

CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 2033

Chapter 194, Laws of 2003

58th Legislature
2003 Regular Session

REGIONAL TRANSPORTATION TAXES--DISTRIBUTION

EFFECTIVE DATE: 7/27/03

Passed by the House March 17, 2003
Yeas 90 Nays 7

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 15, 2003
Yeas 46 Nays 1

BRAD OWEN

President of the Senate

Approved May 9, 2003.

GARY LOCKE

Governor of the State of Washington

CERTIFICATE

I, Cynthia Zehnder, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 2033** as passed by the House of Representatives and the Senate on the dates hereon set forth.

CYNTHIA ZEHNDER

Chief Clerk

FILED

May 9, 2003 - 4:10 p.m.

**Secretary of State
State of Washington**

SUBSTITUTE HOUSE BILL 2033

Passed Legislature - 2003 Regular Session

State of Washington 58th Legislature 2003 Regular Session

By House Committee on Transportation (originally sponsored by Representatives Shabro, Conway, Priest, McDonald, Tom, Darneille, McMahan, Flannigan, Carrell, Campbell, Lantz, Talcott, Roach, Bailey, Kirby and Kristiansen)

READ FIRST TIME 03/10/03.

1 AN ACT Relating to requiring regional transportation investment
2 district tax revenue to be allocated proportionally among member
3 counties; and amending RCW 36.120.040 and 36.120.140.

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

5 **Sec. 1.** RCW 36.120.040 and 2002 c 56 s 104 are each amended to
6 read as follows:

7 (1) A regional transportation investment district planning
8 committee shall adopt a regional transportation investment plan
9 providing for the development, construction, and financing of
10 transportation projects. The planning committee may consider the
11 following factors in formulating its plan:

- 12 (a) Land use planning criteria;
- 13 (b) The input of cities located within a participating county; and
- 14 (c) The input of regional transportation planning organizations in
15 which a participating county is located. A regional transportation
16 planning organization in which a participating county is located shall
17 review its adopted regional transportation plan and submit, for the
18 planning committee's consideration, its list of transportation
19 improvement priorities.

1 (2) The planning committee may coordinate its activities with the
2 department, which shall provide services, data, and personnel to assist
3 in this planning as desired by the planning committee. In addition,
4 the planning committee may coordinate with affected cities, towns, and
5 other local governments that engage in transportation planning.

6 (3) The planning committee shall:

7 (a) Conduct public meetings that are needed to assure active public
8 participation in the development of the plan;

9 (b) Adopt a plan proposing the:

10 (i) Creation of a regional transportation investment district; and
11 ~~((recommending the))~~

12 (ii) Construction of transportation projects to improve mobility
13 within each county. Operations, maintenance, and preservation of
14 facilities or systems may not be part of the plan; ~~((and))~~

15 (c) Recommend sources of revenue authorized by RCW 36.120.050 and
16 a financing plan to fund selected transportation projects. The overall
17 plan of the district must leverage the district's financial
18 contributions so that the federal, state, local, and other revenue
19 sources continue to fund major congestion relief and transportation
20 capacity improvement projects in each county and the district. A
21 combination of local, state, and federal revenues may be necessary to
22 pay for transportation projects, and the planning committee shall
23 consider all of these revenue sources in developing a plan.

24 (4) The plan must use tax revenues and related debt for projects
25 that generally benefit a participating county in proportion to the
26 general level of tax revenues generated within that participating
27 county. This equity principle applies to all modifications to the
28 plan, appropriation of contingency funds not identified within the
29 project estimate, and future phases of the plan. During implementation
30 of the plan, the board shall retain the flexibility to manage
31 distribution of revenues, debt, and project schedules so that the
32 district may effectively implement the plan. Nothing in this section
33 should be interpreted to prevent the district from pledging district-
34 wide tax revenues for payment of any contract or debt entered into
35 under RCW 36.120.130.

36 (5) Before adopting the plan, the planning committee, with
37 assistance from the department, shall work with the lead agency to
38 develop accurate cost forecasts for transportation projects. This

1 project costing methodology must be integrated with revenue forecasts
2 in developing the plan and must at a minimum include estimated project
3 costs in constant dollars as well as year of expenditure dollars, the
4 range of project costs reflected by the level of project design,
5 project contingencies, identification of mitigation costs, the range of
6 revenue forecasts, and project and plan cash flow and bond analysis.
7 The plan submitted to the voters must provide cost estimates for each
8 project, including reasonable contingency costs. Plans submitted to
9 the voters must provide that the maximum amount possible of the funds
10 raised will be used to fund projects in the plan, including
11 environmental improvements and mitigation, and that administrative
12 costs be minimized. If actual revenue exceeds actual plan costs, the
13 excess revenues must be used to retire any outstanding debt associated
14 with the plan.

