) The legislature believes that local jurisdictions should coordinate and be responsible for high 11 12 capacity transportation policy development, program planning, and implementation. The state should assist by working with local agencies 13 14 on issues involving rights of way, partially financing projects meeting established state criteria including development and completion of the 15 high occupancy vehicle lane system, authorizing local jurisdictions to 16 17 finance high capacity transportation systems through voter-approved tax options, and providing technical assistance and information. 18

19 <u>NEW SECTION.</u> Sec. 19. A new section is added to chapter 81.104
20 RCW to read as follows:

21 Unless the context clearly requires otherwise, the definitions in 22 this section apply throughout this chapter.

23 (1) "High capacity transportation system" means a system of public 24 transportation services within an urbanized region operating principally on exclusive rights of way, and the supporting services and 25 26 facilities necessary to implement such a system, including interim 27 express services and high occupancy vehicle lanes, which taken as a 28 whole, provides a substantially higher level of passenger capacity,

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speed, and service frequency than traditional public transportation
 systems operating principally in general purpose roadways.

3 (2) "Regional transit system" means a high capacity transportation 4 system under the jurisdiction of one or more transit agencies except 5 where a regional transit authority created under chapter 81.--- RCW 6 (sections 1 through 17 of this act) exists, in which case "regional 7 transit system" means the high capacity transportation system under the 8 jurisdiction of a regional transit authority.

9 (3) "Transit agency" means city-owned transit systems, county 10 transportation authorities, metropolitan municipal corporations, and 11 public transportation benefit areas.

Sec. 20. RCW 81.104.030 and 1991 c 318 s 3 and 1991 c 309 s 2 are ach reenacted and amended to read as follows:

14 (1) In any county with a population of from two hundred ten thousand to less than one million that is not bordered by a county with 15 16 a population of one million or more, and in each county with a population of less than two hundred ten thousand, ((city-owned transit 17 18 systems, county transportation authorities, metropolitan municipal 19 corporations, and public transportation benefit areas)) transit agencies may elect to establish high capacity transportation service. 20 Such agencies shall form a regional policy committee with proportional 21 representation based upon population distribution within the designated 22 23 service area and a representative of the department of transportation, 24 such agencies may use the designated metropolitan planning or 25 organization as the regional policy committee.

26 ((City-owned transit systems, county transportation authorities, 27 metropolitan municipal corporations, and public transportation benefit 28 areas)) Transit agencies participating in joint regional policy 29 committees shall seek voter approval within their own service ESHB 2610.PL p. 20 of 33 boundaries of a high capacity transportation system plan and financing
 plan.

3 (2) ((City-owned transit systems, county transportation 4 authorities, metropolitan municipal corporations, and public 5 transportation benefit areas)) Transit agencies in counties adjoining 6 state or international boundaries are authorized to participate in the 7 regional high capacity transportation programs of an adjoining state or 8 Canadian province.

9 **Sec. 21.** RCW 81.104.040 and 1991 c 318 s 4 are each amended to 10 read as follows:

(((1))) <u>Transit agencies</u> in each county with a population of one 11 million or more, and in each county with a population of from two 12 13 hundred ten thousand to less than one million bordering a county with a population of one million or more that are ((currently)) authorized 14 on January 1, 1991, to provide high capacity transportation planning 15 16 and operating services((, including but not limited to city-owned transit systems, county transportation authorities, metropolitan 17 18 municipal corporations, and public transportation benefit areas,)) must 19 establish through interlocal agreements a joint regional policy 20 committee with proportional representation based upon the population distribution within each agency's designated service area, 21 as determined by the parties to the agreement. 22

(((a))) (1) The membership of the joint regional policy committee shall consist of locally elected officials who serve on the legislative authority of the existing transit systems and a representative from the department of transportation. Nonvoting membership for elected officials from adjoining counties may be allowed at the committee's discretion.

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 $((\frac{b}{b}))$ <u>(2)</u> The joint regional policy committee 1 shall be 2 responsible for the preparation and adoption of a regional high 3 capacity transportation implementation program, which shall include the 4 system plan, project plans, and a financing plan. This program shall 5 in conformance with the regional transportation planning be б organization's regional transportation plan and consistent with RCW 7 81.104.080.

8 (((c))) <u>(3)</u> The joint regional policy committee shall present ((a)) 9 <u>an adopted</u> high capacity transportation system plan and financing plan 10 to the boards of directors of the transit agencies within the service 11 area ((for adoption.

