

CERTIFICATION OF ENROLLMENT  
**ENGROSSED SUBSTITUTE HOUSE BILL 2871**

Chapter 311, Laws of 2006

59th Legislature  
2006 Regular Session

REGIONAL TRANSPORTATION GOVERNANCE

EFFECTIVE DATE: 6/7/06 - Except section 23, which becomes effective 7/1/06.

Passed by the House March 8, 2006  
Yeas 70 Nays 28

FRANK CHOPP

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**Speaker of the House of Representatives**

Passed by the Senate March 7, 2006  
Yeas 38 Nays 7

BRAD OWEN

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**President of the Senate**

Approved March 29, 2006.

CHRISTINE GREGOIRE

\_\_\_\_\_  
**Governor of the State of Washington**

CERTIFICATE

I, Richard Nafziger, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE HOUSE BILL 2871** as passed by the House of Representatives and the Senate on the dates hereon set forth.

RICHARD NAFZIGER

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**Chief Clerk**

FILED

March 29, 2006 - 4:08 p.m.

**Secretary of State  
State of Washington**

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**ENGROSSED SUBSTITUTE HOUSE BILL 2871**

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AS AMENDED BY THE SENATE

Passed Legislature - 2006 Regular Session

**State of Washington                      59th Legislature                      2006 Regular Session**

**By** House Committee on Transportation (originally sponsored by Representatives Murray, Dickerson, Appleton and Simpson)

READ FIRST TIME 02/08/06.

1            AN ACT Relating to regional transportation governance; amending RCW  
2 36.120.020, 36.120.030, 36.120.040, 36.120.070, 29A.36.071, 36.120.080,  
3 36.120.110, 81.112.030, 36.120.050, 81.100.080, 81.100.060, 82.14.0455,  
4 82.14.430, 82.80.120, 47.56.076, 36.73.015, and 36.73.020; reenacting  
5 and amending RCW 43.79A.040, 43.84.092, and 43.84.092; adding new  
6 sections to chapter 36.120 RCW; adding a new section to chapter 47.56  
7 RCW; adding new sections to chapter 47.01 RCW; creating new sections;  
8 providing an effective date; and providing an expiration date.

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

10            NEW SECTION.    **Sec. 1.** The legislature finds that effective  
11 transportation planning in urbanized regions requires stronger and  
12 clearer lines of responsibility and accountability.

13            The legislature further finds that integrated, multimodal  
14 transportation planning will help reduce transportation congestion and  
15 improve safety, and that streamlined decision making will help reduce  
16 political congestion.

17            The legislature further finds that coordinated planning of,  
18 investment in, and operation of transportation systems will have  
19 significant benefit to the citizens of Washington, and that it is the

1 will of the people to fund regional transportation solutions, including  
2 improving transit service in urbanized areas and among existing,  
3 fragmented transit agencies in the region. Although equity  
4 considerations must be respected, transportation problems are broader  
5 and deeper than the sum of geographic subareas.

6 It is therefore the policy of the state of Washington to create a  
7 regional transportation commission to develop a proposal for a regional  
8 transportation governing entity more directly accountable to the  
9 public, and to develop a comprehensive regional transportation finance  
10 plan for the citizens of the Puget Sound metropolitan region.

11 NEW SECTION. **Sec. 2.** (1) The regional transportation commission  
12 is established.

13 (2) The commission shall consist of nine voting commissioners. The  
14 commissioners shall be appointed by the governor by June 1, 2006. The  
15 governor shall appoint four commissioners from designated lists of  
16 three nominees submitted by each major party caucus of the legislature,  
17 with one commissioner to be appointed from each respective list of  
18 nominees. The governor shall appoint the additional five commissioners  
19 independent of the legislative caucus nominees. In addition, the  
20 secretary of transportation or the secretary's designee shall serve as  
21 a nonvoting member. Appointments of commissioners must reflect  
22 geographical balance and diversity of populations within the central  
23 Puget Sound region and, to the extent possible, include commissioners  
24 with special expertise in relevant fields such as funding, planning,  
25 and construction of transportation improvement projects, structural  
26 reorganizations, and operation of transportation systems. Appointees  
27 must be citizen members who do not hold public office. Vacancies for  
28 any appointed commission seat shall be filled in the same manner as the  
29 original appointments were made.

30 (3) The term of office for a commissioner begins seven days  
31 following appointment by the governor. A commissioner must be a  
32 qualified elector under the state Constitution when his or her term of  
33 office begins.

34 (4) The commission chair presides over the commission and sets the  
35 commission agenda subject to general rules established by the  
36 commission. Except as provided otherwise in this act, the commission  
37 chair appoints all members of the committees, councils, and boards

1 created by the rules of the commission. The commission chair shall be  
2 designated by the governor from among the commissioners appointed under  
3 subsection (2) of this section.

4 (5) Each member of the commission is eligible to receive  
5 compensation in an amount not to exceed two hundred fifty dollars for  
6 each day during which the member attends an official meeting of the  
7 group or performs statutorily prescribed duties approved by the chair.  
8 A commissioner may be compensated under this subsection only if the  
9 compensation is necessarily incurred in the course of authorized  
10 business, consistent with the responsibilities of the commission  
11 established by this act.

12 (6) The commission may be entitled to state funding, as  
13 appropriated by the legislature, to pay for expenses incurred by the  
14 commission and the department of transportation and through contracts  
15 in carrying out the duties authorized in this act.

16 (7) The department of transportation shall provide staff support to  
17 the commission and, upon request of the commission, contract with other  
18 parties for staff support to the commission.

19 NEW SECTION. **Sec. 3.** The regional transportation commission has  
20 the following duties:

21 (1) Evaluate transportation governance in the central Puget Sound  
22 area within the jurisdiction of the Puget Sound regional council. This  
23 evaluation must include an assessment of the current roles of regional  
24 transportation agencies, including regional transportation and  
25 metropolitan planning organizations, the regional transit authority,  
26 regional transportation investment districts, county and municipal  
27 agencies operating transit services, and cities, counties, and other  
28 public agencies providing transportation services or facilities,  
29 including the state department of transportation. The commission shall  
30 assess and develop recommendations for what steps should be taken to:

31 (a) Consolidate governance among agencies, including changes in  
32 institutional powers, structures, and relationships and governance  
33 needed to improve accountability for transportation decisions, while  
34 enhancing the regional focus for transportation decisions and  
35 maintaining equity among citizens in the region;

36 (b) Improve coordination in the planning of transportation  
37 investments and services;

- 1 (c) Improve investment strategies;
- 2 (d) Coordinate transportation planning and investments with adopted  
3 land use policies within the region;
- 4 (e) Enhance efficiency and coordination in the delivery of services  
5 provided;
- 6 (f) Adjust boundaries for agencies or functions within the region  
7 to address existing and future transportation and land use issues; and
- 8 (g) Improve coordination between regional investments and federal  
9 funds, and state funding, including those administered by the  
10 transportation improvement board, the county road administration board,  
11 and the freight mobility strategic investment board;
- 12 (2) Develop options for a regional transportation governance  
13 proposal that include, at a minimum, an option providing for the  
14 formation of a regional transportation governing entity, of which all  
15 of its members must be directly elected, the revenue sources that will  
16 be available to such entity, and the scope of planning authority of  
17 such entity. The commission shall consult with affected jurisdictions  
18 when developing a proposal under this subsection;
- 19 (3) Develop a comprehensive financing strategy and recommended  
20 revenue options for improving transportation system performance within  
21 the region through investments in transportation projects, including,  
22 but not limited to, system-wide pricing policies and network value-  
23 pricing charges;
- 24 (4) Publicize the commission's proposal referenced in subsection  
25 (2) of this section, and the list of revenue options referenced in  
26 subsection (3) of this section, by November 15, 2006, and provide at  
27 least fifteen days for public comment;
- 28 (5) Adopt the proposal referenced in subsection (2) of this  
29 section, and the list of revenue options referenced in subsection (3)  
30 of this section, and submit them to the legislature by January 1, 2007,  
31 after which time the commission shall dissolve; and
- 32 (6) Conduct public meetings to assure active public participation  
33 in the development of the recommendations, proposal, and finance plan  
34 under this section.

35 **Sec. 4.** RCW 36.120.020 and 2002 c 56 s 102 are each amended to  
36 read as follows:

1 The definitions in this section apply throughout this chapter  
2 unless the context clearly requires otherwise.

3 (1) "Board" means the governing body of a regional transportation  
4 investment district.

5 (2) "Department" means the Washington state department of  
6 transportation.

7 (3) "Highway of statewide significance" means an existing or  
8 proposed state route or federal interstate designated as a highway of  
9 statewide significance by the transportation commission, its successor  
10 entity, or the legislature.

11 (4) "Lead agency" means a public agency that by law can plan,  
12 design, and build a transportation project and has been so designated  
13 by the district.

14 (5) "Regional transportation investment district" or "district"  
15 means a municipal corporation (~~whose boundaries are coextensive with~~  
16 ~~two or more contiguous counties and~~) that has been created by county  
17 legislative authorities and a vote of the people under this chapter to  
18 implement a regional transportation investment plan.

