
SENATE BILL 6680

State of Washington

58th Legislature

2004 Regular Session

By Senators Horn, Haugen, Esser, Spanel, Swecker, Oke, Prentice and Shin

Read first time 01/29/2004. Referred to Committee on Highways & Transportation.

1 AN ACT Relating to freight mobility; amending RCW 47.26.121,
2 47.26.084, and 47.66.030; reenacting and amending RCW 43.84.092 and
3 43.84.092; adding new sections to chapter 47.26 RCW; adding a new
4 section to chapter 46.68 RCW; creating a new section; providing
5 effective dates; and providing an expiration date.

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

7 NEW SECTION. **Sec. 1.** A new section is added to chapter 47.26 RCW
8 to read as follows:

9 INTENT. The legislature recognizes the need to place a greater
10 emphasis on the movement of freight in Washington state. A strong
11 programmatic commitment is needed to focus current resources and direct
12 new, ongoing funding toward freight corridor priorities and projects
13 that expedite the movement of international cargo. The legislature
14 recognizes that the transportation improvement board currently makes a
15 ten million dollar biennial investment in such projects and has the
16 engineering expertise required to manage freight construction projects.
17 It is the intent of the legislature to consolidate the board's freight
18 activities into a program that helps Washington to become a federal
19 "center of excellence" and attracts new funding as part of the TEA-21

1 reauthorization. A freight investment account is created as a
2 repository for federal funds and for any new state revenues dedicated
3 to the ongoing support of freight mobility.

4 NEW SECTION. **Sec. 2.** A new section is added to chapter 47.26 RCW
5 to read as follows:

6 STATE FREIGHT INVESTMENT PROGRAM CREATED. (1) A state freight
7 investment program is created to be managed by the board.
8 Transportation partnership projects with a freight benefit are
9 relocated into the state freight investment program.

10 (2) The board shall use the following criteria, not necessarily in
11 order of importance, to prioritize projects in the state freight
12 investment program:

13 (a) A freight benefit; including corridor completion and reduction
14 in roadway conflicts between freight and the general public. First and
15 greatest consideration must be given to projects previously identified
16 by the freight mobility strategic investment board or by the state
17 department of transportation's office of freight strategy and policy.

18 (b) The creation of economic opportunities; including improved
19 access to freight generators and development or expansion of freight
20 facilities.

21 (c) The potential for project delivery; including full funding at
22 the time of the grant award and the leveraging of additional local,
23 state, or federal funds.

24 (d) The potential to attract federal funding; including projects on
25 corridors of national significance, highway connection projects between
26 the national highway system and intermodal freight facilities, grade
27 separation projects, projects that support intermodal rail capacity,
28 and projects that sustain multiple gateways for national emergencies.

29 (3) Major projects with a significant increase in scope or cost
30 from the original estimate at grant award must include a review of the
31 project's current funding status and revised priority rank based on the
32 new scope. The projects may be delayed or canceled by the board in
33 favor of projects that are certified as fully funded.

34 NEW SECTION. **Sec. 3.** A new section is added to chapter 46.68 RCW
35 to read as follows:

1 FREIGHT INVESTMENT ACCOUNT CREATED. (1) The freight investment
2 account is created in the state treasury. Moneys in the account may be
3 spent only after appropriation.

4 (2) Expenditures from the account must be used for projects or
5 improvements selected by the board under section 2 of this act, or to
6 pay the principal and interest on bonds authorized for projects or
7 improvements selected under section 2 of this act.

8 (3) The account may receive one-time or ongoing distributions from
9 the state multimodal and motor vehicle accounts. The account must be
10 the repository for any new state revenues dedicated to the ongoing
11 support of freight mobility. The account must be a repository for
12 distributions from federal freight related programs and for flexible
13 funds directed toward the freight program created in section 2 of this
14 act and authorized under the Safe, Accountable, Flexible, and Efficient
15 Transportation Equity Act of 2003 (SAFETEA), or authorized under any
16 federal surface transportation act that succeeds the Transportation
17 Equity Act for the 21st Century (TEA-21).

18 (4) Federal funds deposited in the account may be administered by
19 the highways and local programs division of the department of
20 transportation.