12 (d) Transit agencies shall present the adopted high capacity 13 transportation system plan and financing plan for voter approval within 14 four years of the execution of the interlocal agreements. A simple 15 majority vote is required for approval of the high capacity 16 transportation system plan and financing plan in any service district 17 within each county. The implementation program may proceed in any 18 service area approving the system and financing plans.

19 (2) High capacity transportation planning, construction, 20 operations, and funding shall be governed through the interlocal agreement process, including but not limited to provision for a cost 21 22 allocation and distribution formula, service corridors, station area locations, right of way transfers, and feeder transportation systems. 23 24 The interlocal agreement shall include a mechanism for resolving 25 conflicts among parties to the agreement)) or to the regional transit authority, if such authority has been formed. The authority shall 26 27 proceed as prescribed in section 3 of this act.

28 Sec. 22. RCW 81.104.050 and 1991 c 318 s 5 are each amended to 29 read as follows:

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Regional high capacity transportation service ((boundaries)) may be expanded beyond the established ((service)) district <u>boundaries</u> through interlocal agreements among the transit agencies and ((the local jurisdictions within which such expanded service is proposed)) <u>any</u> regional transit authorities in existence.

6 Sec. 23. RCW 81.104.100 and 1991 sp.s. c 15 s 68 are each amended 7 to read as follows:

8 To assure development of an effective high capacity transportation 9 system, local authorities shall follow the following planning process: 10 (1) Regional, multimodal transportation planning is the ongoing urban transportation planning process conducted in each urbanized area 11 by its regional transportation planning organization. During this 12 13 process, regional transportation goals are identified, travel patterns are analyzed, and future land use and travel are projected. 14 The process provides a comprehensive view of the region's transportation 15 16 needs but does not select specified modes to serve those needs. The process shall identify a priority corridor or corridors for further 17 18 study of high capacity transportation facilities if it is deemed 19 feasible by local officials.

20 (2) High capacity transportation system planning is the detailed 21 evaluation of a range of high capacity transportation system options, 22 including: Do nothing, low capital, and ranges of higher capital 23 facilities. To the extent possible this evaluation shall take into 24 account the urban mass transportation administration's requirements 25 identified in subsection (3) of this section.

26 High capacity transportation system planning shall proceed as 27 follows:

(a) Organization and management. The responsible local transitagency or agencies shall define roles for various local agencies,

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review background information, provide for public involvement, and
 develop a detailed work plan for the system planning process.

3 (b) Development of options. Options to be studied shall be 4 developed to ensure an appropriate range of technologies and service 5 policies can be evaluated. A do-nothing option and a low capital 6 option that maximizes the current system shall be developed. Several 7 higher capital options that consider a range of capital expenditures 8 for several candidate technologies shall be developed.

9 (c) Analysis methods. The local transit agency shall develop 10 reports describing the analysis and assumptions for the estimation of 11 capital costs, operating and maintenance costs, methods for travel 12 forecasting, a financial plan and an evaluation methodology.

13 (d) The system plan submitted to the voters pursuant to RCW 14 81.104.140 shall address, but is not limited to the following issues: 15 (i) Identification of level and types of high capacity 16 transportation services to be provided;

17 (ii) A plan of high occupancy vehicle lanes to be constructed;

(iii) Identification of route alignments and station locations with sufficient specificity to permit calculation of costs, ridership, and system impacts;

21 (iv) Performance characteristics of technologies in the system
22 plan;

23 (v) Patronage forecasts;

24 (vi) A financing plan describing: Phasing of investments; capital 25 and operating costs and expected revenues; cost-effectiveness represented by a total cost per system rider and new rider estimate; 26 estimated ridership and the cost of service for each individual high 27 capacity line (({lane})); and identification of the operating revenue 28 29 to operating expense ratio.

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1 The financing plan shall specifically differentiate the proposed 2 use of funds between high capacity transportation facilities <u>and</u> 3 <u>services</u>, <u>and</u> high occupancy vehicle facilities((, and expanded 4 local/feeder service));

5 (vii) Description of the relationship between the high capacity
6 transportation system plan and adopted land use plans;

7 (viii) An assessment of social, economic, and environmental 8 impacts; and

9 (ix) Mobility characteristics of the system presented, including 10 but not limited to: Qualitative description of system/service 11 philosophy and impacts; qualitative system reliability; travel time and 12 number of transfers between selected residential, employment, and 13 activity centers; and system and activity center mode splits.