15 ~~((+5))~~ (6) If a county opts not to adopt the plan or participate
16 in the regional transportation investment district, but two or more
17 contiguous counties do choose to continue to participate, then the
18 planning committee may, within ninety days, redefine the regional
19 transportation investment plan and the ballot measure to be submitted
20 to the people to reflect elimination of the county, and submit the
21 redefined plan to the legislative authorities of the remaining counties
22 for their decision as to whether to continue to adopt the redefined
23 plan and participate. This action must be completed within sixty days
24 after receipt of the redefined plan.

25 ~~((+6))~~ (7) Once adopted, the plan must be forwarded to the
26 participating county legislative authorities to initiate the election
27 process under RCW 36.120.070. The planning committee shall at the same
28 time provide notice to each city and town within the district, the
29 governor, the chairs of the transportation committees of the
30 legislature, the secretary of transportation, and each legislator whose
31 legislative district is partially or wholly within the boundaries of
32 the district.

33 ~~((+7))~~ (8) If the ballot measure is not approved, the planning
34 committee may redefine the selected transportation projects, financing
35 plan, and the ballot measure. The county legislative authorities may
36 approve the new plan and ballot measure, and may then submit the
37 revised proposition to the voters at the next election or a special

1 election. If no ballot measure is approved by the voters by the third
2 vote, the planning committee is dissolved.

3 **Sec. 2.** RCW 36.120.140 and 2002 c 56 s 114 are each amended to
4 read as follows:

5 (1) (~~(A plan may be modified)~~) The board may modify the plan to
6 change transportation projects or revenue sources if:

7 (a) Two or more participating counties adopt a resolution to modify
8 the plan; and

9 (b) The counties submit to the voters in the district a ballot
10 measure that redefines the scope of the plan, its projects, its
11 schedule, its costs, or the revenue sources. If the voters fail to
12 approve the redefined plan, the district shall continue to work on and
13 complete the plan, and the projects in it, that was originally approved
14 by the voters. If the voters approve the redefined plan, the district
15 shall work on and complete the projects under the redefined plan.

16 (2) The board may modify the plan to change transportation projects
17 within a participating county if:

18 (a) A majority of the board approves the change;

19 (b) The modifications are limited to projects within the county;

20 (c) The county submits to the voters in the county a ballot measure
21 that redefines:

22 (i) Projects;

23 (ii) Scopes of projects; or

24 (iii) Costs; and

25 (iv) The financial plan for the county;

26 (d) The proposed modifications maintain the equity of the plan and
27 does not increase the total level of plan expenditure for the county.

28 If the voters fail to approve the modified plan, the district shall
29 continue to work on and complete the plan, and the projects in it, that
30 was originally approved by the voters. If the voters approve the
31 redefined plan, the district shall work on and complete the projects
32 under the redefined plan.

33 (3) If a transportation project cost exceeds its original cost by
34 more than twenty percent as identified in the plan:

35 (a) The board shall, in coordination with the county legislative
36 authorities, submit to the voters in the district or county a ballot
37 measure that redefines the scope of the transportation project, its

1 schedule, or its costs. If the voters fail to approve the redefined
2 transportation project, the district shall terminate work on that
3 transportation project, except that the district may take reasonable
4 steps to use, preserve, or connect any improvement already constructed.
5 The remainder of any funds that would otherwise have been expended on
6 the terminated transportation project must first be used to retire any
7 outstanding debt attributable to the plan and then may be used to
8 implement the remainder of the plan.

9 (b) Alternatively, upon adoption of a resolution by two or more
10 participating counties:

11 (i) The counties shall submit to the voters in the district a
12 ballot measure that redefines the scope of the plan, its transportation
13 projects, its schedule, or its costs. If the voters fail to approve
14 the redefined plan, the district shall terminate work on that plan,
15 except that the district may take reasonable steps to use, preserve, or
16 connect any improvement already constructed. The remainder of any
17 funds must be used to retire any outstanding debt attributable to the
18 plan; or

19 (ii) The counties may elect to have the district continue the
20 transportation project without submitting an additional ballot proposal
21 to the voters.

22 (~~(3)~~) (4) To assure accountability to the public for the timely
23 construction of the transportation improvement project or projects
24 within cost projections, the district shall issue a report, at least
25 annually, to the public and copies of the report to newspapers of
26 record in the district. In the report, the district shall indicate the
27 status of transportation project costs, transportation project
28 expenditures, revenues, and construction schedules. The report may
29 also include progress towards meeting the performance criteria provided
30 under this chapter.

Passed by the House March 17, 2003.

Passed by the Senate April 15, 2003.

Approved by the Governor May 9, 2003.

Filed in Office of Secretary of State May 9, 2003.