21 **Sec. 4.** RCW 43.84.092 and 2003 c 361 s 602, 2003 c 324 s 1, and
22 2003 c 48 s 2 are each reenacted and amended to read as follows:

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

26 (2) The treasury income account shall be utilized to pay or receive
27 funds associated with federal programs as required by the federal cash
28 management improvement act of 1990. The treasury income account is
29 subject in all respects to chapter 43.88 RCW, but no appropriation is
30 required for refunds or allocations of interest earnings required by
31 the cash management improvement act. Refunds of interest to the
32 federal treasury required under the cash management improvement act
33 fall under RCW 43.88.180 and shall not require appropriation. The
34 office of financial management shall determine the amounts due to or
35 from the federal government pursuant to the cash management improvement
36 act. The office of financial management may direct transfers of funds
37 between accounts as deemed necessary to implement the provisions of the

1 cash management improvement act, and this subsection. Refunds or
2 allocations shall occur prior to the distributions of earnings set
3 forth in subsection (4) of this section.

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

12 (4) Monthly, the state treasurer shall distribute the earnings
13 credited to the treasury income account. The state treasurer shall
14 credit the general fund with all the earnings credited to the treasury
15 income account except:

16 (a) The following accounts and funds shall receive their
17 proportionate share of earnings based upon each account's and fund's
18 average daily balance for the period: The capitol building
19 construction account, the Cedar River channel construction and
20 operation account, the Central Washington University capital projects
21 account, the charitable, educational, penal and reformatory
22 institutions account, the common school construction fund, the county
23 criminal justice assistance account, the county sales and use tax
24 equalization account, the data processing building construction
25 account, the deferred compensation administrative account, the deferred
26 compensation principal account, the department of retirement systems
27 expense account, the drinking water assistance account, the drinking
28 water assistance administrative account, the drinking water assistance
29 repayment account, the Eastern Washington University capital projects
30 account, the education construction fund, the election account, the
31 emergency reserve fund, The Evergreen State College capital projects
32 account, the federal forest revolving account, the health services
33 account, the public health services account, the health system capacity
34 account, the personal health services account, the state higher
35 education construction account, the higher education construction
36 account, the highway infrastructure account, the industrial insurance
37 premium refund account, the judges' retirement account, the judicial
38 retirement administrative account, the judicial retirement principal

1 account, the local leasehold excise tax account, the local real estate
2 excise tax account, the local sales and use tax account, the medical
3 aid account, the mobile home park relocation fund, the multimodal
4 transportation account, the municipal criminal justice assistance
5 account, the municipal sales and use tax equalization account, the
6 natural resources deposit account, the oyster reserve land account, the
7 perpetual surveillance and maintenance account, the public employees'
8 retirement system plan 1 account, the public employees' retirement
9 system combined plan 2 and plan 3 account, the public facilities
10 construction loan revolving account beginning July 1, 2004, the public
11 health supplemental account, the Puyallup tribal settlement account,
12 the regional transportation investment district account, the resource
13 management cost account, the site closure account, the special wildlife
14 account, the state employees' insurance account, the state employees'
15 insurance reserve account, the state investment board expense account,
16 the state investment board commingled trust fund accounts, the
17 supplemental pension account, the Tacoma Narrows toll bridge account,
18 the teachers' retirement system plan 1 account, the teachers'
19 retirement system combined plan 2 and plan 3 account, the tobacco
20 prevention and control account, the tobacco settlement account, the
21 transportation infrastructure account, the tuition recovery trust fund,
22 the University of Washington bond retirement fund, the University of
23 Washington building account, the volunteer fire fighters' and reserve
24 officers' relief and pension principal fund, the volunteer fire
25 fighters' and reserve officers' administrative fund, the Washington
26 fruit express account, the Washington judicial retirement system
27 account, the Washington law enforcement officers' and fire fighters'
28 system plan 1 retirement account, the Washington law enforcement
29 officers' and fire fighters' system plan 2 retirement account, the
30 Washington school employees' retirement system combined plan 2 and 3
31 account, the Washington state health insurance pool account, the
32 Washington state patrol retirement account, the Washington State
33 University building account, the Washington State University bond
34 retirement fund, the water pollution control revolving fund, and the
35 Western Washington University capital projects account. Earnings
36 derived from investing balances of the agricultural permanent fund, the
37 normal school permanent fund, the permanent common school fund, the
38 scientific permanent fund, and the state university permanent fund

1 shall be allocated to their respective beneficiary accounts. All
2 earnings to be distributed under this subsection (4)(a) shall first be
3 reduced by the allocation to the state treasurer's service fund
4 pursuant to RCW 43.08.190.