14 (3) High capacity transportation project planning is the detailed identification of alignments, station locations, equipment and systems, 15 16 construction schedules, environmental effects, and costs. Hiqh capacity transportation project planning shall proceed as follows: The 17 18 local transit agency shall analyze and produce information needed for 19 the preparation of environmental impact statements. The impact 20 statements shall address the impact that development of such a system will have on abutting or nearby property owners. The process of 21 identification of alignments and station locations shall include 22 notification of affected property owners by normal legal publication. 23 24 At minimum, such notification shall include notice on the same day for 25 at least three weeks in at least two newspapers of general circulation in the county where such project is proposed. Special notice of 26 hearings by the conspicuous posting of notice, in a manner designed to 27 attract public attention, in the vicinity of areas identified for 28 29 station locations or transfer sites shall also be provided.

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1 In order to increase the likelihood of future federal funding, the 2 project planning processes shall follow the urban mass transportation 3 administration's requirements as described in "Procedures and Technical 4 Methods for Transit Project Planning", published by the United States 5 department of transportation, urban mass transportation administration, б September 1986, or the most recent edition. Nothing in this subsection shall be construed to preclude detailed evaluation of more than one 7 corridor in the planning process. 8

9 The department of transportation shall provide system and project 10 planning review and monitoring in cooperation with the expert review 11 panel identified in RCW 81.104.110. In addition, the local transit 12 agency shall maintain a continuous public involvement program and seek 13 involvement of other government agencies.

14 **Sec. 24.** RCW 81.104.120 and 1990 c 43 s 33 are each amended to 15 read as follows:

16 ((City-owned transit service, county transportation (1)authorities, metropolitan municipal corporations, and public 17 18 transportation benefit areas)) Transit agencies and regional transit 19 authorities may operate or contract for commuter rail service where it is deemed to be a reasonable alternative transit mode. A reasonable 20 alternative is one whose passenger costs per mile, including costs of 21 trackage, equipment, maintenance, operations, and administration are 22 23 equal to or less than comparable bus, entrained bus, trolley, or 24 personal rapid transit systems.

(2) A county may use funds collected under RCW 81.100.030 or
 81.100.060 to contract with one or more transit agencies or regional
 transit authorities for planning, operation, and maintenance of
 commuter rail projects which: (a) Are consistent with the regional
 transportation plan; (b) have met the project planning and oversight
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1 requirements of RCW 81.104.100 and 81.104.110; and (c) have been 2 approved by the voters within the service area of each transit agency 3 <u>or regional transit authority</u> participating in the project. The phrase 4 "approved by the voters" includes specific funding authorization for 5 the commuter rail project.

6 (3) The utilities and transportation commission shall maintain 7 safety responsibility for passenger rail service operating on freight 8 rail lines. Agencies providing passenger rail service on lines other 9 than freight rail lines shall maintain safety responsibility for that 10 service.

Sec. 25. RCW 81.104.140 and 1991 c 318 s 11 and 1991 c 309 s 4 are each reenacted and amended to read as follows:

13 (1) Agencies authorized to provide high capacity transportation service, including ((city-owned transit systems, county transportation 14 authorities, metropolitan municipal corporations and public 15 16 transportation benefit areas)) transit agencies and regional transit 17 authorities, are hereby granted dedicated funding sources for such 18 systems. These dedicated funding sources, as set forth in RCW 19 81.104.150, 81.104.160, and 81.104.170, are authorized only for 20 agencies located in (a) each county with a population of two hundred ten thousand or more and (b) each county with a population of from one 21 hundred twenty-five thousand to less than two hundred ten thousand 22 23 except for those counties that do not border a county with a population as described under (a) of this subsection. In any county with a 24 25 population of one million or more or in any county having a population of four hundred thousand or more bordering a county with a population 26 27 of one million or more, these funding sources may be imposed only by a 28 regional transit authority.

1 (2) Agencies planning to construct and operate a high capacity 2 transportation system should also seek other funds, including federal, 3 state, local, and private sector assistance.

4 (3) Funding sources should satisfy each of the following criteria5 to the greatest extent possible:

6 (a) Acceptability;

7 (b) Ease of administration;

8 (c) Equity;

9 (d) Implementation feasibility;

10 (e) Revenue reliability; and

11 (f) Revenue yield.