19 (6) "Regional transportation investment district planning  
20 committee" or "planning committee" means the advisory committee created  
21 under RCW 36.120.030 to create and propose to county legislative  
22 authorities a regional transportation investment plan to develop,  
23 finance, and construct transportation projects.

24 (7) "Regional transportation investment plan" or "plan" means a  
25 plan to develop, construct, and finance a transportation project or  
26 projects.

27 (8) "Transportation project" means:

28 (a) A capital improvement or improvements to a highway that has  
29 been designated, in whole or in part, as a highway of statewide  
30 significance, including an extension, that:

31 (i) Adds a lane or new lanes to an existing state or federal  
32 highway; or

33 (ii) Repairs or replaces a lane or lanes damaged by an event  
34 declared an emergency by the governor before January 1, 2002.

35 (b) A capital improvement or improvements to all or a portion of a  
36 highway of statewide significance, including an extension, and may  
37 include the following associated multimodal capital improvements:

38 (i) Approaches to highways of statewide significance;

1 (ii) High-occupancy vehicle lanes;  
2 (iii) Flyover ramps;  
3 (iv) Park and ride lots;  
4 (v) Bus pullouts;  
5 (vi) Vans for vanpools;  
6 (vii) Buses; and  
7 (viii) Signalization, ramp metering, and other transportation  
8 system management improvements.

9 (c) A capital improvement or improvements to all or a portion of a  
10 city street, county road, or existing highway or the creation of a new  
11 highway that intersects with a highway of statewide significance, if  
12 all of the following conditions are met:

13 (i) The project is included in a plan that makes highway  
14 improvement projects that add capacity to a highway or highways of  
15 statewide significance;

16 (ii) The secretary of transportation determines that the project  
17 would better relieve traffic congestion than investing that same money  
18 in adding capacity to a highway of statewide significance;

19 (iii) Matching money equal to (~~one-third~~) fifteen percent of the  
20 total cost of the project is provided by local entities, including but  
21 not limited to a metropolitan planning organization, county, city,  
22 port, or private entity in which a county participating in a plan is  
23 located. Local entities may use federal grants to meet this matching  
24 requirement;

25 (iv) In no case may the cumulative regional transportation  
26 investment district contribution to all projects constructed under this  
27 subsection (8)(c) exceed ten percent of the revenues generated by the  
28 district;

29 (v) In no case may the cumulative regional transportation  
30 investment district contribution to all projects constructed under this  
31 subsection (8)(c) exceed one billion dollars; and

32 (vi) The specific projects are included within the plan and  
33 submitted as part of the plan to a vote of the people.

34 (d) Except as otherwise provided in this subsection, operations,  
35 preservation, and maintenance are excluded from this definition and may  
36 not be included in a regional transportation investment plan. However,  
37 operations, preservation, and maintenance of tolled facilities where  
38 toll revenues have been pledged for the payment of contracts is

1 expressly authorized and may be included in a regional transportation  
2 investment plan. The authority under this subsection includes  
3 operational expenses for toll enforcement.

4 (e) Operational expenses for traffic mitigation provided solely for  
5 transportation project construction mitigation directly related to  
6 specific projects as outlined in the plan shall be included in a  
7 regional transportation investment plan. Construction mitigation  
8 strategies may include, but are not limited to, funding for increased  
9 transit service hours, trip reduction incentives, nonmotorized mode  
10 support, and ridematching services. Prior to construction of any  
11 project, corridor mitigation plans must be developed in conjunction  
12 with the department and partner transit agencies, including local  
13 transit agencies and the regional transit authority serving the  
14 counties, with the following goals: (i) Reducing drive alone trips in  
15 affected corridors; (ii) reducing delay per person and delay per unit  
16 of goods in affected corridors; and (iii) improving levels of service  
17 that improve system performance for all transportation users in  
18 affected corridors. The regional transportation commission established  
19 under section 2 of this act, or a successor regional governing entity,  
20 shall review transit investments according to these performance  
21 measures to determine whether to continue funding for successful and  
22 effective operations after the construction period is completed.

23 (9) "Weighted vote" means a vote that reflects the population each  
24 board or planning committee member represents relative to the  
25 population represented by the total membership of the board or planning  
26 committee. Population will be determined using the federal 2000 census  
27 or subsequent federal census data.

28 **Sec. 5.** RCW 36.120.030 and 2002 c 56 s 103 are each amended to  
29 read as follows:

30 Regional transportation investment district planning committees are  
31 advisory entities that are created, convened, and empowered as follows:

32 (1) A county with a population over one million five hundred  
33 thousand persons and any adjoining counties with a population over five  
34 hundred thousand persons may create a regional transportation  
35 investment district and shall convene a regional transportation  
36 investment district planning committee.



1       (a) The boundaries of the district should include at least the  
2 contiguous areas within the regional transit authority serving the  
3 counties. The boundaries must be proposed by the planning committee  
4 and approved by the county legislative authorities by ordinance before  
5 or in conjunction with approval of a regional transportation investment  
6 plan. Boundaries must follow complete parcels of land. However, any  
7 portion of a county that is located on a peninsula shall be exempt from  
8 a regional transportation investment district in which more than one  
9 county is included if (i) the portion of the county located on the  
10 peninsula is connected to the other portion of the county by a bridge  
11 improved under chapter 47.46 RCW, and (ii) the county has a national  
12 park and a population of more than five hundred thousand persons, but  
13 less than one million five hundred thousand persons.

14       (b) After voters within the district boundaries have approved a  
15 plan under RCW 36.120.070, elections to add areas to the district  
16 boundaries may be called by a resolution of the board, after  
17 consultation with the regional transportation planning organization and  
18 affected transit agencies and with the concurrence of the legislative  
19 authority of the city or town if the area is incorporated or with the  
20 concurrence of the county legislative authority if the area is  
21 unincorporated. The election may include a single ballot measure  
22 providing annexation to the district, approval of the plan, and  
23 approval of revenue sources necessary to finance the plan. The  
24 electorate are the voters voting within the proposed area to be  
25 annexed. A simple majority of the persons voting on the single ballot  
26 measure is required for approval of the measure.

27       (2) The members of the legislative authorities participating in  
28 planning under this chapter shall serve as the district planning  
29 committee. Members of the planning committee receive no compensation,  
30 but may be reimbursed for travel and incidental expenses as the  
31 planning committee deems appropriate.

32       The secretary of transportation, or the appropriate regional  
33 administrator of the department, as named by the secretary, shall serve  
34 on the committee as a nonvoting member.

35       (3) A regional transportation investment district planning  
36 committee may be entitled to state funding, as appropriated by the  
37 legislature, for start-up funding to pay for salaries, expenses,  
38 overhead, supplies, and similar expenses ordinarily and necessarily

1 incurred in selecting transportation projects and funding for those  
2 transportation projects under this chapter. Upon creation of a  
3 regional transportation investment district, the district shall within  
4 one year reimburse the state for any sums advanced for these start-up  
5 costs from the state.

6 (4) The planning committee shall conduct its affairs and formulate  
7 a regional transportation investment plan as provided under RCW  
8 36.120.040, except that it shall elect an executive board of seven  
9 members to discharge the duties of the planning committee and formulate  
10 a regional transportation investment plan, subject to the approval of  
11 the full committee.

12 (5) At its first meeting, a regional transportation investment  
13 district planning committee may elect officers and provide for the  
14 adoption of rules and other operating procedures.

15 (6) Governance of and decisions by a regional transportation  
16 investment district planning committee must be by a sixty-percent  
17 weighted majority vote of the total membership.

18 (7) The planning committee may dissolve itself at any time by a  
19 two-thirds weighted majority vote of the total membership of the  
20 planning committee.

21 (8) If a multicounty regional transportation investment district is  
22 not formed by December 1, 2007, through approval by the voters voting  
23 on a regional transportation investment plan, then the authority under  
24 this chapter to create a district, and to fund and construct  
25 transportation projects, shall be available to each of the eligible  
26 counties described in subsection (1) of this section on an individual  
27 and independent basis.

28 **Sec. 6.** RCW 36.120.040 and 2003 c 194 s 1 are each amended to read  
29 as follows:

30 (1) A regional transportation investment district planning  
31 committee shall adopt a regional transportation investment plan  
32 providing for the development, construction, and financing of  
33 transportation projects. The planning committee may consider the  
34 following factors in formulating its plan:

35 (a) Land use planning criteria;

36 (b) The input of cities located within a participating county; and

1 (c) The input of regional transportation planning organizations  
2 (~~in~~) of which a participating county is (~~located~~) a member. A  
3 regional transportation planning organization in which a participating  
4 county is located shall review its adopted regional transportation plan  
5 and submit, for the planning committee's consideration, its list of  
6 transportation improvement priorities.

7 (2) The planning committee may coordinate its activities with the  
8 department, which shall provide services, data, and personnel to assist  
9 in this planning as desired by the planning committee. In addition,  
10 the planning committee may coordinate its activities with affected  
11 cities, towns, and other local governments, including any regional  
12 transit authority existing within the participating counties'  
13 boundaries, that engage in transportation planning.