5 (b) The following accounts and funds shall receive eighty percent
6 of their proportionate share of earnings based upon each account's or
7 fund's average daily balance for the period: The aeronautics account,
8 the aircraft search and rescue account, the county arterial
9 preservation account, the department of licensing services account, the
10 essential rail assistance account, the ferry bond retirement fund, the
11 freight investment account, the grade crossing protective fund, the
12 high capacity transportation account, the highway bond retirement fund,
13 the highway safety account, the motor vehicle fund, the motorcycle
14 safety education account, the pilotage account, the public
15 transportation systems account, the Puget Sound capital construction
16 account, the Puget Sound ferry operations account, the recreational
17 vehicle account, the rural arterial trust account, the safety and
18 education account, the special category C account, the state patrol
19 highway account, the transportation 2003 account (nickel account), the
20 transportation equipment fund, the transportation fund, the
21 transportation improvement account, the transportation improvement
22 board bond retirement account, and the urban arterial trust account.

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

26 **Sec. 5.** RCW 43.84.092 and 2003 c 361 s 602, 2003 c 324 s 1, 2003
27 c 150 s 2, and 2003 c 48 s 2 are each reenacted and amended to read as
28 follows:

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

32 (2) The treasury income account shall be utilized to pay or receive
33 funds associated with federal programs as required by the federal cash
34 management improvement act of 1990. The treasury income account is
35 subject in all respects to chapter 43.88 RCW, but no appropriation is
36 required for refunds or allocations of interest earnings required by
37 the cash management improvement act. Refunds of interest to the

1 federal treasury required under the cash management improvement act
2 fall under RCW 43.88.180 and shall not require appropriation. The
3 office of financial management shall determine the amounts due to or
4 from the federal government pursuant to the cash management improvement
5 act. The office of financial management may direct transfers of funds
6 between accounts as deemed necessary to implement the provisions of the
7 cash management improvement act, and this subsection. Refunds or
8 allocations shall occur prior to the distributions of earnings set
9 forth in subsection (4) of this section.

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

18 (4) Monthly, the state treasurer shall distribute the earnings
19 credited to the treasury income account. The state treasurer shall
20 credit the general fund with all the earnings credited to the treasury
21 income account except:

22 (a) The following accounts and funds shall receive their
23 proportionate share of earnings based upon each account's and fund's
24 average daily balance for the period: The capitol building
25 construction account, the Cedar River channel construction and
26 operation account, the Central Washington University capital projects
27 account, the charitable, educational, penal and reformatory
28 institutions account, the common school construction fund, the county
29 criminal justice assistance account, the county sales and use tax
30 equalization account, the data processing building construction
31 account, the deferred compensation administrative account, the deferred
32 compensation principal account, the department of retirement systems
33 expense account, the drinking water assistance account, the drinking
34 water assistance administrative account, the drinking water assistance
35 repayment account, the Eastern Washington University capital projects
36 account, the education construction fund, the election account, the
37 emergency reserve fund, The Evergreen State College capital projects
38 account, the federal forest revolving account, the health services

1 account, the public health services account, the health system capacity
2 account, the personal health services account, the state higher
3 education construction account, the higher education construction
4 account, the highway infrastructure account, the industrial insurance
5 premium refund account, the judges' retirement account, the judicial
6 retirement administrative account, the judicial retirement principal
7 account, the local leasehold excise tax account, the local real estate
8 excise tax account, the local sales and use tax account, the medical
9 aid account, the mobile home park relocation fund, the multimodal
10 transportation account, the municipal criminal justice assistance
11 account, the municipal sales and use tax equalization account, the
12 natural resources deposit account, the oyster reserve land account, the
13 perpetual surveillance and maintenance account, the public employees'
14 retirement system plan 1 account, the public employees' retirement
15 system combined plan 2 and plan 3 account, the public facilities
16 construction loan revolving account beginning July 1, 2004, the public
17 health supplemental account, the public works assistance account, the
18 Puyallup tribal settlement account, the regional transportation
19 investment district account, the resource management cost account, the
20 site closure account, the special wildlife account, the state
21 employees' insurance account, the state employees' insurance reserve
22 account, the state investment board expense account, the state
23 investment board commingled trust fund accounts, the supplemental
24 pension account, the Tacoma Narrows toll bridge account, the teachers'
25 retirement system plan 1 account, the teachers' retirement system
26 combined plan 2 and plan 3 account, the tobacco prevention and control
27 account, the tobacco settlement account, the transportation
28 infrastructure account, the tuition recovery trust fund, the University
29 of Washington bond retirement fund, the University of Washington
30 building account, the volunteer fire fighters' and reserve officers'
31 relief and pension principal fund, the volunteer fire fighters' and
32 reserve officers' administrative fund, the Washington fruit express
33 account, the Washington judicial retirement system account, the
34 Washington law enforcement officers' and fire fighters' system plan 1
35 retirement account, the Washington law enforcement officers' and fire
36 fighters' system plan 2 retirement account, the Washington school
37 employees' retirement system combined plan 2 and 3 account, the
38 Washington state health insurance pool account, the Washington state