12 (4) Agencies participating in regional high capacity transportation 13 system development ((through interlocal agreements)) are authorized to 14 levy and collect the following voter-approved local option funding 15 sources:

16 (a) Employer tax as provided in RCW 81.104.150;

(b) Special motor vehicle excise tax as provided in RCW 81.104.160;and

19 (c) Sales and use tax as provided in RCW 81.104.170.

20 Revenues from these taxes may be used only to support those purposes prescribed in subsection (10) of this section. Before the 21 date of an election authorizing an agency to impose any of the taxes 22 this section and authorized in RCW 81.104.150, 23 enumerated in 81.104.160, and 81.104.170, the agency must comply with the process 24 prescribed in RCW 81.104.100 (1) and (2) and 81.104.110. 25 No 26 construction on exclusive right of way may occur before the requirements of RCW 81.104.100(3) are met. 27

(5) Authorization in subsection (4) of this section shall not
 adversely affect the funding authority of ((existing)) transit agencies
 <u>not provided for in this chapter</u>. Local option funds may be used to
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support implementation of interlocal agreements with respect to the establishment of regional high capacity transportation service. Except when a regional transit authority exists, local jurisdictions shall retain control over moneys generated within their boundaries, although funds may be commingled with those generated in other areas for planning, construction, and operation of high capacity transportation systems as set forth in the agreements.

8 (6) Agencies planning to construct and operate high capacity 9 transportation systems may contract with the state for collection and 10 transference of voter-approved local option revenue.

11 (7) Dedicated high capacity transportation funding sources 12 authorized in RCW 81.104.150, 81.104.160, and 81.104.170 shall be 13 subject to voter approval by a simple majority. A single ballot 14 proposition may seek approval for one or more of the authorized taxing 15 sources. The ballot title shall reference the document identified in 16 subsection (8) of this section.

17 (8) Agencies shall provide to the registered voters in the area a document describing the systems plan and the financing plan set forth 18 19 in RCW 81.104.100. It shall also describe the relationship of the 20 system to regional issues such as development density at station locations and activity centers, and the interrelationship of the system 21 22 to adopted land use and transportation demand management goals within 23 the region. This document shall be provided to the voters at least 24 twenty days prior to the date of the election.

(9) For any election in which voter approval is sought for a high capacity transportation system plan and financing plan pursuant to RCW 81.104.040, a local voter's pamphlet shall be produced as provided in chapter 29.81A RCW.

(10) Agencies providing high capacity transportation service shallretain responsibility for revenue encumbrance, disbursement, and

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bonding. Funds may be used for any purpose relating to planning, construction, and operation of high capacity transportation systems((7)) and commuter rail systems, ((and feeder transportation systems)) personal rapid transit, busways, bus sets, and entrained and linked buses.

6 Sec. 26. RCW 81.104.150 and 1990 c 43 s 41 are each amended to 7 read as follows:

8 Cities that operate transit systems, county transportation 9 authorities, metropolitan municipal corporations, ((and)) public 10 transportation benefit areas, ((solely for the purpose of providing high capacity transportation service)) and regional transit authorities 11 may submit an authorizing proposition to the voters and if approved may 12 13 impose an excise tax of up to two dollars per month per employee on all employers located within the agency's jurisdiction, measured by the 14 number of full-time equivalent employees, solely for the purpose of 15 16 providing high capacity transportation service. The rate of tax shall be approved by the voters. This tax may not be imposed by ((an)): (1) 17 18 <u>A transit</u> agency when the county within which it is located is imposing 19 an excise tax pursuant to RCW 81.100.030; or (2) a regional transit authority when any county within the authority's boundaries is imposing 20 an excise tax pursuant to RCW 81.100.030. The agency imposing the tax 21 authorized in this section may provide for exemptions from the tax to 22 23 such educational, cultural, health, charitable, or religious 24 organizations as it deems appropriate.