14 (3) The planning committee shall:

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

17 (b) Adopt a plan proposing the:

18 (i) Creation of a regional transportation investment district,  
19 including district boundaries; and

20 (ii) Construction of transportation projects to improve mobility  
21 within each county and within the region. Operations, maintenance, and  
22 preservation of facilities or systems may not be part of the plan,  
23 except for the limited purposes provided under RCW 36.120.020(8); and

24 (c) Recommend sources of revenue authorized by RCW 36.120.050 and  
25 a financing plan to fund selected transportation projects. The overall  
26 plan of the district must leverage the district's financial  
27 contributions so that the federal, state, local, and other revenue  
28 sources continue to fund major congestion relief and transportation  
29 capacity improvement projects in each county and the district. A  
30 combination of local, state, and federal revenues may be necessary to  
31 pay for transportation projects, and the planning committee shall  
32 consider all of these revenue sources in developing a plan.

33 (4) The plan must use tax revenues and related debt for projects  
34 that generally benefit a participating county in proportion to the  
35 general level of tax revenues generated within that participating  
36 county. This equity principle applies to all modifications to the  
37 plan, appropriation of contingency funds not identified within the  
38 project estimate, and future phases of the plan. Per agreement with a

1 regional transit authority serving the counties participating in a  
2 district, the equity principle identified under this subsection may  
3 include using the combined district and regional transit authority  
4 revenues generated within a participating county to determine the  
5 distribution that proportionally benefits the county. For purposes of  
6 the transportation subarea equity principle established under this  
7 subsection, a district may use the five subareas within a regional  
8 transit authority's boundaries as identified in an authority's system  
9 plan adopted in May 1996. During implementation of the plan, the board  
10 shall retain the flexibility to manage distribution of revenues, debt,  
11 and project schedules so that the district may effectively implement  
12 the plan. Nothing in this section should be interpreted to prevent the  
13 district from pledging district- wide tax revenues for payment of any  
14 contract or debt entered into under RCW 36.120.130.

15 (5) Before adopting the plan, the planning committee, with  
16 assistance from the department, shall work with the lead agency to  
17 develop accurate cost forecasts for transportation projects. This  
18 project costing methodology must be integrated with revenue forecasts  
19 in developing the plan and must at a minimum include estimated project  
20 costs in constant dollars as well as year of expenditure dollars, the  
21 range of project costs reflected by the level of project design,  
22 project contingencies, identification of mitigation costs, the range of  
23 revenue forecasts, and project and plan cash flow and bond analysis.  
24 The plan submitted to the voters must provide cost estimates for each  
25 project, including reasonable contingency costs. Plans submitted to  
26 the voters must provide that the maximum amount possible of the funds  
27 raised will be used to fund projects in the plan, including  
28 environmental improvements and mitigation, and that administrative  
29 costs be minimized. If actual revenue exceeds actual plan costs, the  
30 excess revenues must be used to retire any outstanding debt associated  
31 with the plan.

32 (6) If a county opts not to adopt the plan or participate in the  
33 regional transportation investment district, but two or more contiguous  
34 counties do choose to continue to participate, then the planning  
35 committee may, within ninety days, redefine the regional transportation  
36 investment plan and the ballot measure to be submitted to the people to  
37 reflect elimination of the county, and submit the redefined plan to the  
38 legislative authorities of the remaining counties for their decision as

1 to whether to continue to adopt the redefined plan and participate.  
2 This action must be completed within sixty days after receipt of the  
3 redefined plan.

4 (7) Once adopted by the planning committee, the plan must be  
5 forwarded to the participating county legislative authorities to  
6 initiate the election process under RCW 36.120.070. The planning  
7 committee shall at the same time provide notice to each city and town  
8 within the district, the governor, the chairs of the transportation  
9 committees of the legislature, the secretary of transportation, and  
10 each legislator whose legislative district is partially or wholly  
11 within the boundaries of the district.

12 (8) If the ballot measure is not approved, the planning committee  
13 may redefine the selected transportation projects, financing plan, and  
14 the ballot measure. The county legislative authorities may approve the  
15 new plan and ballot measure, and may then submit the revised  
16 proposition to the voters at the next election or a special election.  
17 If no ballot measure is approved by the voters by the third vote, the  
18 planning committee is dissolved.

19 NEW SECTION. **Sec. 7.** A new section is added to chapter 36.120 RCW  
20 to read as follows:

21 The planning committee must develop and include in the regional  
22 transportation investment plan a funding proposal for the state route  
23 number 520 bridge replacement and HOV project that assures full project  
24 funding for seismic safety and corridor connectivity on state route  
25 number 520 between Interstate 5 and Interstate 405.

26 **Sec. 8.** RCW 36.120.070 and 2002 c 56 s 107 are each amended to  
27 read as follows:

28 (1) Beginning no sooner than the 2007 general election, two or more  
29 contiguous county legislative authorities, or a single county  
30 legislative authority as provided under RCW 36.120.030(8), upon receipt  
31 of the regional transportation investment plan under RCW 36.120.040,  
32 may ((certify the plan to the ballot, including identification of the  
33 tax options)) submit to the voters of the proposed district a single  
34 ballot measure that approves formation of the district, approves the  
35 regional transportation investment plan, and approves the revenue  
36 sources necessary to ((fund)) finance the plan. ((County legislative

1 ~~authorities))~~ For a county to participate in the plan, the county  
2 legislative authority shall, within ninety days after receiving the  
3 plan, adopt an ordinance indicating the county's participation. The  
4 planning committee may draft ((a ballot title,)) the ballot measure on  
5 behalf of the county legislative authorities, and the county  
6 legislative authorities may give notice as required by law for ballot  
7 measures, and perform other duties as required to ((put the plan  
8 before)) submit the measure to the voters of the proposed district for  
9 their approval or rejection ((as a single ballot measure that both  
10 approves formation of the district and approves the plan)). Counties  
11 may negotiate interlocal agreements necessary to implement the plan.  
12 The electorate will be the voters voting within the boundaries of the  
13 ~~((participating counties))~~ proposed district. A simple majority of the  
14 total persons voting on the single ballot measure ~~((to approve the~~  
15 ~~plan, establish the district, and approve the taxes and fees))~~ is  
16 required for approval.

17 (2) In conjunction with RCW 81.112.030(10), at the 2007 general  
18 election the participating counties shall submit a regional  
19 transportation investment plan on the same ballot along with a  
20 proposition to support additional implementation phases of the  
21 authority's system and financing plan developed under chapter 81.112  
22 RCW. The plan shall not be considered approved unless voters also  
23 approve the proposition to support additional implementation phases of  
24 the authority's system and financing plan.

25 **Sec. 9.** RCW 29A.36.071 and 2004 c 271 s 169 are each amended to  
26 read as follows:

27 (1) Except as provided to the contrary in RCW 82.14.036, 82.46.021,  
28 or 82.80.090, the ballot title of any referendum filed on an enactment  
29 or portion of an enactment of a local government and any other question  
30 submitted to the voters of a local government consists of three  
31 elements: (a) An identification of the enacting legislative body and  
32 a statement of the subject matter; (b) a concise description of the  
33 measure; and (c) a question. The ballot title must conform with the  
34 requirements and be displayed substantially as provided under RCW  
35 29A.72.050, except that the concise description must not exceed  
36 seventy-five words; however, a concise description submitted on behalf  
37 of a proposed or existing regional transportation investment district

1 may exceed seventy- five words. If the local governmental unit is a  
2 city or a town, the concise statement shall be prepared by the city or  
3 town attorney. If the local governmental unit is a county, the concise  
4 statement shall be prepared by the prosecuting attorney of the county.  
5 If the unit is a unit of local government other than a city, town, or  
6 county, the concise statement shall be prepared by the prosecuting  
7 attorney of the county within which the majority area of the unit is  
8 located.

9 (2) A referendum measure on the enactment of a unit of local  
10 government shall be advertised in the manner provided for nominees for  
11 elective office.

12 (3) Subsection (1) of this section does not apply if another  
13 provision of law specifies the ballot title for a specific type of  
14 ballot question or proposition.

15 **Sec. 10.** RCW 36.120.080 and 2002 c 56 s 108 are each amended to  
16 read as follows:

17 If the voters approve the plan, including creation of a regional  
18 transportation investment district and imposition of taxes and fees,  
19 the district will be declared formed. The county election officials of  
20 participating counties shall, within fifteen days of the final  
21 certification of the election results, publish a notice in a newspaper  
22 or newspapers of general circulation in the district declaring the  
23 district formed, and mail copies of the notice to the governor, the  
24 secretary of transportation, the executive director of the regional  
25 transit authority in which any part of the district is located, and the  
26 executive director of the regional transportation planning organization  
27 in which any part of the district is located. A party challenging the  
28 procedure or the formation of a voter-approved district must file the  
29 challenge in writing by serving the prosecuting attorney of the  
30 participating counties and the attorney general within thirty days  
31 after the final certification of the election. Failure to challenge  
32 within that time forever bars further challenge of the district's valid  
33 formation.