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

12 (b) The following accounts and funds shall receive eighty percent
13 of their proportionate share of earnings based upon each account's or
14 fund's average daily balance for the period: The aeronautics account,
15 the aircraft search and rescue account, the county arterial
16 preservation account, the department of licensing services account, the
17 essential rail assistance account, the ferry bond retirement fund, the
18 freight investment account, the grade crossing protective fund, the
19 high capacity transportation account, the highway bond retirement fund,
20 the highway safety account, the motor vehicle fund, the motorcycle
21 safety education account, the pilotage account, the public
22 transportation systems account, the Puget Sound capital construction
23 account, the Puget Sound ferry operations account, the recreational
24 vehicle account, the rural arterial trust account, the safety and
25 education account, the special category C account, the state patrol
26 highway account, the transportation 2003 account (nickel account), the
27 transportation equipment fund, the transportation fund, the
28 transportation improvement account, the transportation improvement
29 board bond retirement account, and the urban arterial trust account.

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

33 **Sec. 6.** RCW 47.26.121 and 1996 c 49 s 1 are each amended to read
34 as follows:

35 (1) There is hereby created a transportation improvement board of
36 twenty-one members, six of whom shall be county members and six of whom
37 shall be city members. The remaining members shall be: (a) One

1 representative appointed by the governor who shall be a state employee
2 with responsibility for transportation policy, planning, or funding;
3 (b) two representatives from the department of transportation; (c)
4 ~~((two))~~ one representative~~((s))~~ of public transit systems; (d) a
5 private sector representative, who may be a member of the Washington
6 Trucking Association; (e) a member representing the ports; (f) a member
7 representing nonmotorized transportation; ~~((and))~~ (g) a member
8 representing the railroad industry; and (h) a member representing
9 special needs transportation.

10 (2) Of the county members of the board, one shall be a county
11 engineer or public works director with a population of one hundred
12 twenty-five thousand or more; one shall be ~~((the executive director of~~
13 ~~the county road administration board))~~ a county engineer or public
14 works director from a county with an unincorporated urban area and a
15 population of less than one hundred twenty-five thousand; one shall be
16 a county planning director or planning manager; one shall be a county
17 executive, councilmember, or commissioner from a county with a
18 population of one hundred twenty-five thousand or more; one shall be a
19 county executive, councilmember, or commissioner of a county who serves
20 on the board of a public transit system; and one shall be a county
21 executive, councilmember, or commissioner from a county with a
22 population of less than one hundred twenty-five thousand. All county
23 members of the board~~((, except the executive director of the county~~
24 ~~road administration board, shall))~~ must be appointed. Not more than
25 one county member of the board shall be from any one county. No more
26 than two of the three county-elected officials may represent counties
27 located in either the eastern or western part of the state as divided
28 north and south by the summit of the Cascade mountains.

29 (3) Of the city members of the board one shall be a chief city
30 engineer, public works director, or other city employee with
31 responsibility for public works activities, of a city with a population
32 of twenty thousand or more; one shall be a chief city engineer, public
33 works director, or other city employee with responsibility for public
34 works activities, of a city of less than twenty thousand population;
35 one shall be a city planning director or planning manager; one shall be
36 a mayor, commissioner, or city councilmember of a city with a
37 population of twenty thousand or more; one shall be a mayor,
38 commissioner, or city councilmember of a city who serves on the board

1 of a public transit system; and one shall be a mayor, commissioner, or
2 councilmember of a city of less than twenty thousand population. All
3 of the city members shall be appointed. Not more than one city member
4 of the board shall be from any one city. No more than two of the three
5 city-elected officials may represent cities located in either the
6 eastern or western part of the state as divided north and south by the
7 summit of the Cascade mountains.

8 (4) ~~((of))~~ The transit member~~((s, at least one shall))~~ must be a
9 general manager, executive director, or transit director of a public
10 transit system ~~((in an urban area with a population over two hundred
11 thousand and at least one representative from a rural or small urban
12 transit system in an area with a population less than two hundred
13 thousand))~~.

14 (5) The private sector member shall be a citizen with business,
15 management, and transportation related experience and shall be active
16 in a business community-based transportation organization. The private
17 sector member may be a member of the Washington Trucking Association.