25 Sec. 27. RCW 81.104.160 and 1991 c 318 s 12 are each amended to 26 read as follows:

27 ((Any city that operates a)) <u>Cities that operate</u> transit system<u>s</u>,
 28 county transportation ((authority)) <u>authorities</u>, metropolitan municipal
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corporations, ((or)) public transportation benefit areas, ((solely for 1 2 the purpose of providing high capacity transportation service)) and 3 regional transit authorities may submit an authorizing proposition to 4 the voters, and if approved, may levy and collect an excise tax, at a rate approved by the voters, but not exceeding eighty one-hundredths of 5 б one percent on the value, under chapter 82.44 RCW, of every motor vehicle owned by a resident of ((such city, county transportation 7 authority, metropolitan municipal corporation, or public transportation 8 benefit area)) the taxing district, solely for the purpose of providing 9 10 high capacity transportation service. In any county imposing a motor vehicle excise tax surcharge pursuant to RCW 81.100.060, the maximum 11 tax rate under this section shall be reduced to a rate equal to eighty 12 one-hundredths of one percent on the value less the equivalent motor 13 14 vehicle excise tax rate of the surcharge imposed pursuant to RCW This rate shall not apply to vehicles licensed under RCW 15 81.100.060. 16 46.16.070 except vehicles with an unladen weight of six thousand pounds 17 or less, RCW 46.16.079, 46.16.080, 46.16.085, or 46.16.090.

18 Sec. 28. RCW 81.104.170 and 1990 2nd ex.s. c 1 s 902 are each 19 amended to read as follows:

20 ((The legislative bodies of)) Cities that operate transit systems, 21 county transportation authorities, metropolitan municipal corporations, 22 ((and)) public transportation benefit areas, ((solely for the purpose 23 of providing high capacity transportation service)) and regional 24 transit authorities may submit an authorizing proposition to the voters 25 and if approved by a majority of persons voting, fix and impose a sales 26 and use tax in accordance with the terms of this chapter, solely for 27 the purpose of providing high capacity transportation service.

The tax authorized pursuant to this section shall be in addition to the tax authorized by RCW 82.14.030 and shall be collected from those

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persons who are taxable by the state pursuant to chapters 82.08 and 1 82.12 RCW upon the occurrence of any taxable event within ((such city, 2 3 county transportation authority, metropolitan municipal corporation, or 4 public transportation benefit area, as the case may be)) the taxing 5 <u>district</u>. The maximum rate of such tax shall be approved by the voters 6 and shall not exceed one percent of the selling price (in the case of a sales tax) or value of the article used (in the case of a use tax). 7 The maximum rate of such tax that may be imposed shall not exceed 8 nine-tenths of one percent ((if)) in any county that imposes a tax ((is 9 10 imposed in the county)) under RCW 82.14.340, or within a regional transit authority if any county within the authority imposes a tax 11 12 under RCW 82.14.340.

13 Sec. 29. RCW 81.104.180 and 1990 c 43 s 44 are each amended to 14 read as follows:

15 Cities that operate transit systems, county transportation authorities, metropolitan municipal corporations, ((and)) public 16 transportation benefit areas, and regional transit authorities are 17 18 authorized to pledge revenues from the employer tax authorized by RCW 19 81.104.150, the special motor vehicle excise tax authorized by RCW 81.104.160, and the sales and use tax authorized by RCW 81.104.170, to 20 retire bonds issued solely for the purpose of providing high capacity 21 22 transportation service.

23 Sec. 30. RCW 81.104.190 and 1990 c 43 s 45 are each amended to 24 read as follows:

25 Cities that operate transit systems, county transportation 26 authorities, metropolitan municipal corporations, ((and)) public 27 transportation benefit areas, and regional transit systems may contract 28 with the state department of revenue or other appropriate entities for ESHB 2610.PL p. 32 of 33 administration and collection of any tax authorized by RCW 81.104.150,
 81.104.160, and 81.104.170.

3 <u>NEW SECTION.</u> Sec. 31. A new section is added to chapter 47.80 RCW 4 to read as follows:

5 EXECUTIVE BOARD MEMBERSHIP. In order to qualify for state planning funds available to regional transportation planning organizations, the 6 regional transportation planning organizations containing any county 7 with a population in excess of one million shall provide voting 8 9 membership on its executive board to the state transportation commission, the state department of transportation, and the three 10 largest public port districts within the region as determined by gross 11 operating revenues. It shall further assure that at least fifty 12 13 percent of the county and city local elected officials who serve on the executive board also serve on transit agency boards or on a regional 14 15 transit authority.

16 <u>NEW SECTION.</u> Sec. 32. Sections 1 through 17 of this act shall 17 constitute a new chapter in Title 81 RCW.

18 <u>NEW SECTION.</u> Sec. 33. Section headings as used in this act do 19 not constitute any part of the law.

20 <u>NEW SECTION.</u> **Sec. 34.** If any provision of this act or its 21 application to any person or circumstance is held invalid, the 22 remainder of the act or the application of the provision to other 23 persons or circumstances is not affected.

24 <u>NEW SECTION.</u> Sec. 35. This act shall take effect July 1, 1992.

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