34 **Sec. 11.** RCW 36.120.110 and 2002 c 56 s 111 are each amended to  
35 read as follows:

1 (1) The governing board of the district is responsible for the  
2 execution of the voter-approved plan. The board shall:

3 (a) Impose taxes and fees authorized by district voters;

4 (b) Enter into agreements with state, local, and regional agencies  
5 and departments as necessary to accomplish district purposes and  
6 protect the district's investment in transportation projects;

7 (c) Accept gifts, grants, or other contributions of funds that will  
8 support the purposes and programs of the district;

9 (d) Monitor and audit the progress and execution of transportation  
10 projects to protect the investment of the public and annually make  
11 public its findings;

12 (e) Pay for services and enter into leases and contracts, including  
13 professional service contracts;

14 (f) Hire no more than ten employees, including a director or  
15 executive officer, a treasurer or financial officer, a project manager  
16 or engineer, a project permit coordinator, and clerical staff; and

17 (g) Coordinate its activities with affected cities, towns, and  
18 other local governments, including any regional transit authority  
19 existing either partially or entirely within the district area, that  
20 engage in transportation planning; and

21 (h) Exercise other powers and duties as may be reasonable to carry  
22 out the purposes of the district.

23 (2) It is the intent of the legislature that existing staff  
24 resources of lead agencies be used in implementing this chapter. A  
25 district may coordinate its activities with the department, which shall  
26 provide services, data, and personnel to assist as desired by the  
27 regional transportation investment district. Lead agencies for  
28 transportation projects that are not state facilities shall also  
29 provide staff support for the board.

30 (3) A district may not acquire, hold, or dispose of real property.

31 (4) Except for the limited purposes provided under RCW  
32 36.120.020(8), a district may not own, operate, or maintain an ongoing  
33 facility, road, or transportation system.

34 (5) A district may accept and expend or use gifts, grants, or  
35 donations.

36 (6) It is the intent of the legislature that administrative and  
37 overhead costs of a regional transportation investment district be  
38 minimized. For transportation projects costing up to fifty million



1 dollars, administrative and overhead costs may not exceed three percent  
2 of the total construction and design project costs per year. For  
3 transportation projects costing more than fifty million dollars,  
4 administrative and overhead costs may not exceed three percent of the  
5 first fifty million dollars in costs, plus an additional one-tenth of  
6 one percent of each additional dollar above fifty million. These  
7 limitations apply only to the district, and do not limit the  
8 administration or expenditures of the department.

9 (7) A district may use the design-build procedure for  
10 transportation projects developed by it. As used in this section  
11 "design-build procedure" means a method of contracting under which the  
12 district contracts with another party for that party to both design and  
13 build the structures, facilities, and other items specified in the  
14 contract. The requirements and limitations of RCW 47.20.780 and  
15 47.20.785 do not apply to the transportation projects under this  
16 chapter.

17 **Sec. 12.** RCW 81.112.030 and 1994 c 44 s 1 are each amended to read  
18 as follows:

19 Two or more contiguous counties each having a population of four  
20 hundred thousand persons or more may establish a regional transit  
21 authority to develop and operate a high capacity transportation system  
22 as defined in chapter 81.104 RCW.

23 The authority shall be formed in the following manner:

24 (1) The joint regional policy committee created pursuant to RCW  
25 81.104.040 shall adopt a system and financing plan, including the  
26 definition of the service area. This action shall be completed by  
27 September 1, 1992, contingent upon satisfactory completion of the  
28 planning process defined in RCW 81.104.100. The final system plan  
29 shall be adopted no later than June 30, 1993. In addition to the  
30 requirements of RCW 81.104.100, the plan for the proposed system shall  
31 provide explicitly for a minimum portion of new tax revenues to be  
32 allocated to local transit agencies for interim express services. Upon  
33 adoption the joint regional policy committee shall immediately transmit  
34 the plan to the county legislative authorities within the adopted  
35 service area.

36 (2) The legislative authorities of the counties within the service  
37 area shall decide by resolution whether to participate in the

1 authority. This action shall be completed within forty-five days  
2 following receipt of the adopted plan or by August 13, 1993, whichever  
3 comes first.

4 (3) Each county that chooses to participate in the authority shall  
5 appoint its board members as set forth in RCW 81.112.040 and shall  
6 submit its list of members to the secretary of the Washington state  
7 department of transportation. These actions must be completed within  
8 thirty days following each county's decision to participate in the  
9 authority.

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

14 (5) The authority is formally constituted at its first meeting and  
15 the board shall begin taking steps toward implementation of the system  
16 and financing plan adopted by the joint regional policy committee. If  
17 the joint regional policy committee fails to adopt a plan by June 30,  
18 1993, the authority shall proceed to do so based on the work completed  
19 by that date by the joint regional policy committee. Upon formation of  
20 the authority, the joint regional policy committee shall cease to  
21 exist. The authority may make minor modifications to the plan as  
22 deemed necessary and shall at a minimum review local transit agencies'  
23 plans to ensure feeder service/high capacity transit service  
24 integration, ensure fare integration, and ensure avoidance of parallel  
25 competitive services. The authority shall also conduct a minimum  
26 thirty-day public comment period.

27 (6) If the authority determines that major modifications to the  
28 plan are necessary before the initial ballot proposition is submitted  
29 to the voters, the authority may make those modifications with a  
30 favorable vote of two-thirds of the entire membership. Any such  
31 modification shall be subject to the review process set forth in RCW  
32 81.104.110. The modified plan shall be transmitted to the legislative  
33 authorities of the participating counties. The legislative authorities  
34 shall have forty-five days following receipt to act by motion or  
35 ordinance to confirm or rescind their continued participation in the  
36 authority.

37 (7) If any county opts to not participate in the authority, but two  
38 or more contiguous counties do choose to continue to participate, the

1 authority's board shall be revised accordingly. The authority shall,  
2 within forty-five days, redefine the system and financing plan to  
3 reflect elimination of one or more counties, and submit the redefined  
4 plan to the legislative authorities of the remaining counties for their  
5 decision as to whether to continue to participate. This action shall  
6 be completed within forty-five days following receipt of the redefined  
7 plan.

8 (8) The authority shall place on the ballot within two years of the  
9 authority's formation, a single ballot proposition to authorize the  
10 imposition of taxes to support the implementation of an appropriate  
11 phase of the plan within its service area. In addition to the system  
12 plan requirements contained in RCW 81.104.100(2)(d), the system plan  
13 approved by the authority's board before the submittal of a proposition  
14 to the voters shall contain an equity element which:

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

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

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

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

31 (9) If the vote on a proposition fails, the board may redefine the  
32 proposition, make changes to the authority boundaries, and make  
33 corresponding changes to the composition of the board. If the  
34 composition of the board is changed, the participating counties shall  
35 revise the membership of the board accordingly. The board may then  
36 submit the revised proposition or a different proposition to the  
37 voters. No single proposition may be submitted to the voters more than

1 twice. Beginning no sooner than the 2007 general election, the  
2 authority may place additional propositions on the ballot to impose  
3 taxes to support additional phases of plan implementation.

4 (10) In conjunction with RCW 36.120.070, at the 2007 general  
5 election the authority shall submit a proposition to support additional  
6 implementation phases of the authority's system and financing plan on  
7 the same ballot along with a regional transportation investment plan  
8 developed under chapter 36.120 RCW. The proposition shall not be  
9 considered approved unless voters also approve the regional  
10 transportation investment plan.

11 (11) Additional phases of plan implementation may include a  
12 transportation subarea equity element which (a) identifies the combined  
13 authority and regional transportation investment district revenues  
14 anticipated to be generated by corridor and by county within the  
15 authority's boundaries, and (b) identifies the degree to which the  
16 combined authority and regional transportation investment district  
17 revenues generated within each county will benefit the residents of  
18 that county, and identifies when such benefits will accrue. For  
19 purposes of the transportation subarea equity principle established  
20 under this subsection, the authority may use the five subareas within  
21 the authority's boundaries as identified in the authority's system plan  
22 adopted in May 1996.

23 (12) If the authority is unable to achieve a positive vote on a  
24 proposition within two years from the date of the first election on a  
25 proposition, the board may, by resolution, reconstitute the authority  
26 as a single-county body. With a two-thirds vote of the entire  
27 membership of the voting members, the board may also dissolve the  
28 authority.