18 (6) The port member shall be a commissioner or senior staff person
19 of a public port.

20 (7) The nonmotorized transportation member shall be a citizen with
21 a demonstrated interest and involvement with a nonmotorized
22 transportation group.

23 (8) The specialized transportation member shall be a citizen with
24 a demonstrated interest and involvement with a statewide specialized
25 needs transportation group.

26 (9) The rail member must be a representative of a Washington state
27 freight railroad provider.

28 (10) Appointments of county, city, Washington department of
29 transportation, transit, port, nonmotorized transportation, special
30 needs transportation, rail, and private sector representatives shall be
31 made by the secretary of the department of transportation. Appointees
32 shall be chosen from a list of two persons for each position nominated
33 by the Washington state association of counties for county members, the
34 association of Washington cities for city members, the Washington state
35 transit association for the transit member~~((s))~~, and the Washington
36 public ports association for the port member. The ~~((private sector,))~~
37 nonmotorized transportation~~((r))~~ and special needs members shall be
38 sought through classified advertisements in selected newspapers

1 collectively serving all urban areas of the state, and other
2 appropriate means. The private sector member may be nominated by the
3 Washington Trucking Association or sought by classified advertisement.
4 The rail member must be sought through direct mail notice to rail
5 providers. Persons applying for the rail, private sector, nonmotorized
6 transportation, or special needs transportation member position must
7 provide a letter of interest and a resume to the secretary of the
8 department of transportation. In the case of a vacancy, the
9 appointment shall be only for the remainder of the unexpired term in
10 which the vacancy has occurred. A vacancy shall be deemed to have
11 occurred on the board when any member elected to public office
12 completes that term of office or is removed therefrom for any reason or
13 when any member employed by a political subdivision terminates such
14 employment for whatsoever reason or when a rail, private sector,
15 nonmotorized transportation, or special needs transportation member
16 resigns or is unable or unwilling to serve.

17 ~~((+10+))~~ (11) Appointments shall be for terms of four years. Terms
18 of all appointed members shall expire on June 30th of even-numbered
19 years. The initial term of appointed members may be for less than four
20 years. No appointed member may serve more than two consecutive four-
21 year terms except for the department of transportation and governor-
22 appointed representatives.

23 ~~((+11+))~~ (12) The board shall elect a chair from among its members
24 for a two-year term.

25 ~~((+12+))~~ (13) Expenses of the board shall be paid in accordance
26 with RCW 47.26.140.

27 ~~((+13+))~~ (14) For purposes of this section, "public transit system"
28 means a city-owned transit system, county transportation authority,
29 metropolitan municipal corporation, public transportation benefit area,
30 or regional transit authority.

31 **Sec. 7.** RCW 47.26.084 and 1999 c 94 s 17 are each amended to read
32 as follows:

33 The transportation improvement account is hereby created in the
34 motor vehicle fund. The ~~((intent))~~ purpose of the ~~((program))~~ account
35 is to improve mobility of people and goods in Washington state by
36 supporting economic development and environmentally responsive
37 solutions to our statewide transportation and freight system needs.

1 The transportation improvement account funds the transportation
2 partnership program and the freight investment program.

3 Within one year after board approval of an application for funding,
4 a county, city, or transportation benefit district shall provide
5 written certification to the board of the pledged local and/or private
6 funding. Funds allocated to an applicant that does not certify its
7 funding within one year after approval may be reallocated by the board.

8 **Sec. 8.** RCW 47.66.030 and 1996 c 49 s 3 are each amended to read
9 as follows:

10 (1)(a) The transportation improvement board is authorized and
11 responsible for the final selection of programs and projects funded
12 from the freight investment account; central Puget Sound public
13 transportation account; and public transportation systems account(~~(+~~
14 ~~and the intermodal surface transportation and efficiency act of 1991,~~
15 ~~surface transportation program, statewide competitive)).~~

16 (b) The board may establish subcommittees as well as technical
17 advisory committees to carry out the mandates of this chapter.

18 (2) Expenses of the board, including administrative expenses for
19 managing the program, shall be paid in accordance with RCW 47.26.140.

20 NEW SECTION. **Sec. 9.** Captions used in this act are not any part
21 of the law.

22 NEW SECTION. **Sec. 10.** (1) Sections 1 through 4 and 6 through 8 of
23 this act take effect July 1, 2004.

24 (2) Section 5 of this act takes effect July 1, 2005.

25 NEW SECTION. **Sec. 11.** Section 4 of this act expires July 1, 2005.

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