29 **Sec. 13.** RCW 36.120.050 and 2003 c 350 s 4 are each amended to  
30 read as follows:

31 (1) A regional transportation investment district planning  
32 committee may, as part of a regional transportation investment plan,  
33 recommend the imposition or authorization of some or all of the  
34 following revenue sources, which a regional transportation investment  
35 district may impose or authorize upon approval of the voters as  
36 provided in this chapter:

1 (a) A regional sales and use tax, as specified in RCW 82.14.430, of  
2 up to ~~((0.5))~~ 0.1 percent of the selling price, in the case of a sales  
3 tax, or value of the article used, in the case of a use tax, upon the  
4 occurrence of any taxable event in the regional transportation  
5 investment district;

6 (b) A local option vehicle license fee, as specified under RCW  
7 82.80.100, of up to one hundred dollars per vehicle registered in the  
8 district. As used in this subsection, "vehicle" means motor vehicle as  
9 defined in RCW 46.04.320. Certain classes of vehicles, as defined  
10 under chapter 46.04 RCW, may be exempted from this fee;

11 (c) A parking tax under RCW 82.80.030;

12 (d) A local motor vehicle excise tax under RCW 81.100.060 (~~and~~  
13 ~~chapter 81.104 RCW~~);

14 (e) A local option fuel tax under RCW 82.80.120;

15 (f) An employer excise tax under RCW 81.100.030; and

16 (g) Vehicle tolls on new or reconstructed (~~facilities~~) local or  
17 regional arterials or state or federal highways within the boundaries  
18 of the district, if the following conditions are met:

19 (i) Any such toll must be approved by the state transportation  
20 commission or its successor statewide tolling authority;

21 (ii) The regional transportation investment plan must identify the  
22 facilities that may be tolled; and

23 (iii) Unless otherwise specified by law, the department shall  
24 administer the collection of vehicle tolls on designated facilities,  
25 and the state transportation commission, or its successor, shall be the  
26 tolling authority.

27 (2) Taxes, fees, and tolls may not be imposed or authorized without  
28 an affirmative vote of the majority of the voters within the boundaries  
29 of the district voting on a ballot proposition as set forth in RCW  
30 36.120.070. Revenues from these taxes and fees may be used only to  
31 implement the plan as set forth in this chapter. A district may  
32 contract with the state department of revenue or other appropriate  
33 entities for administration and collection of any of the taxes or fees  
34 authorized in this section.

35 (3) Existing statewide motor vehicle fuel and special fuel taxes,  
36 at the distribution rates in effect on January 1, 2001, are not  
37 intended to be altered by this chapter.

1       **Sec. 14.** RCW 81.100.080 and 1990 c 43 s 19 are each amended to  
2 read as follows:

3       (1) Funds collected under RCW 81.100.030 or 81.100.060 and any  
4 investment earnings accruing thereon shall be used by the county ~~or the~~  
5 regional transportation investment district in a manner consistent with  
6 the regional transportation plan only for costs of collection, costs of  
7 preparing, adopting, and enforcing agreements under RCW 81.100.030(3),  
8 for construction of high occupancy vehicle lanes and related  
9 facilities, mitigation of environmental concerns that result from  
10 construction or use of high occupancy vehicle lanes and related  
11 facilities, payment of principal and interest on bonds issued for the  
12 purposes of this section, for high occupancy vehicle programs as  
13 defined in RCW 81.100.020(5), ~~((and))~~ or for commuter rail projects in  
14 accordance with RCW 81.104.120. Except for funds raised by an  
15 investment district, no funds collected under RCW 81.100.030 or  
16 81.100.060 after June 30, 2000, may be pledged for the payment or  
17 security of the principal or interest on any bonds issued for the  
18 purposes of this section. Not more than ten percent of the funds may  
19 be used for transit agency high occupancy vehicle programs.

20       (2) Notwithstanding the limitations in this chapter, a regional  
21 transportation investment district may use funds collected under RCW  
22 81.100.030 or 81.100.060 and any investment earnings accruing thereon  
23 for projects contained in a plan developed under chapter 36.120 RCW.  
24 These expenditures shall not be limited to high occupancy vehicle  
25 systems.

26       (3) Priorities for construction of high occupancy vehicle lanes and  
27 related facilities shall be as follows:

28       ~~((1))~~ (a)(i) To accelerate construction of high occupancy vehicle  
29 lanes on the interstate highway system, as well as related facilities;

30       ~~((b))~~ (ii) To finance or accelerate construction of high  
31 occupancy vehicle lanes on the noninterstate state highway system, as  
32 well as related facilities.

33       ~~((2))~~ (b) To finance construction of high occupancy vehicle lanes  
34 on local arterials, as well as related facilities.

35       (4) Moneys received by ~~((an agency))~~ a county under this chapter  
36 shall be used in addition to, and not as a substitute for, moneys  
37 currently used by the ~~((agency))~~ county for the purposes specified in  
38 this section.

1        (5) Counties and investment districts may contract with cities or  
2 the state department of transportation for construction of high  
3 occupancy vehicle lanes and related facilities, and may issue general  
4 obligation bonds to fund such construction and use funds received under  
5 this chapter to pay the principal and interest on such bonds.

6        **Sec. 15.** RCW 81.100.060 and 2002 c 56 s 411 are each amended to  
7 read as follows:

8        A county with a population of one million or more and a county with  
9 a population of from two hundred ten thousand to less than one million  
10 that is adjoining a county with a population of one million or more,  
11 having within their boundaries existing or planned high-occupancy  
12 vehicle lanes on the state highway system, or a regional transportation  
13 investment district (~~((for capital improvements))~~), but only to the  
14 extent that the surcharge has not already been imposed by the county,  
15 may, with voter approval, impose a local surcharge of not more than  
16 three-tenths of one percent in the case of a county, or eight-tenths of  
17 one percent in the case of a regional transportation investment  
18 district, of the value on vehicles registered to a person residing  
19 within the county or investment district and not more than 13.64  
20 percent on the state sales and use taxes paid under the rate in RCW  
21 82.08.020(2) on retail car rentals within the county or investment  
22 district. A county may impose the surcharge only to the extent that it  
23 has not been imposed by the district. No surcharge may be imposed on  
24 vehicles licensed under RCW 46.16.070 except vehicles with an unladen  
25 weight of six thousand pounds or less, RCW 46.16.079, 46.16.085, or  
26 46.16.090.

27        Counties or investment districts imposing a (~~((tax))~~) surcharge under  
28 this section shall contract, before the effective date of the  
29 resolution or ordinance imposing a surcharge, administration and  
30 collection to the state department of licensing, and department of  
31 revenue, as appropriate, which shall deduct (~~((an))~~) a percentage amount,  
32 as provided by contract, not to exceed two percent of the taxes, for  
33 administration and collection expenses incurred by the department. All  
34 administrative provisions in chapters 82.03, 82.32, and 82.44 RCW  
35 shall, insofar as they are applicable to motor vehicle excise taxes, be  
36 applicable to surcharges imposed under this section. All  
37 administrative provisions in chapters 82.03, 82.08, 82.12, and 82.32

1 RCW shall, insofar as they are applicable to state sales and use taxes,  
2 be applicable to surcharges imposed under this section. A surcharge  
3 imposed under this section, or a change to the surcharge, shall take  
4 effect no sooner than seventy-five days after the department of  
5 licensing or the department of revenue receives notice of the surcharge  
6 or change to the surcharge, and shall take effect only on the first day  
7 of January, April, July, or October. Unless waived by the department  
8 of licensing or the department of revenue, notice includes providing  
9 the appropriate department with digital mapping and legal descriptions  
10 of areas in which the tax will be collected.

11 If the tax authorized in RCW 81.100.030 is also imposed, the total  
12 proceeds from tax sources imposed under this section and RCW 81.100.030  
13 each year shall not exceed the maximum amount which could be collected  
14 under this section.

15 **Sec. 16.** RCW 82.14.0455 and 2005 c 336 s 15 are each amended to  
16 read as follows:

17 (1) Subject to the provisions in RCW 36.73.065, a transportation  
18 benefit district under chapter 36.73 RCW may fix and impose a sales and  
19 use tax in accordance with the terms of this chapter. The tax  
20 authorized in this section is in addition to any other taxes authorized  
21 by law and shall be collected from those persons who are taxable by the  
22 state under chapters 82.08 and 82.12 RCW upon the occurrence of any  
23 taxable event within the boundaries of the district. The rate of tax  
24 shall not exceed two-tenths of one percent of the selling price in the  
25 case of a sales tax, or value of the article used, in the case of a use  
26 tax. The tax may not be imposed for a period exceeding ten years.  
27 This tax may be extended for a period not exceeding ten years with an  
28 affirmative vote of the voters voting at the election.

29 (2) Money received from the tax imposed under this section must be  
30 spent in accordance with the requirements of chapter 36.73 RCW.

31 ~~((3) A district may only levy the tax under this section if the~~  
32 ~~district is comprised of boundaries coextensive with the boundaries of~~  
33 ~~a county, counties, city or cities, a county transportation authority~~  
34 ~~or authorities, a public transportation benefit area or areas, or any~~  
35 ~~combination of these jurisdictions.))~~



1       **Sec. 17.** RCW 82.14.430 and 2002 c 56 s 405 are each amended to  
2 read as follows:

3       (1) If approved by the majority of the voters within its boundaries  
4 voting on the ballot proposition, a regional transportation investment  
5 district may impose a sales and use tax of up to (~~(0.5)~~) 0.1 percent of  
6 the selling price or value of the article used in the case of a use  
7 tax. The tax authorized by this section is in addition to the tax  
8 authorized by RCW 82.14.030 and must be collected from those persons  
9 who are taxable by the state under chapters 82.08 and 82.12 RCW upon  
10 the occurrence of any taxable event within the taxing district. Motor  
11 vehicles are exempt from the sales and use tax imposed under this  
12 subsection.

13       (2) If approved by the majority of the voters within its boundaries  
14 voting on the ballot proposition, a regional transportation investment  
15 district may impose a tax on the use of a motor vehicle within a  
16 regional transportation investment district. The tax applies to those  
17 persons who reside within the regional transportation investment  
18 district. The rate of the tax may not exceed (~~(0.5)~~) 0.1 percent of  
19 the value of the motor vehicle. The tax authorized by this subsection  
20 is in addition to the tax authorized under RCW 82.14.030 and must be  
21 imposed and collected at the time a taxable event under RCW  
22 82.08.020(1) or 82.12.020 takes place. All revenue received under this  
23 subsection must be deposited in the local sales and use tax account and  
24 distributed to the regional transportation investment district  
25 according to RCW 82.14.050. The following provisions apply to the use  
26 tax in this subsection:

27       (a) Where persons are taxable under chapter 82.08 RCW, the seller  
28 shall collect the use tax from the buyer using the collection  
29 provisions of RCW 82.08.050.

30       (b) Where persons are taxable under chapter 82.12 RCW, the use tax  
31 must be collected using the provisions of RCW 82.12.045.

32       (c) "Motor vehicle" has the meaning provided in RCW 46.04.320, but  
33 does not include farm tractors or farm vehicles as defined in RCW  
34 46.04.180 and 46.04.181, off-road and nonhighway vehicles as defined in  
35 RCW 46.09.020, and snowmobiles as defined in RCW 46.10.010.

36       (d) "Person" has the meaning given in RCW 82.04.030.

37       (e) The value of a motor vehicle must be determined under RCW  
38 82.12.010.

1 (f) Except as specifically stated in this subsection (2), chapters  
2 82.12 and 82.32 RCW apply to the use tax. The use tax is a local tax  
3 imposed under the authority of chapter 82.14 RCW, and chapter 82.14 RCW  
4 applies fully to the use tax.

5 (3) In addition to fulfilling the notice requirements under RCW  
6 82.14.055(1), and unless waived by the department, a regional  
7 transportation investment district shall provide the department of  
8 revenue with digital mapping and legal descriptions of areas in which  
9 the tax will be collected.

10 **Sec. 18.** RCW 82.80.120 and 2003 c 350 s 3 are each amended to read  
11 as follows:

12 (1) For purposes of this section:

13 (a) "Distributor" means every person who imports, refines,  
14 manufactures, produces, or compounds motor vehicle fuel and special  
15 fuel as defined in RCW 82.36.010 and 82.38.020, respectively, and sells  
16 or distributes the fuel into a county;

17 (b) "Person" has the same meaning as in RCW 82.04.030;

18 (c) "District" means a regional transportation investment district  
19 under chapter 36.120 RCW.

20 (2) A regional transportation investment district under chapter  
21 36.120 RCW, subject to the conditions of this section, may levy  
22 additional excise taxes equal to ten percent of the statewide motor  
23 vehicle fuel tax rate under RCW 82.36.025 on each gallon of motor  
24 vehicle fuel as defined in RCW 82.36.010 and on each gallon of special  
25 fuel as defined in RCW 82.38.020 sold within the boundaries of the  
26 district. The additional excise tax is subject to the approval of a  
27 majority of the voters within the district boundaries. Vehicles paying  
28 an annual license fee under RCW 82.38.075 are exempt from the  
29 district's fuel excise tax. The additional excise taxes are subject to  
30 the same exceptions and rights of refund as applicable to other motor  
31 vehicle fuel and special fuel excise taxes levied under chapters 82.36  
32 and 82.38 RCW. The proposed tax may not be levied less than one month  
33 from the date the election results are certified. The commencement  
34 date for the levy of any tax under this section will be the first day  
35 of January, April, July, or October.

36 (3) The local option motor vehicle fuel tax on each gallon of motor

1 vehicle fuel and on each gallon of special fuel is imposed upon the  
2 distributor of the fuel.

3 (4) A taxable event for the purposes of this section occurs upon  
4 the first distribution of the fuel within the boundaries of the  
5 district to a retail outlet, bulk fuel user, or ultimate user of the  
6 fuel.

7 (5) All administrative provisions in chapters 82.01, 82.03, and  
8 82.32 RCW, insofar as they are applicable, apply to local option fuel  
9 taxes imposed under this section.

10 (6) Before the effective date of the imposition of the fuel taxes  
11 under this section, a district shall contract with the department of  
12 ~~((revenue))~~ licensing for the administration and collection of the  
13 taxes. The contract must provide that a percentage amount, not to  
14 exceed one percent of the taxes imposed under this section, will be  
15 deposited into the local tax administration account created in the  
16 custody of the state treasurer. The department of ~~((revenue))~~  
17 licensing may spend money from this account, upon appropriation, for  
18 the administration of the local taxes imposed under this section.

19 (7) The state treasurer shall distribute monthly to the district  
20 levying the tax as part of the regional transportation investment  
21 district plan, after the deductions for payments and expenditures as  
22 provided in RCW 46.68.090(1) (a) and (b).

23 (8) The proceeds of the additional taxes levied by a district in  
24 this section, to be used as a part of a regional transportation  
25 investment district plan, must be used in accordance with chapter  
26 36.120 RCW, but only for those areas that are considered "highway  
27 purposes" as that term is construed in Article II, section 40 of the  
28 state Constitution.

29 (9) A district may only levy the tax under this section if the  
30 district is comprised of boundaries identical to the boundaries of a  
31 county or counties. A district may not levy the tax in this section if  
32 a member county is levying the tax in RCW 82.80.010 or 82.80.110.

33 **Sec. 19.** RCW 47.56.076 and 2005 c 335 s 3 are each amended to read  
34 as follows:

35 Upon approval of a majority of the voters within its boundaries  
36 voting on the ballot proposition, and ~~((only for the purposes~~  
37 ~~authorized in RCW 36.120.050(1)(g))~~) with the approval of the state

1 transportation commission or its successor statewide tolling authority,  
2 a regional transportation investment district may authorize vehicle  
3 tolls on a local or regional arterial or a state (~~routes where~~  
4 ~~improvements financed in whole or in part by a regional transportation~~  
5 ~~investment district add additional lanes to, or reconstruct lanes on,~~  
6 ~~a highway of statewide significance~~) or federal highway within the  
7 boundaries of the district. The department shall administer the  
8 collection of vehicle tolls authorized on designated facilities unless  
9 otherwise specified in law or by contract, and the (~~state~~  
10 ~~transportation~~) commission(~~(7)~~) or its successor(~~(7)~~) statewide  
11 tolling authority shall (~~be the tolling authority~~) set and impose the  
12 tolls in amounts sufficient to implement the regional transportation  
13 investment plan under RCW 36.120.020.

14 NEW SECTION. Sec. 20. A new section is added to chapter 47.56 RCW  
15 to read as follows:

16 Notwithstanding any provision to the contrary in this chapter, a  
17 regional transportation investment district may authorize vehicle tolls  
18 on either Lake Washington bridge within its boundaries to implement a  
19 regional transportation investment plan as authorized in chapter 36.120  
20 RCW and RCW 47.56.076.

21 **Sec. 21.** RCW 43.79A.040 and 2005 c 424 s 18, 2005 c 402 s 8, 2005  
22 c 215 s 10, and 2005 c 16 s 2 are each reenacted and amended to read as  
23 follows:

24 (1) Money in the treasurer's trust fund may be deposited, invested,  
25 and reinvested by the state treasurer in accordance with RCW 43.84.080  
26 in the same manner and to the same extent as if the money were in the  
27 state treasury.

28 (2) All income received from investment of the treasurer's trust  
29 fund shall be set aside in an account in the treasury trust fund to be  
30 known as the investment income account.

31 (3) The investment income account may be utilized for the payment  
32 of purchased banking services on behalf of treasurer's trust funds  
33 including, but not limited to, depository, safekeeping, and  
34 disbursement functions for the state treasurer or affected state  
35 agencies. The investment income account is subject in all respects to

1 chapter 43.88 RCW, but no appropriation is required for payments to  
2 financial institutions. Payments shall occur prior to distribution of  
3 earnings set forth in subsection (4) of this section.

4 (4)(a) Monthly, the state treasurer shall distribute the earnings  
5 credited to the investment income account to the state general fund  
6 except under (b) and (c) of this subsection.

7 (b) The following accounts and funds shall receive their  
8 proportionate share of earnings based upon each account's or fund's  
9 average daily balance for the period: The Washington promise  
10 scholarship account, the college savings program account, the  
11 Washington advanced college tuition payment program account, the  
12 agricultural local fund, the American Indian scholarship endowment  
13 fund, the foster care scholarship endowment fund, the foster care  
14 endowed scholarship trust fund, the students with dependents grant  
15 account, the basic health plan self-insurance reserve account, the  
16 contract harvesting revolving account, the Washington state combined  
17 fund drive account, the commemorative works account, the Washington  
18 international exchange scholarship endowment fund, the developmental  
19 disabilities endowment trust fund, the energy account, the fair fund,  
20 the fruit and vegetable inspection account, the future teachers  
21 conditional scholarship account, the game farm alternative account, the  
22 grain inspection revolving fund, the juvenile accountability incentive  
23 account, the law enforcement officers' and fire fighters' plan 2  
24 expense fund, the local tourism promotion account, the produce railcar  
25 pool account, the regional transportation investment district account,  
26 the rural rehabilitation account, the stadium and exhibition center  
27 account, the youth athletic facility account, the self-insurance  
28 revolving fund, the sulfur dioxide abatement account, the children's  
29 trust fund, the Washington horse racing commission Washington bred  
30 owners' bonus fund account, the Washington horse racing commission  
31 class C purse fund account, the individual development account program  
32 account, the Washington horse racing commission operating account  
33 (earnings from the Washington horse racing commission operating account  
34 must be credited to the Washington horse racing commission class C  
35 purse fund account), and the life sciences discovery fund. However,  
36 the earnings to be distributed shall first be reduced by the allocation  
37 to the state treasurer's service fund pursuant to RCW 43.08.190.

1 (c) The following accounts and funds shall receive eighty percent  
2 of their proportionate share of earnings based upon each account's or  
3 fund's average daily balance for the period: The advanced right of way  
4 revolving fund, the advanced environmental mitigation revolving  
5 account, the city and county advance right-of-way revolving fund, the  
6 federal narcotics asset forfeitures account, the high occupancy vehicle  
7 account, the local rail service assistance account, and the  
8 miscellaneous transportation programs account.

9 (5) In conformance with Article II, section 37 of the state  
10 Constitution, no trust accounts or funds shall be allocated earnings  
11 without the specific affirmative directive of this section.

12 **Sec. 22.** RCW 43.84.092 and 2005 c 514 s 1105, 2005 c 353 s 3, 2005  
13 c 339 s 22, 2005 c 314 s 109, 2005 c 312 s 7, and 2005 c 94 s 1 are  
14 each reenacted and amended to read as follows:

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

18 (2) The treasury income account shall be utilized to pay or receive  
19 funds associated with federal programs as required by the federal cash  
20 management improvement act of 1990. The treasury income account is  
21 subject in all respects to chapter 43.88 RCW, but no appropriation is  
22 required for refunds or allocations of interest earnings required by  
23 the cash management improvement act. Refunds of interest to the  
24 federal treasury required under the cash management improvement act  
25 fall under RCW 43.88.180 and shall not require appropriation. The  
26 office of financial management shall determine the amounts due to or  
27 from the federal government pursuant to the cash management improvement  
28 act. The office of financial management may direct transfers of funds  
29 between accounts as deemed necessary to implement the provisions of the  
30 cash management improvement act, and this subsection. Refunds or  
31 allocations shall occur prior to the distributions of earnings set  
32 forth in subsection (4) of this section.

33 (3) Except for the provisions of RCW 43.84.160, the treasury income  
34 account may be utilized for the payment of purchased banking services  
35 on behalf of treasury funds including, but not limited to, depository,  
36 safekeeping, and disbursement functions for the state treasury and  
37 affected state agencies. The treasury income account is subject in all

1 respects to chapter 43.88 RCW, but no appropriation is required for  
2 payments to financial institutions. Payments shall occur prior to  
3 distribution of earnings set forth in subsection (4) of this section.

4 (4) Monthly, the state treasurer shall distribute the earnings  
5 credited to the treasury income account. The state treasurer shall  
6 credit the general fund with all the earnings credited to the treasury  
7 income account except:

8 (a) The following accounts and funds shall receive their  
9 proportionate share of earnings based upon each account's and fund's  
10 average daily balance for the period: The capitol building  
11 construction account, the Cedar River channel construction and  
12 operation account, the Central Washington University capital projects  
13 account, the charitable, educational, penal and reformatory  
14 institutions account, the common school construction fund, the county  
15 criminal justice assistance account, the county sales and use tax  
16 equalization account, the data processing building construction  
17 account, the deferred compensation administrative account, the deferred  
18 compensation principal account, the department of retirement systems  
19 expense account, the developmental disabilities community trust  
20 account, the drinking water assistance account, the drinking water  
21 assistance administrative account, the drinking water assistance  
22 repayment account, the Eastern Washington University capital projects  
23 account, the education construction fund, the education legacy trust  
24 account, the election account, the emergency reserve fund, The  
25 Evergreen State College capital projects account, the federal forest  
26 revolving account, the freight mobility investment account, the health  
27 services account, the public health services account, the health system  
28 capacity account, the personal health services account, the state  
29 higher education construction account, the higher education  
30 construction account, the highway infrastructure account, the high-  
31 occupancy toll lanes operations account, the industrial insurance  
32 premium refund account, the judges' retirement account, the judicial  
33 retirement administrative account, the judicial retirement principal  
34 account, the local leasehold excise tax account, the local real estate  
35 excise tax account, the local sales and use tax account, the medical  
36 aid account, the mobile home park relocation fund, the multimodal  
37 transportation account, the municipal criminal justice assistance  
38 account, the municipal sales and use tax equalization account, the

1 natural resources deposit account, the oyster reserve land account, the  
2 perpetual surveillance and maintenance account, the public employees'  
3 retirement system plan 1 account, the public employees' retirement  
4 system combined plan 2 and plan 3 account, the public facilities  
5 construction loan revolving account beginning July 1, 2004, the public  
6 health supplemental account, the Puyallup tribal settlement account,  
7 the real estate appraiser commission account, (~~the regional~~  
8 ~~transportation investment district account,~~) the resource management  
9 cost account, the rural Washington loan fund, the site closure account,  
10 the small city pavement and sidewalk account, the special wildlife  
11 account, the state employees' insurance account, the state employees'  
12 insurance reserve account, the state investment board expense account,  
13 the state investment board commingled trust fund accounts, the  
14 supplemental pension account, the Tacoma Narrows toll bridge account,  
15 the teachers' retirement system plan 1 account, the teachers'  
16 retirement system combined plan 2 and plan 3 account, the tobacco  
17 prevention and control account, the tobacco settlement account, the  
18 transportation infrastructure account, the transportation partnership  
19 account, the tuition recovery trust fund, the University of Washington  
20 bond retirement fund, the University of Washington building account,  
21 the volunteer fire fighters' and reserve officers' relief and pension  
22 principal fund, the volunteer fire fighters' and reserve officers'  
23 administrative fund, the Washington fruit express account, the  
24 Washington judicial retirement system account, the Washington law  
25 enforcement officers' and fire fighters' system plan 1 retirement  
26 account, the Washington law enforcement officers' and fire fighters'  
27 system plan 2 retirement account, the Washington school employees'  
28 retirement system combined plan 2 and 3 account, the Washington state  
29 health insurance pool account, the Washington state patrol retirement  
30 account, the Washington State University building account, the  
31 Washington State University bond retirement fund, the water pollution  
32 control revolving fund, and the Western Washington University capital  
33 projects account. Earnings derived from investing balances of the  
34 agricultural permanent fund, the normal school permanent fund, the  
35 permanent common school fund, the scientific permanent fund, and the  
36 state university permanent fund shall be allocated to their respective  
37 beneficiary accounts. All earnings to be distributed under this



1 subsection (4)(a) shall first be reduced by the allocation to the state  
2 treasurer's service fund pursuant to RCW 43.08.190.

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

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

24 **Sec. 23.** RCW 43.84.092 and 2005 c 514 s 1106, 2005 c 353 s 4, 2005  
25 c 339 s 23, 2005 c 314 s 110, 2005 c 312 s 8, and 2005 c 94 s 2 are  
26 each reenacted and amended to read as follows:

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

30 (2) The treasury income account shall be utilized to pay or receive  
31 funds associated with federal programs as required by the federal cash  
32 management improvement act of 1990. The treasury income account is  
33 subject in all respects to chapter 43.88 RCW, but no appropriation is  
34 required for refunds or allocations of interest earnings required by  
35 the cash management improvement act. Refunds of interest to the  
36 federal treasury required under the cash management improvement act  
37 fall under RCW 43.88.180 and shall not require appropriation. The

1 office of financial management shall determine the amounts due to or  
2 from the federal government pursuant to the cash management improvement  
3 act. The office of financial management may direct transfers of funds  
4 between accounts as deemed necessary to implement the provisions of the  
5 cash management improvement act, and this subsection. Refunds or  
6 allocations shall occur prior to the distributions of earnings set  
7 forth in subsection (4) of this section.

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

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

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

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

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

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

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

1           **Sec. 24.** RCW 36.73.015 and 2005 c 336 s 1 are each amended to read  
2 as follows:

3           The definitions in this section apply throughout this chapter  
4 unless the context clearly requires otherwise.

5           (1) "District" means a transportation benefit district created  
6 under this chapter.

7           (2) "City" means a city or town.

8           (3) "Transportation improvement" means a project contained in the  
9 transportation plan of the state or a regional transportation planning  
10 organization (~~((that is of statewide or regional significance))~~). A  
11 project may include investment in new or existing highways of statewide  
12 significance, principal arterials of regional significance, high-  
13 capacity transportation, public transportation, and other  
14 transportation projects and programs of regional or statewide  
15 significance including transportation demand management. Projects may  
16 also include the operation, preservation, and maintenance of these  
17 facilities or programs. (~~((Not more than forty percent of the revenues  
18 generated by a district may be expended on city streets, county roads,  
19 existing highways other than highways of statewide significance, and  
20 the creation of a new highway that intersects with a highway of  
21 statewide significance.))~~)

22           **Sec. 25.** RCW 36.73.020 and 2005 c 336 s 3 are each amended to read  
23 as follows:

24           (1) The legislative authority of a county or city may establish a  
25 transportation benefit district within the county or city area or  
26 within the area specified in subsection (2) of this section, for the  
27 purpose of acquiring, constructing, improving, providing, and funding  
28 a transportation improvement within the district that is consistent  
29 with any existing state, regional, and local transportation plans and  
30 necessitated by existing or reasonably foreseeable congestion levels.  
31 The transportation improvements shall be owned by the county of  
32 jurisdiction if located in an unincorporated area, by the city of  
33 jurisdiction if located in an incorporated area, or by the state in  
34 cases where the transportation improvement is or becomes a state  
35 highway. However, if deemed appropriate by the governing body of the  
36 transportation benefit district, a transportation improvement may be  
37 owned by a participating port district or transit district, unless

1 otherwise prohibited by law. Transportation improvements shall be  
2 administered and maintained as other public streets, roads, highways,  
3 and transportation improvements. To the extent practicable, the  
4 district shall consider the following criteria when selecting  
5 transportation improvements:

- 6 (a) Reduced risk of transportation facility failure and improved  
7 safety;
- 8 (b) Improved travel time;
- 9 (c) Improved air quality;
- 10 (d) Increases in daily and peak period trip capacity;
- 11 (e) Improved modal connectivity;
- 12 (f) Improved freight mobility;
- 13 (g) Cost-effectiveness of the investment;
- 14 (h) Optimal performance of the system through time; and
- 15 (i) Other criteria, as adopted by the governing body.

16 (2) Subject to subsection (6) of this section, the district may  
17 include area within more than one county, city, port district, county  
18 transportation authority, or public transportation benefit area, if the  
19 legislative authority of each participating jurisdiction has agreed to  
20 the inclusion as provided in an interlocal agreement adopted pursuant  
21 to chapter 39.34 RCW. However, the boundaries of the district  
22 (~~shall~~) need not include all territory within the boundaries of the  
23 participating jurisdictions comprising the district.

24 (3) The members of the legislative authority proposing to establish  
25 the district, acting ex officio and independently, shall constitute the  
26 governing body of the district: PROVIDED, That where a district  
27 includes area within more than one jurisdiction under subsection (2) of  
28 this section, the district shall be governed under an interlocal  
29 agreement adopted pursuant to chapter 39.34 RCW. However, the  
30 governing body shall be composed of at least five members including at  
31 least one elected official from the legislative authority of each  
32 participating jurisdiction.

33 (4) The treasurer of the jurisdiction proposing to establish the  
34 district shall act as the ex officio treasurer of the district, unless  
35 an interlocal agreement states otherwise.

36 (5) The electors of the district shall all be registered voters  
37 residing within the district.

1 (6) Prior to December 1, 2007, the authority under this section,  
2 regarding the establishment of or the participation in a district,  
3 shall not apply to:

4 (a) Counties with a population greater than one million five  
5 hundred thousand persons and any adjoining counties with a population  
6 greater than five hundred thousand persons;

7 (b) Cities with any area within the counties under (a) of this  
8 subsection; and

9 (c) Other jurisdictions with any area within the counties under (a)  
10 of this subsection.

11 NEW SECTION. Sec. 26. A new section is added to chapter 47.01 RCW  
12 to read as follows:

13 The department shall not commence construction on any part of the  
14 state route number 520 bridge replacement and HOV project until a  
15 record of decision has been reached providing reasonable assurance that  
16 project impacts will be avoided, minimized, or mitigated as much as  
17 practicable to protect against further adverse impacts on neighborhood  
18 environmental quality as a result of repairs and improvements made to  
19 the state route number 520 bridge and its connecting roadways, and that  
20 any such impacts will be addressed through engineering design choices,  
21 mitigation measures, or a combination of both. The requirements of  
22 this section shall not apply to off-site pontoon construction  
23 supporting the state route number 520 bridge replacement and HOV  
24 project.

25 NEW SECTION. Sec. 27. A new section is added to chapter 47.01 RCW  
26 to read as follows:

27 (1) Prior to commencing construction on either project, the  
28 department of transportation must complete all of the following  
29 requirements for both the Alaskan Way viaduct and Seattle Seawall  
30 replacement project, and the state route number 520 bridge replacement  
31 and HOV project: (a) In accordance with the national environmental  
32 policy act, the department must designate the preferred alternative,  
33 prepare a substantial project mitigation plan, and complete a  
34 comprehensive cost estimate review using the department's cost estimate  
35 validation process, for each project; (b) in accordance with all  
36 applicable federal highway administration planning and project

1 management requirements, the department must prepare a project finance  
2 plan for each project that clearly identifies secured and anticipated  
3 fund sources, cash flow timing requirements, and project staging and  
4 phasing plans if applicable; and (c) the department must report these  
5 results for each project to the joint transportation committee.

6 (2) The requirements of this section shall not apply to (a) utility  
7 relocation work, and related activities, on the Alaskan Way viaduct and  
8 Seattle Seawall replacement project and (b) off-site pontoon  
9 construction supporting the state route number 520 bridge replacement  
10 and HOV project.

11 NEW SECTION. **Sec. 28.** A new section is added to chapter 47.01 RCW  
12 to read as follows:

13 The legislature recognizes that the finance and project  
14 implementation planning processes required for the Alaskan Way viaduct  
15 and Seattle Seawall replacement project and the state route number 520  
16 bridge replacement and HOV project cannot guarantee appropriate  
17 decisions unless key study assumptions are reasonable with respect to  
18 each project.

19 To assure appropriate finance plan and project implementation plan  
20 assumptions, an expert review panel shall be appointed to provide  
21 independent financial and technical review for development of a finance  
22 plan and project implementation plan for the projects described in this  
23 section.

24 (1) The expert review panel shall consist of five to ten members  
25 who are recognized experts in relevant fields, such as planning,  
26 engineering, finance, law, the environment, emerging transportation  
27 technologies, geography, and economics.

28 (2) The expert review panel shall be selected cooperatively by the  
29 chairs of the senate and house transportation committees, the secretary  
30 of the department of transportation, and the governor to assure a  
31 balance of disciplines.

32 (3) The chair of the expert review panel shall be designated by the  
33 governor.

34 (4) The expert review panel shall, with respect to completion of  
35 the project alternatives as described in the draft environmental impact  
36 statement of each project:



1 (a) Review the finance plan for the project to ensure that it  
2 clearly identifies secured and anticipated funding sources and is  
3 feasible and sufficient;

4 (b) Review the project implementation plan covering all state and  
5 local permitting and mitigation approvals that ensure the most  
6 expeditious and cost-effective delivery of the project; and

7 (c) Report its findings and recommendations on the items described  
8 in (a) and (b) of this subsection to the joint transportation  
9 committee, the office of financial management, and the governor by  
10 September 1, 2006.

11 (5) Upon receipt of the expert review panel's findings and  
12 recommendations under subsection (4)(c) of this section, the governor  
13 must make a finding of whether each finance plan is feasible and  
14 sufficient to complete the project as described in the draft  
15 environmental impact statement.

16 (6) Nothing in this section shall be interpreted to delay  
17 construction of any of the projects referenced in this section.

18 NEW SECTION. **Sec. 29.** A new section is added to chapter 36.120  
19 RCW to read as follows:

20 (1) The most populous city, within the three-county region eligible  
21 to create a regional transportation investment district under this  
22 chapter, shall submit an advisory ballot to the city voters at the 2006  
23 general election regarding voter preference of the tunnel and rebuild  
24 alternatives described in the environmental impact statement relative  
25 to the Alaskan Way viaduct project. The results of the election shall  
26 be advisory only and not binding regarding the final project to be  
27 constructed.

28 (2) In the alternative to the provisions of subsection (1) of this  
29 section, following the report of the expert review panel's findings and  
30 recommendations completed under section 28(4)(c) of this act, the city  
31 legislative authority shall hold public hearings on the findings and  
32 recommendations. After such time, and by November 1, 2006, the city  
33 legislative authority shall adopt by ordinance a preferred alternative  
34 for the Alaskan Way viaduct and Seattle Seawall replacement project.  
35 The preferred alternative must, at a minimum, be based on a substantial  
36 project mitigation plan and a comprehensive cost estimate review using  
37 the department's cost estimate validation process.

1        NEW SECTION.    **Sec. 30.**    Section 22 of this act expires July 1,  
2    2006.

3        NEW SECTION.    **Sec. 31.**    Section 23 of this act takes effect July 1,  
4    2006.

Passed by the House March 8, 2006.

Passed by the Senate March 7, 2006.

Approved by the Governor March 29, 2006.

Filed in Office of Secretary of State March 29, 2006.